

**Towards credible performance reporting: The case of
Mpumalanga Farmer Support and Development Services
(Programme 3)**

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ABSTRACT

This study focused on factors that had compromised the credibility of the performance reports of Programme 3 (Farmer Support and Development Services) of the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration. The main research objectives for this study included:

- To analyse the policies, strategies and procedures governing performance reporting within Farmer Support and Development Services in the Ehlanzeni South District of Mpumalanga Province.
- To investigate and analyse the current processes of preparing and verifying performance reports in the Ehlanzeni South District of Mpumalanga Province.

Performance measurement, reporting and management are important for the accountability of organisations, individuals and managers to produce better services (Flynn, 2002:206). The reporting of performance information in the public sector in South Africa is a constitutional requirement. Performance reports should be accurate, valid, and complete in order to be considered credible and useful for decision making towards effective service delivery.

The study followed a qualitative approach which included document analyses and a case study design, using Ehlanzeni South District as the unit of analysis. A questionnaire was administered as a data collection instrument.

The study revealed that credible performance reporting is essential for accountability and effective management within the Ehlanzeni South District of Mpumalanga Province. Furthermore, it revealed that the use of incorrect evidence templates, the submission of incomplete evidence and the adjustment of reported performance by third parties contributed to the loss of credibility of reported performance. The discrepancies between the reported performance and the documented evidence signified that there was poor performance file management and that the reported performance of Programme 3 lacked the required credibility.

Keywords: Performance, Programme Performance Information, Performance Reporting, Annual Performance Plan, Accountability, Monitoring and Evaluation, Department of Agriculture, Rural Development and Land Administration (DARDLA), Farmer Support and Development Services.

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LIST OF ABBREVIATIONS USED:

AGSA: AUDITOR GENERAL SOUTH AFRICA

APP: ANNUAL PERFORMANCE PLAN

**DARDLA: DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT AND
LAND ADMINISTRATION**

KPI: KEY PERFORMANCE INDICATOR

M&E: MONITORING AND EVALUATION

MEC: MEMBER OF EXECUTIVE COUNCIL

MTEF: MEDIUM-TERM EXPENDITURE FRAMEWROK

MTSF: MEDIUM-TERM STRATEGIC FRAMEWORK

NPA: NEW PUBLIC ADMINISTRATION

NPM: NEW PUBLIC MANAGEMENT

POE: PORTFOLIO OF EVIDENCE

SA: SOUTH AFRICA

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CHAPTER 1

ORIENTATION AND PROBLEM STATEMENT

1.1 ORIENTATION

Government performance is equally important to all stakeholders such as public sector managers, civil society and private organisations (Van der Waldt, 2004:33). The ultimate goal of any government is improved service delivery and equal distribution of resources. The aforementioned is measured by means of performance management. The need to manage performance at both the institutional and individual employee levels has long been recognised (Williams, 2002:1). Performance management can be defined as all the processes and systems designed to manage and develop performance at the level of the public service, specific organisations, components, teams and also individuals (Van der Waldt, 2004:39). From this definition it can be deduced that performance occurs in two dimensions, namely institutional performance (performance at the level of the organisation) and individual performance (performance at the level of individual employees). Institutional performance, according to the Framework for Strategic Plans and Annual Performance Plans (SA, 2010:9), refers to the performance (achievement or non-achievement) of the institution against the targets set in the annual performance plan. According to Minnaar (2010:130), institutional performance plans are based on the Medium-Term Strategic Framework (MTSF) and the Medium-Term Expenditure Framework (MTEF) and ultimately become the reference point for the activation of performance management.

Doherty and Horne (2002:234) are of the view that public services are delivered by the people for the people. This implies that government performance depends on the performance of individuals employed by the government. Van der Waldt (2004:203) also emphasises that organisational performance is determined in part by the individual performance of the people employed in that organisation. Moreover, Minnaar (2010:130) stresses the importance of aligning individual performance plans with the institutional performance plan. The next step, after aligning the individual with the institutional performance plan, is to implement and monitor these performance plans in order to ensure achievement of the planned performance targets. The monitoring of performance is achieved through performance measurement and reporting, the latter being the focus of this study.

Performance measurement is defined by Henry (2004:170) as the on-going monitoring and reporting of programme accomplishments, particularly the progress towards pre-established goals. Gildenhuis and Knipe (2000:128) argue that measuring and reporting on performance aims at deciding the extent to which the public has received value for its money. Performance reporting refers to the obligation of government institutions to account, via political executives and the legislatures, to the public, on how the public resources have been utilised to render services and the results thereof (Minnaar, 2010:179). Public performance reporting involves formal mechanisms used by government to report performance to those who have a legitimate interest in knowing, assessing the performance and using the performance information (Prinsloo & Roos, 2011:113). Public performance reporting subjects the plans, actions and outcomes of government departments and officials to public scrutiny (Du Toit, Knipe, van Niekerk, van der Waldt & Doyle, 2001:219). The reporting of performance information in the public sector in South Africa is a constitutional requirement. The Constitution of the Republic of South Africa of 1996, Section 195, requires that public administration must be accountable and that transparency must be fostered by providing the public with timely, accessible and accurate information (SA, 1996:1331).

According to the Framework for Managing Programme Performance Information (SA, 2007a:1), performance information through reporting indicates how well an institution is meeting its aims and objectives. Performance information is communicated through various accountability documents produced by government institutions at each stage of the planning, budgeting, implementation, reporting, monitoring and evaluation cycle, as outlined in the Strategic and Annual Performance Plan Framework (SA, 2010:9). Accountability documents are described by the Framework for Managing Programme Performance Information (SA, 2007a:21) as “documents that executive authorities use to give full and regular reports on the matters under their control to Parliament and the provincial legislatures in terms of the constitution”. Accountability documents include plans, budgets, in-year reports and annual reports.

Regular monitoring and reporting on performance can be viewed as a form of accountability as well as a tool for effective management (SA, 2007a:21). Government departments are required to account to the citizens of the country through performance reports on how the public resources are being utilised to render public services. Governments are legally required to report on various aspects of their performance such as expenditure; progress towards the achievements of performance targets and

reasons for under or over achievements, so that the public, media and other stakeholders can hold them to account (Duignan, 2010:1). The aforementioned is also emphasised by Burrows, Kamnikar and Kamnikar (2011:1) in that, in a representative democracy, governments are held accountable to their citizens.

Accountability of government to its citizens implies providing information to the citizens about its achievements, shortfalls, and usage of public resources through various reports such as quarterly expenditure reports as well as quarterly and annual performance reports (Burrows, Kamnikar & Kamnikar, 2011:1). Accountability for actions that have been taken attracts an obligation to report on and accept responsibility for those actions, as well as their consequences (Neale & Anderson, 2000:2). The authors further argue that accountability leads to “reporting on one’s actions to those who have a right to know about actions taken and their consequences” (Neale & Anderson, 2000:2). Performance reporting should therefore be viewed as an important aspect of accountability.

In addition to accountability, performance reporting is also vital for effective management. According to the Guide for the Preparation of an Annual Report (SA, 2012:13) performance information (i.e. information on pre-determined objectives) is key to effective management planning, budgeting, implementation, monitoring and evaluation and reporting. Henry (2004:170) argues that performance measurement is the basis for the public sector’s effort to improve its effectiveness and efficiency. A significant challenge facing the South African Government, according to the Policy Framework for the Government-wide Monitoring and Evaluation, is to become more effective (SA, 2007b:1). The framework further states that one of the ways in which government increases its effectiveness is by concentrating on monitoring and evaluation (SA, 2007b:5). This view is supported by Sangweni (2007:vii) who argues that for the Public Service to fulfil its role as the primary service delivery arm of the developmental state, the efficiency of the Public Service is critical. Sangweni (2007:vii) further argues that it is vital for the Public Service to continually examine and report its performance, in order to review and improve its service delivery modalities.

In the foreword of the National Evaluation Policy Framework (SA, 2011a:ii), the Minister of Performance Monitoring and Evaluation states that, “if we are to improve our (the government) performance, we have to reflect on what we are doing, what we are achieving against what we set out to achieve, and why unexpected results are

occurring”. The Minister further argues that, “we cannot advance without making mistakes on the way, but we must evaluate and learn from our successes and our mistakes” (SA, 2011a:ii). Performance reporting in the public sector context therefore entails a system of measuring, recording performance against predetermined performance targets, collecting evidence and preparing regular progress reports on the performance of each programme.

The Policy Framework for the Government-wide Monitoring and Evaluation System asserts that monitoring, evaluation and reporting processes can assist the public sector in evaluating its performance and identifying the factors which contribute to its service delivery outcomes (SA, 2007b:1). The Monitoring and Evaluation System of the South African Government is based on three components namely: programme performance information; social, economic and demographic statistics and evaluations (SA, 2007b:8).

The Policy Framework for the Government-wide Monitoring and Evaluation System describes the aims of the Programme Performance Information Framework as, amongst others:

- to improve the structures, systems and processes required to manage performance information; and
- to promote accountability to Parliament, provincial legislatures and municipal councils and the public, through timely, accessible and accurate publication (i.e. reporting) of performance information (SA, 2007b:8).

The 2012 - 2013 Annual Performance Plan (APP) of the Mpumalanga Department of Agriculture, Rural Development and Land Administration (DARDLA, 2012a:13) showed that the department is made up of the following programmes:

- Programme 1: Administration
- Programme 2: Sustainable Resource Management and Project Management
- Programme 3: Farmer Support and Development Services
- Programme 4: Veterinary Services
- Programme 5: Research and Development
- Programme 6: Agricultural Economics and Marketing
- Programme 7: Structured Agricultural Training
- Programme 8: Comprehensive Rural Development Programme

- Programme 9: Land Administration

The Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration (DARDLA) renders services in four districts namely: Ehlanzeni South, Ehlanzeni North, Gert-Sibande and Nkangala Districts. The department has developed a Performance Information Management Policy as well as a Performance Information Management Procedure. A system of performance reporting based on a portfolio of evidence has been introduced by the Mpumalanga Department of Agriculture, Rural Development and Land Administration. The Programme Performance Information Management System of the Farmer Support and Development Services Directorate is a manual system based on hard copies of (physical) evidence with the following features:

- It is based on performance data collection instruments known as Portfolio of Evidence (PoE) templates;
- a performance indicator definition matrix which defines what each indicator means, the nature of evidence required and who should sign the completed evidence documents;
- DARDLA Performance Information Management Policy and the Procedure Manual;
- the writing of monthly municipal performance reports;
- the consolidation of municipal reports into district reports;
- the preparation of lists (listing) of documented evidence using a spread sheet;
- the review of reported performance information during which evidence documents (PoE) in files are checked against the listings and the report;
- for each performance indicator there is a specific template to be used as a supporting piece of evidence;
- each template on the portfolio of evidence is to be completed and signed by relevant stakeholders and filed, as prescribed in the Performance Information Management Procedure of the DARDLA (DARDLA, 2012c:4).

The department has also introduced a device called the Smart Pen - also known as the Digital Pen - with the intention to shift towards digitalising advisory services within Farmer Support and Development Services. The aim of the Smart Pen is to record performance data electronically and immediately transfer the information to a central system accessible to Supervisors. The Smart Pen System can generate electronic performance reports from the data collected in the field by Agricultural Advisors. The

advantage of this system is that it can make accurate and timely reporting of performance information possible. The Smart Pen Project is however still at a piloting stage.

This study focused on Programme 3 of the department, namely Farmer Support and Development Services, within the Mpumalanga Province. The focus of the study was limited to one district, namely Ehlanzeni South District, and investigated the credibility of performance reporting of the Farmer Support and Development Services within this district of the Mpumalanga Province. The study focused on describing the processes followed by staff members in the Farmer Support and Development Services, in the preparation of performance reports as well as determining what factors led to misrepresentation in these reports.

1.2 PROBLEM STATEMENT

The Public Audit Act 25 of 2004 (SA, 2004:20) (1) (c) requires that the Auditor General should express an opinion on “reported information of the auditee against pre-determined objectives”. The DARDLA, like all other government institutions, is thus expected to prepare performance reports based on the achievements or non-achievements of pre-determined objectives. Van Thiel and Leeuw (2002:269) are of the view that there is a need to supply evaluative information at the hand of reporting, that is perceived to be reliable, valid and credible to the managers, policy makers, legislators and the general public. The authors further argue that evaluative information that lacks the characteristics of being reliable, valid and credible may not enhance transparency, accountability and democratic governance.

The DARDLA in its Annual Report (DARDLA, 2010:125) published the Auditor General’s findings on its predetermined objectives which reflected the following:

- “The department did not maintain an effective, efficient and transparent system and internal controls regarding performance management, which described and represented how the institution’s processes of performance planning, monitoring, measurement, review and reporting would be conducted, organised and managed as required in terms of Section 38(1)(a) and (b) of the Public Finance Management Act”.

- “For the selected programmes, 80% of the reported targets were not accurate and completed on the basis of the source information provided to support the reported targets”.
- “The validity, accuracy and completeness of the 80% of the reported indicators could not be established, as relevant source documentation could not be provided for audit purposes”.

The DARDLA Internal Audit Report (DARDLA, 2012b:54) showed that amongst other things, the Ehlanzeni South District did not prepare a database of land reform farms that were supported by the department. The report indicated that there was a risk that reported performance information might be inaccurate, invalid and incomplete, which might impair reliability of information disclosed to the public. The performance reporting within Farmer Support and Development Services in the Ehlanzeni South District of Mpumalanga Province has therefore not proved to be credible. The problem is thus that the performance reporting within Farmer Support and Development Services in Ehlanzeni South District of Mpumalanga Province lacks credibility and this poses a risk of adverse audit findings which will hamper the Provincial Government’s goal of achieving clean audits by the end of 2014. The aforementioned could lead to performance information that is not credible, might mislead the public and misinform the decision making process for officials, all of which are vital for effective service delivery. The research question of this study was thus to investigate the causes of non-credible performance reporting within Programme 3: the Farmer Support and Development Services Directorate in the Ehlanzeni South District of Mpumalanga Province. The study further sought to identify and recommend ways to manage the portfolio of evidence to ensure that future programme performance reporting within the Farmer Support and Development Services will be credible.

1.3 RESEARCH OBJECTIVES

In order to address the research problem the following objectives for purposes of this study have been identified:

- To investigate theories on the nature and extent of performance, performance management and performance reporting.

- To analyse the policies, strategies and procedures governing performance reporting within Farmer Support and Development Services in the Ehlanzeni South District of Mpumalanga Province.
- To investigate and analyse the current processes of preparing and verifying performance reports in the Ehlanzeni South District of Mpumalanga Province.
- To provide recommendations on how to eliminate inaccuracies and inconsistencies and enhance reliability in performance reporting in the Ehlanzeni South District of Mpumalanga Province, based on the theoretical discussion.

1.4 RESEARCH QUESTIONS

Against the above background discussion, problem statement and research objectives, the following research questions were formulated:

- What does performance, performance management and performance reporting entail within government structures, specifically within the Ehlanzeni South District of Mpumalanga Province?
- What are the policies, strategies and procedures for credible performance reporting within the Ehlanzeni South District of Mpumalanga Province?
- What is the current state of performance reporting concerning Farmer Support and Development Services within the Ehlanzeni South District of Mpumalanga Province?
- How can the credibility and reliability of performance auditing reports be improved for more effective, efficient and economical service delivery in the Ehlanzeni South District of Mpumalanga Province?

1.5 CENTRAL THEORETICAL STATEMENTS

The reporting of performance information by government organisations is a legal requirement throughout the world (Duignan, 2010:1). Performance reporting according to Thomas (2007:2) is informed by the theory of performance measurement, performance management and performance based accountability, which is based on the notion that “if you cannot measure it, you cannot manage it”.

The Mpumalanga DARDLA, like all other government institutions, reports on its performance against pre-determined objectives through quarterly and annual performance reports, in line with the Guide for the Preparation of an Annual Report (SA, 2012:22). The Consolidated Performance Report of the Department (DARDLA) is made up of the performance reports of each of the nine (9) programmes, including Farmer Support and Development Services, as reflected in the Annual Report (DARDLA, 2010:23).

As required by the Public Audit Act 25 of 2004, the performance report of the department (DARDLA) is audited with regard to its validity, accuracy and completeness by the Auditor General on an annual basis (SA, 2004:20). The Ehlanzeni South District Farmer Support and Development Services Performance Report was audited by the Internal Audit Department of DARDLA during the third quarter of the financial year 2012/2013. The Internal Audit Report stated that the reported performance information might be inaccurate, invalid and incomplete, which might impair reliability of the information disclosed to the public (DARDLA, 2012b:54). Performance reports should be accurate, valid, and complete in order to be considered credible and useful for decision making towards effective service delivery.

1.6 RESEARCH METHODOLOGY

According to Babbie and Mouton (2001:75), research methodology focuses on the research process and the kind of tools and procedures to be used. The study used a qualitative approach of collecting data. Hogan, Dolan and Donnelly (2009:16) argue that a qualitative approach to research is grounded in the real world in which people live. Observing and interacting with the subjects in a real life work setup was the most appropriate approach, hence the choice of a qualitative approach. Webb and Auriacombe (2006:592) highlight the following advantages of a qualitative research approach:

- It provides the researcher with the perspective of target audience members through immersion in a culture or situation and direct interaction with the people under study.
- It generates rich, detailed data that leaves the participant's perspectives intact and provides a context for understanding behaviour.

The authors also highlight that the disadvantage of qualitative methods is the labour intensiveness and time consuming nature of data collection and analysis.

The qualitative approach, for the purposes of this study, included a literature review (document analyses) and a questionnaire. The study furthermore made use of a case study design, using Ehlanzeni South District as the unit of analysis. According to Leedy and Ormrod (2001:149), the case study approach involves the researcher collecting extensive data of the event on which the investigation is focused. As already mentioned, data collection by the researcher included document analyses, observations, and a questionnaire.

1.6.1 Literature review

A desktop study of relevant literature to explore the present available body of knowledge on the measurement and reporting of performance was conducted. A literature review is a critical point of departure in a holistic research process. Majam and Theron (2006:603) interpret the literature review as a vital component in any type of research, and emphasise that no type of research should be conducted without it. Majam and Theron (2006:603) further believe that the literature review helps the researcher to gain expertise on the topic she/he has selected to study and provides a benchmark for comparing the results of the study. Babbie and Mouton (2001:103) are also of the view that a literature review provides the following knowledge benefits:

- what other scholars have written about the topic (it provides context to the research);
- what theories address the topic;
- what research has been done previously on this topic; and
- whether there are consistent findings and/or past studies disagree.

The literature review for this study as outlined above was important in order to achieve the research objectives of this study. The literature review was conducted on a number of local and international sources regarding performance management in the public sector, with particular reference to performance reporting. The policy and framework documents guiding the management of performance information were consulted to enhance a better understanding of the programme performance reporting of Programme 3 in the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration. Annual Reports, operational and systems

documents, Internal Audit findings and Monitoring and Evaluation Reports from the Mpumalanga Department of Agriculture, Rural Development and Land Administration were also consulted, to provide a basis for the analysis of programme performance reporting in Farmer Support and Development Services within the Ehlanzeni South District of Mpumalanga Province.

1.6.2 Databases

The databases below were utilised in sourcing and gathering study material for the purpose of this study:

- Catalogue of books: Ferdinand Postma Library, North-West University (Potchefstroom Campus).
- Catalogue of dissertations and theses of South African Universities.
- Index of South African Periodicals.
- Internet searches.
- Government legislation.
- Government websites.

1.6.3 Empirical study

In addition to the literature review, empirical research was conducted to fulfil the research objectives outlined above. Empirical research is based on direct experience or observation of the world: i.e. the use of observable data as the way of answering questions and of developing and testing ideas (Punch, 2000:3). The study was based on a qualitative research design using a case study approach, with a questionnaire administered in the Ehlanzeni South District of the Mpumalanga Province and completed by the District Manager, the Agricultural Municipal Managers, the Agricultural Advisors and the District Monitoring and Evaluation Officials. This provided a deeper understanding of the systems, procedures and processes followed in the collection of performance data, preparation and verification of performance reports and the management of reported performance information. The study focused on Programme 3, namely Farmer Support and Development Services in the Ehlanzeni South District of the Mpumalanga Province.

1.6.3.1 Research design

Babbie and Mouton (2001:74) state that a research design is a plan or blue print of how one intends to conduct research. In addition to the qualitative approach outlined in Section 1.6 above, the research design included a case study approach as well. Auriacombe and Mouton (2007:445) describe a case study as a form of field research that investigates a specific phenomenon holistically or systematically. According to Conaty (2012:292), a case study is suited to an exploratory examination and assists in building a supported conceptual analysis in a real-life context. Webb and Auriacombe (2006:599) highlight that the advantage of a case study approach is that it emphasises detailed contextual analysis of a limited number of events or conditions and their relationships. Case studies use documents, artefacts, interviews and observations as sources of evidence and seek to present empirical evidence fairly and rigorously. The case study approach in this study involved that the Ehlanzeni South District was used as a singular case within the Mpumalanga DARDLA to investigate the causes of non-credible performance reporting within the Farmer Support and Development Services Directorate. The disadvantage of using a case study approach implies that the results of a particular case study cannot be generalised to the entire population, but can however be used as a learning curve of a singular case. Ehlanzeni South District was therefore the locus of this study and was utilised as the unit of analysis.

1.6.3.2 Sampling

Sampling is described as the process of selecting observations from the study population (Babbie & Mouton, 2001:164). Burger and Silima (2006:658) define a sample as a small portion of the total set of cases, events or objects which together comprise the subject of the study. A sample is a small portion of the total target population under consideration for the research (Denscombe, 2003:11). A sampling frame is defined by Babbie and Mouton (2001:174) as the actual list of sampling units from which the sample is selected. Sampling designs are generally grouped into two categories, namely probability and non-probability sampling (Burger & Silima, 2006:658). Probability sampling is based on the principle that all members of the population have an equal chance of being selected in the sample. Non-probability sampling is not based on determining the probability of an element being included in the sample (Burger & Silima, 2006:658). The Ehlanzeni South District Farmer Support and Development Services Directorate comprised of 42 officials made up as follows: 1 District Director, 3

Agricultural Municipal Managers, 31 Agricultural Advisors for Crop Production, and 7 Agricultural Advisors for Animal Production, as reflected in Table 1 below:

Table1. Ehlanzeni South District Farmer Support and Development Services staff composition

Staff members	Umjindi Municipal Services	Mbombela Municipal Services	Nkomazi Municipal Services	District	TOTAL
District Director				1	1
Agricultural Municipal Manager	1	1	1	-	3
Agricultural Advisor : Crop Production	3	14	14	-	31
Agricultural Advisor : Animal Production	2	2	3	-	7
TOTAL	6	17	18	1	42

Source: Researcher's own compilation from departmental information.

Burger and Silima (2006:667) developed a table of guidelines for sampling which recommends sample sizes as percentages of the total population. According to this table of guidelines for sampling, for a population of 20, a sample of 100% should be considered and for a population of 30, a sample of 80% is suggested (i.e. 24). The use of samples with fewer than 30 people or events is however discouraged (Denscombe, 2003:24). During the course of the year, three (3) officials terminated their employment with Ehlanzeni South District due to retirement and resignations, which reduced the total population from 42 to 39. Given the total population of 39, a sample based on 80% of the population would have been recommended, however for the purpose of this study, probability sampling was used. This involved that the entire population of 39 was targeted for the study due to the following reasons:

- Provision had to be made for those who might choose not to participate in the study.
- The total population of 39 was not too large to handle.
- The 39 employees were not completely uniform as they provided differentiated services (1= district (senior) management, 3 = municipal (middle) management, 29 = crop production and 6 = animal production)

- Moreover, two local municipalities (Umjindi and Mbombela) operated from the same building; hence there was no extra cost of travelling involved when distributing the questionnaires to the employees from the two municipalities.

1.6.3.3 Instrumentation

The primary instrument employed in this study was a (questionnaire) with closed and open ended questions to ensure that respondents all got the same questions which enabled the analysis of responses and document analysis. Jarbandhan and Schutte (2006: 673) describe a questionnaire as an interview on paper. The authors furthermore describe a personal interview as having two major functions, namely description and exploration. Description refers to describing situations, events or characteristics of some population. Description seeks to answer the questions: why, who, what, where, when and how. Exploration, on the other hand, seeks to develop initial understanding of phenomena and is more appropriate where the researcher intends to break new ground (Babbie, 2001:91-93). The study sought to address possible gaps and weaknesses in the processes followed in compiling the programme performance reports, as well as the management of such reports, together with the portfolio of evidence.

The following documents were analysed: the Performance Information Management Policy, the Performance Information Management Procedure, files with portfolio of evidence on all Farmer Support and Development Services performance indicators, Quarterly Municipal Reports, the Annual Performance Plan, the Annual Reports, Internal Audit Reports, Monitoring and Evaluation Reports, as well as Auditor General Reports. The questionnaire was administered in person by the researcher, so that additional information could be collected, based on further probing where the body language of the participants reflected that more probing was required. Maree (2007:87) recommends that the researcher should be attentive to the responses of the participant, so that new emerging lines of inquiry directly related to the phenomenon being studied can be identified, explored and probed.

1.6.3.4 Data collection

Data collection is described by Mouton (1996:67) as applying the measuring instruments to the sample or cases selected for the investigation. The author further stresses the importance of using multiple sources for data collection, in that the

inclusion of multiple sources of data collection in a research project is likely to increase the reliability of the observation.

Secondary data was collected by means of a literature review and was properly recorded. Primary data was collected through a questionnaire completed by Agricultural Advisors from the three municipalities within the Ehlanzeni South District Farmer Support and Development Services, as well as their Municipal Managers. The questionnaire was administered by the researcher directly, due to the nature of the study being focussed on determining causes of non-credible reporting. The participants from the three municipalities were approached separately at their relevant work stations. The completed questionnaires were collected from all participants by the researcher.

1.6.3.5 Data analysis

According to Mouton (1996:67), data collection produces new information or data about the world that requires further processing. Data processing involves data reduction and data analysis. Collected data was described, analysed and interpreted by categorising observable characteristics (content analysis). All data was analysed scientifically.

According to Majam and Theron (2006:622), once data has been collected it must be prepared for analysis and interpretation with appropriate meaning, to support the research topic and problem. All scientifically analysed data was interpreted for purposes of fulfilling the research objectives of this study.

1.6.3.6 Limitations and parameters of the study

The researcher is an employee of DARDLA, serving as the Agricultural Municipal Manager for Mbombela Municipality (in Ehlanzeni South Farmer Support and Development Services) which is part of the study and could be biased in the design of the study. To address this possible limitation, the researcher took care not to pre-empt the results and the Study Leader provided guidance in this regard. The study focused only on Programme 3, namely Farmer Support and Development Services in the Mpumalanga Department of Agriculture, Rural Development and Land Administration, which was limited to one district out of four in the province. The results may not be generally applicable to the whole province. A case study approach was utilised for this study (see Sections 6 and 6.3.1 above) and might limit the generalisation of the findings.

1.7 ETHICAL CONSIDERATIONS

Burke (2010:416) argues that by interrogating the ethics of a research project, the researcher should subject himself to the effects that the research might have on the target population. The purpose of the study was communicated to all participants before their participation. Utmost respect for all the participants was shown. Ethical standards of the North-West University were upheld during the research process. Lutabingwa and Nethonzhe (2006:701) describe ethical standards in terms of fairness, honesty, openness of intent, disclosure of methods, respect for the integrity of the individual, obligation to guarantee individual privacy and informed willingness on the part of the subject to participate. To avoid violating the participants' rights to human dignity, privacy and any other rights, they were informed of the nature of the research they were requested to participate in. They were informed that their participation was voluntary and were assured of the confidentiality and anonymity of their responses.

1.8 SIGNIFICANCE OF THE STUDY

The purpose of the study was to broaden understanding regarding the dynamics of performance reporting. This was achieved by exploring the current processes and challenges experienced by the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration (DARDLA) in implementing evidence based and credible performance reporting systems. This research adds to the current body of knowledge on performance measurement and reporting, as it sought to identify causes of unreliable performance reporting in the public sector context. The study furthermore proposes recommendations on how to improve the credibility of performance reporting in the broader public sector. The results of the study will hopefully influence the review and improvement of monitoring and evaluation of programme performance in the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration.

CHAPTER 2

PERFORMANCE: A THEORETICAL PERSPECTIVE

2.1 INTRODUCTION

The research problem, questions and objectives were posed in Chapter 1 of the mini-dissertation. The chapter outlined *inter alia* the purpose of this study, namely to investigate the causes of non-credible performance reporting within Programme 3: Farmer Support and Development Services Directorate in the Ehlanzeni South District of Mpumalanga Province. This chapter now focuses on the secondary research objectives, which are to investigate the nature and extent of performance reporting within government structures.

This will be achieved by firstly providing an overview of all relevant terms and concepts regarding performance monitoring. Secondly, the chapter will outline the purpose, characteristics, nature and profile of performance reporting within government structures. Thirdly, the chapter determines the importance and necessity of performance reporting for more effective and improved service delivery in the South African Government.

2.2 OVERVIEW OF RELEVANT TERMS AND CONCEPTS

In this section relevant terms and concepts used in performance management in the public sector are defined and described to provide an overview and context for performance audit reporting in an international as well as a national context.

The term “performance management” is a compound word derived from two terms, namely performance and management. Performance in a public service delivery context entails the accomplishment of planned service delivery objectives (Collins Thesaurus A-Z, 2005:522; Fox & Meyer, 1995:94). Performance is measured at two levels, namely employee performance and programme (institutional) performance. At the level of an employee within an institution, performance can be defined as focused behaviour or purposeful work expected from employees, so that organisations can achieve their business objectives (Rudman, 2003:7). Performance at the level of an institution denotes the achievement by a government institution of planned service delivery targets, also known as pre-determined objectives. Programme performance represents the service delivery achievements of a budget programme i.e. a directorate within a

government department. A budget programme constitutes a main division within a department's budget that funds a clearly defined set of objectives based on the services or functions within the department's legislative and other mandates (SA, 2010:14).

Performance must be managed both at the level of the employee as well as the organisational level, to ensure that planned objectives are achieved (Williams, 2002:1). Managing performance involves the application of management principles of planning, leading and control to the performance of an organisation. Performance management is defined by Van der Waldt (2004:39) as all those processes and systems designed to manage and develop performance at the level of the public services, specific organisations, components, teams and individuals. It is the process of linking the overall business objectives of the organisation with departmental objectives, team objectives and individual objectives (Heery & Noon, 2008:343). This process furthermore involves setting performance targets, constantly reviewing progress towards those targets and taking corrective action where there are shortfalls (Heery & Noon, 2008:343).

According to the Public Service Commission (2007:v) performance management is a process that facilitates the management of employees' performance through planning, regular reviews and feedback with the aim of motivating employees to reach their full potential towards attaining departmental objectives. It is a systematic process that seeks to improve organisational performance by developing the performance of individuals and teams (Armstrong, 2009:9). The above definitions highlight the following key aspects of performance management: performance planning (the setting of performance targets based on linking organisational with individual employee objectives) and performance measurement (constant review of progress towards the set targets). Performance planning involves the formulating of organisational vision, strategy and describing the expected performance (Williams, 2002:12). Through performance planning, performance indicators and targets that will be used to measure and evaluate the performance can be formulated and clearly expressed (Minnaar, 2010:67).

The effort by the public sector to improve the efficiency and effectiveness of its service delivery is based on the measurement of performance (Henry, 2004:170). Performance measurement is the on-going monitoring and reporting of programme accomplishments with regard to progress towards pre-established goals (Henry, 2004:170). It is a set of activities aimed at obtaining information about the achieved performance (Van Dooren,

Bouckaert & Halligan, 2010:16). Mehrabad, Anvari and Saberi (2012:61) define performance expressions measurement as the evaluation of the achieved performance in each criterion i.e. comparing actual performance with performance targets and performing a gap analysis.

Performance measurement generates performance information which is presented in the form of regular performance reports such as monthly performance reports, quarterly performance reports and annual performance reports (Burrows, Kamnikar & Kamnikar, 2011:1). Performance information can be defined as the information that enhances transparency, accountability and oversight collected by government institutions in the course of performing their work (SA, 2007a:3). Performance information according to Roos (2012:6) comprises financial and non-financial, quantitative and qualitative information about the achievement of financial and service delivery objectives by the reporting entity. Performance report in the context of this study means a formal document that provides administrative and performance information on the progress towards the achievement of the planned service delivery objectives (SA, 2011:10). It is a formal or written account of how public resources have been used to render public services (SA, 2007a:1)

The credibility of performance reports produced by government departments is assessed by means of performance auditing. Performance auditing is the analysis and evaluation of the effectiveness of agencies or institutions in carrying out their objectives (Van der Waldt, 2004). Audit of pre-determined objectives refers to the annual audit of reported actual performance against pre-determined objectives, indicators and targets as contained in the annual performance report (AGSA, 2012:6). In South Africa, the quality of performance information is assessed against the following criteria: presentation, measurability, relevance, consistency, validity, accuracy and completeness (Nombembe, 2013:2).

Presentation of the performance report is the layout or arrangement i.e. how the reported performance information is prepared (New Concise Oxford Thesaurus, 2002:673). It is the format in which the performance report is prepared i.e. performance reports should be prepared according to National Treasury Guidelines and any differences between the reported actual performance and the planned performance should be explained (Roos, 2012: 12). To enhance credibility, performance reports should be presented in a format which the users will find easy to read, understand and

interpret (Van Dooren, Bouckaert & Halligan, 2010:180). Measurability requires the use of well-defined and verifiable performance indicators, as well as specific, measurable and time bound performance targets (Roos, 2012:12). Measurability signifies that the reported performance can be measured (Prinsloo & Roos, 2011:121).

Relevant implies that the reported performance relates logically and directly to the reporting entity's goals, objectives, strategies and functions (Keel, O'Brien & Hurst, 2012:11). Relevant performance information indicates that the reported performance relates directly to an aspect of the institution's mandate and the realisation of its strategic goals and objectives (Prinsloo & Roos, 2011:120). Consistency denotes that the reported performance information is not fluctuating or changing (New Concise Oxford Thesaurus, 2002:166).

Accuracy is the extent to which the reported performance information is precise and free of mistakes (Readers Digest Southern Africa Word Power Dictionary, 1996:14). The term complete means the reported performance information including the supporting documented evidence is full or thorough and finished i.e. there is no missing information (Collins Thesaurus A-Z, 2005:151). Completeness is the extent to which all actual results and events that should have been recorded have been included in the performance reports (Roos, 2012:12). The term valid connotes that actual performance reported has occurred and pertains to the reporting entity (Roos, 2012:12). According to Keel *et al.*, (2012:11) valid means that the reported performance captures the information intended. Validity relates to how well an instrument measures what it intends to measure or assess (Rudman, 2003:70). The validity of reported performance can be enhanced by the use of correct evidence templates (PoE) and the capturing of performance data in full.

Reliable performance information represents the reported performance information that is dependable, certain and trustworthy i.e. it is not misleading (Collins Thesaurus A-Z, 2005: 151). According to Keel *et al.*, (2012:10) reliable performance information provides accurate, consistent information over time. Reliable signifies that the reported performance is accurate enough for its intended use and the supporting documents are relevant and adequate with regard to quantity and quality (Prinsloo & Roos, 2011:121). Credibility refers to the believability of a source of the reported performance information in a particular situation (Fox & Meyer, 1995:74). Credible performance information represents information that has been verified as worthy of credit or acceptance

(Webster Comprehensive Dictionary, 1998:304). The New Concise Oxford Thesaurus (2002:186) defines credible as believable or persuasive, which implies that credible performance reports must be supported by convincing proof or evidence. According to Roos (2012:8) the credibility of performance information reported by government can be ascertained through the assurance provided by auditors. Credible performance reporting implies that the quality of the reported performance with regard to reliability, accuracy, validity and completeness can be verified, confirmed and assured by means of an audit opinion.

Performance information is published in regular performance reports released at specific intervals. The implementation of the annual performance plan is monitored during the financial year by means of the in-year monitoring conducted through quarterly performance reports (SA, 2010:7). Quarterly performance reports are documents prepared by government institutions to provide progress updates on the implementation of an institution's annual performance plan in the previous quarter (SA, 2010:8). The reporting of government performance at the end of the financial year (end-year reporting) is conducted through the institution's annual report (SA, 2010:7). The annual report provides performance information of the institution against the targets set in the annual performance plan in the preceding financial year for the purposes of oversight (SA, 2010:9).

Measuring performance enables institutions to assess their efficiency and effectiveness in the use of resources. Efficiency is about doing things right i.e. avoiding any wastage in the utilisation of the inputs (Mullins, 2002:849). According to Henry (2004:170), efficiency is the accomplishment of a job using the fewest resources possible. It connotes achieving more or better results using the same resources (Rudman, 2003:54). Effectiveness expresses the full achievement of the intended result (Henry, 2004:170). Effectiveness also relates to the achievement of goals and objectives within the limitation of allocated resources, thereby creating value (Minnaar & Bekker, 2005:128).

The basis for evaluating the organisational performance of public institutions is provided by strategic plans and annual performance plans. A strategic plan is a five year plan that identifies strategically important outcomes oriented goals and objectives that inform the medium term performance of public institutions and serve as a basis against which the public, Parliament and provincial legislatures can evaluate the performance of these

public institutions (SA, 2010:1). A strategic plan can be described as a five year planning document that contains the mission, goals and objectives that the agency seeks to accomplish, and the strategies and measures by which success is tracked (Keel *et al.*, 2012:3). Strategic plans are guided by the Medium Term Strategic Framework (MTSF) which reflects political outcomes priorities (SA, 2010:24). The Medium Term Strategic Framework is a framework that identifies priority key programmes for the five year term of office of the government, based on the national electoral mandate of the ruling political party (SA, 2009:19).

The annual performance plan (APP) identifies and expresses the performance indicators and targets that a public institution has committed itself to achieve during the upcoming financial year (SA, 2010:1). A performance plan, according to Rudman (2003:24), is a document setting out the agreed goals & performance targets for a particular period. A performance agreement, also known as a performance contract, is an agreement between the employer and the employee, specifying performance standards linked to a particular job occupied by the employee, as well as how those standards can be met (Public Service Commission, 2007:iv). A performance agreement is an agreement entered into between an employee and his or her immediate supervisor, specifying the nature, procedures and methodology that will be applied when measuring performance. Moreover it specifies the obligations, the management of performance evaluation results and dispute resolutions arising from performance evaluation (Minnaar, 2010:131). A Key Performance Area also known as a Key Result Area refers to a critical area of a job's responsibility from which performance results are expected within a particular period (Rudman, 2003:52). It represents the specific area of performance linked to the mandate, in which the institution will manage and monitor its performance (Minnaar, 2010:67). To ensure that the performance of an institution is measurable, Key Performance Indicators (KPI), performance targets, performance standards and performance baselines must be identified and specified.

A Key Performance Indicator (KPI) is defined as a measure of achievement that can be attributed to an individual, team or department (Heery & Noon, 2008:256). It specifies the evidence needed to show that a planned effort has yielded the desired results (Rudman, 2003:53). Performance indicators are measures that define the data to be collected to measure progress towards achieving the pre-determined objectives i.e. they enable comparison between actual results achieved and planned results (Van der Waldt, 2004:53). According to the Framework for Managing Programme Performance

Information (SA, 2007a:21) performance indicators identify specific numerical measurements that track progress toward the attainment of a goal.

Performance targets are the commitments made by units or departments with regard to the level, type of expected work performance and the time frame for realising such performance (Van der Waldt, 2004:62). The Framework for Managing Programme Performance Information describes performance targets as the expression of specific levels of performance that the institution, programme or individual is aiming to achieve within a given time period (SA, 2007a:9). Performance targets express the minimum acceptable level of performance or the generally expected level of performance (SA, 2007a:22). They quantify the level of performance with regard to how much or how many (Minnaar, 2010:73).

A Performance Standard, according to the Framework for Managing Programme Performance Information (SA, 2007a:9), is the minimum acceptable level of performance or the generally expected level of performance. The Public Service Commission (2007:iv) defines performance standard as the acceptable standard of performance derived from norms and benchmarks of similar activities, that an employee must attain. It is a description of the performance conditions which must be satisfied in order to rate performance as satisfactory (Erasmus, Swanepoel, Schenk, Van der Westhuizen & Wessels, 2005:277). Baseline is described as the current level of performance that the institution aims to improve (Van der Waldt, 2004:57). The baseline in most instances is the level of performance recorded in the year preceding the planning period (SA, 2007a:9).

Governance means gathering information on how the organisation is performing, to enable decision making (including making choices on what needs to be done to become more effective) that will contribute to organisational success (Roos, 2012:5). Governance is the acquisition of and accountability for the application of political authority to the directing of public affairs and the management of public resources (Van der Waldt, 2004:3). Accountability is described by Doherty and Horne (2002:327) as the process of requiring people to account for their actions. It is the responsibility of a government and its agents towards the public to realise previously set objectives and to account for them in public (Fox & Meyer, 1995:1). Accountability documents are described by the Framework for Managing Programme Performance Information (SA, 2007a:21) as documents that executive authorities use to give full and regular reports

on the matters under their control to Parliament and the provincial legislatures in terms of the constitution.

The Medium-Term Expenditure Framework refers to a three year budget framework (SA, 2011:iv). It is the operational plan by which government will meet its planned objectives over the next three years in terms of expenditure (Du Toit *et al.*, 2001:157). A performance review refers to the assessment of progress towards the achievement of agreed goals and performance targets for a specific period (Rudman, 2003:25). Monitoring refers to the on-going tracking of progress against plans and initiating corrective action (SA, 2011:4). Performance monitoring refers to each institution's monitoring of its own performance and submission of quarterly performance reports to oversight bodies (Keel *et al.*, 2012:3). It is a continuous process aimed at the early detection of performance deviation, so that it can be corrected in time (Minnaar, 2010:157). Evaluation refers to the systematic collection and objective analysis of evidence on public policies, programmes, projects, functions and organisations to assess issues such as relevance, effectiveness, efficiency, value for money, impact and sustainability to recommend ways forward (SA, 2011a:3). Performance evaluation is the assessment of performance of the institution, conducted at regular intervals, for purposes of accountability (Minnaar, 2010:157). Results based management involves monitoring and reporting on results through the development and provision of integrated financial and non-financial information (SA, 2010:1).

This section provided a conceptual framework by defining and describing relevant terms and concepts associated with performance management and performance monitoring and reporting. The next section will outline the theoretical basis for public management, performance management and performance reporting.

2.3 THE THEORETICAL UNDERPINNINGS OF PUBLIC MANAGEMENT, PERFORMANCE MANAGEMENT AND PERFORMANCE REPORTING

This section reviews literature on the theoretical framework and the evolution and development of performance management, including performance reporting in government structures. This was done to provide the context within which to understand the nature and profile of performance reporting within government structures.

2.3.1 Public sector management theory

Theory refers to a statement or collection of statements that specify relationships between variables in order to explain phenomena (Thornhill & Van Dijk, 2010:97). The Public Sector Management Theory is informed by Organisational Theory (Gruening, 2001:3). Organisational Theory seeks to explain the performance of an organisation, based on the patterns and regularities in the design and behaviour of the organisation (Daft, 2004:24). The Public Sector Management Theory developed through various stages of refinement and improvement. All modern models of public management from the Bureaucracy to New Public Management (NPM) and New Governance involve institutional governance (Elliasen & Sitter, 2008:132). Institutional governance involves questions about how the provision of public services is organised, in order to ensure the optimal mix of government directives, efficiency and user satisfaction (Elliasen & Sitter, 2008:132). According to Gruening (2001:3) the development of Public Sector Management Theory started with the Classical Public Administration, and developed through the Neo-classical Public Administration, public choice and modern institutional economics, policy analysis, public management and the New Public Management. These paradigms are discussed next.

2.3.1.1. *Classical public administration*

The Classical Public Administration Approach was based on a theory of organisation supplemented with the concept of management (Gruening, 2001:3). The Theoretical Approach is characterised by the use of performance indicators in public organisations (Gruening, 2001:3). This approach was based on the concept of bureaucracy developed by Max Weber, which emphasized administration rather than management, and inputs rather than outcomes (Rudman, 2003:13). Bureaucracy was about the performance of assigned duties according to official rules and procedures (Rudman, 2003:13). The Classical Administration Approach associated with hierarchy of authority and bureaucratic organisations sought to make organisations run efficiently like well-oiled machines (Daft, 2004:24). This approach placed emphasis on purpose, formal structure, hierarchy of management and common principles of organisation (Mullins, 2005:67). The management of the office under this approach was based on written documents, fixed official functional areas with rules and administrative regulations (Stillman II, 2010:54). The Classical Public Administration accorded relatively little importance to user choice (Elliasen & Sitter, 2008:133). The Classical Administration Approach failed

to accommodate personality factors such as the employees' psychological and social needs at work (Mullins, 2005:68). The need to improve on the Classical Administration Approach led to the emergence of the Neo-classical Theoretical Approach.

2.3.1.2. *Neo-classical approach*

The Neo-classical Theoretical Framework placed emphasis on the human organisation and was centred on the principles of supportive relationships, employee participation and work groups linked with managers (Griffin & Moorhead, 2007:439). This approach placed emphasis on the introduction of programme, planning and budgeting systems with a shift from bureaucratic management style toward rational and analytic management style (Gruening, 2001:5). It also sought to increase production by humanising the work organisation i.e. accommodating the personality factors based on understanding employees' psychological and social needs at work (Mullins, 2005:81). Humanising the work environment was based on the assumption that people work best in highly cohesive groups oriented toward organisational goals (Griffin & Moorhead, 2007:439).

2.3.1.3 *Public choice and modern institutional economics*

Public Choice Theory was introduced to improve on the Classical and Neo-classical Theoretical Frameworks introducing the aggregating of the behaviour of individuals (free choice of individuals and individual preferences) to explain social phenomena (Gruening, 2001: 5). Public Choice Theory applies economic tools and methods to the practice of government and politics (Butler, 2012:21). It is based on the application of economic concepts such as the choice between costs and benefits, and efficiency to the study of how collective choices are made in a government system (Butler, 2012:22). In Public Choice Theory the principles of sound business practice are believed to be equally appropriate for both a family and the government (Wagner, 2009:1). The main challenge in the Public Choice Approach is that there is a potential for exploitation of the minority by the self-interested majority. The minority are forced to accept the decisions of the majority and bear the costs or sacrifices that come with the collective choices (Butler, 2012:23). As people value different goods and services differently, it is impossible to translate clashing opinions into a policy that represents the public interest (Butler, 2012:26). The need for more relevant public administration that would focus on contemporary issues and problems, with emphasis on social and moral implications of

public administrative action, led to the emergence of a new approach known as the New Public Administration (Basu, 2004:24). The New Public Administration is discussed in the next section.

2.3.1.4 *New public administration*

This theoretical approach sought to improve on the previous theoretical frameworks of Classical, Neo-classical and Public Choice focussed on communitarianism instead of individualism and urging more participative political and administrative structure (Gruening, 2001:8). The New Public Administration (NPA) extended the boundaries of public administration to be responsible for both policy formulation and implementation with a focus on social equity (i.e. reduction of economic and social disparities), adaptation and client orientation (Thornhill & Van Dijk, 2010:103). The NPA advocated openness about the values being served through administrative activity and required public administrators to be less generic, more public and more client impact oriented (Basu, 2004:25). The NPA put more emphasis on human relations, consultation with citizens and advocated organisational changes to suit the changing times (Basu, 2004:26). Globalisation coupled with the downsizing of government, reduction in public spending and privatisation policies in several countries led to the world wide public sector transformation, hence the introduction of the New Public Management Approach (Basu, 2004:46). This approach is discussed in the next section.

2.3.1.5 *The New Public Management (NPM)*

The New Public Management, according to Gruening (2001:16), has many components which were informed by various theories including Classical Public Administration, Neo-classical Public Administration, policy analysis, public management, Public Choice Theory, marketing approaches and New Public Administration. Lane (2000:3) emphasizes that the New Public Management (NPM) does not replace older theoretical frameworks, but introduces a new approach, namely the use of contracts to public sector governance. The NPM introduced the definition of explicit standards and performance indicators, with strong emphasis on controlling and measuring performance in the public sector (Elliasen & Sitter, 2008:101). NPM furthermore accords importance to higher levels of user choice, as opposed to the traditional approach of bureaucracy (Elliasen & Sitter, 2008:133). According to Henry (2004:179), the NPM Theory is composed of the following ideas:

- Government should be entrepreneurial and improve the quality of its services
- Governments should collaborate and work with other governments, private sector and non-profit organisations to achieve social goals
- Government should judge its performance with measurable results
- Government should improve its accountability to the public interest
- Government should empower citizens and public employees alike
- Government should anticipate and solve problems

According to Lane (200:8), NPM is more or less a coherent theory about the organisation of government to deliver services. NPM has been identified as a useful initial theoretical framework for cross country examination of public sector performance reporting (Christensen & Yoshimi, 2003:72). According to the Public Service Commission (2009:2), performance agreements are often regarded as NPM tools for effective management and improving performance. According to Gruening (2001:16) the NPM has the following characteristics: budget cuts, contracting out, separation of politics from administration and accountability for performance.

In the South African context, the public administrative reform agenda was based on a model known as the Strategic Change Management Approach (SA, 1995:5). In choosing the above model, the Government of the Republic of South Africa acknowledged that there are various models of public management ranging from bureaucratic to neo-liberal models such as Public Choice, which could have been adopted in South Africa. The Strategic Change Management Approach puts emphasis on, amongst others, the devolution of decision making powers and incorporation of civil society bodies into the governance process (SA, 1995:5).

For the purposes of this study, newer paradigms of public administration such as governance, public governance and a developmental state have not been explored. Due to the connotation between NPM and performance management, the literature review was considered adequate. The next section discusses the theory behind performance management and reporting.

2.3.2 Theory behind performance management and reporting

Performance management and reporting is linked to the Theory of Management by Objectives (Minnaar & Bekker, 2005:128). Management by Objectives focuses on collaborative goal setting, where institutional goals are cascaded down through the

organisation to the individual employees (Minnaar & Bekker, 2005:128). Management by Objectives is a results oriented approach to performance management, based on the assumption that employees perform better when they have performance targets (Rudman, 2003:89). The Management by Objectives Approach involves agreements between the supervisor and employee on the specified key performance objectives, targets, and measures linked to the broader departmental service delivery objectives against which performance will be measured (Du Toit, 2001:194).

Armstrong (2009:28) links performance management and reporting with Goal Theory. Goal Theory connects goals to performance outcomes and is based on the assumptions that goals direct attention to priorities and stimulate effort (Armstrong, 2009:29). Wise (2010:88) ascribes performance reporting as a form of accountability to the Principal-agent Theory, based on the principle that the elected government ministers are viewed as agents and the public is viewed as the principal. Performance reporting according to Thomas (2007:2) is informed by the theory of performance measurement, performance management and performance based accountability, which is based on the notion that “if you cannot measure it, you cannot manage it”. Performance reporting is a tool of public management which implies that performance reporting is also informed by the theoretical approaches of public management (Cohen, Eimicke & Heikkila, 2008:216).

The foregoing section reviewed the theoretical underpinnings of performance management and reporting. The next subsection will present the evolution of public sector management as well as performance management and reporting.

2.3.3 The evolution of public sector management, performance management and performance reporting

Various authors conducted cross country comparisons on the evolution of performance management. This section will review the findings of such authors. According to Rhodes, Biondi, Gomes, Melo, Ohemeng, Lopez, Rossi and Sutiyono (2012:236) the nature and dynamics of performance management must be understood in the context of a wider public sector reform trajectory. It is necessary to analyse the evolution of both performance reporting and the broader public administration because changes in performance reporting have been shown to be linked to changes in the broader public sector administration (Christensen & Yoshimi, 2003:77). Performance management including performance reporting in the public sector has undergone an evolution.

According to Eliassen and Sitter (2008:1) the provision of public services in democratic countries has continually been changing in line with changing economic conditions, globalisation and regional integration. Performance reporting in the public sector has received increasing attention as part of the analysis of public sector change (Mehrabad, Anvari & Saberi 2012:61). Public sector reform was part of a broader initiative to improve service delivery, decision making, planning, accountability and monitoring in the public sector (Roos, 2012:5). There has been renewed emphasis on measuring public programme performance to increase accountability and trust between public institutions and the citizens (Van der Waldt, 2004:34).

Lane (2000:3) states that extensive changes have occurred both in real life public institutions as well as in the theory of public management in the second half of the twentieth century. The Manitoba Government (2008:2) asserts that around the world, performance reporting continues to evolve, hence the need to continually develop performance reporting that reflects best practices. The reporting systems of government organisations throughout the world have grown up over time from a tendency to measure lower-level outputs in the past, to the recent developments of increasing world-wide focus on higher-level outcomes, impacts and managing for results (Duignan, 2010:1).

According to Christensen and Yoshimi (2003:71), performance reporting around the world has undergone an evolution resulting in a concept known as the “New Public Management” Approach. The New Public Management entails a rejection of the ‘Weberian” Theory that was based on the notion that government is best served by bureaucratic organisation, in favour of managing the public sector through a set of contracts (Lane, 2000:8). The New Public Management Theory focuses on efficiency, putting contracts in the centre of public governance and not authority as with the traditional approach (Lane, 2000:8). The New Public Management led to governments around the world seeking to implement management solutions traditionally associated with the private sector, as the public administration approaches of the twentieth century lost support (Minnaar, 2010:4). Performance management in the public sector evolved through the following sequence of phases: performance administration, management of performances, performance management and performance governance (Halligan, Sarrico & Rhodes, 2012:225).

According to Rhodes *et al.*, (2012:240), the first phase, namely performance administration, is characterised by limited span and depth of performance measurement, *ad-hoc* design, disconnected and variable incorporation and limited use of performance information. The second phase, management of performances, is characterised by depth of measurement and management emphasis, but has features of disconnected policy and management. The third phase of performance management has a performance measurement span that covers inputs, outputs and outcomes, with an integrated performance focus as well as strong policy and political dimension (Rhodes *et al.*, 2012:240).

The fourth phase, performance governance, which is the ideal phase, is characterised by organisational leadership within, across and beyond the public sector. There is citizens' participation and engagement with performance improvement agendas. There is also integration of performance activities, policies and agendas (level of measurement, process of reporting, feedback, and learning) across all levels. Halligan *et al.*, (2012:228) emphasize that in performance governance, the coverage of performance management is broadened. The next subsection will discuss the purpose of performance reporting within government structures to provide reasons why performance is being reported on within government structures.

2.4 THE PURPOSE OF PERFORMANCE REPORTING WITHIN GOVERNMENT STRUCTURES

Regular monitoring and reporting on performance against expenditure plans and performance targets provides information that enables managers to manage effectively by taking appropriate decisions to keep service delivery on track (SA, 2007a:18). Performance information reported in the annual reports enables Parliament, provincial legislatures and the public to track government performance and to hold government accountable (SA, 2012:13). Nombembe (2013:3) emphasizes that performance management, including reporting, should be viewed as an important factor in ensuring accountability and proper service delivery and not as another burden. The reporting of performance information is done in compliance with legal requirements: the Performance Information Handbook (SA, 2011b:10) states that government institutions have a responsibility to publish administrative and performance information to account to Parliament and provincial legislatures in compliance with Sections 92 and 114 of the Constitution of the Republic of South Africa.

Government departments are required to account to the citizens of the country through performance reports on how the public resources are being utilised to render public services. Performance information through reporting indicates how well an institution is meeting its aims and objectives, as well as which policies and processes are working (SA, 2007a:1). Government institutions are required to monitor and report the results to ensure that public service delivery is effective, efficient and economic (SA, 2007a:1). Performance information plays a growing role in budget allocations (SA, 2007a:1). Furthermore, the public and oversight bodies use performance information to assess whether public institutions are delivering value for money (SA, 2007a:1). Performance reporting is also used to evaluate the success of financial and performance management transformation in the public sector. According to the directive in General Notice 839 of 2011 issued by the Auditor General South Africa in terms of the Public Audit Act 25 of 2004, the success of transformation in the public sector financial and performance management is evaluated as part of the outcomes of the annual audit process (SA, 2011:2). This is done through expressing an audit opinion on financial information and reflecting the auditor's views on performance against pre-determined objectives as findings in the auditor's report (SA, 2011:2)

The next subsection will discuss the importance and necessity of performance reporting.

2.5 THE IMPORTANCE AND NECESSITY OF PERFORMANCE REPORTING FOR MORE EFFECTIVE AND IMPROVED SERVICE DELIVERY IN THE SOUTH AFRICAN GOVERNMENT

Performance measurement (including performance reporting) and management are important for the accountability of organisations, individuals and managers to produce better services (Flynn, 2002:206). The Framework for Managing Programme Performance Information (SA, 2007a:1) requires that performance information must be accurate, appropriate and timely, as it informs future budget allocations and is used to monitor service delivery for the current reporting period. Reporting on performance within the spheres of government in South Africa is essential for accountability and effective management. In addition, measuring, monitoring and managing performance ensures that policy, planning, budgeting and reporting are aligned, in order to achieve improved service delivery (SA, 2012:13). According to Van der Waldt, Van Niekerk, Doyle, Knipe and Du Toit (2002:275), formal public reports that include financial statements and performance reports provide a solution to accountability. Without a

requirement for reporting, accountability will not be possible (Van der Waldt *et al.*, 2002:276).

Government departments are required to submit annual reports which include audited financial statements and statements of programme performance in compliance with the Public Audit Act 25 of 2004. Municipalities are also required by the Local Government: Municipal Systems Act of 2000 and the Municipal Finance Management Act of 2003 to provide similar reports. According to the Framework for Managing Programme Performance Information (SA, 2007:1) the most valuable reason for measuring and reporting performance is that what gets measured, gets done. Performance information produced through performance reports enables managers to pursue result based management, which includes performance contracts, risk management and benchmarking (SA, 2007:1).

Farmer Support and Development Services (Programme 3) presented its programme performance information as part of the overall Departmental Annual Performance Report for the 2012/13 financial year to be audited (DARDLA, 2013:44).

2.6 CHARACTERISTICS, NATURE AND PROFILE OF PERFORMANCE REPORTING WITHIN GOVERNMENT STRUCTURES

The previous section outlined the purpose of performance reporting within government structures. This section presents the characteristics of performance reporting within government structures. Furthermore it will present the two dimensions of performance reporting, namely institutional and individual employee performance reporting.

2.6.1 Characteristics of performance reporting within government structures

Performance reporting within government structures is integrated into the strategic planning and reporting processes. According to the Framework for Managing Programme Performance Information, the performance information process is part of the strategic planning, budgeting and reporting cycle and it begins when policies are developed and continues through the implementation and reporting stages (SA, 2007a:4). The Green Paper on National Strategic Planning (SA, 2009:29) identified the need for good planning, which provides excellent criteria to judge progress. This kind of planning ensures a linkage and feedback loop between strategic planning and

performance monitoring and evaluation (SA, 2009:29). Government institutions are required to formulate strategic plans, allocate resources to implement the strategic plans using the annual performance plans and monitor and report the results to ensure that public service delivery is efficient and economic (SA, 2007a:1). According to Minnaar (2010:1) the introduction of strategic and performance management systems and procedures in the public sector has become an international standard practice.

The strategic and annual performance plans provide a basis for the format of performance reports. Strategic and annual performance plans of government institutions should identify good quality measurable indicators (specific performance indicators and performance targets) which will be monitored during implementation (SA, 2011a:5). Strategic priorities of government should be traceable across the levels of government through different plans (SA, 2011a:5). Plans must be linked to the five year national and provincial plans, aligned to the electoral cycle, delivery agreements for outcomes, sectoral plans and programme and project plans (SA, 2011a:5). Reported performance should be supported by documented evidence. According to Keel *et al.*, (2012:17) adequate documentation of primary data i.e. primary source documents used to record performance data, should be kept as evidence to support the reported performance. The regular measuring and reporting of performance has two dimensions: the evaluation of the institution's performance against targets set in the annual performance plans, as well as the assessment of individual employee performance against targets set in the performance agreement. The next subsection will outline the reporting of performance at the institutional level.

2.6.2 The institutional performance report

According to Van der Waldt (2004:205) performance management provides integration of organisational and individual performances by linking individual and team performance, as well as all the people management processes with the strategic goals of the organisation.

The institutional performance plan should have the following items: Key Performance Areas (KPA's), a strategic goal, Key Performance Indicators (KPI's), a base line and Key Performance Targets (Minnaar, 2010:132). The institutional performance report provides performance information in line with items identified in the institutional performance plans.

The Annual Performance Plan of DARDLA during the financial year 2013/14 showed that the Ehlanzeni South District's Farmer Support and Development Services Directorate was allocated 24 performance indicators to report on (DARDLA, 2013:516). The performance indicators were grouped under 3 Sub-Programmes namely: 3.1 Farmer Settlement, 3.2 Extension and Advisory Services and 3.3 (the Masibuyele Emasimini and Masibuyele Esibayeni Programmes). The following is a list of performance indicators with targets for the 2013/14 financial year:

Table 2. A list of performance indicators for Programme 3.

	Programme performance indicators	Targets
1	3.1 Number of small holder farmers supported	6850
2	3.2.1 Number of agricultural demonstrations facilitated	83
3	3.2.2 Number of farmers' days held	10
4	3.2.3 Number of functional commodity groups supported	80
5	3.2.4 Number of training programmes provided to farmers	17
6	3.2.5 Number of farmers attending training programmes	1177
7	3.2.6 Number of farmers provided with ICT services through ERP	36
8	3.2.7 Number of Extension Summits held	1
9	3.3.3 Number of tractors and implements provided	77
10	3.3.4 Area provided with mechanisation support for subsistence farmers (HA)	15120
11	3.3.5 Area provided with mechanisation for land and agrarian reform beneficiaries (HA)	8880
12	3.3.6 Number of food gardens established and supported	182
13	3.3.7 Number of food insecure households benefiting	16979

	from interventions	
14	3.3.8 Number of food security ME awareness campaigns held	8
15	3.3.9 Number of EPWP jobs maintained through ME	77
16	3.3.10 Number of breeding bulls supplied to livestock farms (Bull & Heifer)	13
17	3.3.11 Number of breeding heifers/cows supplied to livestock farms (Bull & Heifer)	850
18	3.3.12 Number of Nguni breeding bulls introduced to livestock farms (Nguni Cattle Project)	4
19	3.3.13 Number of Nguni breeding heifers/cows introduced to livestock farms (Nguni Cattle Project)	120
20	3.3.15 Number of breeding small-stock goats introduced to livestock farms (Buck & Doe)	26
21	3.3.16 Number of breeding small-stock sheep supplied to livestock farms (Ram & Ewe)	0
22	3.3.17 Number of breeding pigs (Swine) supplied to livestock farms (Boar & Sow)	156
23	3.3.18 Number of kilometres of fencing erected in the 18 municipalities	300
24	3.3.19 Number of EPWP jobs created through MESP	150

Source: DARDLA Annual Performance Plan 2013/14

In South Africa there are two systems of performance management, namely the system for senior managers in national and provincial departments and the system for managers in the municipalities. Both systems are based on the same principles and applications. All spheres of government are guided by the policy framework for the government-wide monitoring and evaluation system. Furthermore the Accounting Officer of a department or municipality is required to establish a monitoring and evaluation system for their institution (SA, 2007b:4). Such a monitoring and evaluation system will provide data and information which will be used by stakeholders in the government-wide monitoring and evaluation system to create an overall picture of national, provincial and local performance (SA, 2007b:4). Data gathering should be

based on scientific methods using instruments such as performance indicators and other reliable measures as part of an evidence based approach to monitoring and evaluation. The gathered data should clearly indicate how well government is doing with regard to particular interventions, projects, programmes and overall services (SA, 2007b:15).

Performance information is communicated through various accountability documents produced by government institutions at each stage of the planning, budgeting, implementation, reporting, monitoring and evaluation cycle, as outlined in the Strategic and Annual Performance Plan Framework (SA, 2010:9-10). Accountability documents include plans, budgets, in-year reports and annual reports.

The Guide for the Preparation of the Annual Report (SA, 2012:52) prescribes that the order in which the department reports on performance measures and targets must be exactly as presented in the strategic and annual performance plans. This requirement enables comparison between the performance plan and the performance report and ensures that nothing is left out of the reporting process.

The reporting timelines within the spheres of government in the Republic of South Africa can be summarised as follows: there are two broad types of reporting namely in-year reporting and end-year reporting. In-year reporting includes monthly reporting, quarterly reporting and mid-year reporting. End-year reporting includes the annual performance report (Minnaar, 2010:179). The in-year reporting is discussed next.

a) Monthly reporting

According to the Framework for Managing Programme Performance Information (SA, 2007a:50) the monthly reports mainly report progress on the budget. The DARDLA Performance Information Management Policy however prescribes that all programmes should submit monthly reports on performance against pre-determined objectives by the 7th of the subsequent month (DARDLA, 2010:4). This means that DARDLA reports both expenditure and progress against pre-determined objectives on a monthly, quarterly and annual basis.

b) Quarterly reporting

Quarterly reports provide progress updates on the implementation of the reporting entity's annual performance plan in the previous quarter (SA, 2010:8). Quarterly reports

provide both expenditure progress and programme performance achievements against pre-determined objectives (SA, 2007a:5). Quarterly reports should be prepared within 30 days after the end of each quarter and are ultimately consolidated into the performance section of the annual report. Planned targets for the quarter should not be changed and reported figures may be revised following validation, quality controls and disclosures in subsequent reports (SA, 2010:8). The quarterly reports cover financial/budget reports as well as performance reports (achievements against pre-determined objectives as reflected in the institutional and individual performance plans) (Minnaar, 2010:180).

c) Mid-year reporting

Midyear reports, also known as six months reports, cover budget reports together with performance reports. Copies of these reports are to be submitted to the Provincial and National Treasuries as well as the Office of the Auditor General (Minnaar, 2010:180).

d) The annual performance report

The annual report is a comprehensive or full report on progress made towards achieving strategic objectives, accompanied by annual financial statements, a copy of the Auditor General's management report in respect of the above reports, as well as the opinions of the institutional audit committees regarding these reports (Minnaar, 2010:180). The annual report provides performance information of the reporting entity focusing on actual performance against performance targets set in the annual performance plan, including audited financial statements in the preceding financial year (SA, 2012:9). The Guide for the Preparation of the Annual Report (SA, 2012:8) provides a format for the annual report to ensure that minimum requirements of performance information regarding performance against service delivery plans and budgets are met. The format provided as an example requires that the following topics be included in the annual performance report:

- Title page
- Section 1: General information;
- Section 2: Information on pre-determined objectives;
- Section 3: Annual financial statements;
- Section 4: Human resource management and
- Section 5: Other information.

The title page should reflect the name of the reporting entity, the budget vote number and the financial year. The general information section describes the vision, mission, values, organisational structure, legislative mandate, the MEC's statement and the Accounting Officer's overview (SA, 2012:10) Section 2, namely information on pre-determined objectives, has two subsections. Subsection 2.1 covers overall performance of the reporting entity, voted funds, aim of the vote, strategic outcome oriented goals, overview of the service delivery environment for the reporting year, overview of the organisational environment for the reporting year, key policy developments and legislative changes, departmental revenue, departmental expenditure, transfer payment, public entities reporting to the department, conditional grants & earmarked funds, capital investment, maintenance and an asset management plan. Subsection 2.2 presents programme performance starting with Programme 1 through until the last programme (SA, 2012:22). This subsection is of particular interest with regard to Programme 3 of the Mpumalanga Department of Agriculture, Rural Development and Land Administration, namely Farmer Support and Development, which is the main focus of this study.

Section 3 of the annual report focuses on annual financial statements which include the report of the audit committee, the report of the Auditor General, an appropriation statement, a statement of financial performance and a cash flow statement (SA, 2012:24). Section 4 of the annual report presents human resource management and covers service delivery improvement plans, personnel costs by salary bands, employment and vacancies, job evaluation, employment changes, employment equity, disciplinary action during the reporting period, skills development during the reporting period, performance rewards, foreign workers, leave utilisation, injury on duty and utilisation of consultants (SA, 2012:25).

Section 5 of the annual report focuses on other information and includes a list of acronyms, a list of contact details and additional information (SA, 2012:51).

2.7 DARDLA'S ANNUAL REPORT 2012/2013

The DARDLA Annual Report 2012/2013 (DARDLA, 2013:3) is presented in the following format:

2.7.1 Part A: General information

In this section the contact details of the department are presented, followed by a list of acronyms, a strategic overview comprising the vision, mission, values, strategic outcome oriented goals, legislative and other mandates, organisation structure and entities reporting to the MEC (e.g. Mpumalanga Township Board, Mpumalanga Development Tribunal), the MEC's foreword and an overview of the Accounting Officer (DARDLA, 2013:6).

2.7.2 Part B: Performance information

In this section the Accounting Officer's statement of responsibility for performance information is presented first, followed by the Auditor General's Report on pre-determined objectives, an overview of departmental performance, the strategic outcome oriented goals, then performance information by programme for each of the 9 programmes (DARDLA, 2013:20). The following is an example of how Programme 3: Farmer Support and Development Services performance information is presented in Part B of the Annual Performance Report.

2.7.2.1 Programme 3: Farmer Support and Development Services

i) Purpose

The programme renders district level services in support of agrarian reform and rural development; these include providing technical and infrastructure support to land reform beneficiaries, including subsistence food producers, small holder farmers and commercial farmers (DARDLA, 2013:44).

ii) Strategic objectives:

- To increase and support agrarian reform through provision of pre and post settlement support.
- To increase access by farmers to comprehensive technical support through competitive and specialised advisory services.
- To increase household level food security through the implementation of appropriate household level interventions (DARDLA, 2013:44).

iii) Performance indicators and targets

The programme performance information for Programme 3 (Farmer Support and Development Services) is presented in the form of tables as follows:

Sub-programme 3.1: Farmer settlement

Performance indicator	Actual achievement (Baseline) 2011/2012	Planned target 2012/2013	Actual achievement 2012/2013	Deviation from planned target to actual achievement	Comment on deviation
Number of small holder farmers supported	35470	9027	16475	83%	The over achievement is due to the increase in capacity in the Land and Agrarian Directorate during the second quarter

Sub-programme 3.2: Extension and Advisory Services

Performance indicator	Actual achievement	Planned target 2012/2013	Actual achievement	Deviation from planned target to actual	Comment on deviation
Number of agricultural demonstrations facilitated	152	226	312	38%	More demonstrations were conducted in collaboration the Service Provider during the off peak season
Number of farmers days held	50	44	61	39%	The overachievement is due to the collaboration with other stakeholders such as Grain SA and the ARC

Tables extracted from DARDLA Annual Report 2012/2013

2.7.3 Part C: Governance

This section reports performance information on the following: internal audit, risk and security management, fraud and corruption prevention, the minimising of conflict of interest, code of conduct, health, safety and environmental issues, the Internal Control Unit and the Audit Committee Report (DARDLA, 2013:93).

2.7.4 Part D: Human resource management

This section reports on the following issues: legislation that governs human resource management, an overview of human resource management in the department, the employee performance management framework, employee health and wellness management, human resource oversight statistics (including personnel expenditure, employment and vacancies, employment changes, employment equity, performance rewards, foreign workers, leave utilisation, AIDS and health promotion programmes, labour relations, skills development, and utilisation of consultants (DARDLA, 2013:98).

2.7.5 Part E: Annual Financial Statements

This section presents the performance of the department with regard to the following:

The report of the Audit Committee, the report of the Accounting Officer, the report of the Auditor General, an appropriation statement, notes to the appropriation statement, a statement of financial performance, a statement of financial position, a statement of changes in net assets, a cash flow statement, accounting policies, notes to the annual financial statements, disclosure notes to the annual financial statements and unaudited supplementary information: annexures to the annual financial statements (DARDLA, 2013:129). The foregoing subsection outlined the reporting of performance at an institutional level. The next subsection will outline the reporting of performance at an individual employee level.

2.8 THE INDIVIDUAL PERFORMANCE REPORT

According to Van Der Waldt (2004:203) organisational performance is determined in part by the individual performance of employees in that organisation. Public services are delivered by people i.e. the employees in public sector organisations (Doherty & Horne, 2002:234). The individual performance report is part of an appraisal process through which public servant's individual contribution to their organisation's performance is

assessed (Flynn, 2002:209). The institutional strategic plans and annual performance plans provide a basis for individual employees to prepare individual performance plans known as performance agreements. Performance agreements summarise the official duties and responsibilities attached to a position and specify individual performance targets linked to the achievement of an institution's strategic, annual performance plans and budget (SA, 2012:9). The individual employee's performance plan will have the following items: Key Performance Areas, weight (as a percentage), Key Performance Indicators and Key Performance Targets as quarterly and annual numerical figures (Minnaar, 2010:132-133).

2.9 CHAPTER SUMMARY

This chapter presented an overview of relevant terms and concepts in order to provide a conceptual framework for performance audit reporting. The chapter discussed the theoretical underpinnings as well as the evolution of public sector management, performance management and performance reporting. The chapter furthermore provided the purpose of performance reporting and the characteristics, nature and profile of performance reporting within government structures. The dimensions of performance reporting at institutional level as well as individual employee level were highlighted.

The literature review revealed the following: that performance management, including performance reporting in the public sector world-wide, has undergone an evolution from the traditional bureaucratic approach which was commonly known as the "Weberian" Model, to a relatively new approach known as the New Public Management. The New Public Management was shown to be informed by various theoretical models and that it is meant to improve on and complement the previous frameworks. The NPM is adopted by this study as the most appropriate approach to be used, due to the amount of literature available on this approach, as well as the fact that it is made up of various aspects which are based on multiple theoretical approaches. The New Public Management puts emphasis on government outcomes and promotes the use of contracts or performance agreements to manage public sector performance.

In Chapter 3 the focus of the study will be on the statutory and regulatory framework governing audit reporting. The chapter will investigate and analyse all relevant policies,

strategies and procedures concerning performance audit reporting on pre-determined objectives.

CHAPTER 3

STATUTORY AND REGULATORY FRAMEWORK GOVERNING PERFORMANCE AUDIT REPORTING.

3.1 INTRODUCTION

The nature and extent of performance reporting within government structures were investigated in Chapter 2 of the mini-dissertation. Chapter 2 outlined an overview of all relevant terms and concepts regarding performance monitoring. The chapter further outlined the purpose, characteristics, nature and profile of performance reporting within government structures. The chapter also determined the importance and necessity of performance reporting for more effective and improved service delivery in the South African Government. Chapter 3 will firstly outline the institutional arrangements for performance audit reporting in the Republic of South Africa. The chapter will investigate and analyse all relevant policies, strategies and procedures concerning performance audit reporting on pre-determined objectives.

3.2 INSTITUTIONAL ARRANGEMENTS FOR PERFORMANCE AUDIT REPORTING IN THE REPUBLIC OF SOUTH AFRICA

The Republic of South Africa is a democratic state with the division of power between legislative, executive and judicial authorities. The government is divided into three spheres namely: national government, provincial government and local government (SA, 2003:14). The Government of the Republic of South Africa created various institutions such as the Office of the Auditor General, Select Committees, as well as acts and policies to ensure accountability, which is measured through accountability documents including performance reports (Van der Waldt, Van Niekerk, Doyle, Knipe & Du Toit, 2002:273). The institutional arrangements regarding the management of performance information in the Republic of South Africa are informed by the Policy Framework for the Government-wide Monitoring and Evaluation System (SA, 2007b:8). This policy framework requires that every government institution should put in place appropriate primary information structures, systems and processes to manage its performance information. The policy framework places the National Treasury as the lead institution responsible for performance information (SA, 2007b:8). This means that

the National Treasury is responsible to provide guidance on the reporting of programme performance information and that all government departments are expected to submit their performance reports to the National Treasury. Furthermore, the Presidency (Department of Monitoring & Evaluation), National Treasury, the Department of Public Service and Administration and the Department of Provincial and Local Government conduct monitoring and evaluation through derivative information systems by drawing information from the primary systems of each government institution (SA, 2007b:8). All government departments are required to submit annual reports, which include audited financial statements and statements of programme performance in line with the Public Audit Act 25 of 2004 (SA, 2007b:15).

3.3 STATUTORY AND REGULATORY FRAMEWORKS GOVERNING PERFORMANCE AUDIT REPORTING

The previous subsection discussed the institutional arrangements regarding performance audit reporting. This subsection will discuss the acts, policies, frameworks and procedures governing performance audit reporting in the Republic of South Africa. The reporting of performance information has to comply with the requirements of relevant statutory frameworks.

3.3.1 The Constitution of the Republic of South Africa of 1996

The Constitution is the supreme law of the Republic of South Africa and the obligations it imposes must be fulfilled (SA, 1996:1243). The Constitution (Subsection 41(c)) requires that all spheres of government and all organs of state within each sphere must provide effective, transparent, accountable and coherent government for the Republic as a whole (SA, 1996:1269). Transparent and accountable government implies that information about government activities is publicised and made accessible to the citizens. The Constitution (Subsection 195 (g)) further requires that government departments should foster transparency by providing the public with performance audit information that is timely, accessible and accurate (SA, 1996:1331(17)). The government departments are thus obliged to publish credible regular reports on their service delivery or performance activities and such reports must be accessible to the public.

Government departments have to comply with the standard of accurate performance information when they publish their performance reports as required by the Constitution.

Both the national Ministers and the provincial Members of Executive Councils have the obligation to provide regular reports to Parliament and the provincial legislatures on matters placed under their care. Subsection 92(3) of the Constitution prescribes that members of the Cabinet must provide Parliament with full and regular reports concerning matters under their control (SA, 1996:1305(b)). Subsection 133(3) (b) of the Constitution requires that Members of the Executive Council of a province must provide the legislature with full and regular reports concerning matters under their control (SA, 1996:1327). The Constitution (Subsection 56(b)) authorises the National Assembly or any of its Committees to require any person or institution to report to it (SA, 1996:1279). In the same spirit, Subsection 115(b) authorises a provincial legislature or any of its Committees to require any person or provincial institution to report to it (SA, 1996:1317). Subsection 32 of the Constitution entitles every citizen to the right to access any information (including performance information) held by the state (SA, 1996:1257). Section 114 (2) (a) of the Constitution requires that a provincial legislature must provide for mechanisms to ensure that all provincial executive organs of state in the province are accountable to it (SA, 1996:1317).

This section has outlined how the Constitution as the supreme law places obligations on government departments regarding the publishing of credible performance information. The credibility of the performance information reported by government departments in compliance with the Constitution must be tested and verified by an independent audit authority. In the Republic of South Africa the assurance of the credibility of the performance information reported by government departments is provided by means of an audit opinion of the Office of the Auditor General. The next section reviews the auditing of reported performance information as regulated by the Public Audit Act 25 of 2004.

3.3.2 The Public Audit Act 25 of 2004

The Public Audit Act 25 of 2004 (SA, 2004:25) holds the Accounting Officers of departments responsible for the submission of annual reports on the activities of their departments to the Office of the Auditor General, to be audited. The annual report of a

department should include financial performance and achievements against pre-determined objectives during the previous financial year. The Public Audit Act 25 of 2004 (SA, 2004:26) furthermore requires that Accounting Officers of departments should submit financial performance reports (i.e. information on actual revenue and expenditure) for the previous month to the relevant Treasury within 15 days after the end of the month.

The Office of the Auditor General has the responsibility to audit government departments and submit an audit report. The Auditor General's audit report of a department must reflect a conclusion or an opinion on the credibility of reported information relating to the performance of the department against pre-determined objectives (SA, 2004:22). The Auditor General South Africa has developed criteria to assess the quality (usefulness, reliability, accuracy and completeness) of the reported performance information in the annual reports of the reporting entities. The credibility of reported performance information is thus assessed based on how useful, reliable, accurate and complete the performance reports and the supporting evidence documents are.

Reported information on performance against pre-determined objectives is considered not useful if it is not consistent with the objectives and targets of the reporting entity (AGSA, 2010:6). Reported information on pre-determined objectives is considered not reliable if there is no sufficient and appropriate evidence available to support the reported information, and the reported information is inaccurate and incomplete (AGSA, 2010:6). The submission of false or misleading performance information to the Auditor General or an authorised auditor is considered an offence (SA, 2004:42). The performance information submitted by government departments must therefore be credible.

To guide and assist the government departments to comply with the requirements and obligations prescribed by the Constitution and the Public Audit Act, a Framework for Managing Programme Performance Information was developed. This framework guides the government departments on the development of systems to manage programme performance information. The next section discusses the Framework for Managing Programme Performance Information in detail.

3.3.3 The Framework for Managing Programme Performance Information

The Framework for Managing Programme Performance Information outlines key concepts on how the management systems to define, collect, report and use performance information in the public sector should be designed and implemented (SA, 2007a:1). The framework emphasizes that the reporting of performance information should be integrated into the planning, budgeting and reporting cycle of a government department (SA, 2007a:4). The performance information contained in the performance reports should be available to the managers during the strategic planning, budgeting and reporting cycles (SA, 2007a:5). This means that performance reporting must also inform future planning and decision making.

Government institutions are obliged to publish credible performance information through regular performance reports as part of their accountability (SA, 2007a:15). The accountability cycle of the government is made up of in-year reporting and end-year reporting. In-year reporting involves the preparation of monthly expenditure reports and quarterly performance reports i.e. both expenditure reports and progress towards the achievement of pre-determined objectives (SA, 2007a:5). The end-year reporting involves the publishing of annual performance reports to account on performance against the annual performance plan and the budgets (SA, 2007a:5). Performance information should be structured in such a way that it demonstrates how the available resources have been used by government departments to deliver on their mandate. The framework requires that suitable performance indicators that will be used to measure and report on the performance should be specified for each programme (SA, 2007a:7). In addition to the performance indicators, each institution is required to specify a set of performance targets that it will report against in its accountability documents (SA, 2007a:9). Institutions are required to identify the information needs of various users of performance information and develop the necessary formats and systems to ensure that the users get the right information in the right format (SA, 2007a:12). The framework requires that the Accounting Officer of an institution must ensure that the institution has documentation (e.g. a policy document or procedure manual) addressing, amongst others, how performance information will be published (SA, 2007a:13).

The National Treasury is responsible for developing the formats for accountability reporting including strategic plans, annual performance plans, budgets, in-year reports and annual reports (SA, 2007a:18). The presentation of performance reports by

government institutions is therefore expected to comply with the formats prescribed by National Treasury. Each institution must gather its performance information and publish it in order to remain accountable for the accuracy of the reported information (SA, 2007a:17). The performance information reported by government departments must be accurate, appropriate and timely, in order to be used to monitor service delivery and to inform budgeting for subsequent reporting periods (SA, 2007a:1). This requires that the reported performance information must be free of errors and misleading information, must be linked to the mandate and objectives of the reporting institution and must be published within the prescribed time frames. Each institution is expected to maintain a website on which previous and current accountability documents, including quarterly performance reports as well as annual performance reports are stored (SA, 2007a:17). Following the publication of the Framework for Managing Programme Performance Information, and building on the gains made as well as lessons learnt through the implementation of this framework, the government published the Performance Information Handbook. The next section discusses the Performance Information Handbook as a comprehensive guide regarding performance information management.

3.3.4 The Performance Information Handbook

The Performance Information Handbook places emphasis on the two key features of reported programme performance information, namely quality and credibility. The handbook defines programme performance information as quality and credible information in respect of programmes (SA, 2011:v). The minimum requirement is that each government institution should report on the performance of its programmes to the relevant executive authority on a quarterly basis (SA, 2011:3). Government departments are encouraged to develop interim performance reporting arrangements also known as “dashboard reports” in between the formal quarterly reporting periods (e.g. monthly reports) for continuous tracking and reporting of performance (SA, 2011:47).

To ensure quality and credibility of the reported performance information, departments are expected to verify performance information data with regard to the following:

- Checking the evidence records or source documents to substantiate reported performance.
- Verifying that the evidence records present the actual transaction or event in an authentic and reliable manner (SA, 2011:35).

Departments are required to develop strategies to address performance data quality risks, in order to ensure quality performance reporting. Moreover, departments should develop and upgrade their performance information plans informed by performance information data assessments and verification, as well as internal audit findings on performance information source data sets (SA, 2011:36). The Performance Information Handbook (SA, 2011:37) requires that each department should develop a performance information data system which must have the following elements:

- Transparent rules and systems on how to calculate the performance information data to ensure consistency.
- Clear rules on the format of the performance information data that should be followed.
- Clear record management rules on where the performance information data should be located.
- Specify the person who must keep and control the master performance information files.
- Clear rules on the corrections and adjustments of preliminary performance information data.
- Create an audit trail of access to and alterations of performance information data.
- The underlying performance information data (primary source documents) together with secondary performance information (performance reports) should be available on the performance information system.

The above principles are intended to assist a department to maintain quality and credible performance information reporting practices, by regulating the storage of the performance information files and the access to, corrections and adjustment of reported performance information.

The reporting of performance information should be aligned to and integrated with strategic planning systems within a government department. The National Treasury developed the Framework for Strategic Plans and Annual Performance Plans to ensure alignment of planning and reporting cycles. The next section reviews the Framework for Strategic Plans and Annual Performance Plans.

3.3.5 The Framework for Strategic Plans and Annual Performance Plans

The organisational performance of public institutions is based on their strategic and annual performance plans. The performance information presented in performance audit reports should therefore provide a comparison between the strategic, annual performance plans and the actual achievements (SA, 2010:2). The departments are expected to table their reporting documents to the respective legislatures and also publish these documents on their websites (SA, 2010:6). The annual performance plan is monitored through in-year monitoring by publishing quarterly performance reports, and through end-year monitoring by publishing the annual performance report (SA, 2010:7). The quarterly performance reports are to be prepared and submitted to the Presidency and National Treasury within 30 days after the end of each quarter (SA, 2010:20). Furthermore, the quarterly performance reports cumulatively build up to the annual performance report (SA, 2010: 8).

The departments are not allowed to change the planned performance targets in the quarterly reports. The revision of reported performance achievement numbers for a quarter in the subsequent reporting period is not encouraged, but is allowed if motivated by the need for validation as part of quality control (SA, 2010:8). Each institution is required to submit a report on its performance against the planned performance targets for each strategic objective and programme performance indicator, together with the annual financial statements to the Auditor General. The date for the submission of these documents to the Auditor General is before the end of May of each year (SA, 2010:18). The audited performance information is to be incorporated into the institution's annual report and submitted by the end of August for tabling to Parliament (SA, 2010:18). Copies of annual reports of institutions are to be submitted to the National Treasury by 15 September each year (SA, 2010:18).

Government departments achieve their pre-determined objectives through individual employees. The employment, conditions of service and performance management of the employees in the public service are managed by the Department of Public Service and Administration. To incorporate the requirements of the Department of Public Service and Administration into the performance reporting of government departments, public service regulations were published. This topic is discussed in the next section.

3.3.6 Public Service Regulations

The format of the annual performance report which is developed by National Treasury is influenced by the requirements of the Department of Public Service and Administration, as published in the Public Service Regulations. The Minister of Public Service and Administration from time to time determines the format in which performance information should be presented in the annual report (SA, 2001:19). The Public Service Regulations (SA, 2001:19) require that the annual report should be comprehensive to cover all the activities carried out during the reporting period. From April 2001 the annual report of a government department has been required to include information on the following aspects, namely planning, service delivery, organisation, job evaluation, remuneration, benefits, personnel expenditure, utilisation of consultants, affirmative action, recruitment, promotions, termination of service, performance management, skills development, injury on duty, labour relations, leave and discharge due to ill health (SA, 2001:19).

The performance of government departments is made possible by the allocation and utilisation of public resources. The reporting of performance by government departments should therefore comply with the requirements of the Public Finance Management Act. This topic is discussed in the next section.

3.3.7 Public Finance Management Act 1 of 1999.

The Public Finance Management Act 1 of 1999 as amended by the Public Finance Management Amendment Act 29 of 1999, Section 65(1) (a) prescribes the timelines for the tabling of the annual report (SA, 1999:36). The executive authority for a government department is required to table the annual report, including financial statements, and the audit report on the financial statements, to the provincial legislature within one month of receipt of the audit report (SA, 1999:36).

In the previous sections the statutory and regulatory frameworks developed outside the DARDLA were reviewed, to provide a national perspective. It is necessary to also review regulatory and statutory frameworks developed by DARDLA, with regard to performance information management and reporting. DARDLA has developed a policy as well as a procedure manual to guide the management of performance information by all directorates or programmes within the department. In the next section the DARDLA Performance Information Management Policy will be reviewed.

3.3.8 DARDLA Performance Information Management Policy

This policy document outlines the responsibilities amongst the chief directorates, the Programme Planning Unit, and line function units with regard to performance information. The policy describes how the identification, collection, collating, verification and storage of performance information should be done by programmes (DARDLA, 2010:3). The policy further outlines the processes to review performance on a monthly and quarterly basis at head office level, chief directorate level and line function unit respectively (DARDLA, 2010:4). The policy prescribes that responsibility managers are required to submit monthly performance reports to the Planning and Programme Management Directorate on the 7th of each month (DARDLA, 2010:4). This policy has omitted the annual performance report which is a very important performance information document for both the Office of the Auditor General and oversight bodies and the public.

The policy does not provide guidance on the submission of the performance reports to the Office of the Auditor General and this reflects weakness with regard to integration and alignment. The policy document also does not provide definitions of key terms and concepts such as performance information, programme manager, responsibility manager, line function manager and performance review, which have been used in the policy, and it is thus not user friendly. The policy document does not make any reference to key national policy documents such as the Performance Information Handbook, the Framework for Managing Programme Performance Information and the Guide for the Preparation of the Annual Report.

The DARDLA developed a procedure manual to guide the implementation of the performance information management policy. The procedure manual is discussed in the next section.

3.3.9 DARDLA Performance Information Management Procedure Manual

The Performance Information Management Procedure Manual of DARDLA is based on the Performance Information Management Policy of DARDLA. It presents a set of procedures under the key themes of data collection and recording, records management, performance reviews, reporting and verification of PoE.

3.3.9.1 Data collection/reporting

The Performance Information Management Procedure of DARDLA outlines performance information data collection and recording as follows:

- The officials in each directorate record performance data in line with a document known as the Monitoring and Evaluation Matrix for Portfolio of Evidence.
- The performance data is recorded on prescribed templates which are referred to as Portfolios of Evidence (PoE).
- The recorded performance information is stored in files in a systematic manner (DARDLA, 2012c:4).

The Performance Information Procedure Manual of DARDLA does not give examples of the Monitoring and Evaluation Matrix for Portfolio of Evidence; neither does it attach these documents as annexures. It does not specify or give examples of the prescribed templates and such templates are not attached to the procedure manual as appendices. The Performance Information Management Procedure Manual of DARDLA is not user friendly with regard to the procedure on performance data collection and recording.

3.3.9.2 Records Management

The Performance Information Management Procedure Manual of DARDLA outlines the records management procedures, which include, amongst others, the following:

- A Portfolio of Evidence file must be created for each performance indicator.
- The files must be numbered following the numbering used in the Annual Performance Plan (DARDLA, 2012c: 4).

The above procedures place emphasis on hard copies, hence the use of a separate file for each performance indicator. This procedure manual does not describe where performance information files should be stored and how access to these files will be controlled. This weakness could attract unregulated access to the files, resulting in the loss of evidence or unauthorised adjustments.

3.3.9.3 Performance Reviews

The manual outlines procedures for the performance review which include the following:

- All units and sub-units (directorates and sub-directorates) must hold monthly performance reviews.
- Physical evidence (Portfolio of Evidence) is produced to substantiate the reported performance.
- The presented evidence is verified with regard to adequacy, and validity.
- Where presented evidence (PoE) is not adequate, corrective action includes requiring the affected party to submit outstanding evidence within a week, to allow for revised performance reporting.
- If outstanding or corrected evidence (PoE) cannot be produced, the reported performance is adjusted to reflect the evidence that is in the files.
- The reviews by units and sub-units are ultimately consolidated into directorate and chief directorate performance reports on a monthly basis.
- Consolidated monthly performance reports (hard copies) are signed off by chief directors (DARDLA, 2012c:5).

The above steps standardize the procedure for reporting programme performance, reviewing the reported performance and correcting and adjusting the performance report on a monthly basis. The procedure manual does not describe what is meant by performance review before outlining the procedures that are followed.

3.3.9.4 Reporting

The manual further outlines procedures for the reporting of performance as follows:

- Programmes (chief directorates) submit consolidated performance reports from their directorates to the Directorate: Coordination, Monitoring and Evaluation.
- The Directorate: Coordination, Monitoring and Evaluation reviews the submitted reports to check the quality, compliance with reporting requirements and completeness.
- The reviewed monthly programme performance reports are consolidated into quarterly departmental performance reports to be reviewed and signed off by the Head of Department (DARDLA, 2012c:5).

The above procedures outline the roles of various programmes and that of the Directorate: Coordination, Monitoring and Evaluation with regard to the reporting of performance information. The Performance Information Management Procedure Manual

does not outline what happens to the consolidated report of the department after the signing off by the Head of Department. The manual does not prescribe the time frames or dates for the flow of performance reports from sub-units until the consolidation at departmental level.

3.3.9.5 Verification of Portfolio of Evidence

The manual provides for the verification of physical evidence (PoE) by the Monitoring and Evaluation Unit of the Department (DARDLA). The verification of PoE is conducted on a quarterly basis. The verification involves checking the adequacy of the evidence, the validity of the evidence, the usage of correct standardised templates for recording performance data and the completeness of the PoE templates. After completion of the verification of the PoE exercise, the Monitoring and Evaluation Unit issues a report on the findings, as well as recommended corrective actions. During the subsequent (next cycle) PoE verification, the Monitoring and Evaluation Unit checks to see if previous recommendations were implemented by the programmes or not (DARDLA, 2012c:6). The Performance Information Management Procedure Manual of DARDLA is not user friendly, as it addresses themes without showing the logic flow and explaining reasons for the approach followed.

The above sub-sections discussed the statutory and regulatory framework governing performance audit reporting. The next subsection will summarise key themes discussed in the chapter.

3.4 CHAPTER SUMMARY

This chapter discussed the institutional arrangements with regard to programme performance reporting within the Republic of South Africa. The chapter outlined that the National Treasury is the lead institution responsible for providing guidance on the formats of performance reporting. All government departments are expected to submit their programme performance reports to the National Treasury. The chapter reviewed the national regulatory frameworks which included the following:

- The Constitution of the Republic of South Africa,
- The Public Audit Act,
- The Framework for Managing Programme Performance Information,

- The Performance Information Handbook,
- The Framework for Strategic Plans and Annual Performance Plans,
- Public Service Regulations,
- The Public Finance Management Act.

The review of the above statutory and regulatory frameworks governing performance audit reporting provided a national perspective. A departmental perspective was provided by the review of the DARDLA Performance Information Management Policy.

The submission of timely and accurate performance audit reports by government departments is a constitutional requirement. Government departments have to comply with the standard of accurate performance information when they publish their performance reports, as required by the Constitution.

The accountability cycle of the government is made up of in-year reporting and end-year reporting. The performance information is reported through publishing quarterly reports during the in-year monitoring, six months reports during the mid-year monitoring and annual reports during the end-year monitoring. The presentation of performance reports by government institutions is expected to comply with the formats prescribed by National Treasury. The performance information reported by government departments must be accurate, appropriate and timely, in order to be used to monitor service delivery and to inform budgeting for subsequent reporting periods. The performance reports must be aligned to the strategic and annual performance plans, so that comparison between actual achievements and the set performance targets is possible. Government departments are not allowed to change the performance targets recorded in the annual performance plans when publishing their quarterly reports. The annual performance reports of government departments are to be submitted to the Auditor General to be audited. The annual report of a department should include financial performance and achievements against pre-determined objectives during the previous financial year. The Auditor General's audit report of a department must reflect a conclusion or an opinion on the credibility of reported information relating to the performance of the department against pre-determined objectives (SA, 2004:22). The submission of false information to the Auditor General or authorised auditors is considered an offence. The Performance Information Handbook requires that each government department should develop a performance information data system which must have, amongst others, the following elements:

- Specify the person who must keep and control the master performance information files.
- Clear rules on the corrections and adjustments of preliminary performance information data.
- Create an audit trail of access to and alterations of performance information data.

Through the above elements, the handbook seeks to assist departments to maintain credibility of reported performance information, by regulating the storing of performance information files, access to, and corrections and adjustments of reported performance information.

The Performance Information Management Policy Document of DARDLA sets out responsibilities of various programmes on the collection and reporting of performance information. The Performance Information Management Procedure Manual does not adequately address records management, as it does not reflect where performance information files should be stored and how access to the files will be controlled.

Chapter 3 thus investigated and analysed statutory frameworks, policies and procedures governing performance audit reporting, in order to provide a basis to evaluate the credibility of reported performance information for Farmer Support and Development Services (Programme 3) of DARDLA. The next chapter will focus on the empirical study regarding credible performance reporting for Farmer Support and Development Services within the Mpumalanga Province of South Africa.

CHAPTER 4

TOWARDS CREDIBLE PROGRAMME PERFORMANCE REPORTING IN FARMER SUPPORT AND DEVELOPMENT: EMPIRICAL FINDINGS.

4.1 INTRODUCTION

The relevant policies, strategies and procedures concerning performance audit reporting on pre-determined objectives were analysed in Chapter 3 of the mini-dissertation. Chapter 3 further analysed the reporting of performance information within Farmer Support and Development Services in Mpumalanga Province.

Chapter 4 outlines the research methodology, describes the research design, population and sample. The instrument used to collect the data is also described in this chapter. The chapter also analyses and presents the findings of the study.

4.2 RESEARCH METHODOLOGY AND DESIGN

The research methodology entails the research process and the kind of tools and procedures used (Babbie & Mouton, 2001:75). This study used a qualitative approach of collecting data. A qualitative approach to research is grounded in the real world in which people live (Hogan, Dolan & Donnelly, 2009:16). The qualitative approach for purposes of this study included a literature review (document analyses) and a questionnaire. The literature review comprised a desktop study of relevant literature, to explore the present available body of knowledge on the measurement and reporting of performance. An analysis was conducted on the following documents: Internal Audit findings, Monitoring and Evaluation Reports and the Auditor General's opinion on the reported performance against pre-determined objectives contained in the DARDLA Annual Reports.

The study furthermore made use of a case study design, using Ehlanzeni South District as the unit of analysis. The case study approach involved the researcher collecting extensive data on the reporting of performance information within Ehlanzeni South District's Farmer Support and Development Services as the focus of the investigation (Leedy & Ormrod, 2001:149). The research methodology is outlined in detail in the next subsection.

4.2.1 Research methodology

Empirical research was conducted to fulfil the research objectives outlined in Chapter 1. The term empirical, according to Rosnow and Rosenthal (2005:7), means based on observation. Empirical research is based on direct experience or observation of the world and the use of observable data to answer questions, develop and test ideas (Punch, 2000:3). There are two broad approaches to scientific research, namely quantitative and qualitative research approaches. Quantitative research refers to empirical research where data is in the form of numbers and qualitative research refers to empirical research where data is not in the form of numbers (Punch, 2000:3). This study followed a qualitative research approach. A qualitative research approach provides the researcher with the perspectives of the target audience through direct interaction with the subjects of the study (Webb & Auriacombe, 2006:592).

The advantages of a qualitative approach are that it generates rich, detailed data that leaves the participant's perspectives intact. It also provides a context for understanding behaviour (Webb & Auriacombe, 2006:592). Qualitative research allows the researcher to gain insider's views or the inner experience of participants, to determine how meanings are formed through and in culture, and to discover, rather than test, variables (Corbin & Strauss, 2008:12). Qualitative research enables the researcher to collect a wide array of data from various sources such as documents, observations, interviews and case studies (Welman, Kruger & Mitchell, 2005:8). A qualitative approach was regarded as most suitable for this study, as it seeks to explore variables that contribute to the loss of credibility of the performance information reported by Ehlanzeni South Farmer Support and Development Services. The study focused on discovering rather than testing variables, hence qualitative research was most suited for this study. The next subsection focuses on the research design followed in this study.

4.2.2 Research design

A research design is described by Babbie *et al.*, (2010:75) as the planning of a scientific enquiry outlining the kind of study to be undertaken, as well as the results that are aimed at. According to Blaikie (2000:42) a research design needs to answer the questions: What will be studied? How and why will it be studied? It describes what will be done with the aim of arriving at conclusions about the research problem (Welman & Kruger, 2001:46). It includes a roadmap that allows the researcher to answer the

research questions or test the validity of his/her hypothesis (Webb & Auriacombe, 2006:588). It is a blue print of how the research will be conducted (Babbie, Mouton, Vorster & Prozesky, 2008:74). This study followed a case study design. Auriacombe and Mouton (2007:445) describe a case study as a form of field research that investigates a specific phenomenon holistically or systematically. According to Conaty (2012: 292), a case study is suited to an exploratory examination and assists in building a supported conceptual analysis in a real-life context. The advantage of a case study approach is that it emphasises detailed contextual analysis of a limited number of events or conditions and their relationships (Webb & Auriacombe, 2006:599). Case studies use documents, artefacts, interviews and observations as sources of evidence and seek to present empirical evidence fairly and rigorously. The case study approach in this study involved that the Ehlanzeni South District was used as a singular case within the Mpumalanga DARDLA to investigate the causes of non-credible performance reporting within the Farmer Support and Development Services Directorate. The Ehlanzeni South District was therefore the locus of this study and was utilised as the unit of analysis.

The study was conducted in three municipalities namely Mbombela, Nkomazi and Umjindi Municipalities, which are located in the Ehlanzeni South District of Mpumalanga Province in the Republic of South Africa. The Farmer Support and Development Services (Programme 3) established one municipal office in each of the above municipalities, where Agricultural Advisors and the Agricultural Municipal Manager are based. The study included the District Director for Ehlanzeni South District whose office is located in Mbombela. The literature review is discussed in detail in the next subsection.

4.2.2.1 *Literature review*

The literature review was conducted on a number of local and international sources regarding performance management in the public sector, with particular reference to performance reporting. A literature review is a critical point of departure in a holistic research process. Majam and Theron (2006:603) interpret the literature review as a vital component in any type of research and emphasise that no type of research should be conducted without it. The policy and framework documents guiding the management of performance information were consulted to enhance a better understanding of the

programme performance reporting of Programme 3 in the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration. Annual reports, operational and systems documents, Internal Audit findings and Monitoring and Evaluation Reports from the Mpumalanga Provincial Department of Agriculture, Rural Development and Land Administration were also consulted to provide a basis for the analysis of programme performance reporting. The next subsection focuses on the observation conducted as part of the study.

4.2.2.2 *Observation*

The researcher observed the process of consolidating the three municipal performance reports into the Ehlanzeni South District Performance Report. The district convened monthly management review meetings during which the three Agricultural Municipal Managers presented their performance files for verification to the District Management Team. The verification involved the counting of physical evidence for each of the 24 performance indicators per municipality. The performance figures verified during the physical count of evidence per indicator per municipality were captured by the District M&E Coordinator. The verified municipal performance figures recorded during the counting of physical evidence were added together to produce a consolidated District Performance Report. The consolidated District Performance Report would be handed to the District Manager to submit to the Chief Directorate at Head Office on or before the 6th of each month.

After the verification exercise the performance files with physical evidence were handed over to the District M&E Coordinator for safe keeping. The District M&E Coordinator opened a file for each of the 24 performance indicators. This involved removing PoEs from municipal files and arranging them into district files of evidence. The municipal PoEs were separated from each other by means of file dividers in the district evidence files. Summary listing of the evidence contained in each file was developed. Electronic copies of listings from each of the three municipalities were required to develop a district listing. Late submission of electronic listings by some officials in the municipalities was observed. From the consolidated electronic listings the hard copies of the listings were printed and placed as cover pages in each of the 24 evidence files. The files would then be considered ready for inspection by the Internal Audit and the provincial Coordination, Monitoring and Evaluation Units.

4.2.2.3 Construction of research questionnaire

The study used a questionnaire as the data collection instrument. A questionnaire was developed around the research objectives of this study. The questionnaire was aimed at identifying and evaluating factors that lead to the loss of credibility of reported programme performance information for Programme 3 in the Department of Agriculture, Rural Development and Land Administration. The overall aim of the study and that of the questionnaire was thus to investigate the causes of non-credible performance reporting within Programme 3, and to recommend ways to manage the portfolio of evidence in order to ensure credible programme performance reporting in the future within the Farmer Support and Development Services Directorate in Mpumalanga Province. The questionnaire contained closed ended questions as well as open ended questions.

The questionnaire was divided into four sections, namely:

- Section A: Biographical details of respondents
- Section B: Likert scale questionnaires for Agricultural Advisors
- Section C: Likert scale questionnaires for Managers, Supervisors and the District M&E Unit.
- Section D: Open ended questions

Section A was aimed at collecting the demographic data on gender, age, position (post level) and years of experience in Farmer Support. Section B was to be completed by Agricultural Advisors and was aimed at determining practices followed in collecting performance data, checking and submission of evidence (PoE) and general understanding of the performance indicators. Section C was to be completed by Supervisors, Managers and the District Monitoring and Evaluation Unit. Section C was aimed at determining how the completed evidence documents (PoE) are checked and counted; how the corrections and adjustments are effected to the performance reports and how access to the files with verified and final evidence is controlled. The section further aimed at determining whether the Supervisors, Managers and District Monitoring and Evaluation Unit had access to key documents on the management of performance information to guide their activities. Section D consisted of open ended questions. The questions sought to determine the following:

- which performance indicators are associated with errors or mistakes,

- the nature of mistakes committed by officials,
- whether Managers and Supervisors have adequate time to check and validate submitted evidence documents (PoE)
- what generally compromised the credibility of the performance report from Farmer Support and Development?

The questions were in English only as the respondents have tertiary educational qualifications and are able to understand English.

4.2.2.4 The study population and sample

The population for a research study is that group about whom conclusions will be drawn (Babbie, 2001:110). The population refers to the total set of cases, events or objects which together comprise the subject of the research study (Burger & Silima, 2006:658). The study population consisted of all Agricultural Advisors (for both Crop Production as well as Animal Production) located in Ehlanzeni South District, the District Director and the Agricultural Municipal Managers for Mbombela, Nkomazi and Umjindi Municipalities.

The original population (N) for this study consisted of 42 officials comprising 31 Agricultural Advisors for Crop Production, 7 Agricultural Advisors for Animal Production, 3 Agricultural Municipal Managers and 1 District Director. At the time of conducting the interviews the following changes to the original population had occurred: 3 officials left the department (1 Agricultural Advisor for Crop Production retired due to old age, 1 Agricultural Advisor for Crop Production and 1 Agricultural Advisor for Animal Production resigned from the Public Service). The final targeted population (N) for the study was the remaining 39 officials including the District Director for Ehlanzeni South District.

4.2.2.4.1 The sampling criteria

A sample is a segment of the population that is believed to be representative of the entire population (Rosnow & Rosenthal, 2005:140). It is a small portion or a subset of the total target population under consideration for the research study (Burger & Silima, 2006:658). Sampling is the process of selecting a segment of the population for observation (Babbie & Mouton, 2001:164).

The subjects included in the sample were to meet the following criteria:

- They should be serving Ehlanzeni South District either as Agricultural Advisors (for Crop Production or Animal Production), Agricultural Municipal Managers, District Directors, or District Monitoring and Evaluation Coordinators.
- Be of either gender (male or female) and any race.
- Be willing to participate in the study.

According to Welman and Kruger (2001:64) samples of less than 15 units of analysis are not recommended for use. Denscombe (2003:24) discourages the use of samples with fewer than 30 people or events. The entire population of 39 people was small enough, hence a sample was considered not necessary (non-probability sampling). The study therefore targeted the entire population of Agricultural Advisors and Managers employed under Programme 3 within the Ehlanzeni South District. By using this method (non-probability sampling by utilising Ehlanzeni South District as the unit of analysis in a case study approach), every possible person involved in Farmer Support, Programme 3 had an equal chance of being included in the sample. It is worth mentioning that the respondents involved in Farmer Support, Programme 3 represented a small group equipped with specialised expertise and experience, and therefore all the relevant respondents were targeted for participation in the study.

Non-probability sampling, according to Babbie and Mouton (2001:166-168) does not make use of a random selection of population elements; but it has advantages if the population is difficult to find. Non-probability sampling is also less complicated and more economical in terms of time and financial expenses than probability samples (Welman, Kruger & Mitchell, 2011:68).

In this regard, it was indicated in the above paragraphs that only a limited number of skilled people were involved in Farmer Support Services (Programme 3) within the Ehlanzeni South District municipal area of jurisdiction. All the relevant respondents were therefore targeted to participate in the study and eventually only 31 of the 39 respondents willingly participated.

4.2.2.5 Data collection procedure

The questionnaires were personally distributed by the researcher to the Agricultural Managers, the Agricultural Advisors, the Monitoring and Evaluation Unit and the District

Director. The data was collected over two months due to the busy schedule of some officials. All the data (observations, case study method and questionnaires) and information (the literature review) obtained were scientifically analysed by the researcher. On the basis of the relevant information received, logical conclusions and recommendations were made regarding more effective credible performance reporting for Farmer Support and Development Services (Programme 3).

4.3 RELIABILITY AND VALIDITY

4.3.1 Reliability

Reliability, according to Rosnow and Rosenthal (2005:437) is the extent to which observations or measures are stable or consistent. The questionnaires completed by Agricultural Advisors, Managers, the District Director and District Monitoring and Evaluation Coordinators revealed consistencies in responses.

4.3.2 Validity

All questionnaires were distributed to the respondents by the researcher personally, to ensure consistency in administering the questionnaire. The questions were formulated in simple language to ensure easy understanding. The validity of the responses to the questionnaire was checked through comparison with the findings from the document analysis, which was conducted on the reports of the DARDLA Internal Audit Unit to corroborate the findings from the empirical study. The Internal Audit Unit's Performance Information Management Audit Report (DARDLA, 2013:7) revealed the following:

- The audit was conducted with the aim to evaluate and report on compliance to performance reporting policies, procedures and relevant legislation, as well as the accuracy, validity and completeness of performance information against pre-determined objectives. The audit arrived at the following conclusions:
 - limited assurance regarding the adequacy and effectiveness of the system of internal control could be provided (DARDLA, 2013:7).
 - the Ehlazeni South District Report does not agree with the listing (DARDLA, 2013:12). A listing is a summary or list of the evidence contained in the file. The finding was that the reported performance figure for the district for some indicators was either less than or more than the evidence listed on the files.
 - there is poor file management.

- for Ehlanzeni South District, in the Performance Indicator 3.1 (number of small holder farmers supported), the officers were counting the visits (support provided) not the number of individuals assisted. Two visits to the same small holder farmer were counted as if it was two small holder farmers supported (DARDLA, 2013:20). This resulted in a repeat of individual farmers and an over reporting on the number of small holder farmers supported.
- a similar error to that in the Performance Indicator 3.1 was also committed on the Performance Indicator 3.3.7: Food insecure households benefiting from the intervention, where the repeat of households resulted in over reporting (DARDLA, 2013:24).

The Internal Audit Report identified that the errors committed as highlighted above reflected that there were non-reviews of PoE by management, which poses a risk of non-compliance to the Framework for Managing Programme Performance Information and that the reliability and quality of the performance report is compromised. The report further concludes that the control environment may not be adequately designed (DARDLA, 2013:25).

The Monitoring and Evaluation Report on the verification of portfolio of evidence for Programme 3 in Ehlanzeni South District (DARDLA, 2012:3) was also analysed. The report reflected the following:

- There is a lack of common understanding/interpretation of performance indicators and this resulted in the municipalities reporting differently on the same indicator.
- The report further shows that some municipalities are still using the incorrect PoE templates i.e. attendance registers and client interaction forms that do not comply with agreed templates (DARDLA, 2012:3).

4.4 PRETESTING THE QUESTIONNAIRE

The researcher pre-tested the questionnaire with the District Monitoring and Evaluation Unit made up of one full time Coordinator and two municipal based Agricultural Advisors, who play the dual roles of being Agricultural Advisors as well as assisting with consolidation of municipal reports into district reports and the validation of evidence documents. The District Monitoring and Evaluation Unit confirmed that the questions were clear enough, hence no questions were changed following the pre-test.

4.5 ETHICAL CONSIDERATIONS

In social science research, human beings are the objects of the study; this introduces unique ethical problems to the research setting which must be appropriately addressed by the researcher (De Vos, Strydom, Fouche & Delpont, 2003:62). Ethics refer to the values by which the conduct of the researcher and the morality of the empirical strategy that has been used are evaluated (Rosnow & Rosenthal, 2005:60). Lutabingwa and Nethonzhe (2006:701) describe the ethical standards in terms of fairness, honesty, openness of intent, disclosure of methods, respect for the integrity of the individual, guarantee of individual privacy and informed willingness to participate. To ensure adherence to the ethical standards of the North-West University, the following research ethics were considered in the study: voluntary participation, informed consent and confidentiality. The participants were not coerced to participate; they were informed that their participation was voluntary. Voluntary participation is the basic rule of social research with regard to research ethics (Babbie, 2001:37). Informed consent involves telling the potential participants about the study, so that they know what they will be getting into, and obtaining their written agreement to participate (Rosnow & Rosenthal, 2005:60). The purpose of the research study was communicated to all the participants to ensure informed consent. The participants were further asked to sign a letter of consent before they participated in the study. The participants were assured that the confidentiality of their responses would be maintained to protect their individual privacy. Confidentiality involves protecting the participant's disclosures against unwarranted access (Rosnow & Rosenthal, 2005:60). Codes were used instead of the names of the respondents to ensure confidentiality and privacy.

4.6 ANALYSIS AND INTERPRETATION OF THE EMPIRICAL DATA

The Farmer Support and Development Services Directorate (Programme 3) was analysed. The collected data was captured in a Microsoft Excel (MS Excel) spreadsheet and prepared for analysis. The data was analysed and interpreted by categorising the observable characteristics. The data was scientifically analysed in MS Excel and presented in the form of tables and graphs, showing the responses to the questionnaire in the form of numbers/scores and percentages, for easy understanding.

The results of a detailed analysis conducted by the researcher regarding credible performance reporting in the Ehlanzeni South District of the Mpumalanga Province in the Republic of South Africa are herewith presented.

As mentioned, a questionnaire was used comprising four sections. A total of 31 respondents out of the targeted population of 39 completed the questionnaire (i.e. a response rate of 79.49%).

4.6.1 Section A of the Questionnaire: Biographical information

A1: Gender

The first question on the biographical information was about the gender of the respondents. The results are reflected in Figure 1 below:

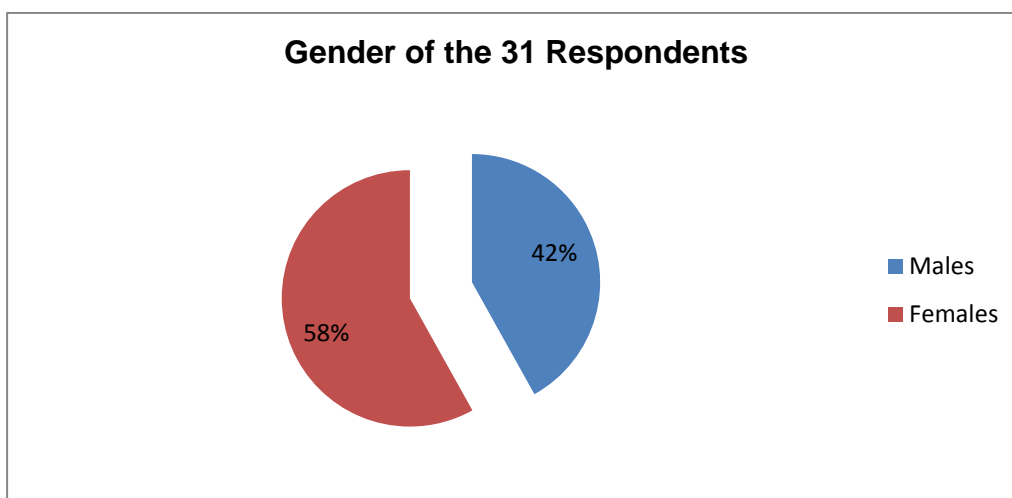


Figure 1: The 31 respondents by gender.

Source: Self-generated from questionnaires analysed.

The above figure shows that the Ehlanzeni South District's Programme 3 is dominated by female employees. The overall majority of the respondents i.e. fifty-eight percent (58%) are females, whilst the males make up the remaining forty-two percent (42%). This is also a good indicator that gender representation and women empowerment are being addressed by the department.

A2: Age of respondents

The second question on biographical information pertained to the age of the respondents. The results are presented in Figure 2 below:

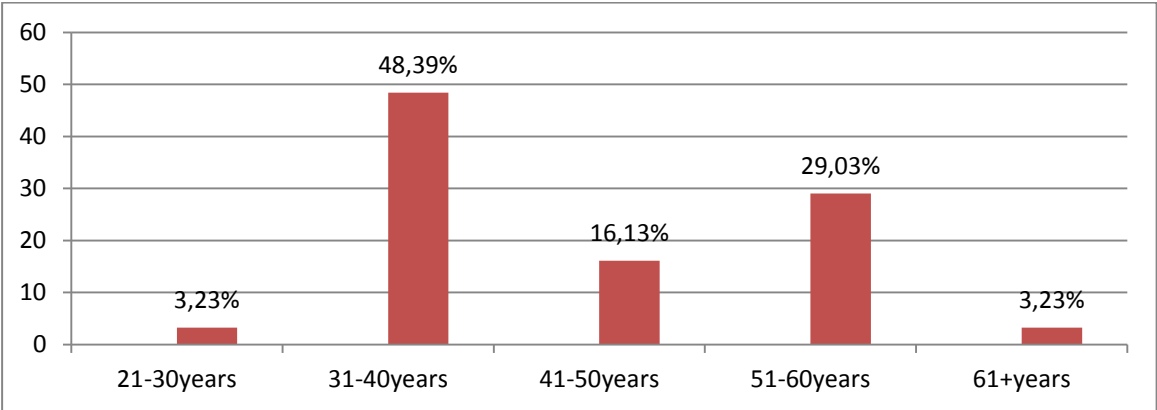


Figure 2: The 31 respondents by age.

Source: Self-generated from questionnaires analysed.

From Figure 2 above it can be deduced that the Ehlanzeni South District's Programme 3 staff establishment is fairly young i.e. it is dominated by the age group 31- 40 years which constitutes forty-eight percent (48%), followed by the age group 51- 60 years representing twenty-nine percent (29%). The age group 41-50 years makes up sixteen percent (16%), whilst the age groups 21-30 years and 61 years and above reflect three percent (3%) respectively. It is assumed that a young staff establishment should be able to pay attention to detail, commit fewer mistakes, respond faster to changes, produce more accurate reports and submit reports on time.

A3: Position

The third question on biographical information was about the rank or position of the respondents within Farmer Support and Development Services. The results are presented in Figure 3 below:

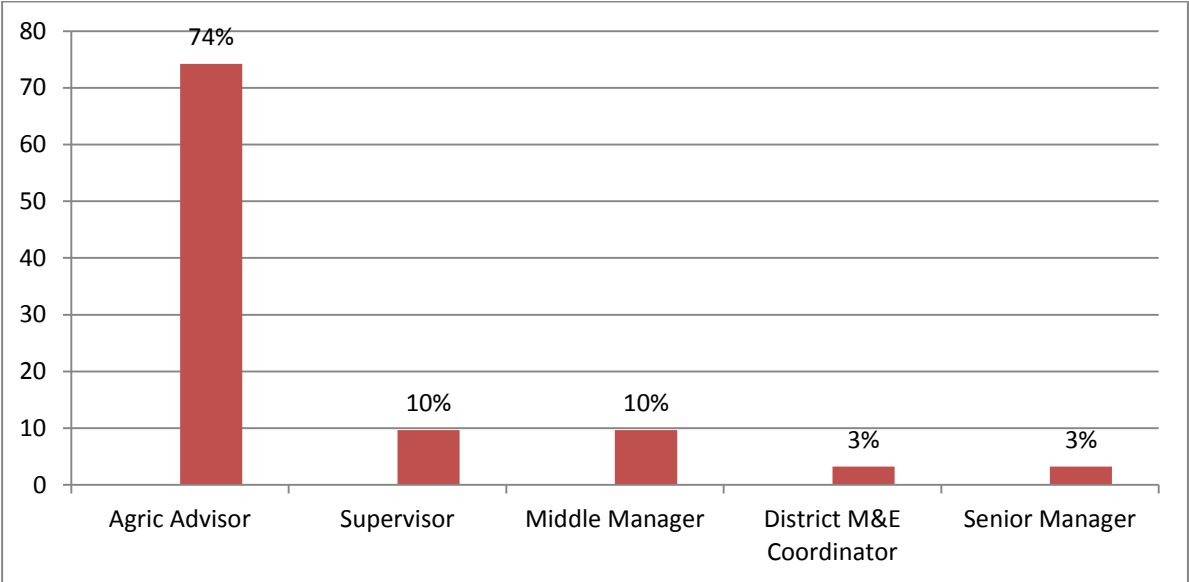


Figure 3: The 31 respondents by rank/position.

Source: Self-generated from questionnaires analysed.

The above figure shows that seventy-four percent (74%) of the respondents were at the rank of Agricultural Advisors i.e. field workers responsible for collecting and reporting on the performance data on a regular basis. Both Supervisors and Middle Managers (Agricultural Municipal Managers) who were responsible for verifying and consolidating performance data collected by Agricultural Advisors into a municipal performance report accounted for ten percent (10%) respectively. The District Monitoring and Evaluation Unit responsible for evaluating the documented performance evidence from the municipalities and consolidating the municipal performance reports into a district performance report accounted for three percent (3%) of the respondents. The remaining three percent (3%) of the respondents represented the Senior Manager who was responsible for authenticating the Consolidated District Performance Report and submitting such a report to the Chief Directorate for provincial reporting.

A4: Work experience

The fourth question on biographical information was about the work experience of the respondents in Farmer Support and Development Services. The results are broken down into two categories, namely the experience of the 23 Agricultural Advisors and the experience of the 8 Supervisors; District Monitoring and Evaluation Coordinators and Managers. Figure 4 below presents the experience of the 23 Agricultural Advisors:

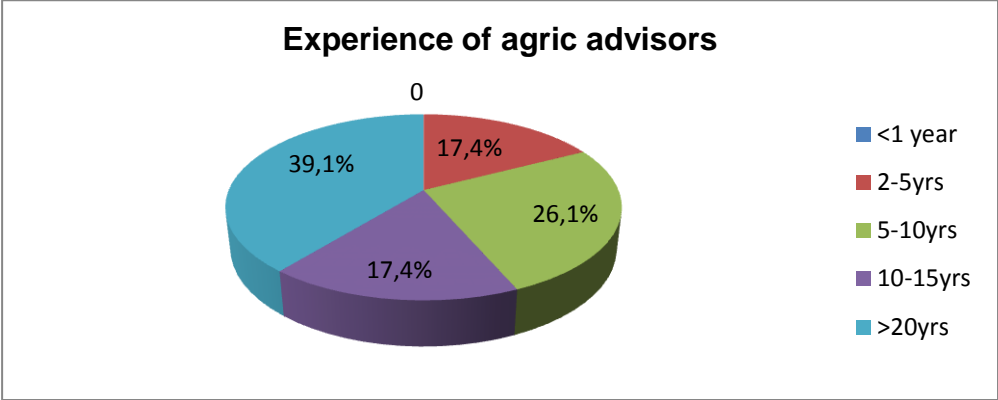


Figure 4: Experience of the 23 respondent Agricultural Advisors in Farmer Support and Development Services.

Source: Self-generated from questionnaires analysed.

It can be deduced from Figure 4 above that thirty-nine percent (39%) of the respondents (Agricultural Advisors) had the highest work experience in Farmer Support and Development Services of more than 20 years, followed by 5-10 years' experience at twenty-six percent (26%). The respondents with 2-5 years' work experience account for seventeen percent (17%). The respondents with 10-15 years' work experience also account for seventeen percent (17%). The results indicate that the majority of the Agricultural Advisors have adequate work experience in Farmer Support and Development Services, to enable them to produce credible performance reports.

The work experience of the 8 Supervisors, District Monitoring and Evaluation Unit and Managers is presented in Figure 5 below:

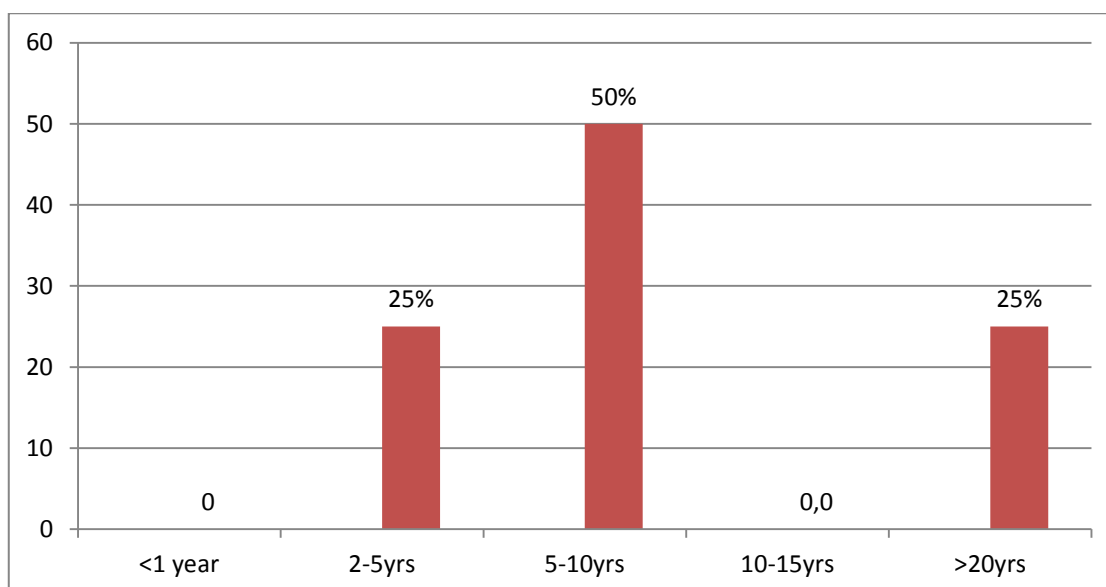


Figure 5: The experience of Supervisors and Managers in Farmer Support & Development Services.

Source: Self-generated from questionnaires analysed.

From the above figure it can be observed that fifty percent (50%) of the respondents (that is Supervisors and Managers) had work experience of 5-10 years in Farmer Support and Development Services, followed by twenty-five percent (25%) with 2-5 years' work experience. The remaining twenty-five percent (25%) of the respondents was made up of Supervisors and Managers with more than 20 years' experience in Farmer Support and Development Services. The results indicate that the Supervisors and Managers had adequate work experience in Farmer Support and Development Services to enable them to understand the applicable performance indicators, performance data collection and verification procedures, and to produce credible performance reports.

4.6.2 Section B of the Questionnaire

Section B of the questionnaire was completed by Agricultural Advisors and was aimed at determining practices followed in collecting performance data, checking and submission of evidence (PoE) and general understanding of the performance indicators. Below are the empirical findings.

Statement B1: I always carry evidence (PoE) templates with me when going out to render services so that I can capture data immediately.

This statement sought to establish whether there were incidences where officials did not have blank templates to record performance data which could lead to services being rendered with no documented evidence. The use of evidence (PoE) templates to collect performance data forms the basis for evidence based performance reporting. Performance reports are verified based on available physical documented evidence in the files. The DARDLA Performance Information Management Policy specifies that performance data should be recorded on prescribed templates referred to as portfolio of evidence (PoE) (See Section 3.3.8 of this study). The Performance Information Handbook requires that the underlying performance information data in the form of primary source documents should be made available as part of the Performance Information Management System (see Section 3.3.4 of this study). The completed PoE templates become the primary source documents which can be made available to support the reported performance. The results are presented in Figure 6 below:

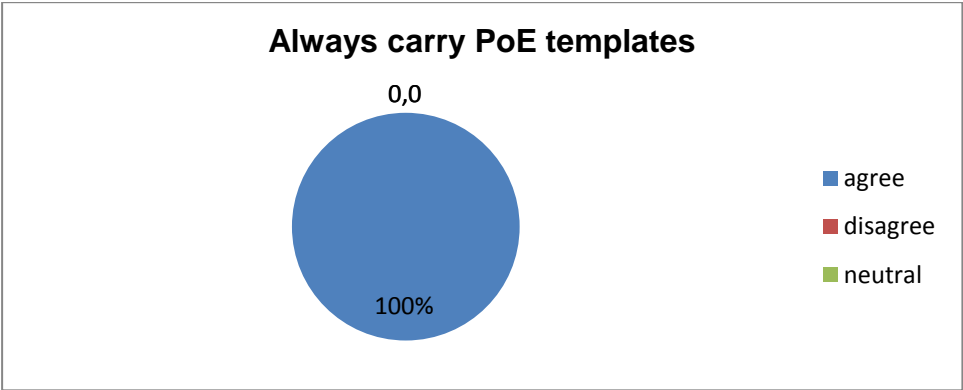


Figure 6: Responses to Statement B1. Always carry PoE templates when rendering services.

Source: Self-generated from questionnaires analysed.

The results from Figure 6 above show that all the respondents (100%) indicated that they always carried evidence PoE templates to record performance data when they interact with clients. Carrying blank PoE templates to be filled in when services are rendered should be viewed as the first step towards credible performance reporting. Once completed, the PoE templates are regarded as supporting documented evidence to substantiate the performance reports. It is important to carry blank PoE templates to use as performance data collection instruments, because these PoE templates serve as

proof that services were rendered. Furthermore, the monthly performance reports of the Agricultural Advisors are derived from these PoE templates. The results also show that all respondents comply with the requirements of the Auditor General that the reported performance must be supported by documented evidence. Reported performance against pre-determined objectives is considered not reliable if there is no sufficient and appropriate documented evidence (AGSA, 2010:6).

Statement B2: Before leaving the client’s project/farm I check that the evidence PoE template is fully filled in by myself and the clients.

This statement sought to assess whether Agricultural Advisors do check that the evidence PoE templates are fully filled in i.e. complete. As already mentioned in Chapter 2 of the mini-dissertation, the validity of reported performance can be enhanced by capturing performance data in full. The results are presented in Figure 7 below:

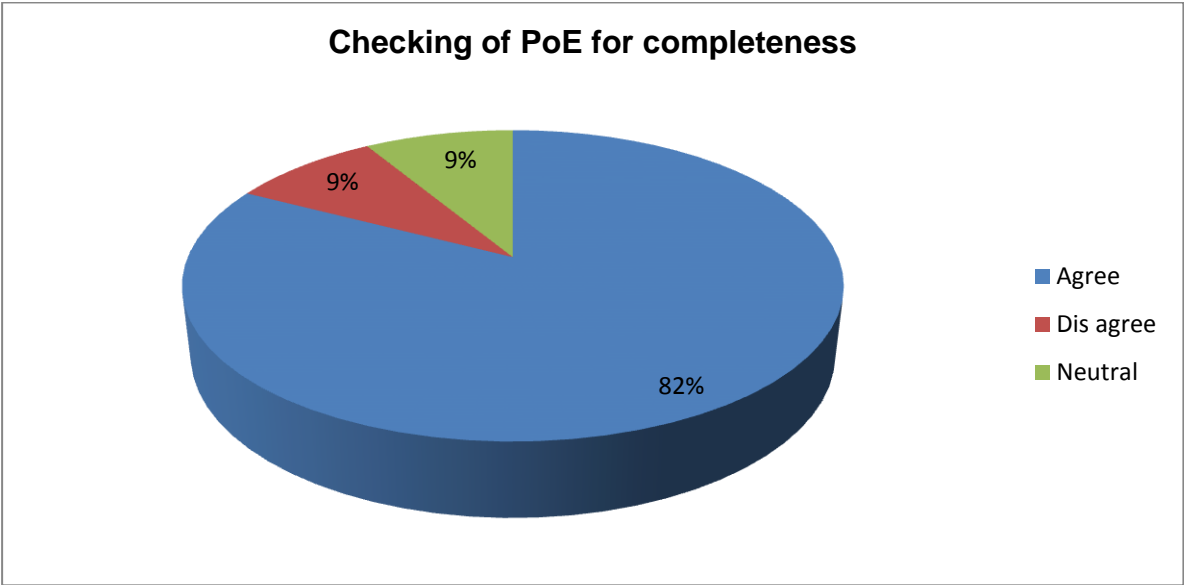


Figure 7: Responses to Statement B2: Checking of PoE templates for completeness. Source: Self-generated from questionnaires analysed.

From Figure 7 it can be deduced that eighty-two percent (82%) of the respondents did check the evidence templates (PoE) for completeness. Nine percent (9%) of the respondents did not check the evidence templates for completeness before leaving their clients’ projects. The remaining nine percent (9%) chose to remain neutral regarding this question, implying that they also did not check the evidence templates for completeness before leaving their clients. For the PoE templates to be considered complete, they must be filled in with data, and should have no empty cells or missing

information. Incomplete documented evidence compromises the reliability of evidence as well as the reported performance. Incomplete PoE templates can be considered invalid and rejected by the Auditor General. As already mentioned, the quality criteria used by the Auditor General to assess reported performance including the documented evidence includes the element of completeness (see Section 3.3.2 of this study).

Statement B3: I always submit all my completed evidence (PoE) templates to the Manager before or on the last day of the month.

This statement sought to establish if there were incidences of late submission of documented evidence which could lead to the performance report with figures not corroborated by physical evidence. The Constitution requires that government departments should foster transparency by providing the public with performance audit information that is timely, accessible and accurate (see Section 3.3.1 of this study). Individual performance reports are consolidated into municipal reports, and ultimately district reports, which are forwarded to Head Office on or before the 6th of each subsequent month. The reported figures which are not backed by physical evidence in the file by the 6th of the month might result in a downward adjustment (reduction of reported figures) of the performance report being effected by the District Monitoring and Evaluation Coordinator. The results are presented in Figure 8 below:

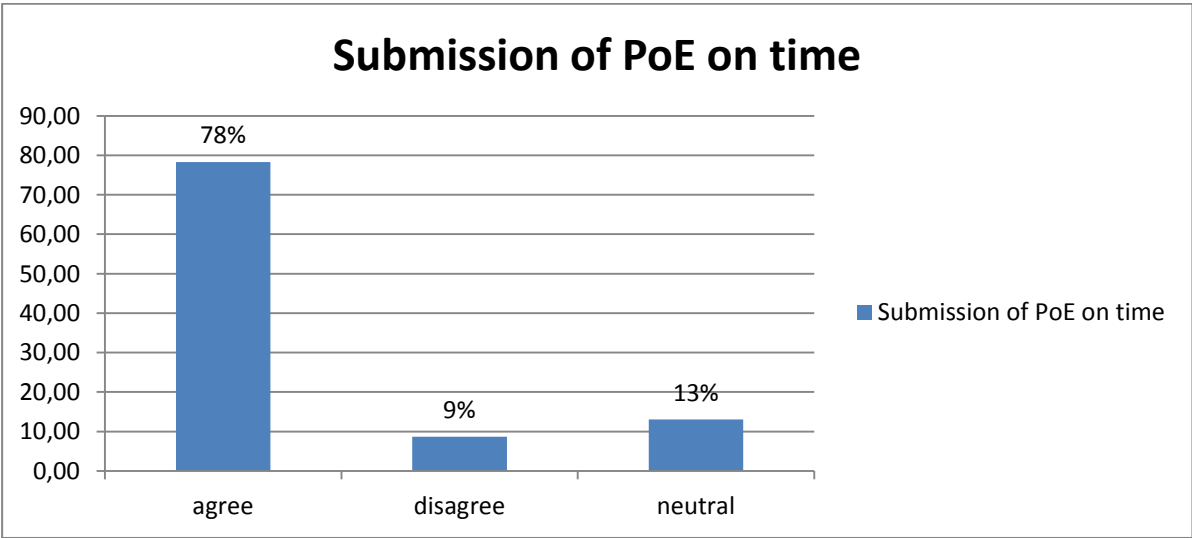


Figure 8: Responses to Statement B3. Submission of completed PoE to Managers on time.

Source: Self-generated from questionnaires analysed.

Seventy-eight percent (78%) of the respondents submitted documented evidence on time. Nine percent (9%) of the respondents did not submit the documented evidence on time. Thirteen percent (13%) of the respondents chose a neutral response, implying that they were somehow inconsistent in their submission of documented evidence. Documented evidence submitted after the district report is forwarded to Head Office might result in the evidence files containing more evidence than the reported performance figures. It has already been mentioned that the reports of the Internal Audit Unit and the Monitoring and Evaluation Unit findings show that for some indicators there was more evidence in the files than the figures reported in the performance reports. Late submission of PoE creates a discrepancy between the performance report and the evidence files which compromises the credibility of the reported performance.

Statement B4: Some of my evidence PoE templates are rejected by my Supervisor or the Monitoring and Evaluation Unit due to mistakes.

The statement sought to determine if there were evidence documents rejected as incorrect and referred back to the Agricultural Advisors. Documented evidence must contain performance information that is accurate and free of mistakes. Government departments have to comply with the standard of accurate performance information when they publish their performance reports as required by the Constitution (see Section 3.3.1 of this study). The rejection of submitted PoE templates due to identified mistakes implies that the performance information in the primary source documents does not meet the quality requirements. The results are presented in Figure 9 below:

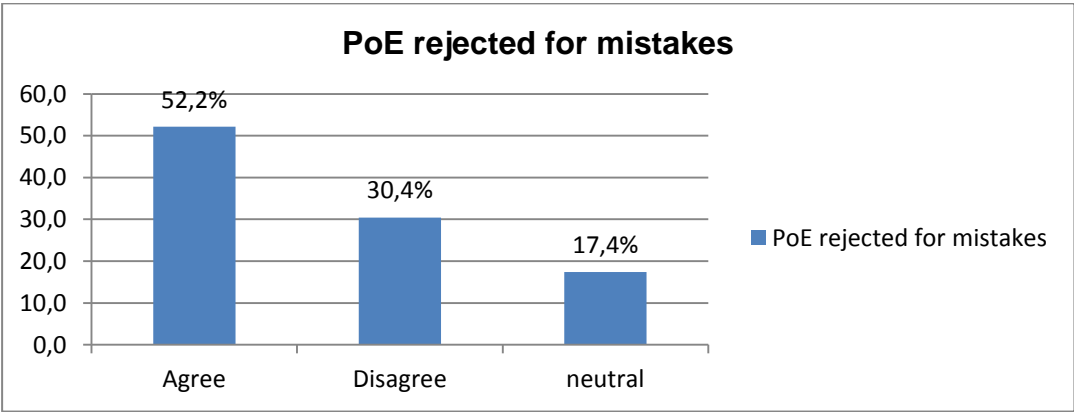


Figure 9: Responses to Statement B4. Some of the PoEs are rejected by Supervisor or Monitoring & Evaluation Unit due to mistakes.

Source: Self-generated from questionnaires analysed.

From Figure 9 above it can be observed that the majority of respondents accounting for fifty-two percent (52%) had some of their PoEs rejected due to mistakes. Only thirty percent (30%) of the respondents submitted accurate PoEs which were not rejected for mistakes. Seventeen percent (17%) of the respondents chose a neutral response to the question. The result indicates that despite the fact that the staff in Ehlanzeni South District are fairly young and should be paying attention to detail, there was still a high rate of mistakes on submitted PoEs. The high incidences of mistakes on PoEs might cast a shadow on the validity of the collected performance data. As the performance reports are derived from the PoEs, the rejection of some PoEs necessitates the reduction of reported performance figures, unless such mistakes can be corrected before the final reports are submitted to Head Office. Where the reported performance is reduced due to the rejected PoEs, there will be a discrepancy between actual performance and reported performance. The result might also be an indication that Supervisors and Managers pay attention to detail when verifying and authenticating the submitted PoEs, hence the discovery of all these mistakes. The results further imply that the training provided by the Monitoring and Evaluation Unit on how to complete PoE templates could have been insufficient. The continuous modification and improvement of the PoE templates by the Monitoring and Evaluation Unit could also be contributing to this high rate of mistakes, as the Advisors might still be struggling to master the use of the new PoE templates.

Statement B5: I never have time to correct the rejected evidence PoE templates.

The statement sought to establish whether Agricultural Advisors have adequate time to correct any rejected evidence documents. The date for the district to submit the final consolidated performance report from all the municipalities to Head Office is the 6th of each month. If rejected, PoE templates reach the officials too close to the 6th and there might not be sufficient time to effect changes and re-submit, as unplanned travelling might be required. If the mistakes on the rejected PoE templates originated from the clients or farmers, it will require that the official should travel to the farms and request the farmers to correct the mistakes. It may not always be possible to re-convene the clients at short notice, so that they can correct their mistakes on the rejected PoE templates. The results are presented in Figure 10 below:

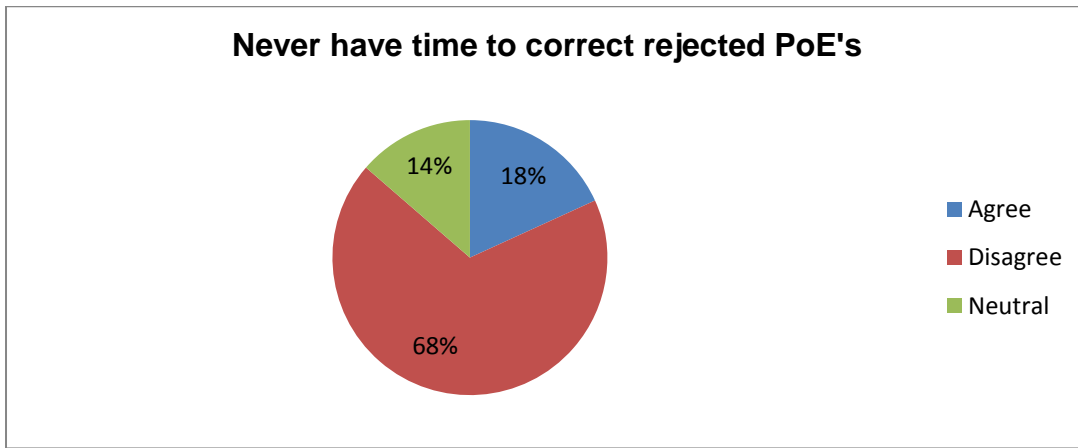


Figure 10: Responses to the Statement B5. Never have time to correct the rejected PoE templates.

Source: Self-generated from questionnaires analysed.

Sixty-eight percent (68%) of the respondents disagreed with the statement, implying that they always had adequate time to correct any incorrectly documented evidence which had been referred back to them for corrections. Eighteen percent (18%) agreed with the statement, whilst fourteen percent (14%) chose a neutral response. The results show that generally officials did have adequate time to correct any PoEs that had been referred to them for corrections. The minority that did not have enough time to correct the rejected PoEs could be responsible for the discrepancies observed between the reported performance and the physical evidence in the files. The submission of corrected evidence long after the final report was submitted would result in the evidence file containing more evidence than the reported performance.

Statement B6: I only re-submit corrected evidence PoE templates when I obtain approval of my itinerary to travel to the district office.

The purpose of this statement was to assess whether the DARDLA system of pre-approval for official travelling affected the timely re-submission of corrected PoE templates. Some of the Agricultural Advisors are based in branch offices within their municipalities, so to submit original documents they have to travel to the district office. Currently officials are expected to submit weekly itineraries (i.e. planned official trips) for approval by the District Manager, before any official travelling can be undertaken. The statement therefore sought to assess if the DARDLA system of pre-approval of itineraries affected the speed with which corrected PoE templates which were referred

back to the Advisors for correction could be re-submitted to the district office. The results are presented in Figure 11 below:

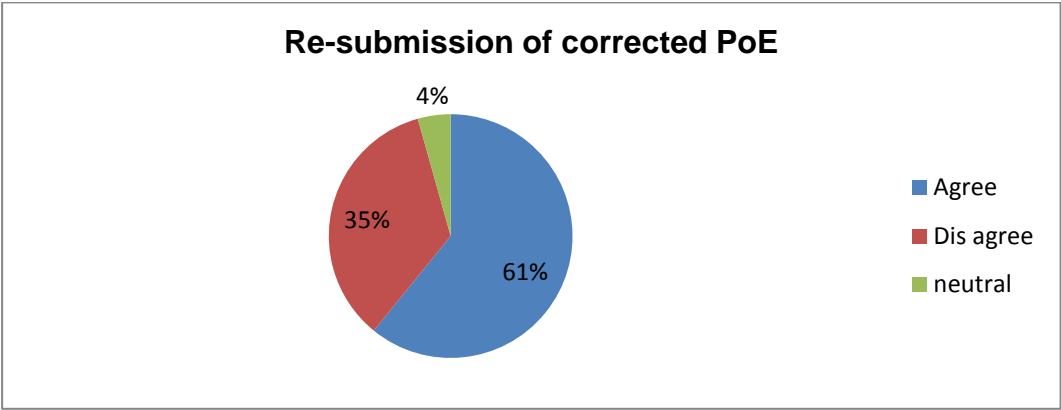


Figure 11: Responses to Statement B6. Re-submission of corrected evidence subject to approval of itineraries.

Source: Self-generated from questionnaires analysed.

Sixty-one percent (61%) of the respondents agreed with the statement, whilst thirty-five percent (35%) disagreed with the statement. Four percent (4%) chose a neutral response. The results indicate that even after corrections were effected to the PoE templates that were referred back for correction, the administrative red tape on the authorisation of official travelling did affect how quickly officials could re-submit the corrected PoE templates to the district office. Failure to re-submit corrected evidence on time could have resulted in the discrepancies observed between reported performance and physical evidence available in the performance files.

Statement B7: I take full responsibility for the correctness of the performance report that I submit to my Supervisor.

The statement sought to establish whether Agricultural Advisors were aware of their individual responsibilities to ensure and account for the correctness of the performance reports they submit to their Supervisors. It has already been reported in Chapter 3 of the mini-dissertation that the submission of false or misleading performance information to the Auditor General or an authorised auditor is considered an offence (see Section 3.3.2 of the study). The results of this statement are presented in Figure 12 below:

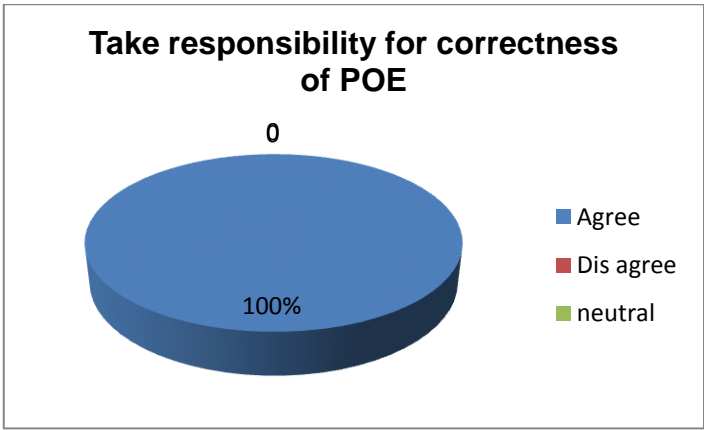


Figure 12: Responses to Statement B7. Take full responsibility for the correctness of the performance reports submitted.

Source: Self-generated from questionnaires analysed.

The results in Figure 12 above show that all the respondents (100%) agreed with the statement, which means that they recognised the role they had to play to ensure accurate reporting. Government departments have to comply with the standard of accurate performance information when publishing their performance reports, as required by the Constitution (see Section 3.3.1 of this study). Accurate reporting starts with each individual Agricultural Advisor and involves ensuring that there is accurate recording of performance data.

Statement B8: I always use the correct evidence (PoE) template for each performance indicator.

The statement sought to determine whether Agricultural Advisors always use the correct evidence templates to ensure that their PoE templates are not rejected as invalid. The use of correct PoE templates for each performance indicator will ensure that the collected performance data remains appropriate and reliable. The results are presented in Figure13.

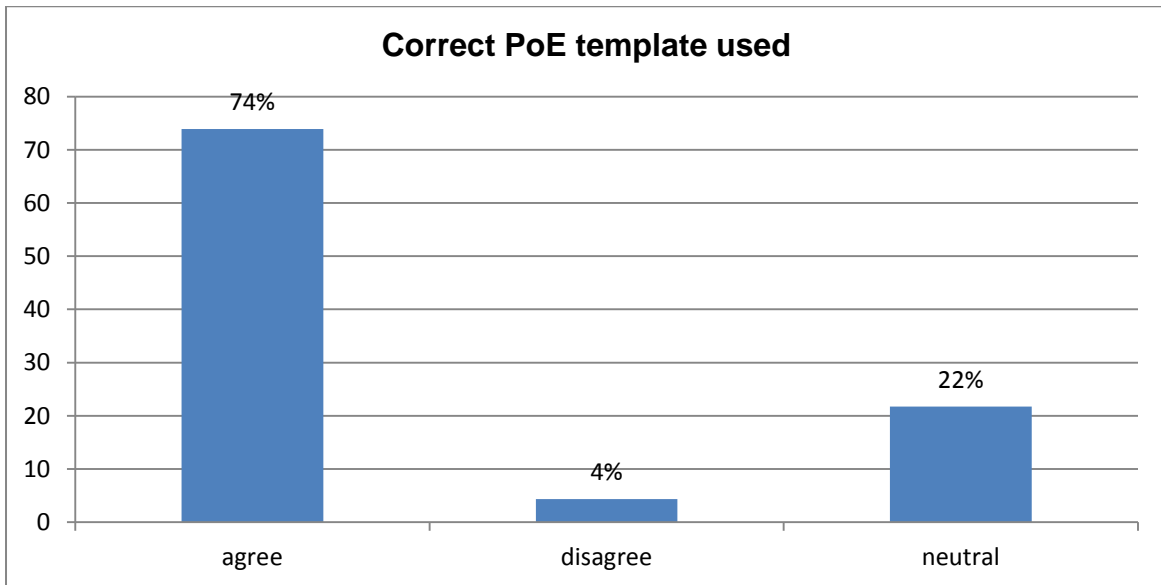


Figure 13: Responses to Statement B8. The use of correct PoE templates.

Source: Self-generated from questionnaires analysed.

The results in Figure 13 above reveal that seventy-four percent (74%) of the respondents always used the correct evidence template for each performance indicator. Twenty-two percent (22%) of the respondents chose a neutral response, meaning they could not guarantee that they always used the correct template. Four percent (4%) of the respondents disagreed with the statement, which means they did not use the correct PoE template for each indicator. The use of incorrect PoE templates impacted negatively on honest reporting. The wrong templates would ultimately be rejected as invalid evidence documents, meaning that the performance data collected through the wrong templates would not be included in the performance reports. This implies that although services were rendered and costs were incurred, the final report would reflect lower performance figures than the actual performance. The use of incorrect templates thus led to under reporting when the reported figures were reduced, in line with acceptable documented evidence. Under reporting due to rejection of wrong PoE templates might lead to unexplained high actual expenditure, compared to the low reported performance.

Statement B9: All the performance indicators are clearly defined with no room for misinterpretation.

This statement sought to determine whether Agricultural Advisors have common understanding of all the performance indicators. Common understanding will enable the Advisors to interpret the indicators the same way, and hence use the same PoE templates to collect relevant performance data for the same performance indicators. The results are presented in Figure 14.

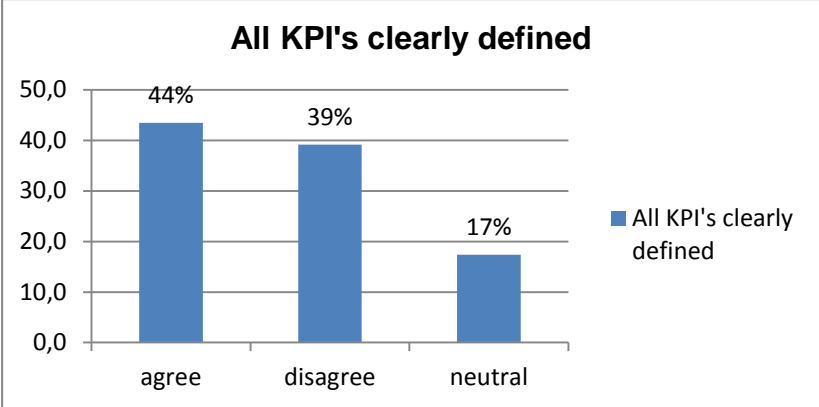


Figure 14: Responses to Statement B9. All KPI's are clearly defined.

Source: Self-generated from questionnaires analysed.

The results reveal that forty-four percent (44%) of the respondents clearly understood all the performance indicators, such that they did not misinterpret any of the indicators. Thirty-nine percent (39%) disagreed with the statement, whilst seventeen percent (17%) chose a neutral response. This means that there was no common understanding or interpretation of the key performance indicators amongst these respondents. This might result in incorrect PoE templates being used to collect performance data or incorrect performance figures being reported, which would affect credible performance reporting. The reports of the Internal Audit and Monitoring and Evaluation Units had already confirmed that the lack of common understanding of performance indicators caused inconsistent reporting (see Section 4.3.2 of the study).

Statement B10: Do you have a copy of the Performance Information Management Policy of DARDLA?

The statement sought to establish whether the Agricultural Advisors were aware of and have accessed the Performance Information Management Policy of the department (DARDLA). It is required that the Accounting Officer of an institution must ensure that

the institution has documentation (e.g. a policy document or procedure manual) addressing, amongst others, how performance information will be published (SA, 2007a:13). The DARDLA Policy was developed to provide guidance to all officials on how performance information should be collected, verified and stored, to support credible evidence based performance reporting within the department. The reporting of performance by each employee should be aligned to and comply with this policy. The results are presented in Figure 15.

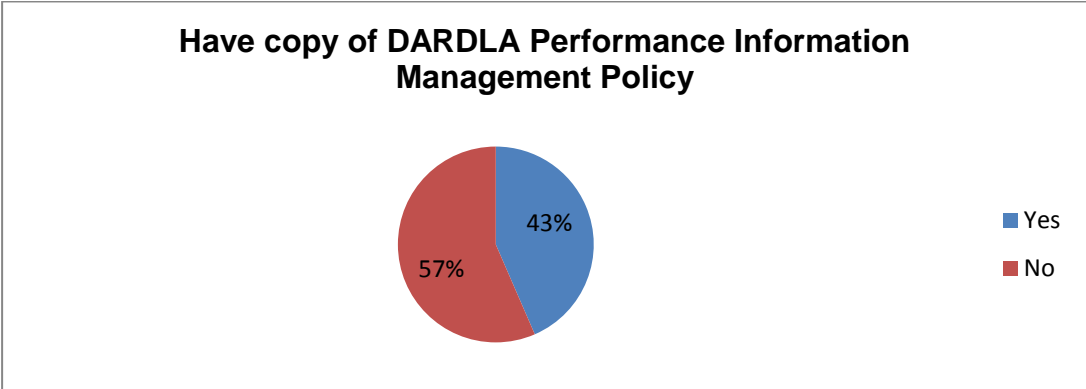


Figure 15: Responses to Statement B10. Have copy of DARDLA Performance Information Management Policy.

Source: Self-generated from questionnaires analysed.

Figure 15 above reveals that fifty-seven percent (57%) of the respondents did not have a copy of the Performance Information Management Policy of DARDLA. The remaining forty-three percent (43%) of the respondents had copies of the Performance Information Management Policy of DARDLA. The results show that the majority of respondents did not base their performance reporting on the departmental policy. This could lead to performance reporting that contradicts the departmental policy.

Statement B11: Do you have a copy of the Performance Information Management Procedure Manual of DARDLA?

The statement sought to establish whether the Agricultural Advisors are aware of and have accessed the Performance Information Management Procedure Manual of the department (DARDLA). This manual is intended to provide guidance to the officials on how performance data should be collected, verified, stored and retrieved, to ensure effective performance reporting. Compliance with internal departmental procedure

manuals would enhance credible performance reporting. The results are presented in Figure 16 below:

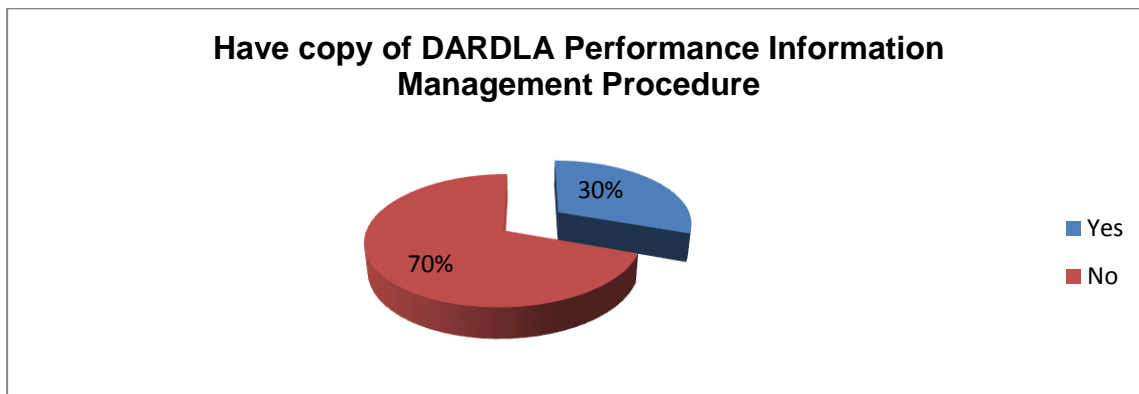


Figure 16: Responses to Statement B11. Have copy of DARDLA Performance Information Management Procedure.

Source: Self-generated from questionnaires analysed.

Seventy percent (70%) of the respondents did not have a copy of the Performance Information Management Procedure Manual of DARDLA. Only thirty percent (30%) of the respondents had access to the document. The results show that the majority of respondents were not guided by the procedure manual when collecting, storing and reporting performance data. This could lead to performance data collection and verification that is inconsistent and not systematic, as well as performance reporting that contravenes internal regulatory frameworks. The failure of the Advisors to refer to the internal regulatory frameworks on performance reporting could be the reason why there was inconsistent reporting, which was observed through discrepancies between actual physical evidence in the files and the reported performance.

Statement B12: Do you have access to a computer to type your listings for each performance indicator?

The statement sought to establish whether Agricultural Advisors had access to a computer to enable them to type listings, which are tables and summaries prepared in Microsoft Excel workbooks, of the services rendered under each performance indicator. The listings can enable sorting to determine if there are farmers who were supported on several occasions, so that incidents of double counting or repeating the same farmers can be isolated. Without a computer, an official will have to check a bulk of documented evidence manually, to determine if there is double counting of the same clients. The results are presented in Figure 17 below:

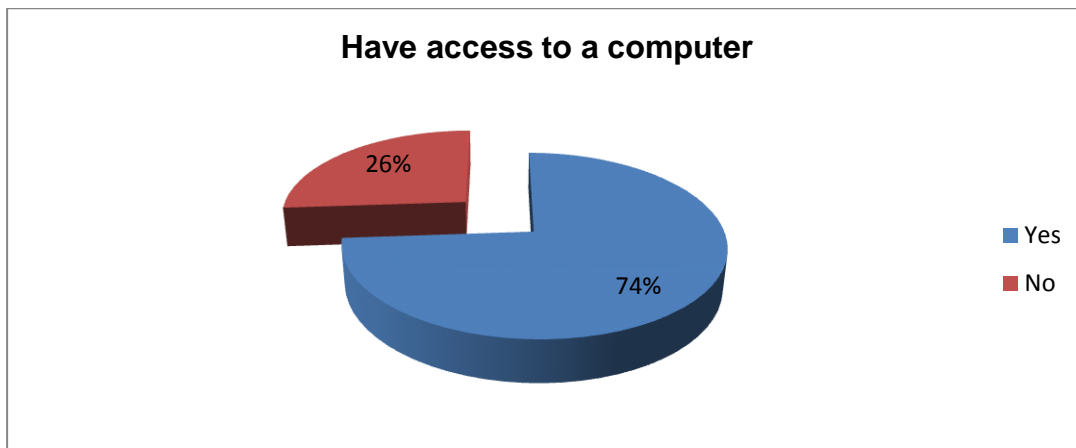


Figure 17: Responses to Statement B12. Have access to a computer to type listings for each indicator.

Source: Self-generated from questionnaires analysed.

Figure 17 above indicates that seventy-four percent (74%) of the respondents did have access to a computer, whilst twenty-six percent (26%) did not have access to a computer. The results show that generally officials have access to a computer and can therefore type and submit their summary listings of evidence per indicator, as required by the department. The typing speed amongst the majority with access to a computer could have an impact on the timely submission of listings. The minority that did not have access to a computer could be the main cause of late submission of the listings.

4.6.3 Section C of the Questionnaire for Supervisors, Managers and District Monitoring and Evaluation Unit.

This section was aimed at determining how the completed evidence documents (PoEs) are checked, counted, how the corrections and adjustments are effected to the performance reports and how access to the files with verified and final evidence is controlled. The section further aimed at determining whether the Supervisors, Managers and District Monitoring and Evaluation Unit had access to key documents on the management of performance information to guide their activities.

Statement C1: I always check all the filled in evidence PoE templates for each performance indicator for completeness, appropriateness and validity.

The purpose of the statement was to determine whether Supervisors and Managers verified and authenticated all physical documented evidence as part of their monitoring responsibility. The results are presented in Figure 18 below:

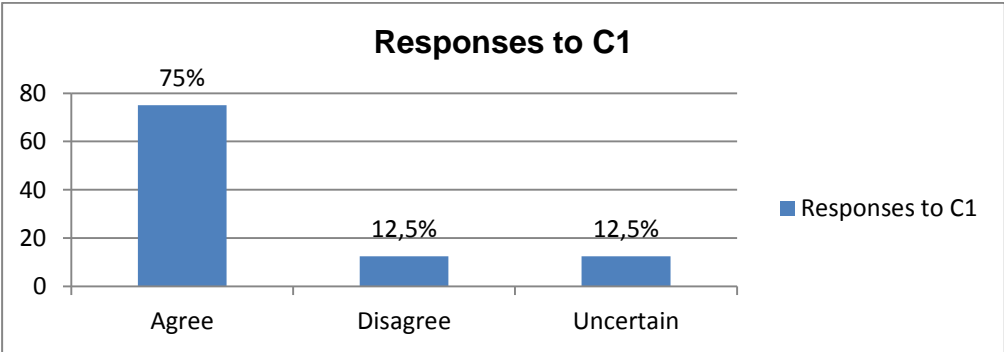


Figure 18: Responses to Statement C1. Always check PoE templates for completeness, appropriateness and validity.

Source: Self-generated from questionnaires analysed.

From the results it can be deduced that seventy-five percent (75%) of the respondents always checked that all the filled in evidence PoE templates for each performance indicator were complete, and that the data was appropriate and valid. Twelve percent (12%) of the respondents did not verify that the filled in PoE templates were complete and the performance data was appropriate and valid. The remaining twelve percent (12%) of the respondents were uncertain. The results show that there were inconsistencies amongst the Supervisors and Managers, which implies that there was inadequate training of Supervisors and Managers regarding verification of submitted evidence documents. These inconsistencies could be responsible for the poor performance file management observed by the Internal Audit and the Monitoring and Evaluation Units (see Section 4.3.2 of this study).

Statement C2: I personally count the evidence and type the consolidated performance report myself.

The purpose of the statement was to establish whether Supervisors and Managers personally count and verify the documented evidence and type the performance figures themselves, or whether they delegate the responsibility to another official. Supervisors

and Managers should remain accountable for the performance reports from their units or teams, to ensure effective reporting of performance information. The results are presented in Figure 19.

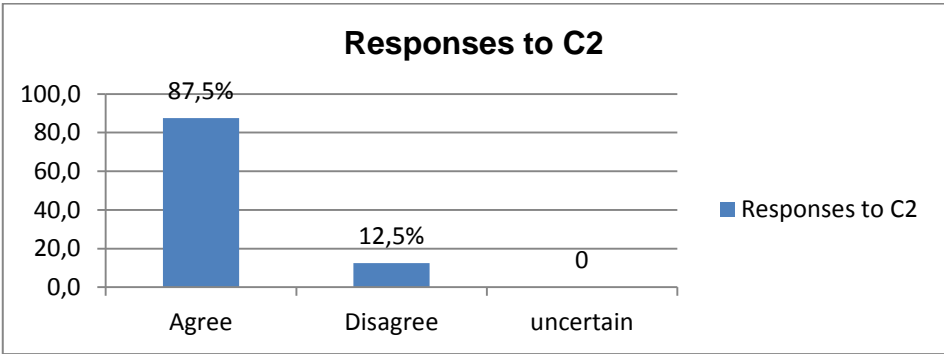


Figure 19: Responses to Statement C2. Personal verification of information.

Source: Self-generated from questionnaires analysed.

The statistical results revealed that eighty-seven percent (87%) of the respondents personally counted the evidence documents and typed the consolidated performance reports themselves. This means that they do not delegate the task of counting the evidence documents, hence they remain fully answerable for the consolidated reports. The remaining twelve percent (12%) of the respondents did delegate the responsibility of counting the evidence documents and typing consolidated performance reports. The results indicate that there was no consistency with regard to the approach followed by various Supervisors and Managers. It was expected that Supervisors and Managers would remain hands-on during the verification of evidence and consolidation of municipal reports, to ensure valid and accurate reporting. This inconsistency could be responsible for the findings of the Internal Audit Report, which concluded that the identified errors in the performance reports reflected that there were non-reviews of PoE by management. This posed a risk of non-compliance to the Framework for Managing Programme Performance Information and the reliability and quality of the performance report was compromised (see Section 4.3.2 of this study).

Statement C3: I correct and make adjustments to the performance information reported by field officials when evidence in the file does not correspond with the reported figures.

The purpose of this statement was to establish who takes the responsibility to adjust the performance information when the verification of documented evidence shows a discrepancy. If the adjustment of reported performance is not strictly controlled, various officials might make adjustments, resulting in inconsistencies in the reported performance. The DARDLA Performance Information Management Procedure makes provision for corrections and adjustment of performance data (see Section 3.3.9.3 of this study). The results are presented in Figure 20.

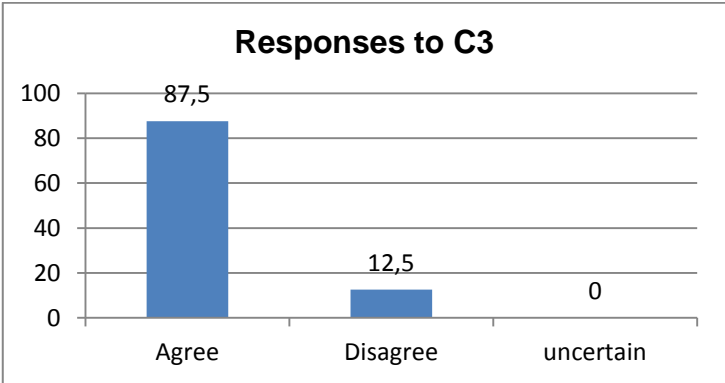


Figure 20: Responses to Statement C3. Adjustment of performance information.

Source: Self-generated from questionnaires analysed.

Figure 20 above shows that eighty-seven percent (87%) of the respondents did correct and make adjustments to the reported performance, whilst the remaining twelve percent (12%) did not make adjustments to the reported performance. This means that there was no strict control on who should adjust the reported performance information i.e. any Supervisor, Manager or Monitoring and Evaluation Coordinator could adjust the performance reports. Uncontrolled adjustment of reports could result in various versions of the same report being in circulation, compromising the validity of the report. Every adjustment of the report must be aligned to the available physical documented evidence in the performance files, and must be communicated to the original authors of the performance reports. Continuous changes to the report compromise the consistency of reported performance.

Statement C4: I keep proof of any evidence I have rejected.

The purpose of the statement was to establish whether there was a paper trail showing that a specific evidence template was rejected due to identified mistakes. The results are presented in Figure 21 below:

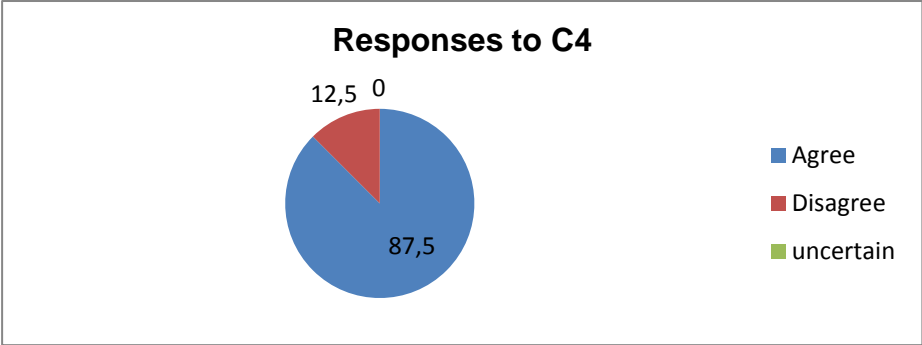


Figure 21: Responses to Statement C4. Keep proof of any evidence rejected.
Source: Self-generated from questionnaires analysed.

The results indicate that eighty-seven percent of (87%) of the respondents kept proof of the evidence they rejected, whilst the remaining twelve percent (12%) of the respondents did not keep proof of the evidence they rejected. The results show that some of the Supervisors, Managers and District Monitoring and Evaluation Coordinators contravened provisions of the Performance Information Handbook regarding the creation of an audit trail of access to and alterations of performance information data (see Section 4.3.4 of the study). Effective reporting on performance requires compliance to statutory and regulatory frameworks that guide performance reporting.

Statement C5: I sign and date stamp the adjusted report after making corrections.

The purpose of the statement was to determine whether those who adjust the reported performance information assume accountability by signing the adjusted performance reports. The results are presented in Figure 22 below:

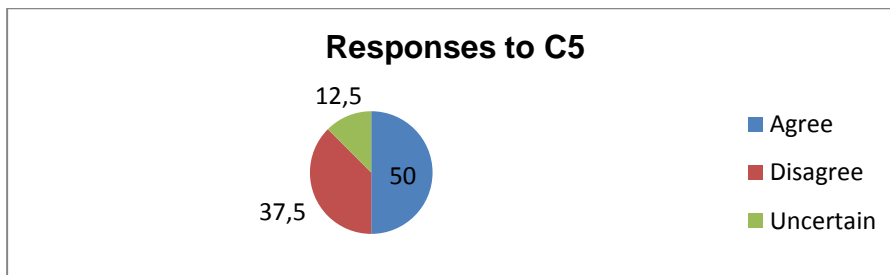


Figure 22: Responses to Statement C5. I sign and date stamp the adjusted report.

Source: Self-generated from questionnaires analysed.

From the statistical results it can be observed that fifty percent (50%) of the respondents signed the adjusted report as a record of who adjusted the report and when this took place. Thirty-seven percent (37%) did not sign off the performance report after making adjustments, whilst the remaining twelve percent (12%) were not sure if they did sign the adjusted performance reports. This means that there is no uniformity on accounting for adjustment of performance reports. This might leave room for adjustments to be effected anonymously, resulting in managers keeping different versions of the reported performance. (See Sections 3.3.9.3 & 3.3.4 above of the mini-dissertation where this was explained).

Statement C6: I always sign and date stamp the performance report after adjustments.

The statement sought to establish that after adjustments were made to the original performance report, the official who effected the changes signed the original performance report and recorded a date thereon, to reflect when the report was changed. The results are presented in Figure 23 below:

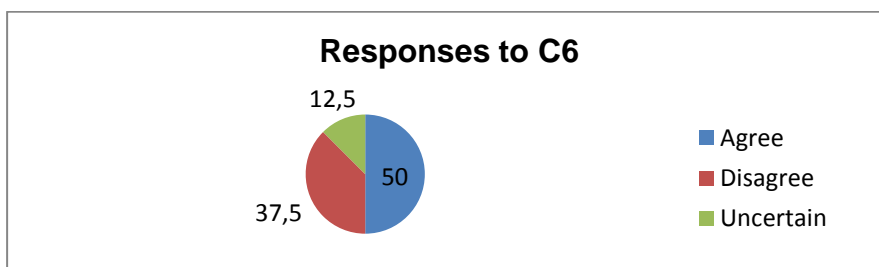


Figure 23: Responses to Statement C6. I sign and date stamp the adjusted report.

Source: Self-generated from questionnaires analysed.

As shown in Figure 23 above, fifty percent (50%) of respondents signed and dated the original performance report to reflect the date on which changes were effected, as well as who effected the changes. Thirty-seven percent (37%) disagreed with the statement, whilst twelve percent (12%) were uncertain. The results indicate that there were inconsistencies with regard to keeping records of who made changes to the original report and the date on which such changes were made. The hard copy of the performance report stored in the performance file must always reflect the final version, to maintain the validity of the reported performance. Any changes effected, if not dated and signed, could lead to multiple versions of the same report being in circulation, thus compromising the credibility of the reported performance. The signing and dating of the report after adjustment ensures compliance with the requirement for creating an audit trail (see Section 3.3.4 of this study).

Statement C7: I check the listings of field officials for alignment with evidence templates in the files.

The statement sought to determine whether Supervisors and Managers compare the listings (hard copies or electronic MS Excel worksheets) with the documented evidence in the files, to establish if there is alignment. (The evidence that is listed first must be placed as the first document in the file, and that which is listed as the last, must appear in the file as the last document). The results are presented in Figure 24 below:

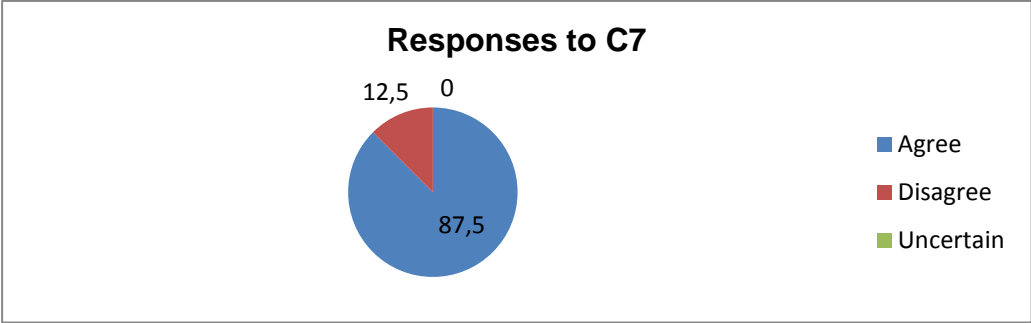


Figure 24: Responses to Statement C7. I check the listings for alignment with evidence templates.

Source: Self-generated from questionnaires analysed.

The results in Figure 24 above show that eighty-seven percent (87%) of the respondents did verify that the listings from the officials reflect the documented evidence contained in the files, whilst twelve percent (12%) of the respondents did not verify the listings. The verification of the listings assists managers to provide assurance

that there are no discrepancies between available physical evidence and reported performance. The results show that some of the Supervisors and Managers did not verify that what appeared on the listings also appeared in the same order in the evidence files. This could be the cause of the discrepancies between the evidence and the reported performance as highlighted by the Internal Audit and Monitoring and Evaluation Units (see Section 4.3.2 of this study).

Statement C8: No evidence PoE was ever lost from the files whilst under my control.

The statement sought to determine how the verified documented evidence is managed to prevent losses. This statement was deemed necessary to put to respondents, because there was an incident where some files with verified documented evidence were lost from the district office. Officials were asked to submit back-up copies more than once to replace the lost documented evidence during the 2012/13 financial year. The objective of the statement was furthermore to determine if there is improvement on the prevention of theft or loss of documented evidence. The evidence is presented in Figure 25.

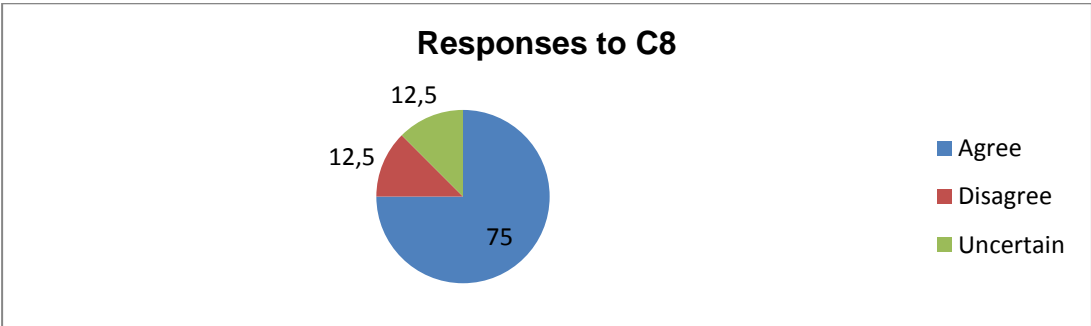


Figure 25: Responses to Statement C8. No evidence was ever lost whilst under my control.

Source: Self-generated from questionnaires analysed.

Seventy-five percent (75%) of the respondents did not experience loss of documented evidence when the files were in their care, whilst twelve percent (12%) experienced loss of documented evidence. The remaining twelve percent (12%) of the respondents were uncertain. The results show that the risk of loss of documented evidence from the files was not adequately managed. The loss of documented evidence from files will definitely contribute to the discrepancies between the reported performance figures and what appears in the evidence files, leading to the loss of credibility.

Statement C9: No officials are allowed to remove any evidence from the files after the verification exercise.

The statement sought to establish whether there were strict control systems on access to verified and filed documented evidence. The results are presented in Figure 26 below:

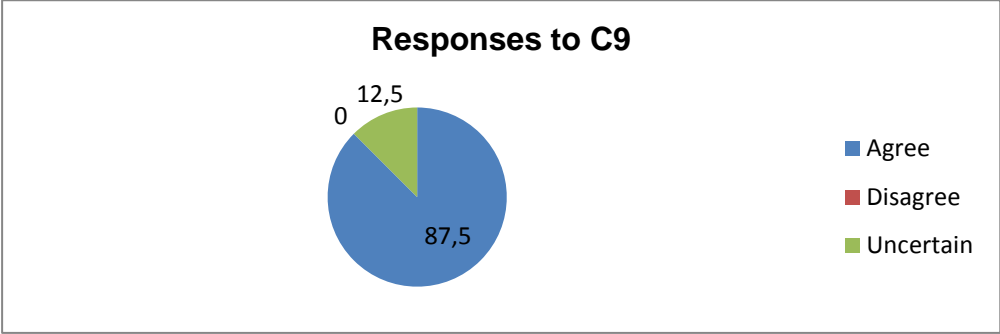


Figure 26: Responses to Statement C9. No officials are allowed to remove evidence from the files after verification.

Source: Self-generated from questionnaires analysed.

The results in Figure 26 above reveal that eighty-seven percent (87%) of the respondents did not allow officials to remove documented evidence from the files, whilst twelve percent (12%) were uncertain. The results show that generally officials were not allowed to remove any evidence from files after the verification exercise. The removal of evidence from the files would result in discrepancies between what is physically available in the file and what was reported, thereby compromising the credibility of the report.

Statement C10: Which of the following documents did you have access to in the last financial year?

The purpose of the question was to determine whether Supervisors and Managers did refer to relevant policy document frameworks for guidance and best practice on how they should manage programme performance information. Referral to frameworks and policy documents on performance reporting would ensure a uniform approach amongst Supervisors and Managers and promote effective performance reporting.

Statement C10.1 Performance Information Handbook.

The results are presented in Figure 27 below:

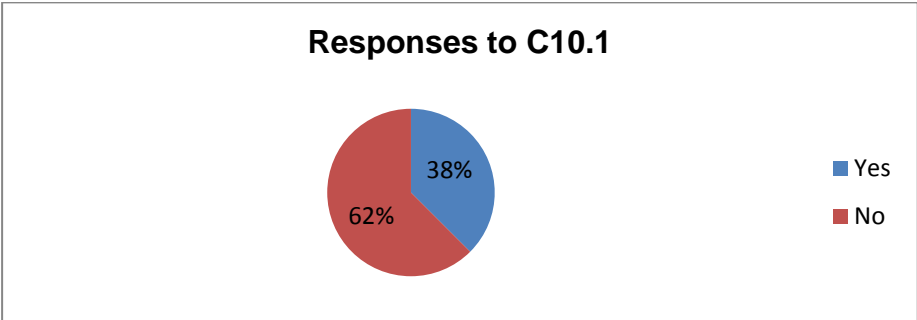


Figure 27: Responses to Statement C10.1. Performance Information Handbook.

Source: Self-generated from questionnaires analysed.

The results in Figure 27 above show that only thirty-eight percent (38%) of the respondents had access to the Performance Information Handbook, whilst sixty-two percent (62%) of the respondents did not have access to it. The results indicate that the majority of Supervisors and Managers did not have access to the Performance Information Handbook and were therefore not familiar with the requirements of this policy document. Ignorance of this policy document has already resulted in non-compliance with regard to the creation of an audit trail of access to and alteration of performance information data (see responses to Statement C4 and Section 3.3.4 of this mini-dissertation).

Statement C10.2 The Framework for Managing Programme Performance Information.

The results are presented in Figure 28 below:

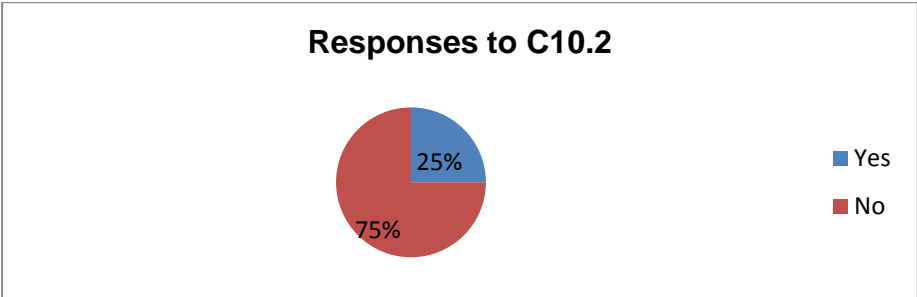


Figure 28: Responses to Statement C10. The Framework for Managing Programme Performance Information.

Source: Self-generated from questionnaires analysed.

The results reveal that seventy-five percent (75%) of the respondents did not have access to the Framework for Managing Programme Performance Information, whilst only twenty-five percent (25%) had access to the framework. This means that the majority of Supervisors, Managers and the Monitoring and Evaluation Unit did not refer to this important document for guidance on how they should manage programme performance information. Ignorance of this framework could lead to non-compliance with the provisions of this framework.

Statement C10.3 DARDLA Performance Information Management Policy.

The results are presented in Figure 29 below:

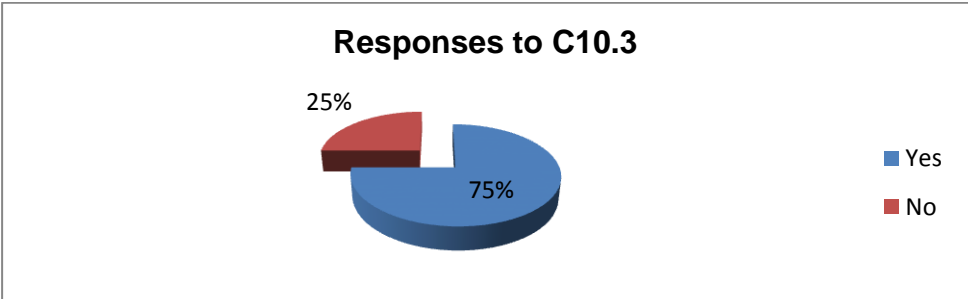


Figure 29: Responses to Statement C10.3. DARDLA Performance Information Management Policy.

Source: Self-generated from questionnaires analysed.

The statistical results presented in Figure 29 above reveal that seventy-five percent (75%) of the respondents had access to the DARDLA Performance Information Management Policy, whilst twenty-five percent (25%) of the respondents did not have access to this policy. The results show that the majority of Supervisors and Managers accessed the DARDLA policy document. The minority of Supervisors and Managers that did not have access to this policy could be responsible for the finding from the Monitoring and Evaluation Unit which stated that some of the municipalities were still using PoE templates that did not comply with agreed templates (see Section 4.3.2 of this study). Ignorance of the policy could lead to non-compliance with the policy document.

Statement C10.4 DARDLA Performance Information Management Procedure Manual.

The results are presented in Figure 30 below:

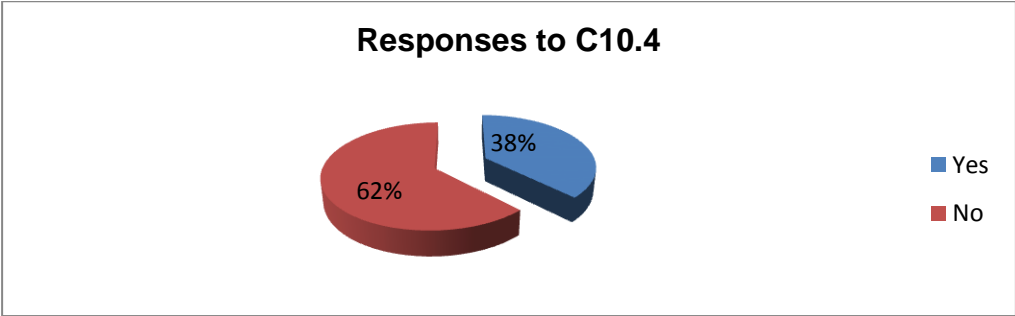


Figure 30: Responses to Statement C10.4. DARDLA Performance Information Procedure Manual.

Source: Self-generated from questionnaires analysed.

Only thirty-eight percent (38%) of the respondents had access to the DARDLA Performance Information Management Procedure Manual, whilst sixty-two percent (62%) of the respondents did not have access to the manual, to guide them on how to manage programme performance information. The results show that the majority of the Supervisors and Managers were preparing performance reports, and reviewing and verifying documented evidence on an *ad hoc* basis, and not following the departmental procedure manual. There is general ignorance amongst the Supervisors and Managers of Ehlanzeni South District with regard to the available frameworks and policy documents that guide performance reporting. The failure to refer to the DARDLA Procedure Manual could be the cause for the errors observed by the Internal Audit Unit, which led to the conclusion that there was limited assurance regarding the adequacy and effectiveness of the system of internal control for Ehlanzeni South (See Section 4.3.2 above of this mini-dissertation).

4.6.4 Section D of the Questionnaire

As mentioned, Section D of the questionnaire consisted of open ended questions. The questions sought to determine the following:

- which performance indicators are associated with errors or mistakes;
- the nature of mistakes committed by officials;

- whether Managers and Supervisors have adequate time to check and validate submitted evidence documents PoE; and
- what generally compromised the credibility of the performance report from Farmer Support and Development Services.

Question D1: On which of your programme performance indicators do you normally find errors/mistakes?

The purpose of the open ended questions was to determine which of the 24 performance indicators allocated to Programme 3 were associated with errors which contributed to the loss of credibility of the reported performance information.

The respondents reported that out of the 24 performance indicators, 5 were found to be associated with performance reporting errors i.e. twenty-one percent (21%) of all the performance indicators for Programme 3 for 2013/14 were found to be associated with reporting errors. The affected performance indicators are presented in Table 3 below:

Table 3: Performance indicators associated with errors

	Performance indicator
1	Number of small holder farmers supported
2	Number of food insecure households benefiting from interventions
3	Number of farmers attending training programmes
4	Number of food gardens established and supported
5	Number of agricultural demonstrations facilitated

Source: Self-generated from questionnaires analysed.

From Table 3 above it can be deduced that out of 24 performance indicators in the 2013/14 financial year, five were associated with errors which could have led to the loss of credibility of the reported performance. The results imply that Ehlanzeni South District should put more effort towards corrective measures, including training, to ensure common understanding on the above performance indicators. Credible reporting will be unlocked by effectively dealing with the errors associated with these five performance indicators.

Question D2: What are the major mistakes that field staff commit from time to time? (Motivate your response).

The purpose of this open ended question was to determine the nature of errors or mistakes committed by field staff, as identified by Supervisors and Managers. The responses were grouped according to themes.

The results are presented in Table 4 below:

Table 4: General mistakes committed by Agricultural Advisors

Type of mistake
Duplication of documented evidence PoE
Signing in incorrect places (client interaction form)
Incomplete client interaction form
Repetition of farmers supported
Incorrect interpretation of performance indicator: food insecure household benefiting
Wrong PoE templates used
Description of services rendered in the client interaction form not adequate
Confusion on whether the client interaction form or attendance register is adequate evidence

Source: Self-generated from questionnaires analysed.

Table 4 above shows the general mistakes or errors committed by Agricultural Advisors on the five performance indicators identified in Table 3. The majority of Supervisors and Managers i.e. thirty-three percent (33%) identified “incomplete client interaction form” as the major mistake committed by the Advisors, followed by “repetition of farmers supported” at twenty percent (20%). Thirteen percent (13%) of the Supervisors and Managers identified the “use of wrong PoE templates” as the third major mistake committed by the field officials. The remainder of the mistakes were found to be minor and of equal status each, accounting for six percent (6%). The results indicate that for Ehlanzeni South District to improve the credibility of its reporting, the above mistakes should be addressed as a priority.

Question D3: Do you always have adequate time to check all the submitted evidence (PoE)? (Motivate your response).

The purpose of this open ended question was to determine whether Supervisors and Managers had adequate time to verify and authenticate all the submitted evidence documents. The results are presented in Table 5.

Table 5. The adequacy of time to check the submitted PoE.

Have Adequate time	Score	%
Yes	7	64
No	4	36

Source: Self-generated from questionnaires analysed.

The results represented in Table 5 above reveal that sixty-four percent (64%) of the Supervisors and Managers had adequate time to check the submitted PoE for correctness, as well as to carry out an arithmetic count to ensure correct reported figures. Thirty-six percent (36%) of the Supervisors and Managers did not have adequate time to check the submitted PoE for correctness and arithmetic count. The result indicates that Supervisors and Managers were not following a uniform and standard approach. Ehlanzeni South District should identify whether there is equitable distribution of the work load and responsibilities amongst the Supervisors and Managers.

Question D4: In your opinion what generally compromises the credibility of the performance report from Farmer Support and Development Services?

The purpose of this question was to establish what Supervisors, Managers and the District Monitoring and Evaluation Unit perceived as factors which compromised the credibility of the reported performance for Programme 3. Supervisors and Managers were expected to identify general factors from their own experiences that could negatively impact on the credibility of reported performance. The results are presented in Table 6 below:

Table 6: Factors that generally compromise the credibility of the performance report.

Factor	Number of responses	%
PoE templates are continually changing	3	27
Poor planning	1	9.1
Adjustment of performance reports by third party	2	18.2
Lack of control system on reported performance figures	1	9.1
The APP is not understood by field workers	2	18.2
Invalid PoEs	1	9.1
Lack of capacity in the District M&E Unit	1	9.1

Source: Self-generated from questionnaires analysed.

The results in Table 6 above outline the general factors that were identified by Supervisors and Managers as contributing factors to the loss of credibility of the reported performance. The majority of Supervisors and Managers i.e. twenty-seven percent (27%) identified the major factor as the continuous changing or improvement of PoE templates, whilst eighteen percent (18%) identified the adjustment of performance reports by third parties as the next factor contributing to the loss of credibility. A further eighteen percent (18%) identified the lack of understanding of the APP by the field workers as the third factor contributing to the loss of credibility of reported performance. The remaining factors were identified as poor planning, lack of control system on reported performance figures and invalid PoEs, which accounted for nine percent (9%) respectively.

The continuous changing of PoE templates resulted in some PoE templates based on previous versions still being in circulation and being used by some officials. Such PoE templates would ultimately be rejected as incorrect templates, causing a discrepancy between the reported performance and the physical evidence. The adjustment of reported performance by third parties might lead to non-alignment between reported performance and physical evidence in the files; as such changes would be effected on the electronic report.

4.7 CHAPTER SUMMARY

This chapter presented the research methodology as well as the findings of the empirical study. A qualitative approach was used to gather data which revealed the following:

Not all field officials (Agricultural Advisors) checked the filled in PoE templates in the field for completeness (only eighty-two percent (82%) did check). The majority of Agricultural Advisors i.e. fifty-two percent (52%) have had their submitted PoE templates rejected due to mistakes. There were still Agricultural Advisors i.e. four percent (4%) who used incorrect PoE templates.

The majority of Supervisors and Managers i.e. seventy five percent (75%) always checked the filled in PoE templates for completeness, appropriateness and validity. Eighty Seven percent (87%) of Supervisors and Managers personally counted the evidence and prepared consolidated reports. The majority of Supervisors and Managers i.e. seventy five percent (75%) did not have access to the Framework for Managing Programme Performance Information. Sixty two percent (62%) of the Supervisors and Managers did not have access to the DARDLA Performance Information Management Procedure Manual.

The performance indicators that were associated with a high number of errors included:

- The number of small holder farmers supported (50%); and
- Number of food insecure households benefiting from interventions (25%).

The mistakes that were generally committed by field staff included:

- Duplication of documented evidence PoE.
- Repeats of small holder farmers supported.
- Wrong evidence template used.
- Incomplete client interaction forms.

The factor that compromised credibility the most was the continuous changing of PoE templates during the financial year, which accounted for twenty-seven percent (27%). The continuous changing of PoE templates results in some PoE templates, which are based on previous versions, being rejected as incorrect, hence the discrepancy on reported figures. The next set of factors compromising the credibility

of the performance reports were adjustment of performance reports by third parties, accounting for eighteen percent (18%) and the lack of understanding of the Annual Performance Plan (APP) by field workers (Agricultural Advisors) which also accounted for eighteen percent (18%).

In the next chapter, the findings of the study are summarised. Final conclusion and recommendations based on the research objectives, literature review and empirical investigation are made.

CHAPTER 5

SUMMARY AND RECOMMENDATIONS

5.1 INTRODUCTION

The purpose of this study was to investigate the factors that had compromised the credibility of the performance reports of Programme 3 (Farmer Support and Development Services) of the Mpumalanga Department of Agriculture, Rural Development and Land Administration.

In the previous chapter the research methodology and research design were discussed, and the advantages and disadvantages of using a qualitative approach for this study by means of questionnaires as instruments for data sampling were also discussed. This chapter was based on the findings of the research objectives as stated in Section 1.3 of this study.

This final chapter summarises the findings of the study in line with the data collected and processed from the questionnaires. The recommendations are in line with the research objectives, literature study, empirical investigation, and empirical findings. Furthermore, possible future research is suggested.

The research objectives of this study were:

- To investigate theories on the nature and extent of performance, performance management and performance reporting.
- To analyse the policies, strategies and procedures governing performance reporting within Farmer Support and Development Services in the Ehlanzeni South District of Mpumalanga Province.
- To investigate and analyse the current processes of preparing and verifying performance reports in the Ehlanzeni South District of Mpumalanga Province.
- To provide recommendations on how to eliminate inaccuracies and inconsistencies and enhance reliability in performance reporting in the Ehlanzeni South District of Mpumalanga Province, based on the theoretical discussion.

5.2 SUMMARY OF THE STUDY

Chapter 1 of the study outlined the research problem, questions and objectives of the mini-dissertation. The chapter also outlined the purpose of the study, namely to investigate the causes of non-credible performance reporting within Programme 3: Farmer Support and Development Services Directorate in the Ehlanzeni South District of Mpumalanga Province.

Chapter 2 of the study provided an overview of all relevant terms and concepts regarding performance monitoring. This was followed by the theoretical basis for public management, performance management and reporting. The purpose, characteristics, nature and profile of performance reporting within government structures were also outlined. The chapter furthermore determined the importance and necessity of performance reporting for more effective and improved service delivery in the South African Government. Chapter 2 also analysed the reporting of performance information within Farmer Support and Development Services in Mpumalanga Province.

Chapter 3 outlined the statutory framework, namely the relevant policies, strategies and procedures concerning performance audit reporting on pre-determined objectives. Reporting on pre-determined objectives is a lawful obligation, steered by the relevant statutory and regulatory framework, as discussed in this chapter. This framework also enhances performance management which is vital to secure effective and efficient service delivery in government.

Chapter 4 outlined the research methodology and analysed and presented the empirical findings of the study. As mentioned, a qualitative approach of collecting data was used. The qualitative approach for purposes of this study included a literature review (document analysis) and semi-structured interviews. In addition, the study made use of a case study design using Ehlanzeni South District as the unit of analysis. The case study approach involved the researcher collecting extensive data on the reporting of performance information within Ehlanzeni South District's Farmer Support and Development Services. The questionnaire was used as a data collection instrument. The questionnaires were personally distributed by the researcher to the Agricultural Managers, Agricultural Advisors, Monitoring and Evaluation Unit and the District

Director. The study was conducted in three municipalities, namely Mbombela, Nkomazi and Umjindi Municipalities, which are located in the Ehlanzeni South District of Mpumalanga Province in the Republic of South Africa. The collected data was captured in a Microsoft Excel (MS Excel) spread sheet and prepared for scientific analysis. The data was analysed and interpreted by categorising the observable characteristics. The data was scientifically analysed in MS Excel and presented in the form of tables and graphs, showing the responses to the questionnaire in the form of numbers/scores and percentages for easy understanding.

In Chapter 5, the summary, findings and recommendations of the study are expounded upon in an attempt to provide the suggested/or possible solutions towards more effective reporting of performance information in the Farmer Support and Development Services within the Ehlanzeni South District of Mpumalanga Province. These findings, collected through a literature review, analysis of official documents and questionnaires and distributed by the researcher, are summarised in the section below.

5.3 FINDINGS WITH REGARD TO RESEARCH OBJECTIVES

The findings assessed the relevance of the study in terms of reaching its set objectives. The findings are also the basis on which the recommendations were made. The conclusion of this study indicates that the objectives of this study were achieved. This was done by analysing each of the research objectives.

The primary objective of this study was to investigate the causes of non-credible performance reporting within Programme 3: Farmer Support and Development Services Directorate in the Ehlanzeni South District of Mpumalanga Province.

- **Objective 1** was to investigate theories on the nature and extent of performance, performance management and performance reporting.

This objective was achieved in Chapter 2, by firstly presenting an overview of relevant terms and concepts in order to provide a conceptual framework for performance audit reporting. The chapter discussed the theoretical underpinnings as well as the evolution of public sector management, performance management and performance reporting. The chapter highlighted that performance management, including performance reporting, in the public sector world-wide has undergone an evolution from the

traditional bureaucratic approach which was commonly known as the “Weberian” Model, to a relatively new approach known as New Public Management. New Public Management was shown to be informed by various theoretical models and that it is meant to improve on and complement the previous frameworks. New Public Management puts emphasis on government outcomes and promotes the use of contracts or performance agreements to manage public sector performance.

Objective 1 was furthermore achieved by way of discussing the purpose of performance reporting, and the characteristics, nature and profile of performance reporting within government structures. The dimensions of performance reporting at institutional level as well as individual employee level were highlighted.

- **Objective 2** was to analyse the policies, strategies and procedures governing performance reporting within Farmer Support and Development Services in the Ehlanzeni South District of Mpumalanga Province.

This objective was achieved in Chapter 3, by firstly analysing the institutional arrangements with regard to programme performance reporting within the Republic of South Africa. The chapter outlined that the National Treasury is the lead institution responsible for providing guidance on the formats of performance reporting. The chapter further reviewed the national regulatory frameworks governing performance reporting in all government departments which included the following:

- The Constitution of the Republic of South Africa,
- The Public Audit Act,
- The Framework for Managing Programme Performance Information,
- The Performance Information Handbook,
- The Framework for Strategic Plans and Annual Performance Plans,
- The Public Service Regulations,
- The Public Finance Management Act.

The review of the above statutory and regulatory frameworks governing performance audit reporting provided a national perspective. A departmental perspective was provided by the review of the DARDLA Performance Information Management Policy and Procedure Manual. The review of the statutory and regulatory frameworks revealed that the submission of timely and accurate performance audit reports by government departments is a constitutional requirement. Government departments have to comply

with the standard of accurate performance information when they publish their performance reports, as required by the Constitution. The chapter revealed that the accountability cycle of the government is made up of in-year reporting and end-year reporting. The performance information is reported through publishing quarterly reports, the six months report during the in-year monitoring and the annual report during the end-year monitoring. The presentation of performance reports by government institutions is expected to comply with the formats prescribed by National Treasury. The performance information reported by government departments must be accurate, appropriate and timely, in order to be used to monitor service delivery and to inform budgeting for subsequent reporting periods. The performance reports must be aligned to the strategic and annual performance plans, so that comparison between actual achievements and the set performance targets is possible. Government departments are not allowed to change the performance targets recorded in the annual performance plans when publishing their quarterly reports. The annual performance reports of government departments are to be submitted to the Auditor General to be audited. The annual report of a department should include financial performance and achievements against pre-determined objectives during the previous financial year. The Auditor General's audit report of a department must reflect a conclusion or an opinion on the credibility of reported information relating to the performance of the department against pre-determined objectives (SA, 2004:22). The submission of false information to the Auditor General or authorised auditors is considered an offence. Each government department is required to develop a performance information data system, which must specify clear rules on the corrections and adjustments of preliminary performance information data, and create an audit trail of access to and alterations of performance information data.

- **Objective 3** was to investigate and analyse the current processes of preparing and verifying performance reports in the Ehlanzeni South District of Mpumalanga Province.

This objective was achieved in Chapter 4 by analysing and presenting the empirical findings of the study. The chapter firstly described the research approach and methodology followed by the study. This study used a qualitative approach of collecting data. The qualitative approach, for purposes of this study, included a literature review (document analysis) and a questionnaire. The literature review comprised a desktop study of relevant literature, to explore the present available body of knowledge on the

measurement and reporting of performance. An analysis was conducted on the following documents: Internal Audit findings, Monitoring and Evaluation Reports and the Auditor General's opinion on the reported performance against pre-determined objectives contained in the DARDLA Annual Reports.

The study furthermore made use of a case study design using Ehlanzeni South District as the unit of analysis. The case study approach involved the researcher collecting extensive data on the reporting of performance information within Ehlanzeni South District's Farmer Support and Development Services, as the focus of the investigation. A questionnaire was used as a data collection instrument. The collected data was grouped according to emerging themes and analysed using Microsoft Excel. The analysed data was presented in graphic and tabular forms for easy reading.

- **Objective 4** was to provide recommendations on how to eliminate inaccuracies and inconsistencies and enhance reliability in performance reporting in the Ehlanzeni South District of Mpumalanga Province, based on the theoretical discussion.

This objective was achieved in Chapter 5 by firstly summarising the findings from the literature review and empirical research. The chapter then recommended steps to improve the identified weaknesses and ensure that the inaccuracies in the performance reporting of Ehlanzeni South District of Mpumalanga Province are eliminated.

The following can be concluded based on the literature review, research findings and discussions from the preceding chapters.

- The DARDLA Performance Information Management Policy as well as the Procedure Manual were not user friendly and did not provide adequate guidance on programme performance information management (See Sections 3.3.8 & 3.3.9.1 of the study).
- There were discrepancies between the Performance Report of Ehlanzeni South District and the listing of documented evidence (see Section 4.3.2 of the study). This means that the reported performance figure for the district for some indicators was either less than or more than the physical evidence listed on the files.
- There was poor management of performance files (see Section 4.3.2 of the study).

- There was over reporting with regard to the Performance Indicator 3.1 “number of small holder farmers supported” arising out of repetition of individual farmers supported (See Section 4.3.2 of the study). The officers were counting the visits (support provided) instead of the number of individuals assisted.
- The Performance Indicator 3.3.7 “food insecure households benefiting from the interventions” was over reported, due to the repetition of households reported (see Section 4.3.2 of the study).
- There was a lack of common understanding/interpretation of performance indicators and this resulted in the municipalities reporting differently on the same indicator (see Section 4.3.2 of the study).
- Some of the respondents in Mbombela Municipality were still using the incorrect PoE templates i.e. attendance registers and client interaction forms that did not comply with agreed templates (see Section 4.3.2 of the study).
- The rate of incorrect performance reporting remained high, despite the fact that the workforce in Ehlanzeni South District was fairly young and had adequate experience in Farmer Support and Development. This was shown by the rejection of documented evidence (PoEs) for fifty-two percent (52%) of respondents due to mistakes.
- There was evidence based performance reporting in Ehlanzeni South District. All officials always carried evidence source documents known as PoE templates which they used to collect and record performance data.
- The majority of officials had adequate time to correct the rejected evidence documents.
- The majority of officials did check that their filled in PoE templates were complete (i.e. fully filled in).
- There was general compliance to the requirement of timely performance reporting. The majority of officials submitted their evidence documents on time.
- Generally Supervisors and Managers verified the PoEs submitted by Agricultural Advisors. The majority of Supervisors and Managers, seven-fifty percent (75%), verified PoEs for validity and appropriateness, whilst the minority, twelve percent, (12%) did not.
- Eighty-seven percent (87%) of Supervisors and Managers were hands-on as they counted the submitted evidence and typed the consolidated report personally, whilst twelve percent (12%) delegated this responsibility.

- Too many Supervisors and Managers, eighty-seven percent, (87%) adjusted the reported performance, which could lead to inconsistencies in reported performance. This signified that there were no control systems regulating the adjustment of reported performance figures in Farmer Support and Development Services in the Ehlanzeni South District.
- Fifty percent (50%) of the Supervisors and Managers did sign and date stamp the reports they adjusted and thus complied with the requirements of the Performance Information Handbook regarding audit trail of access to and alterations of performance data (see Section 3.3.4 of the study).
- Generally Supervisors and Managers verified that the summary listing corresponded with the physical documented evidence in the files. This was intended to minimise discrepancies between reported performance and available physical evidence.
- The risk of loss of documented evidence from files existed, although to a limited extent. Seventy-five percent (75%) of Supervisors and Managers never lost the documented evidence whilst it was in their care, whilst twelve percent (12%) lost the documented evidence when it was in their care. The loss of evidence after reporting would lead to a discrepancy between the reported performance and available evidence.
- The control of access to performance files was not adequate. Eighty-seven percent (87%) of Supervisors and Managers did not allow officials to remove documented evidence from the files after the verification process, whilst twelve percent (12%) were uncertain.
- Generally the Supervisors and Managers had adequate time to verify the PoEs submitted by Agricultural Advisors.
- Supervisors and Managers identified the following as factors contributing to the loss of credibility to reported performance:
 - I. Continuous changing/adjustment of the PoE templates
 - II. Adjustment of performance reports by third parties and
 - III. Lack of understanding of the annual performance plan regarding the performance indicators.

- There was limited awareness of and access to performance information management regulatory frameworks by both the Agricultural Advisors and Managers in the Ehlanzeni South District. This was confirmed by the fact that the majority of Agricultural Advisors did not have access to the DARDLA Performance Information Management Policy as well as the Procedure Manual. This posed the risk of failure to comply with internal policy frameworks on the management of programme performance information. Only a minority of Supervisors and Managers (thirty-eight percent (38%) & twenty-five percent (25%) respectively) had access to the Performance Information Handbook and the Framework for Managing Programme Performance Information to refer to for good practices on performance information management.
- Five (5) performance indicators out of a total of twenty-four (24) in Programme 3 were associated with performance reporting errors/mistakes and therefore contributed to the loss of credibility of the reports.

5.4 RECOMMENDATIONS

The following recommendations are proposed, based on the empirical findings and literature review: In terms of more credible performance reporting for Programme 3, the Mpumalanga Province should consider the following:

5.4.1 Performance planning recommendations

To address the identified challenge of continuously changing PoE templates, the following are recommended:

- Performance planning should be improved through the development/improvement, approval and circulation of approved performance data collection instruments (evidence documents) commonly known as PoE templates, before the 1st of April each year.
- The performance data gathering templates (PoEs) should never be adjusted during the financial year, with the intention to implement the re-designed templates within the same financial year.

To address the identified gap of the DARDLA Policy and Procedure Manual being found to not be user friendly, the following is recommended:

- Both the DARDLA Performance Information Management Policy and the Procedure Manual should be revised and improved upon. The following additional themes or topics should be included in the policy and procedure manuals:
 - I. List of acronyms/ abbreviations used
 - II. Definitions of concepts and terms
 - III. Performance planning
 - IV. Performance measurement and recording
 - V. Performance information adjustment procedure and authorisation
 - VI. Performance risk management
 - VII. The management of performance misconduct: continuous misrepresentation of reported performance caused by the use of wrong templates and incomplete documented evidence should be regarded as performance misconduct and appropriately dealt with.

5.4.2 Performance control recommendations

To address the identified problem of adjustment of performance reports by third parties, which imply that the control system is inadequate, the researcher recommends the following:

The performance information control system should be introduced and such a system should provide for the following:

- The adjustment of reported performance should be restricted to one official per district, who should be duly delegated to perform this task and remain accountable for the changes made.
- The communication of adjusted performance figures through circulars to all Supervisors and Managers should be made compulsory, to ensure that all affected parties have the same version of the report.
- A performance information management tracking register should be introduced, to track the movement and the adjustment of performance reports from the municipal level, through to the district level and up to Head Office.
- The final performance reports should be converted to a PDF format or password protected format to ensure that no unauthorised third party can adjust the reported figures.

To address the identified challenge of loss of documented evidence from files, as well as the discrepancies between reported performance and physical evidence in the files, the researcher recommends the following:

- Verified and authenticated documented evidence (PoEs) should be stored in a lockable safe or strong room to avoid possible theft, loss or sabotage.
- The districts should create a back-up system for all documented evidence e.g. scanning of PoEs and creation of electronic files.

5.5 FINAL CONCLUSION

The study focused on credible performance reporting through the publishing of accurate, relevant, reliable, valid and timely performance information, supported by documented evidence. The researcher found that credible performance reporting is essential for accountability and effective management in the Ehlanzeni South District's Farmer Support and Development Services. The credibility of reported performance information is based on how useful, reliable, accurate and complete the performance reports and supporting documented evidence are (see Sections 2.5, 2.6.1, 3.3.1, 3.3.2, and 3.3.3 of the study). Credible reporting of performance is done in compliance with statutory and regulatory frameworks (see Sections 2.4, 3.3.4, 3.3.9.1, 3.3.9.3, and 3.3.9.5 of the study). The study further found that the continuous changing or improvement of evidence templates (PoEs) resulted in some officials remaining with and continuing to use the previous version of templates, which were ultimately rejected as invalid PoEs. The study also revealed that the use of incorrect evidence templates (PoEs) to collect performance data, submission of incomplete documented evidence, and the adjustment of reported performance by third parties, compromised the credibility of reported performance for Ehlanzeni South District's Farmer Support and Development Services.

In establishing these findings, the researcher responded to the research questions (RQ1-RQ4) and addressed the research objectives (RO1-RO4). The study also revealed that the risk of loss of documented evidence from files existed, although to a limited extent. The loss of evidence after reporting would lead to a discrepancy between the reported performance and the available evidence. This illustrated that the management of performance files was inadequate and below the required standards (see Sections 4.3.2 and 4.6.3 of the study).

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Appendix 1: The Questionnaire

RESEARCH QUESTIONNAIRE FOR THE EHLANZENI SOUTH DISTRICT FARMER SUPPORT AND DEVELOPMENT SERVICES DIRECTORATE

Dear Sir/Madam

Mr. NT Komape is pursuing studies for the Master's degree in Development and Management at the North-West University, Potchefstroom Campus and would want to solicit your assistance in completing the questionnaire below. The questionnaire is aimed at identifying and evaluating factors that lead to the loss of credibility of reported programme performance information for Programme 3 in the Department of Agriculture, Rural Development Land and Environmental Affairs. The overall aim of the study is thus to investigate the causes of non-credible performance reporting within Programme 3 and to recommend ways to manage the portfolio of evidence in order to ensure credible programme performance reporting in the future within the Farmer Support and Development Services Directorate in Mpumalanga Province.

Participation is voluntary. Please note that all answers are confidential and will be used for research purposes only. Participants will remain anonymous. Your gender, age, and position is only required for our records, in order to ease the process of data analysis. You are requested to be honest in responding to each of the statements in the interview schedule/ Questionnaire. The completion of the questionnaire will only take 15 - 20 minutes.

Thank you in advance for your cooperation and honest response to the questions. If you have any further enquiries, please contact me at the following telephone numbers: **013-7594026/ 0823205431 OR tkomape@gmail.com**.

PS: Section A is compulsory for all respondents and is comprised of biographical details which are necessary for statistical purposes only. Section B is for field officials i.e. Agricultural Advisors. Section C is for Supervisors, Managers and the District Monitoring

and Evaluation Unit. Section D is the open ended section also for Supervisors, Managers and the District M&E Unit.

SECTION A: BIOGRAPHICAL DETAILS

As mentioned, this section is compulsory for all respondents. The personal information would be utilised only for research purposes in order to summarise the conclusion of the study in a proper manner and to reflect the opinions of members on all post-levels, ages, experience and gender.

Indicate your preference by marking the appropriate box with a cross (X)

A1.

Gender	Male	1	Female	2
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A2

Age	21 – 30	1	31 – 40	2	41 – 50	3	51 - 60	4	61 +	5
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A3

Position	Agricultural Advisor	1	Senior Manager	2	Middle Manager	3	Supervisor	4	District M&E Unit	5
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A4

Experience in farmer support	Less than one year	1	2-5 years	2	5-10 years	3	10-15 years	4	More than 20 years	5
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B. LIKERT-scale questions for Agricultural Advisors.

Please complete the LIKERT-scale questions below by marking the appropriate box with a cross (X)

1= Strongly disagree, 2=slightly disagree, 3= uncertain, 4= agree, 5= strongly agree

		1	2	3	4	5
B1	I always carry evidence (PoE) templates with me when going out to render services so that I can capture the data immediately					
B2	Before leaving the client's project/farm I check that the evidence(PoE) template is fully filled in by myself and the clients					
B3	I always submit all my completed evidence (PoE) templates to the Manager before or on the last day of the month					
B4	Some of my evidence (PoE) templates are rejected by my Supervisor or the Monitoring and Evaluation unit due to mistakes					
B5	I never have time to correct the rejected evidence (PoE) templates					
B6	I only re-submit corrected evidence (PoE) templates when I obtain approval of my itinerary to travel to the district office					
B7	I take full responsibility for the correctness of the performance report that I submit to my Supervisor					
B8	I always use the correct evidence (PoE) template for each performance indicator					
B9	All the performance indicators are clearly defined with no room for misinterpretation					

B10. Do you have a copy of the Performance Information Management Policy?
Of DARDLA?

Yes	1	No	2
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B11. Do you have a copy of the Performance Information Management Procedure
Manual of DARDLA?

Yes	1	No	2
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B12. Do you have access to a computer to type your listings for each performance indicator?

Yes	1	No	2
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C. LIKERT-scale questions for Supervisors, Managers and the District M&E Unit

Please complete the LIKERT-scale questions below by marking the appropriate box with a cross (X)

1= strongly disagree, 2=slightly disagree, 3= uncertain, 4= agree, 5= strongly agree

		1	2	3	4	5
c1	I always check all the filled in Evidence (PoE) templates for each performance indicator for completeness, appropriateness and validity					
C2	I personally count the evidence and type the consolidated performance report myself					
C3	I correct and make adjustments to the performance information reported by field officials when evidence in the file does not correspond with the reported figures					
C4	I keep proof of any evidence I have rejected					
C5	I sign and date stamp the adjusted report after making corrections					
C6	I always sign and date stamp the performance report after adjustments					
C7	I check the listings of field officials for alignment with evidence templates in the files					
C8	No evidence (PoE) was ever lost from the files whilst under my control					
C9	No officials are allowed to remove any evidence from the files after the verification exercise					

C10. Which of the following documents did you have access to in the last financial year?

10.1 Performance information handbook.

Yes	1	No	2
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10.2 The framework for managing programme performance information.

Yes	1	No	2
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10.3 DARDLA performance information management policy.

Yes	1	No	2
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10.4 DARDLA performance information management procedure manual.

Yes	1	No	2
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SECTION D: OPEN ENDED QUESTIONS

Please provide elucidation regarding the following open-ended questions.

D1. On which of your programme performance indicators do you normally find errors/mistakes?

D2. What are the major mistakes that field staff commit from time to time? (Motivate your response).

D3. Do you always have adequate time to check all the submitted evidence (PoE)?
(Motivate your response).

D4. In your opinion what generally compromises the credibility of the performance
report from Farmer Support and Development Services?

Thank you for your contribution towards the study