

Evaluation of the grant application process of the South African Social Security Agency (SASSA), Gauteng - West Rand District

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EXECUTIVE SUMMARY / ABSTRACT

This study is an evaluation of the grant application process of the South African Social Security Agency in Gauteng, West Rand District. The aim of the study is to determine if there are inefficiencies and incompetence within the system that can make it susceptible to fraud. Another aim of the study is to propose mechanisms to minimise the inefficiencies in the grant application process so that clients can receive the correct grant at the right time and at the designated collection point. SASSA is responsible to prevent unauthorised and wasteful expenditure, and ensure that the state resources are managed and utilised in an effective and efficient manner in compliance with the Public Finance Management Act of 2000. There is also a responsibility to protect the poor and vulnerable. Curbing inefficiencies will gain the citizens confidence in the services offered by the Agency.

A clear explanation of the concept administration as a mechanism for the implementation of policy, management (and its functions), monitoring, reporting and evaluation is provided. This is followed by a discussion on the legislative framework, policies, regulations and procedures which guide the management of the grant application process. Furthermore, the assumptions underlying the dominant schools of thought on the theories of public administration and alternative definitions of the phenomenon are expounded upon.

The study outlines factors that lead officials to deviate from the grant application regulations and procedure which render the system inefficient and ineffective. It also reveals the extent of deviations and non-compliance during the completion of grant applications, the calculation and the capturing of the means test, and approval of grant applications which is a major challenge for SASSA. Several types of behaviour observed and activities performed by officials are identified, all of which have a bearing on how inefficiencies are perceived. There is also evidence that some of the activities are acts of fraud which may have a negative

impact on the image of the Agency and service delivery. But the officials' attitude to the possibility of fraud increasing seems to be overly sanguine, partly as a result of a very narrow definition of fraud. The study further provides an analysis of the reasons the grant application strategies in place are not successfully implemented by the South African Social Security Agency (SASSA).

The study concludes with the implementation of best practice in terms of management strategies and good governance, and an alternative framework that locates fraud at the systemic level is proposed. Vigilance could be enhanced by strengthening supervisory capacity, enhancing the social pension (SOCPEN) system and internal audit. Furthermore, officials who are found guilty of fraudulent activities must be prosecuted within the shortest time period and not be suspended with full pay.

LIST OF ABBREVIATIONS

AG	AUDITOR GENERAL
CDG	CARE DEPENDANCY GRANT
CSG	CHILD SUPPORT GRANT
DG	DISABILITY GRANT
DMA	DISTRICT MANAGEMENT AREA
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
EE	EMPLOYMENT EQUITY
FCG	FOSTER CARE GRANT
HRC	HUMAN RIGHTS COMMISSION
HR	HUMAN RESOURCES
IDLO	INTERNATIONAL DEVELOPMENT LAW ORGANISATION
NDSD	NATIONAL DEPARTMENT OF SOCIAL DEVELOPMENT
NGO	NON-GOVERNMENTAL ORGANISATION
NT	NATIONAL TREASURY
OAG	OLD AGE GRANT
PMDS	PERFORMANCE MANAGEMENT DEVELOPMENT SYSTEM
PSC	PUBLIC SERVICE COMMISSION
SAHRC	SOUTH AFRICAN HUMAN RIGHTS COMMISSION
SARS	SOUTH ARFICAN REVENUE SERVICES
SASSA	SOUTH AFRICAN SOCIAL SECURITY AGENCY
SAPS	SOUTH AFRICAN POLICE SERVICE
SCOPA	STANDING COMMITTEE ON PUBLIC ACCOUNTS
SIU	SPECIAL INVESTIGATION UNIT
SOCPEN	SOCIAL PENSION
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
WRDM	WEST RAND DISTRICT MUNICIPALITY
WVG	WAR VETERAN GRANT

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CHAPTER 1

INTRODUCTION, GENERAL ORIENTATION AND PROBLEM STATEMENT

1.1 INTRODUCTION

The South African Social Security Agency (SASSA) was established in terms of the Social Security Act, (Act number 9 of 2004) as a result of the High Court ruling on the Mashaba case, a beneficiary from Limpopo, who challenged the then Minister of Social Development, Mr Zola Skweyiya, for the lack of standardisation of services delivered across the nine provinces. In seeking to transform social security administration, an executive decision was taken to establish the South African Social Security Agency (SASSA). The move saw the establishment of a focused, specialist institution responsible for the management, administration and disbursement of social security benefits, standardised and uniform social assistance transfers administration and a single service delivery improvement programme through the systematic implementation of norms and standards (Makiwane, 2008:2).

Social security grants are administered and paid in terms of the Social Assistance Act, (Act number 13 of 2004). However, there was a need to evaluate the efficiency and effectiveness of the grant application process objectively, to determine whether inefficiencies could render the system vulnerable to fraud. During 2005, the Agency lost R280m due to social grants fraud since 2005 (Department of Social Development, 2011:1). The money lost to the Agency could have also been used to provide other basic services and improve service delivery. Social grant fraud has escalated to such an extent that the former Minister of Finance, Mr T Manuel, in his 2008 budget speech stressed the need to curb the problem it eroded a substantial portion of the allocation made to the social assistance programme (Manuel, 2008:3). It was, therefore, necessary to evaluate the efficiency and effectiveness of the grant application process and propose recommendations to curb fraud.

1.2 DEFINITION OF CONCEPTS

The following concepts are used in the research proposal.

1.2.1 Fraud

Fraud and corruption are activities declared unlawful, or "...a normally wrongful activity committed by use of misrepresentation, guile, or deception to obtain something of value, prevent loss, or obtain personal or business advantage through dishonest means, breach of trust or confidentiality" (Hailstone in Tilley, 1996:25). The essential element of fraud is a form of misrepresentation which causes actual prejudice or which is potentially prejudicial to another party (Snyman, 2002:520).

1.2.2 Fraud prevention strategies

These are actions put in place by government to prevent fraud in different departments. National Treasury (2007:8) argues that at least four governance mechanisms require attention in each organisation namely: internal controls, reporting channels, disclosure of members and regulators, and redress for members and beneficiaries.

1.2.3 Evaluation

Evaluation is the systematic acquisition and assessment of information to provide useful feedback about some object (Trochim, 2006:2).

1.2.4 Service delivery

This is an act of providing a service to customers or clients, either free or paid, by the government or business to meet their basic and other needs. The service may be good or bad depending on the level of satisfaction by the consumers (Chabane: 2011:1).

1.2.5 Grant application process

This refers to the steps taken by staff starting with interviews to determine the correctness of the service required, then a reference to the correct government department and an explanation of the types of documents required for the grant application to be processed. On the second visit, with all the required documents available, grant applications are taken down, the means test applied where applicable, the grant application processed and an outcome letter issued to the applicant in terms of the Social Assistance Act, (Act number 13 of 2004).

1.2.6 Governance

Governance refers to accountability for decisions made by/and about public issues and the use of resources by public officials, the devaluation of decision making to local levels and structures, in rural and urban areas as well as participation and inclusion of all citizens in debating public policies and choices (Dlalisa, 2009:9).

1.2.7 South African Social Security Agency (SASSA)

This is the delivery arm of the Department of Social Development to render services in terms of grant administration and payments of grants. It was established in terms of the South African Social Security Act, (Act number 9 of 2004).

1.3. ORIENTATION AND PROBLEM STATEMENT

The Constitution of the Republic of South Africa, 1996 provides the legal basis for the provision of social assistance to all citizens in need of assistance. It states that “everyone has a right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social assistance.” The Constitution also recognises the limitations of resource

availability and affords other factors to be taken into consideration to ensure a developed set of criteria per grant type.

The social assistance programme is a South African government poverty alleviation strategy administered by the South African Social Security Agency (SASSA). SASSA is the delivery arm of the Department of Social Development established in terms of the Social Security Act, (Act number 9 of 2004). The programme provides grants for the poor who are mostly unemployed, or receive very low wages that is inadequate to provide for their own and/or children's basic needs on a monthly basis. Grants exist for the aged, disabled and children, which is administered and paid in terms of the Social Assistant Act, (Act number 13 of 2004), with the aim to alleviate poverty.

It is important that grant regulations, procedures and the delegation of functions are complied with when completing grant applications. The regulations are guidelines which stipulate when the documentation must be presented for the grant application. The grant application is calculated by the means test and the methods of payment that clients can choose. The procedure indicates the steps personnel are required to follow and comply with throughout the grant application process. The procedures are as follows: all applicants must be interviewed to determine the correctness of the service required, followed by referring applicants to the correct government department and explain the types of documents required for the application to be officially accepted. During the second visit, by which time all the required documents are available, the applications are recorded on the computer system, the means test is applied where applicable, the applications are processed and the outcome letters are issued. A means test is the formula applied to determine if an applicant qualifies for the applied social grant based on the calculations of income, assets and deductions in line with a specific threshold (Social Assistance Act, (Act number 13 of 2004:5).

The nature of the delegated financial control function requires the level or rank of staff to approve specific amounts of money to be paid to the beneficiary. Personnel, who capture the application information on the system, may not verify or approve the applications. Non – compliance with the delegation of functions and could lend the system to a possible risk of fraud.

SASSA does not have a policy on fraud but has developed a risk management framework to deal with issues of fraud and corruption within the Agency. “The risk management strategy, which must include a fraud prevention plan, must be used to direct internal audit effort and priority and to determine the skills required of managers and staff to improve controls and to manage these risks” (SASSA, 2009:4). The risk management strategy was clearly communicated to all the officials to ensure that it is incorporated into the language and culture of the institutions and embedded in the behaviour and mindset of its people. However, regulations, procedures and delegations cannot fully prevent inefficiencies lending the grant application process to fraudulent activities.

“Currently, the Social Pension (SOCPEN) system is inadequate and unreliable in the sense that it is not in a position to block a capturer who also does system verification or approvals” (SASSA, 2010:6). Although there was a separation of duties, the staff could deviate from the procedures by capturing the information on the application form and system for approval/verification. This created the opportunity to generate amounts higher than what the clients actually qualified for and was entitled to receive (SASSA, 2011(c):1 - 5). However, the SOCPEN system which came into effect from April 2013 can prevent a capturer who attempts to approve/verify without authorisation. “Staff may also create fictitious clients on the SOCPEN system using relatives or friends’ identity documents and bank accounts. Such cases do not have records and are classified as missing files by the Auditor General “(SASSA, 2010:4). Over two hundred (200) missing files were discovered during the auditing process, and on investigation, it is often found that such clients do not exist. In the grant applications process, records themselves can serve to detect fraud and recover losses.

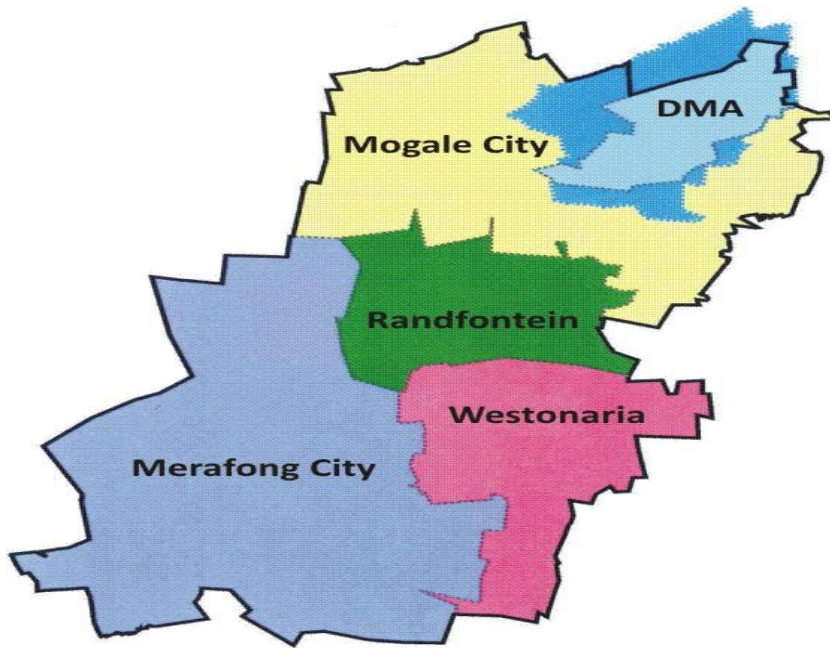
The clients either report personally or telephone the offices to complain that they have been approached by staff to pay a sum of money to have their grant applications approved. Some clients pay the amounts to staff while others opt to first enquire. This is a reflection of a poor work ethic among the staff (Sibanyoni, 2011:2). SASSA services are free. The following was reported by the Minister of Social Development "...17 908 cases were brought to court by December 2010 and 15 004 were convicted of social grant fraud (Department of Social Development, 2011:1)". However, the report did not clearly state what impact the inefficiencies or weaknesses had in the grant application process. Consequently, there was a need to re-evaluate the grant application process.

The problem statement is the evaluation of the grant application process in the South African Social Security Agency (SASSA). This study was undertaken to determine the inefficiencies in the grant application process which can contribute to fraud, and to formulate possible strategies to minimise fraud and corruption.

The study was conducted in the West Rand District of SASSA in the Gauteng Province. The District is located in the west of Johannesburg, and comprises the Mogale City and Merafong Local Municipalities. The District is geographically spread over a large area. It has a compliment of one hundred and forty five (145) staff of which one hundred (100) are employed in the application of grants in terms of the operations and management thereof.

The West Rand District Municipality (WRDM) comprises of four local municipalities, namely: Mogale City, Merafong City, Randfontein and Westonaria. The District Management Area (DMA) also falls under the jurisdiction of the WRDM (West Rand District Municipality, 2012: Online). The DMA is an area with unique characteristics. The development of this area is in line with its unique character as part of a World Heritage Site as well as the needs of the community residing in the area.

Figure 1: MAP OF THE WEST RAND DISTRICT



(West Rand District Municipality, 2012: Online)

1.4 RESEARCH QUESTIONS

The following critical questions were responded to in the study:

- How does the grant administrators at SASSA define inefficiencies or weaknesses in the grant application process?
- What are the statutory framework, regulatory guidelines and procedures with regard to the grant application process?
- What is the extent of deviation and non-compliance to regulations, procedures and delegation during the grant application process? and
- What strategies or measures can be put in place in SASSA to minimise inefficiencies or weaknesses in the grant application process?

1.5 RESEARCH OBJECTIVES

The following were the research objectives of the study:

- To determine whether the staff undertaking the supervision of the grant administrative functions in SASSA understood the inefficiencies or weaknesses of the grant application process.
- To describe the statutory framework, regulatory guidelines and procedures applicable to the grant application process implemented by SASSA.
- To determine the extent of deviation and non-compliance during the grant applications process, the calculation and the capturing of the means test and the approval of grant applications in SASSA.
- To develop strategies or measures in to minimise inefficiencies and curb fraudulent activities in SASSA.

1.6 LEADING THEORETICAL STATEMENTS REGARDING IMPROVING THE GRANT APPLICATION PROCESS

SASSA embarked on a drive towards improving service delivery through the standardisation of the grant application process and enhance the SOCPEN system to eradicate inefficiencies/ weaknesses in the grant system. The unit, Internal Audit and Risk Management, is monitoring the operations to identify the inefficiencies and make recommendations for improvement. “It also worked very closely with the Special Investigations Unit in rooting out fraud and corruption” (Makiwane, 2008:9). SASSA has recently developed a policy on fraud and its implementation is still in its infancy stage. However, since the establishment of the Internal Audit and Risk Management, and the Draft Corporate Governance

Framework and Risk Management Framework SASSA is dealing with issues of fraud and corruption within the Agency.

1.7 RESEARCH METHODOLOGY

This section highlights the literature review, data collection strategy and sampling, data collection method and analysis, and ethical considerations. The empirical study comprised of a mixed method approach, namely: questionnaires and focus group interviews.

1.7.1 Literature review

The literature review is the search for current information on the research topic. It determines the theoretical assumptions to guide the study and statements that serve as the foundation for the arguments and different theories about the research topic. There might also be conflicting points of view expressed by different authors. These conflicting points of view might be the indicators of diverging theories within the same topic (Cano, 2002:2). A literature review was conducted of the legislative framework, policies, regulations and procedures governing the grant application process. It was also done on the best practices in terms of fraud management strategies and good governance. The literature review involved identifying and analysing primary and secondary sources such as books, journals, scholarly articles, conference papers, legislation, policies, government documents and reports containing information related to the topic.

1.7.2 Data collection strategy and sampling

A qualitative design was used to conduct the research in SASSA Gauteng – West Rand District and its areas of responsibility.

Qualitative research refers to an approach to the study of the world which seeks to describe and analyse the behaviour of humans from the point of view of those being studied (Webb & Auriacombe, 2006:597). It is the study of a phenomenon in a natural environment or real life situation. This design was relevant to the study because its focus was to understand the inefficiencies and ineffectiveness of the grant application process which is the core business of SASSA. The advantages are that the design is credible, flexible and can be transferable to other contexts. The disadvantage is that it is costly, labour intensive and time consuming (Auriacombe & Mouton, 2007:443). The study cut across two levels of staff namely: Grant administrators and Supervisors who perform functions in the grant application process in SASSA. The West Rand District of SASSA has a staff complement of one hundred and forty (140) of which hundred (100) is involved in the grant application process. The entire population in the West Rand District was targeted because of the small number.

1.7.3 Data collection methods and analysis

A mixed method approach was used whereby data was collected through the qualitative and quantitative design. The mixed method provided multiple sources of information, stronger and comprehensive evidence and minimises subjectivity. The method was employed to validate one form of data with the other, to transform the data for comparison, or to address different types of questions (Creswell & Plano, 2007:118). The disadvantage of the mixed method is that it is expensive, time consuming and open to criticism.

A questionnaire was distributed to ninety (90) Grant Administrators while one (1) focus group was interviewed which comprised ten (10) Supervisors. The advantage of a questionnaire is that respondents are anonymous and the researcher does not come into direct contact with the respondents. In this way, the respondents cannot be influenced by the researcher. Questionnaires were convenient, cheaper and quick to administer. The disadvantage was that the

return rate was poor and not all the questionnaires were returned. Another shortcoming was that the researcher was unable to probe or ask for either additional data or data that had been omitted. Focus group interviews served as an additional source of data and information. However, the disadvantage was that the data was difficult to organise and analyse. It was also difficult to manage the group dynamics that emerged during the focus group.

The questionnaire was analysed by calculating the descriptive statistics guided by the IBM SPP Statistics Version 21 Programme. The focus group's responses were clustered in themes and analysed. Basic statistical analysis such as frequency tables displaying the differences in staff responses and pie charts were used. Apart from the information provided as responses to the questionnaires, detailed field notes were taken during the focus group discussion with the Supervisors. All the data/information obtained was analysed and conclusions were drawn based on the findings. Permission to conduct the study and use SASSA employees as participants was obtained from the Regional Executive Manager in Gauteng.

1.7.4 Ethical considerations

The participants were informed that all the information would be treated strictly confidential and their participation was voluntary. The participants could withdraw at any time they wished. Letters of consent were attached to the questionnaires with a request that the participants sign them. The focus group participants were also given the consent forms to complete and sign. According to Struwig and Stead (2001:66), a consent form should be used to adhere to the code of moral guidelines on the manner in which to conduct research in a morally acceptable way in order to maintain high ethical standards.

1.8 PROVISIONAL LAYOUT OF CHAPTERS

This section provides an explanation about the layout of the five chapters.

1.8.1 Chapter 1- Introduction, general orientation and problem statement

This chapter provides the introduction, the general orientation on the focus of the study, highlights the research problem and explains the rationale for the study through the problem statement. It further outlines the research objectives and the questions arising from the problem statement and the theoretical statements. Lastly, the chapter provides a brief overview of the research methodology followed.

1.8.2 Chapter 2 – Literature review and legislative framework

This chapter explores the legislative framework, regulations, policies and procedures governing the grant application process. It also explores best practice with regard to fraud management strategies, principles of good governance and theories which are relevant and applicable to SASSA with the aim of improving service delivery. This chapter also identifies the current status of the challenges with regard to the grant application process in SASSA. It further identifies the gaps in the implementation of the Risk Management Framework and the Draft Corporate Framework by the Agency.

1.8.3 Chapter 3 – Research method (Design and instruments)

This chapter provides information on the types of research methodologies, research design, target population, sampling method and data collection techniques or instruments used.

1.8.4 Chapter 4 – Research findings and analysis

This chapter provides information about the data analysis methods used the interpretation, the research findings and the summary of the major findings.

1.8.5 Chapter 5 – Concluding remarks and recommendations

This chapter provides information on the concluding remarks and recommendations. The findings would be utilised to formulate recommendations as probable strategies to minimise inefficiencies of SASSAs grant administration process to eradicate fraud.

1.9 LIMITATIONS OF THE STUDY

There were limitations with regard to the responses received from the number of questionnaires distributed to the participants. No literature was available on research conducted on fraud in the grant application process in the Gauteng Province - West Rand District of SASSA. However, there was very little research on the evaluation of the grant application process in South Africa in the context of fraud. It was noted that due to several fraud cases currently under investigation in one of the districts of SASSA in the Gauteng Province, that there might be reluctance from some of the staff to participate in the study. This proved to be true as there was a great degree of reluctance to participate. The questionnaires were viewed with suspicion. The staff who volunteered to participate took extremely long to complete and return the questionnaires.

1.10 SIGNIFICANCE OF THE STUDY

The study endeavoured to evaluate the efficiency and effectiveness of the grant application process, to determine if there are inefficiencies in the system which could be susceptible to fraud. Another aim of the study was to propose

mechanisms to minimise the inefficiencies in the grant application process so that clients can receive the correct sum of money at the right time and place. It is SASSAs responsibility to inhibit unauthorised and wasteful expenditure, and use the state resources in an efficient and effective manner in compliance with the Public Finance Management Act (Act number 1 of 1999). There is also a responsibility to protect the poor and the vulnerable and. curtail inefficiencies in order to win the citizens confidence in the services offered by the Agency.

1.11 CONCLUSION

This chapter provided the general orientation on the focus of the study, highlighted the research problem and explained the rationale through the problem statement. It further outlined the research objectives and questions arising from the problem statement.

In the following chapter, the literature is reviewed and the legislative framework within which SASSA is required to function is highlighted.

CHAPTER 2

LITERATURE REVIEW AND LEGISLATIVE FRAMEWORK

2.1 INTRODUCTION

This chapter introduces the literature that was consulted and highlights the rationale for the study and the impact on the effectiveness and efficiency of service delivery by West Rand District of SASSA, Gauteng Province. Most of the government programmes and activities are financed by the taxes contributed by the public. It is understandable that the tax payers expect the government institutions to act with caution during the execution of their administrative functions in line with their strategic objectives and mandate.

The literature search involved extensive reading to determine the theoretical assumptions, statements that act as the foundation for the arguments and different theories about the research topic. There might also be conflicting points of view expressed by different authors, and these conflicting points of view might be the indicators of diverging theories within the same topic (Cano, 2002:2). The chapter looked at the evaluation of the grant application process and the weaknesses or deficiencies that might lead to possible fraud. The image of any government department whose systems are perceived to be inefficient and affect service delivery negatively, result in the public losing confidence in that particular department.

The chapter provides a clear explanation of the concept administration as a mechanism for the implementation of policy, management (and its functions), monitoring, reporting and evaluation. It discusses the legislative framework, policies, regulations and procedures guiding the management of the grant application process. It also outlines factors that mislead staff to deviate from the grant application procedures and best practices in terms of management

strategies and good governance. This chapter also provides an analysis of why the grant application strategies in place are not successfully implemented within the South African Social Security Agency (SASSA).

2.2 DEFINITION OF POLICY AND ITS FORMULATION PROCESS

Hall and Midgley (2004) define social policy as “planned or concerted action that affects peoples’ lives and livelihood”. They further argue that policy should be used as a tool to address factors that marginalise certain segments of the population and prevent them from participating fully in all spheres of life. Whereas a policy will contain the “what” and the “why”, procedures or protocols contain the “what”, the “how”, the “where”, and the “when”. Public policy is, therefore, a proposed course of government action to achieve specific goals and objectives. Policy formulation, analysis and implementation can be defined as the identification of need, preparation of policy statement, development of legislation, regulations, directives as well as the analysis of the existing policies and systems (Chelechele, 2010:46).

There are different models that can be used towards the formulation of public policy. The most appropriate one is usually dictated by the nature of the problem or issue to be addressed. The policy formulation process should maximise the participation of key institutions and the wider public through their interest groups (Department of Environmental Affairs, 2007:2). It is important that there are extensive consultations during the entire public policy formulation process, under the direction and guidance of a project team put together for that purpose in an organisation.

2.3 ADMINISTRATION AND GRANT APPLICATION PROCESS

Administration takes place where two or more people work together with a common goal in mind, where a joint action is required to the set objectives. Van

Dijk (2003:250) defines administration as planning, organising, commanding, coordinating and controlling. To plan is to look at the future and arrange the operations to deal with the said future. To organise is to develop the organisational structure and position people within the structure. To command is to give instructions that make people perform their functions or do their work. To coordinate is to unite and correlate all activities while controlling deals with seeing that everything is done according to the rules which have been laid down and instructions which had been given (Tshikwatamba, 2002:42). Other administrative functions include financing, staffing and delegating. No administration can take place if specific goals and objectives have not been set.

The provision of social assistance is a public policy which is the course of action of government to address the high level of poverty in the country. Social assistance in South Africa is termed “social grants”; it is funded and is entirely supported by the state. Social grants are significant for the survival of people and are considered to be the safety net for the poor. The state approach is a targeted one and grants are thus delivered to those identified as “vulnerable”; including the old, disabled and children (Kollagen, 2004:5). The implementation of social assistance policy is the responsibility of SASSA. It is done through the management of grant administration, and the grant application process is part of grant administration. It is performed to achieve specific goals and objectives set and outlined in SASSA’s strategic planning documents.

The grant application process refers to steps taken by staff starting with interviews held with clients to determine the correctness of the service required, and then refers them to the correct government department or explains the types of documents required for the grant application to be taken. When the clients visit a SASSA office for the second time, with all the required documents available, grant applications are documented, the means test is applied where applicable, grant applications are processed and outcome letters are issued to the

applicants, according to section 10 (1 – 6) of the Social Assistance Act (Act number 13 of 2004:10-11).

2.4 LEGISLATIVE FRAMEWORK, POLICIES AND GOVERNMENT DOCUMENTS

The first policy mechanism was the 1997 White Paper for Social Welfare, in which developmental aspects of social security were evoked. This remains the most significant policy discussion paper, which paved the way for widespread legislative reforms governing the delivery of social assistance. In a country newly emergent from an insular approach, the international trend of developmental social welfare was grasped promptly (Reddy and Sokomani, 2008:13). As part of the United Nations Development Programme's (UNDP) approach, it favoured ensuring that social policies contribute to development rather than transference of resources from the productive economy to social welfare services (Midgely, 2004:57). It also included a differentiation between social security and social assistance that did not exist.

South Africa has developed a legal framework that is aimed at guiding the implementation of social assistance policy to address the challenge of poverty. Compared to other African countries, the framework is solid and comprehensive, with advanced provisions. It covers, *inter alia*, grant administration and payments, transparency, redress/public recourse, overpayments and fraud. The legal framework includes the following:

2.4.1 The Constitution of the Republic of South Africa of 1996

The Constitution of the Republic of South Africa, 1996, provides the legal basis for the provision of social assistance to everyone who needs it. It states that “everyone has a right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social

assistance” according to section 27 (1) (c) of the Constitution of RSA (1996:13). It, however, recognises limitations of resource availability by government and affords other factors to be taken into consideration for limiting access with the use of the fairly developed set of criteria per grant type. On the other hand, it also provides the legal basis for combating fraud and corruption, and promotes good governance through the establishment of institutions supporting constitutional democracy, for example, the Public Protector and the Auditor General. The Public Protector has a duty to investigate improper conduct resulting in prejudice while the Auditor General has a duty to audit and report on the accounts, financial statements and financial management amongst other functions they perform (Public Service Commission, 2001:5).

2.4.2 The Promotion of Administrative Justice Act (Act number 3 of 2000)

The Promotion of Administrative Justice, (Act number 3 of 2000) gives effect to the right to administrative action that is lawful, reasonable and procedural. It enforces that everyone gets written reasons for administrative action taken and that affects him/her. All the clients that apply for grants at SASSA are provided with letters of outcome with written reasons for the administrative action taken.

2.4.3 The Protected Disclosure Act (Act number 26 of 2000)

The Protected Disclosure Act (Act number 26 of 2000) makes provision for a procedure to enable employees in both the private and public sectors to disclose information regarding unlawful or irregular conduct by their employers and or other employees (The Protected Disclosure Act 26, 2000:5). It also provides for the protection of employees who make a disclosure in terms of the Act and other whistle-blowers.

2.4.4 The Public Service Act (Act number 103 of 1994) and Public Service Regulations of 1999 (as amended)

The Public Service Act, (Act number 103 of 1994) provides for the general organisation and administration of the Public sector, especially regarding the employees of the state. The regulations incorporate a Code of Conduct for Public Servants, thus giving it a status; this code contains a brief reference to the receipt of gifts by officials. “An official does not use his/her official position to obtain private gifts or benefits for him/herself during the performance of his/her official duties nor does he/she accept any gifts or benefits when offered as these may be construed as bribes” (The Public Service Act, 1994:6).

2.4.5 The Social Assistance Act, (Act number 13 of 2004)

The Social Assistance Act (Act number 13 of 2004) provides the statutory framework for the grant application process. This Act, the Regulations and procedures guide the activities in documenting grant applications, types of documents applicable and those to be attached to the specific grant type applied for. They also provide guidance about the application of the means test, the approval of the amounts calculated as per specific delegations, the payment method of choice by the clients and the capturing of information and system verification or approval of grant applications.

The following grants are administered in terms of Social Assistance Act (Act number 13 of 2004):

- Child support grant (CSG) – this is a grant for children whose parents are poor and unable to provide for them, from birth to eighteen years old. The grant is subjected to a means test;

- Care dependency grant (CDG) – this is a grant for poor children from birth to eighteen years old with severe physical or mental disabilities needing full time care. The grant is also subjected to a means test;
- War veteran grant (WVG) – this is a grant for people over sixty years old, who served in specific wars as stipulated by this Act. The grant is not subjected to a means test;
- Foster child grant (FCG) – this is a grant for a child from birth to eighteen years old placed in the custody of a foster parent in accordance with the Children’s Act of 200. The grant is not subjected to a means test;
- Disability grant (DG) – this is a grant for an adult from eighteen to sixty years old, who due to his disability or illness is unable to work. The grant is subjected to a means test; and
- Old age grant (OAG) – this is a grant for the aged persons from sixty years old who are unable to adequately provide for themselves. The grant is also subjected to a means test.

2.4.6 The South African Social Security Agency Act (Act number 9 of 2004)

The South African Social Security Act, (Act number 9 of 2004) gave rise to the establishment of the South African Social Security Agency. With regard to fraud, section 19 (2) of the Act states that, “any person is guilty of an offence if he or she, in respect of or in connection with any service rendered or anything done or offered by the Agency, bribes or attempts to bribe, or corruptly influences or attempts to corruptly influence, any member of staff or any advisor, agent or other person employed by or acting on behalf of the Agency.” Section 20 of the same Act indicates that if one is found guilty, such a person is liable for a fine or imprisonment for a period not exceeding 15 years.

SASSA has developed a Draft Corporate Governance Framework that seeks to address issues of integrity and honesty, to also establish mechanisms to ensure that all staff of the Agency is not influenced by prejudice, bias and conflict of interest (Sibanyoni, 2011:3). “Members of Executive Committee and employees of the Agency are required to observe not only the laws but also other rules of disclosure of interest” (SASSA, 2008:2). This implies that those in decision making processes need to be seen to be objective and putting the interest of the Agency above other interests including their own. The framework further gives guidance in terms of declaration of personal and business interests in a register. However, the framework falls short of the sanctions to be taken if staff is found guilty of non-compliance.

The nature of the Agency’s business renders it vulnerable to fraud and corruption. The Agency has developed and is implementing a fraud management strategy that contains elements of prevention, detection and response (SASSA 2012/13–2016/17:9). The Code of Conduct for the Public Service issued by The Public Service Commission is the important pillar in the establishment of good governance and ethical conduct of public servants (Sangweni, 2002:4). He further argues that, the Code of Conduct also raises issues of respect for human rights, the rule of law, accountability, transparency in government personal conduct and private interest. The instructions contained in the document are mandatory to all public servants, so that effective service delivery reaches the citizens. “It is crucial also that officials should as a rule reject, resist and refuse offers and gifts as these may be construed as bribes” (Sangweni, 2002:4). This document has set the highest standard of ethical conduct, is an anti-fraud and anti-corruption initiative, and, if it was observed by all as it was intended, the country would not sit with so many incidents of fraud and corruption.

2.5 THEORIES OF ADMINISTRATION IN PUBLIC SERVICE

The literature review revealed a number of categories on theories of public administration, amongst them being the complexity theory, classical theory and integral theory.

2.5.1 Complexity theory

There is a notion that complexity theory improves the understanding of public administration and practice. The practice of policy and administration has long recognised the limitations of policy and administrative interpretations that do not reflect the diversity and complexity of human condition. According to Meek (2009 :1), the papers presented at the ASPA Annual Conference held in Miami, between 20-24 March 2009, the presenters examined as to how the application of complexity theory improves the understanding of public administration theory and practice. The conference noted that the recognition of complex and changing conditions call upon a co-evolutionary revision of traditional approaches to planning practices (Meek, 2009:1). The focus of the theory is to improve public policy implementation through an improved understanding of the policy context.

2.5.2 Classical theory

This theory centres on the division of labour. This means that a central bureaucracy must exist to keep the functions coordinated and connected through an impersonal chain of command (Kayu, 2011:1). Therefore, the emphasis in this approach is on both the decentralisation of functions and specialties, and the centralisation of administrative command to keep the functions working together (Johnson, 2012:1). The classical theory in this field stresses the singularity of command. This means the structure of the organisation must develop ascending levels of authority. Each level takes from the above and transmits to what is below hence; the system revolves around levels, rationality and command. It is a

system that in all its manifestations is hierarchical. In addition, this also implies a great degree of discipline. Individuals in this theory are functionaries of the organisation.

Classical theory stresses efficiency in organisational work. The command structure is designed to manifest both the overall objectives of the organisation as well as the specific purposes of the functional units. Although the classical system stresses structure over everything, the basic issue is efficiency in communication. This requires certain things to be in place: a strict definition of duties and objectives, the control over all labour functions and a rational connection of one functional unit to another (Johnson, 2012:1). Without these basics, no organisation can function efficiently, according to the classical argument. This theory seems to be more suitable and applicable to the current grant administration process.

2.5.3 Integral theory

The integral theory states that development can occur in all quadrants simultaneously, that is within an individual, group, culture and environment/society. The integral map becomes a starting point for the interrogation of public administration relationship with other disciplines like psychology, sociology, economics, politics and many more (Stortz, 2009:49). It emphasises the unique capabilities of each participant worker while valuing the group dynamics, to foster an environment where each individual is motivated out of a common purpose. It is an alignment in shared values between the group which places great importance on interpersonal relationships (Stortz, 2009:50). The theory further states that, development can occur through the alignment of community values with each community member's values. Broad community needs can be identified according to the developmental levels and numerous projects can be generated to address the identified needs. This theory is more

applicable to community development programmes offered by the Department of Social Development and Local Government.

The classical theory of administration in public management is understood and used in the same way by different authors within the context of public administration. This theory was found to be the most suitable for this research as it addressed three of the objectives. The three are: to determine the understanding of the inefficiencies or weaknesses within the grant application process, to determine the extent of deviations and non-compliance during the grant application process, and, to develop strategies or measures to minimise or curb fraud.

2.6 MANAGEMENT AND BASIC MANAGEMENT FUNCTIONS

Management is basically "... marshalling of human, material, financial, and time resources towards common organizational goals" (Brown & Moberg, 1980:26). This process involves several broad categories and functions such as planning, organising, staffing, directing, budgeting, decision making, controlling and communicating. Therefore, management could be defined as the process that ensures the goals of an organisation are achieved through the economic, effective and efficient use of resources. The following are the basic functions of management:

2.6.1 Planning

Planning is a strategic process of creating the business vision, mission and objectives of an organisation and how they will be accomplished. When planning, one has to view the organisation such as its mission, goals, and techniques as things they want to accomplish at the end (Yu, 2010:1). Managers need to identify the goals for the work unit, assess where the work unit is in achieving those goals, and identify what is working well and what needs improvement.

Managers need to assess the current situation, looking at what is happening and who is doing the work. This includes reviewing various solutions and ways forward for any problem areas. This also entails analysing each possibility and making a decision, and identifying the performance indicators that will demonstrate that the goals have been met.

2.6.2 Organising

Organising consists of classifying and grouping functions as well as allocating groups of functions to institutions and worked in an orderly pattern, so that everything the workers do is aimed at achieving the set objectives. The activities involved should be done systematically. It is about arranging the internal structure of the organisation, this is where you can divide, coordinate, delegate authority and control the task and information within the organisation (Fincham, 2010:4). The organisational structure of each institution should be done in writing. The direct line of authority is from the top, and the supervisors are functional specialists who should exercise authority and command over the specialised unit assigned to them.

2.6.3 Financing

Financial arrangements in the public sector hold distinctive political and administrative implications. However, these arrangements have to be restrictive with control systems in place to prevent abuse and mismanagement of funds (Chelechele, 2010:48). The financial arrangements must be flexible and adaptable so that they can be used as administrative aids to promote an effective and efficient public administration; this means there has to be restrictive and simulative arrangements (Fourie, 2005:679).

2.6.4 Staffing

Staffing is when managers designate the qualified people in the position that managers want them to be in the organisation. First there should be recruitment of the suitable candidates the organisation wants to hire in line with the Employment Equity (EE) plan of the organisation. After hiring the new employees are trained, their performance is evaluated to determine if they are performing according to the expected standard or not. The last step would be to compensate the specific task or activity that is included in the function. In public service, the staffing function is known as personnel administration and it constitutes an extensive field of work with many separate activities (Chelechele, 2010:49). The staffing function is also known as personnel administration in private sector as well.

2.6.5 Directing

An effective manager understands that the function of directing is not standing over someone or continually checking up on staff. There are better tools at her/his disposal in the form of communication, motivation, coaching, performance appraisal, discipline and conflict resolution. A two-way, open and honest communication goes a long way to ensure that all staff understands the work being performed. Listening to, understanding the comments, questions, or complaints staff has will also help the manager prevent any mistake or conflict and adjust processes as the work is being done. Giving and gathering feedback, whether positive or negative, helps to keep the work on track (Fincham, 2010:3). When staff has some difficulty doing the job, the manager can take the time to provide one-on-one coaching. This might mean sitting in an office reviewing the situation with the staff member, encouraging him/her to think of options, and supporting him or her in decisions, or, being by his/her side while the work is being done (Woloschuk, 2010:1).

2.6.6 Controlling

Control is just another word for evaluating or reviewing the work being done. The key point here is that the standards for evaluation are the performance indicators that were part of the planning function. Depending on the scope and kind of work, and the time available, the manager might lead the monitoring and evaluation herself/himself. This can be done through observation and gathering information or inputs from the staff doing the work, identifying deviations from the procedures and taking corrective action (Chabane, 2011:5). These are the staff members who were involved in setting the performance indicators in the first place so that there are no surprises about expected outcomes. If the goals are not met, then it is time to identify the problems areas and everyone is back to the planning table (Woloschuk, 2010:1).

2.7 CURRENT CHALLENGES WITHIN THE GRANT APPLICATION PROCESS IN SASSA

Before the establishment of SASSA, the task team put together by the National Department of Social Development (NDSD) identified a number of critical gaps, resulting in the recommendation that South Africa should investigate a move towards a comprehensive and integrated social security structure (Taylor 2002). This was effected through the appointment of a Committee of Inquiry into a Comprehensive System of Social Security in South Africa – the Taylor Commission. The Taylor Commission's terms of reference required reviewing a broad range of elements relating to social security, including the evaluation of all grants, their funding mechanisms and the efficiency with which they achieve their goals (Taylor, 2002:8). The aim was to evaluate the entire social assistance mechanism.

In 2002, after three years of investigations, the Taylor Commission presented its findings and recommendations to the NDSD Minister. Amongst others, a

recommendation was a proposal to revise the organisational framework and institutions governing social security, and most significantly, implement a social security agency to operationalise various social security functions outside the civil service (Taylor, 2002:9). These functions would involve, among other things, managing the non-contributory social assistance funds including budget determination and the administration of grants (Taylor, 2002:9). Policy development, though, would remain the department's prerogative.

In 2004, two years after the recommendations by the Taylor Commission, the former President, Mr Thabo Mbeki, assented to the South African Social Security Act (Act number 9 of 2004). This is the founding legislation that provides for the establishment of SASSA as an agency that will ensure the efficient and effective management, the administration, and payment of social assistance, according to section 3 (a) of South African Social Security Act 9 (2004:6).

The administrative difficulties alone in grant administration due to the out dated and inadequate SOCPEN system were a massive hurdle. The lack of capacity in provinces, infrastructure limitations, poor customer service and backlogs dogged the system (Welfare and Population Development Portfolio Committee, 2000:3).

2.7.1 Inadequate human resource capacity and management

Human resources (HR) are a critical component for development; that is why personnel are one of the most generic characteristic of public administration (Van Dijk, 2005:38). Each organisation needs qualified, professional and ethical personnel to efficiently and effectively deliver on the mandate of the organisation and this has been one of the weaknesses in SASSA. What has been less talked about, however, is whether the staff is adequately trained for the new SASSA approach. "In an interview with Nceba Mafongosi, the co-ordinator of the Black Sash in the region, noted that the SASSA employs more or less the same personnel who were part of the inefficient provincial administration system," (cited in Chelechele, 2010:100). Inadequate supervisory capacity to manage,

monitor and evaluate staff performance may also contribute to the inefficiencies within the grant application process. Inadequate capacity can also include the lack of motivation, willingness and commitment which will have a negative impact on service delivery.

2.7.2 Inadequate performance management system

Performance Management Development System (PMDS) is the process that measures individual employee performance against the set performance standards. This also helps to identify the areas that need training and development which is solely needed to address poor performance, and ultimately inefficiencies in government institutions (Van Dijk, 2003:132). Performance management is aimed at optimising the employee potential and output in terms of quantity and quality. Where PMDS has not been correctly implemented, poor performance may have a negative impact on people management and empowerment, financial management and customer care (Chelechele, 2010:107). These are regarded as the most important competencies that are needed when public officials deal directly with people.

2.7.3 Inadequate Social Pension System (SOCPEN)

Prior to April 2013, the SOCPEN system was inadequate and unreliable in the sense that, “it is not in a position to block a capturer who also does system verification or approvals” (SASSA, 2010:6). Although there was segregation of duties, staff could deviate from procedure by capturing the information on the grant application form and also system verifies/approves it. “This creates the opportunity to generate the amounts higher than what the clients actually qualifies for and are entitled to receive (SASSA, 2011(c):1 - 5)”.

With the recent SOCPEN enhancement and the roll out of online capturing system from April 2013, the situation has improved; segregation of duties cannot

be bridged as the system blocks a capturer from system verifying. Capturers and system verifiers are allocated different system functions (SASSA, 2012:32). However, staff used to create and may still create fictitious clients on the SOCPEN system using relatives or friends' identity documents and bank accounts. Such cases do not have records and are classified as missing files by the Auditor General (AG) (SASSA, 2010:4). Numerous missing files are discovered during the auditing process, and on investigation, it is often found that such clients do not exist (SASSA 2011(c); 1-5). In the grant applications process, the records themselves can serve to detect fraud and recover loss. Through early detection, the records can assist in the reduction of financial losses attributed to repetitive fraud.

2.7.4 Inadequate monitoring and evaluation

Monitoring is the continuous and systematic collection, recording and reporting of information in order to track progress towards the achievement of the objectives of an intervention, and identify the need for corrective action. While monitoring asks whether things are being done right, evaluation is saying are we doing the right things, are we effective, efficient and providing value for money (Chabane, 2011:1). Evaluation is a comprehensive appraisal that looks at the long-term impact of a project and exposes what worked, what did not, and what should be done differently in future projects. Monitoring helps the organisation to understand how well controlled its compliance risks are and to make informed judgments about where it should spend its resources (Sibanyoni, 2011:3). An effective control framework is important to prevent wrongdoing. It is extremely important to have written documentation of the organisation's controls, policies, procedures, and reporting responsibilities, as well as documentation of how these policies have been evaluated for efficacy (Lawyers and External Council, 2011:6).

Government departments have established monitoring, evaluation, reporting, and internal auditing units. However, these are ineffective and inefficient due to inadequate capacity. Consistent supervision, monitoring and regular audits will identify wrong doing quickly, and the units should have the means and express the will to follow through with an investigation that will identify the guilty person (Pauw, Woods, Van den Linde, Fourie & Visser, 2009:348).

A monitoring, evaluation and reporting framework is developed in line with the baseline information that provides a benchmark against which progress on performance and effectiveness of the policy can be measured (Chabane, 2011:1). It is recommended that, the monitoring and evaluation frameworks regarded as the best for designing and sustaining a result based system be used. Performance agreements will provide a key mechanism for this purpose. SASSA does have a monitoring, evaluation and reporting framework, however, the challenge is in its implementation as there is inadequate supervisory structure within the grant application process.

The AG gave the Department of Social Development in the Eastern Cape a disclaimer due to mismanagement and maladministration as a result of weak internal controls. This manifested itself through inadequate monitoring of activities, inadequate supervision and authorisation, non-submission of reports / documents requested and lack of leadership and direction due to all Senior Management of the department was suspended (Department of Social Development, 2006:61). The fact that the Special Investigation Unit's (SIU) also made findings on deviations within the grant administration processes is a typical example. "This is where the unlawful and illegal payment and/or receipts of social grants or benefits in respect of deceased and/or fictitious persons and/or persons who do not qualify for the receipt of such grants or benefits or any portion thereof and any conduct directed at, promoting, or facilitating payment and/or receipt thereof" (Reddy & Sokomani, 2008:5).

2.8 IMPORTANCE OF GOOD GOVERNANCE

Good governance impels a manner in which power is exercised in the management of resources for sustainable development. The term good governance refers to the way government carries out its work. It is "... among other things, participatory, responsive, transparent, accountable, effective, equitable and that promotes the rule of the Law according to United Nations Development Programme (UNDP) (cited in International Development Law Organisation (IDLO), 2003:4)". Governance is the way government uses its authority to provide services, make laws, and enforce them. Good governance is the effective implementation of services that are responsive to citizen needs.

Good governance in the social assistance programme offered by SASSA is critical for the viability and sustainability of the scheme, more especially that, "its role in successfully reducing poverty can never be seen in isolation. As such reduction would not be possible without the complementary effect of labour market policies" (Olivier, Smit & Kalula, 2003:45). They further argue that, corruption and fraud clearly highlight the existence of managerial and administrative flaws in the social security system. "The absence of good governance within systems, structures and strategies is disastrous to social security schemes" (Fultz, 2005:12).

For example, in Zambia, the strategic plan of Anti-Corruption Commission acknowledged that weaknesses in its own management had led to staff not adhering to policies and plans, delays in implementation of policies, duplication of work and incorrect information been given to the public (Doig, Watt & Williams, 2006:5). From the above argument, a deduction can be made that this problem of poor governance is common in member states of Southern African Development Communities including SASSA.

National Treasury (NT) (2007:2) argues that at least four governance mechanisms require attention in each organisation namely: internal controls, reporting channels, disclosure of members and regulator, and redress for members and beneficiaries. If there are no systems in place, activities of fraud are likely to increase.

2.9 PRINCIPLES OF GOOD GOVERNANCE

“Accountability for decisions made by/and about public issues and the use of resources by public officials, and indeed the devaluation of decision making to local levels and structures in rural and urban areas as well as participation and inclusion of all citizens in debating public policies and choices are essential elements of good governance” (Oruche, 2009:2).

As indicated in the quote from the former Minister of Finance Mr Trevor Manuel (2009), “good corporate governance is not just a passing fad; it is an unequivocal, unavoidable necessity”. It impacts not only on relationship between a given organisation and its particular stakeholders. The World Leaders at the 2005 World Summit concluded that good governance is an integral part of economic growth, the eradication of poverty and hunger, and sustainable development (IDLO, 2003:4). The views of all oppressed groups, including women, youth and the poor, must be heard and considered by governing bodies because they will be the ones most negatively affected if good governance is not achieved. For good governance to exist in both theory and practice, citizens must be empowered to participate in meaningful ways in decision-making processes. They have a right to information and to access. Good governance is not solely the formal institutions or systems of democracy but the processes and culture of responsive democratic inclusiveness. That is, citizens are not treated by governments merely as voters or beneficiaries but their voices and participation on issues of public concern and policy are sought on an on-going basis.

The following five principles of good governance as adapted from the UNDP are cited in Graham, Amos & Plumptre (2003:3):

Table 1: Five Good Governance Principles

Five Good Governance Principles	UNDP Principles and related UNDP text on which they are based.
Legitimacy and Voice	Participation – all men and women should have a voice in decision-making, either directly or through legitimate intermediate institutions that represent their intention. Such broad participation is built on freedom of association and speech, as well as capacities to participate constructively. Consensus orientation – good governance mediates differing interests to reach a broad consensus on what is in the best interest of the group and, where possible, on policies and procedures.
Direction	Strategic vision - leaders and the public have a broad and long-term perspective on good governance and human development, along with a sense of what is needed for such development. There is also an understanding of the historical, cultural and social complexities in which that perspective is grounded.
Performance	Responsiveness – institutions and processes try to serve all stakeholders. Effectiveness and efficiency – processes and institutions produce results that meet needs while making the best use of resources.
Accountability	Accountability – decision-makers in government, the private sector and civil society organizations are accountable to the public, as well as to institutional stakeholders. This accountability differs depending on the organisations and whether the decision is internal or external. Transparency – is built on the free flow of information. Processes, institutions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them.
Fairness	Equity – all men and women have opportunities to improve or maintain their wellbeing. Rule of Law – legal frameworks should be fair and enforced impartially, particularly the laws on human rights.

If the aforementioned principles can be adopted and implemented by both business and public service, they can go a long way in improving service delivery.

The organisation must develop a strong core values based on the Batho Pele Principles, and management behaving exemplary to their juniors. This should be followed by in-service training or workshops that put the values into effect and stress compliance to the code of conduct and consequences for non-compliance (Pauw *et al.*, 2009:349). Having clear policies ensures clarity about individual accountabilities and the appropriate course of action in any given event.

2.10 CONCLUSION

The provision of social grants has been confirmed through a number of imperical evidence that if they can be managed, administered and monitored correctly, supported by a well developed and implemented anti-fraud strategy with commitment by all staff, can successfully alleviate poverty (Reddy & Sokomani, 2008: 63). It can also be deduced from the literature search that deviations to the Social Assistance Act (Act number 13 of 2004), regulations and the grant application procedure are challenges that need to be addressed as they impact negatively on the effective and efficient administration of social grants. This has a negative effect on poor people who depend on social grants for survival.

It is important that weaknesses within the grant application process be identified early and be corrected immediately as they may expose the system to possible fraud. This in itself will render the system ineffective and inefficient which is a reflection of poor governance. This is seen by some experts as, “the universal protection of human rights, efficient, impartial, quick justice delivery system and transparent public agencies and accountable official decision-making” (Oruche, 2009:1). Adherence to the Batho Pele principles, compliance to legislation,

regulations and procedures, and pride amongst employees should be the focus point during training.

In the following chapter the research methodology and data collection instruments are expounded upon.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

Research methodology refers to methods, techniques and procedures that are employed in the process of implementing the research design or research plan. It is the theory of how an inquiry should proceed (Schwand, 2007:193). A research method refers to the means required to execute a particular stage of the research process, such as data collection methods. Research techniques refer to the variety of tools that can be used when data is collected, such as questionnaires, interviews and observation (Webb & Auriacombe, 2006:591)

Various research designs, methods and techniques are available to researchers and based on assumptions that the researcher holds concerning the subject matter – in this case people and their behaviour – he/she has to decide which of these methods and techniques would be appropriate for the study (Mouton *et al.*, 2006:588). A final reason for undertaking scientific studies is to explain causal relationships. These studies attempt to provide answers to the why and how questions. The purpose of these studies could be to generate hypotheses, as well as test and validate theories according to Mouton and Babbie (cited by Webb & Auriacombe, 2006:590).

The research methodology is explained hereunder.

3.2 DIFFERENCE BETWEEN THE RESEARCH DESIGN AND RESEARCH METHODOLOGY

A research design is the way the researcher proposes to go about testing the hypotheses or answering the research question. According to Babbie and Mouton (2005:104), a research design is different from a research methodology

in the sense that a “research methodology refers to methods, techniques, and procedures that are employed in the process of implementing the research design or research plan”. Whereas some research designs are specific, detailed and have specifically formulated decision steps, others tend to be more flexible, semi-structured and open ended. Therefore, a research design consists of a clear statement of the research problem, as well as plans for collecting, processing, and interpreting the observations intended to provide answers to the research questions or to test the hypothesis, according to Singleton and Straits (cited by Webb & Auriacombe, 2006:589).

Questionnaires, interviews and observation are distinctively linked to quantitative or qualitative approaches. For example, participant observation as a data collection technique would rather fit into qualitative studies than quantitative studies (Webb & Auriacombe, 2006:591). They further argue that, what is important in a research design is to select those methods and techniques which are appropriate to the research goal. Thus, different studies use different methods and techniques that are deemed appropriate. Deciding to follow either a quantitative or qualitative approach during the research design, determines which research methods will be used.

3.3 TYPES OF RESEARCH METHODOLOGIES

This section presents the research methodology used in this research. Although a mixed method methodology was used for the research, it is important to highlight qualitative and quantitative methodologies as they also constitute the mixed method.

3.3.1 Qualitative research

Qualitative research is an exploration of what is assumed to be a dynamic reality, and 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 (an insider view) (Webb & Auriacombe, 2006:591). Qualitative research refers to an approach to the study of the world which seeks to describe and analyse the behaviour of humans from the point of view of those being studied. Qualitative research refers to an approach to the study of the world which seeks to describe and analyse the behaviour of humans from the point of view of those being studied (Webb & Auriacombe, 2006: 597). It can be deduced that it is the study of a phenomenon in a natural environment or real life situation.

Qualitative research follows a research strategy that is relatively open and unstructured. Even when interview schedules are used as a research technique, the researcher provides minimal guidance to interviewees and allows considerable latitude to formulating their own responses themselves when responding to questions (Welman, Kruger & Mitchelle, 2005:174). Qualitative research methods used in social research include observations, in-depth interviews, focus groups and the analysis of personal documents. These methods are designed to help the researcher to understand the meanings people assign to social phenomena and to elucidate the mental processes underlying behaviours (Auriacombe, 2005:580). In the qualitative paradigm, the researcher becomes the instrument of data collection, and the results may vary greatly depending upon who conducts the research.

The advantage of using qualitative methods is that they generate rich, detailed data that leave the participants' perspectives intact and provide a context for understanding behaviour. While field research studies mainly use qualitative methods of data collection and analysis, it can complement other approaches by providing suggestive leads for exploratory research and adding depth and meaning to survey and experimental results. One main advantage of field research is that it enables the researcher to get an inside view of reality. Lastly, the researcher does not have to have a ready-made framework or extensive theoretical model of the subject under study in order to employ field research

designs. It is precisely because field research studies are open-ended and flexible that they allow for the emergence of new ideas and even hypotheses as the study unfolds.

There are some limitations in using qualitative study. It can be costly, if the research setting is a nearby location, field research could be the least expensive method. However, if the researcher must travel far to conduct the research, it can be very expensive. It is also labour intensive and takes time. Field researchers have been known for spending years in the field collecting evidence, according to Singleton and Straits (cited by Auriacombe & Mouton, 2007:443).

Babbie and Mouton (2005:491) broadly refers to qualitative data analysis as “...all forms of analysis of data that was gathered using qualitative techniques, regardless of the paradigm used to govern the research”. In qualitative research, data analysis is a continuous processing, comparison and assessment procedure that starts when the researcher begins to collect literature on the subject or gets into the field to gather empirical data.

3.3.2 Quantitative research

Quantitative research is a study where the participants are exposed to something of which they would not have been subjected otherwise. The researcher expresses in the hypothesis, the influence that the independent variable is expected to have on the dependant variable, and it is this influence that the researcher measures in the study (Welman *et al.*, 2005:78). Quantitative (or numerical) data aims to generalise about a specific population, based on the results of a representative sample of that population. Quantitative research generally involves the collection of primary data from large numbers of individuals and projecting the results to a wider population. Some methods are mail surveys, telephone interviews, personal interviews, panels and diaries (Auriacombe, 2005:580).

Quantitative research refers to the systematic empirical investigation of social phenomena via statistical, mathematical or computational techniques. The process of measurement is central to quantitative research because it provides the fundamental connection between empirical observation and mathematical expression of quantitative relationships. The researcher will analyse the data with the help of statistics. The researcher projected an unbiased result that could be generalised to a larger population. Quantitative research gathers data in numerical form which can be put into categories, or in rank order, or measured in units of measurement. This type of data can be used to construct graphs and tables of raw data (McLeod, 2008:1).

The advantages of using the quantitative research method are that it allows the researcher to measure and analyse data. The relationship between an independent and dependent variable is studied in detail. This is advantageous because the researcher is more objective about the findings of the research. Quantitative research can be used to test hypotheses in experiments because of its ability to measure data using statistics (Jones, 2011:1). The main disadvantage of quantitative research is that the context of the study or experiment is ignored. Quantitative research does not study things in a natural setting or discuss the meaning things have for different people as qualitative research does. Another disadvantage is that a large sample of the population must be studied; the larger the sample of people researched, the more statistically accurate the results will not be (Nykiel, 2007:56).

The advantage of quantitative research is that when the research data is collated because it is simply based on numbers, it is a lot easier to collate and place together into a form of chart. Also when it comes to placing it into graphs and charts it is a lot easier to read, because if it is placed into a pie chart it is exceedingly simple to read. One of the disadvantages is that because it is all

based on figures, it is not always up to date. It is usually in constant need of updating because numbers change (Jones, 2011:2).

In quantitative data analysis, data processing involves the preparation of the raw data into computer-readable form. Essentially, there are four main steps that are involved in this process: editing; coding; data entry; and cleaning (quantitative analysis).

3.3.3 Mixed method research

Mixed method research is the systematic combination of qualitative and quantitative methods in research or evaluation. In this way different kinds of data is generated (Schwand, 2007:196). According to Tashakkori and Teddlie (2003:12), a mixed method research involves qualitative and quantitative projects being mixed in more than one stage of the study (questions, research methods, data collection and data analysis, as well as the interpretation or inference process). In taking this dual approach the researcher seeks to find general trends in the population and also aims to provide greater detail regarding any unexpected findings that may arise. The data is collected concurrently or sequentially and only the data is integrated at one or more stages during the research process. For example, a questionnaire with mostly closed-ended questions where individuals are asked to respond to statements on a five-point Likert-type scale, but there are also some sections where respondents may type in their own meanings to follow up on any responses given to the closed-ended questions.

According to Creswell (2003:138), researchers using a mixed method design should include a mixed method research question that directly addresses the combination of the qualitative and quantitative research strands. This is called a “hybrid or integrated” question. This is also consistent with the fundamental principles of mixed methods research, since this principle expresses that the

“methods should be mixed in a way that has complementary strengths and overlapping weaknesses” (Cresswell & Plano, 2007:23).

3.4 RESEARCH APPROACH

A mixed method approach utilising the quantitative and qualitative research design was used to conduct the research in the SASSA Gauteng – West Rand District and its areas of responsibility. This design was relevant to the study because it evaluated the grant application process in its natural working environment, which is SASSA’s core business. Auriacombe and Mouton (2007: 443) are of the opinion that the advantages of a mixed method approach is that it is credible, flexible and can be transferable to other contexts. The disadvantage is that it is costly, labour intensive and time consuming. The researcher experienced great delays because the participants took their time to complete and return the questionnaires.

3.4.1 Literature review

Literature review is the search for current knowledge on the research topic which is undertaken through extensive reading. It determines theoretical assumptions to guide the study, statements that act as the foundation for the arguments and different theories about the research topic. There might also be conflicting points of view expressed by different authors. These conflicting points of view might be the indicators of diverging theories within the same topic (Cano, 2002:2). A literature review was conducted regarding the legislative framework, policies, regulations and procedures governing the grant application process as well as the best practices in terms of fraud management strategies and good governance. The literature review involved identifying and analysing primary and secondary sources such as books, journals, scholarly articles, conference papers, legislation, policies, government documents and reports related to the topic.

Although the research design was qualitative, in seeking to fulfil the research objectives adequately, a mixed method approach was utilised. Data was collected through multiple instruments in the form of a focus group interview and questionnaires.

3.4.2 Data collection with the questionnaire

After the literature review, the researcher developed a questionnaire which was distributed to ninety (90) Grant Administrators. A questionnaire is a list of written questions that can be completed by respondents with or without the assistance of the researcher. The questions were structured and close-ended. The advantage of a questionnaire was that the respondents were anonymous and the researcher did not come into direct contact with them. This might have contributed to them being honest in their responses.

The questionnaires were convenient and cheaper to administer but delays were experienced due to the participants taking their time in completing them. The researcher also lacked control over the completion thereof which resulted in some participants not responding to several questions. The researcher also experienced a poor response rate (Welman *et al.*, 2005:153), because only forty eight (48) were returned out of the ninety (90) that were distributed. A pilot study was conducted to verify or test the validity and reliability of the information collected.

3.4.3 Data collection: focus group interview

A focus group with ten (10) knowledgeable supervisors as participants was used as a technique or instrument to collect data. The aim was to select participants who could provide data or generalise the findings by verifying and augmenting study results from members of a defined population (Creswell & Plano,

2007:121). The researcher directed the interaction in an unstructured manner, using an open ended interview schedule in line with the aim of the investigation. The advantage was that it provided additional data and information that can be obtained rapidly and at a low cost. The researcher communicated directly with the respondents and clarified some aspects of the questions where required. The disadvantage was that it inhibited the responses of some participants as they felt intimidated. It was also difficult to manage the group dynamics. Data may also be difficult to organise and analyse (Welman *et al.*, 2005:203-204).

3.4.4 Research target population

The research was conducted in SASSA, Gauteng Province, in the West Rand District and the target group was the Grant Administrators and Supervisors, who perform functions in the grant application process. The West Rand District of SASSA has a staff complement of one hundred and forty (140) of which hundred (100) is involved in the grant application process. The whole population in the West Rand District office was targeted to mitigate the disadvantage of a possible poor response rate with regard to the questionnaire (Welman *et al.*, 2005:153), and the population was small.

3.4.5 Ethical considerations

The participants were informed about the nature of the research, the confidentiality of their input and their participation. The participants were informed that their participation was voluntary and they could withdraw at any time without fear of being victimised. All of the above was done in writing and was contained in the consent forms they received. The researcher attached consent forms to all the questionnaires with a request that the participants complete them. The focus group members were also given the consent forms to complete and sign. According to Welman *et al* (2005:181), the participants should take part freely based on informed consent. A consent form was used to adhere to the code of

moral guidelines in order to maintain high ethical standards. Permission to conduct the study and use SASSA employees as participants was also obtained in writing from the Regional Executive Manager in Gauteng Province.

The data obtained through the questionnaires and the focus group attempted to assist the researcher to understand the inefficiencies in the current grant application process in the West Rand District. The data was used to arrive at the findings and the analysis presented of the empirical research in chapter 4.

CHAPTER 4

RESEARCH FINDINGS AND ANALYSIS

4.1 INTRODUCTION

This chapter provides the analysis and interpretation of research data collected. Analysis is a process of using specific procedures to work through data collected, while interpretation is the process of making sense of the data analysed (Puttergill, 2000:234). Data was collected through the mixed method research, which is the systematic combination of qualitative and quantitative methods in research or evaluation. In this way different kinds of data is generated (Schwand, 2007:196).

The first technique used was the questionnaire, a quantitative technique, which was distributed to ninety (90) Grant Administrators. Forty eight (48) responded to the questionnaire. The second technique used was the focus group interview, which is a qualitative technique where an in-depth group interview was held with nine (9) knowledgeable supervisors. Nine of the targeted ten turned up for the interview. Qualitative research methods used in social research include observations, in-depth interviews, focus groups and the analysis of personal documents. Quantitative research gathers data in numerical form which can be put into categories, or in rank order, or measured in units of measurement. This type of data can be used to construct graphs and tables of raw data (McLeod, 2008:1). Webb and Auriacombe (2006:591) argue that what is important in a research design is to select those methods and techniques which are appropriate to the research goal.

This chapter will also outline the inefficiencies in the grant application process in SASSA, which is susceptible to fraud.

4.2 FINDINGS AND ANALYSIS OF RESEARCH DATA COLLECTED

The information collected from the SASSA officials and supervisors who work with the grant application process was processed and interpreted. It is the culmination of many months of the lengthy process of collecting, coding, and processing information. At an early stage of data analysis, the researcher usually begins by examining and describing in summary fashion the data that has been collected.

4.2.1 Analysis of data: questionnaires

This section provides the responses by the participants to the seventeen (17) statements on the 4 point Likert scale questionnaire. Each statement was analysed and explained. Upon receipt of the forty eight (48) questionnaires, the researcher organised the raw data in clusters, described and summarised the responses of all the respondents per statement. The researcher then approached the Department of Statistics at the North West University and for guidance with the analysis and interpretation of the data. The questionnaires were analysed by calculating the descriptive statistics guided by the IBM SPP Statistics Version 21 programme. The statistical report was analysed.

The researcher made use of the basic statistical analysis techniques. The frequency tables displaying the differences in staff responses to the statements, pie charts indicating the description and the summary of the data obtained for a group of individual units of analysis was developed. The frequency tables determine if the distribution is even across the categories or if they cluster around one or two categories. The mean is the average score for a group, which is equal to the individual total scores divided by the number of scores. The standard deviation is a measure to determine if the scores on a parametric test are evenly distributed and cluster closely around the mean (Welman *et al.*, 2005:229).

Statement 1:

In your opinion, SASSA staff is aware that they have to comply with the grant application procedure.

The following responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	Agree	Disagree	Strongly disagree
32	15	1	0

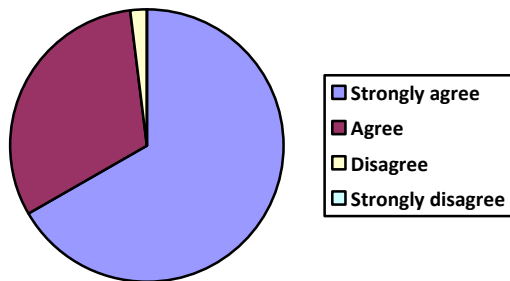


Figure 1

Forty seven (47) respondents agreed that they have to comply with the grant application procedure. The response rate is an indication of the importance of compliance to the Social Assistance Act, its regulations and the grant application procedure exposed by the respondents. It also portrays a high ethical standard. The average score for the group (mean) was 1,35 out of a maximum score of 4. Forty seven (47) of the respondents agreed with the statement. The scores are evenly distributed and clustered closely around the mean (standard deviation) and is equivalent to 0,5. There was a small variance (difference) amongst the answers provided by the respondents, which confirms that the majority agreed with the statement.

Statement 2:

In your opinion, it is important to report deviations from the grant application procedure.

The following responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	Agree	Disagree	Strongly disagree
27	21	0	0

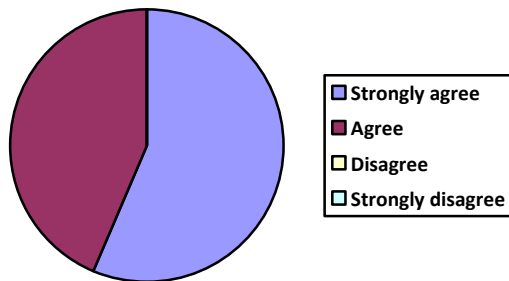


Figure 2

Forty eight (48) respondents agreed that it is important to report deviations from the grant application procedure. That shows a satisfactory ethical code of conduct and it is indicative of the employees' willingness to report deviations when they observe them. The average score for the group (mean) was 1,4. Forty eight (48) of the respondents agreed with the statement. The scores were evenly distributed and clustered closely around the mean (standard deviation) and is equivalent to 0,5. The small variance (difference) of the responses confirms that the majority of the respondents agreed with the statement.

Statement 3:

In your opinion, the SOCPEN system needs to block capturing staff from verifying their own work.

The following responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	Agree	Disagree	Strongly disagree
34	10	4	0

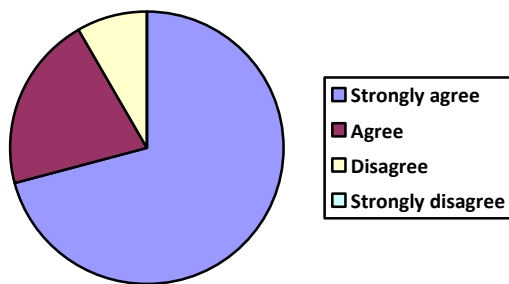


Figure 3

Forty four (44) respondents agreed that SASSA's SOCPEN system needs to block officials responsible for data capturing from verifying their own work. This shows a high commitment to compliance to the grant approval delegation and procedure. It is, however, a concern that four (4) of the respondents disagreed with the statement. This shows a possibility of an unethical code of conduct, and suspicion that they might be involved in the practise of verifying the work they have captured themselves, which might be open to fraud. The average score for the group responses (mean) was 1,3. Forty four (44) of the respondents agreed with the statement. The scores were evenly distributed and clustered closely around the mean (standard deviation) and was equivalent to 0,6. The small variance (difference) of the responses confirms that the majority of the respondents still agreed with the statement even though four (4) of the respondents actually disagreed.

Statement 4:

In your opinion, it is important to report acts of fraud observed at the workplace?

The following responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
35	12	1	0

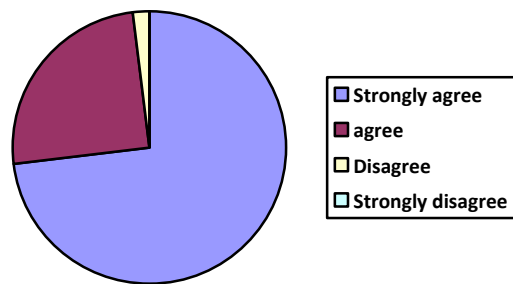


Figure 4

Forty seven (47) respondents agreed that it is important to report acts of fraud observed in the workplace. This shows a satisfactory ethical code of conduct and is indicative of the employees' willingness to report acts of fraud. This is also an indication that employees have nothing to hide. The average score for the group (mean) was 1,2. Forty seven (47) of the respondents agreed with the statement. The scores were evenly distributed and clustered closely around the mean (standard deviation) and was equivalent to 0,4. The small variance (difference) of the responses confirms that the majority of the respondents agreed with the statement.

Statement 5:

In your opinion, it is necessary for supervisors to be visible amongst staff to prevent deviations to the regulations.

The following forty six (46) responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
25	18	2	1

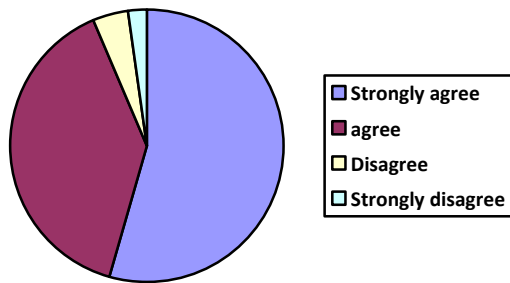


Figure 5

Forty three (43) respondents agreed that it is necessary for supervisors to be visible amongst staff to prevent departure from their allocated duties. This shows a satisfactory ethical code of conduct and is a sign of willingness to work under supervision. This shows that they have nothing to hide. The average score for the group (mean) was 1,5. Forty three (43) respondents agreed with the statement. However, it is alarming that three (3) of the respondents did not want to be supervised. This raises suspicion that some of them might have something to hide. It is important to have open-plan offices so that supervisors can observe everything going on in the work place. The scores are evenly distributed and clustered further from the mean (standard deviation) and was equivalent to 1,7. Although the majority of the respondents agreed to the supervisors' being visible, there are those who disagreed.

Statement 6:

In your opinion, SASSA experiences weaknesses in the grant application process.

The following forty seven (47) responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
17	24	4	2

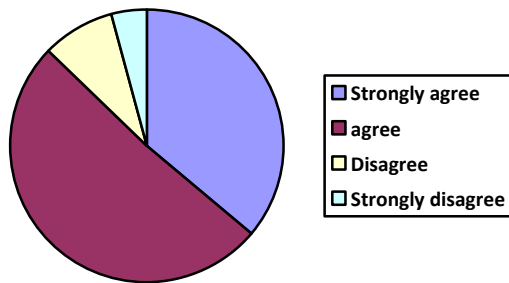


Figure 6

Forty one (41) respondents agreed that SASSA experiences weaknesses within the grant application process. That shows a high consensus in acknowledging that there are inefficiencies in the grant application process that needs to be addressed. The average score for the group (mean) was 1,8 which reflects that the majority of the respondents agreed with the statement. However, it is alarming that six (6) respondents did not agree that there are weaknesses in the grant application process. Possibly the lack of knowledge and experience or the respondents could be using the weaknesses in the system to their benefit. The scores were evenly distributed and clustered further from the mean (standard deviation) and was equivalent to 0,8. This is indicative of the variance (difference) growing bigger compared to the first few statements. One (1) respondent did not respond to the statement.

Statement 7:

In your opinion, the current mechanisms prevent deviations from the regulations.

The following forty six (46) responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
9	21	14	2

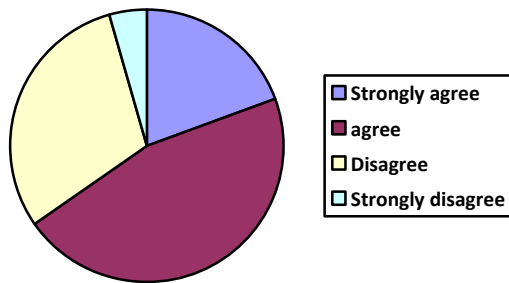


Figure 7

Thirty (30) respondents agreed that the current mechanisms are working to prevent deviations from the regulations. This perceived improvement can be attributed to the roll-out of the new standardisation process which is an online grant application process implemented during April 2013. The average score for the group (mean) was 2,2. About +50% of the respondents agreed with the statement. However, it is a concern that sixteen (16) of the respondents disagreed. One could infer that inefficiencies in the grant application process could make the system prone to fraud regardless of the roll-out of the standardisation process. The scores are evenly distributed and clustered further from the mean (standard deviation) and is equivalent to 0,8. Two (2) respondents did not respond to the statement. It can be deduced that the respondents were not sure whether there is an improvement since the roll-out of the standardisation process.

Statement 8:

In your opinion, it is important to uphold the Public Service Code of Conduct? The following forty seven (47) responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
25	16	4	2

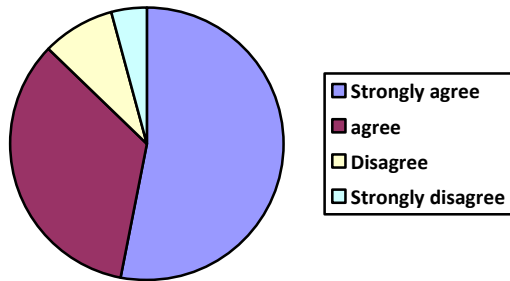


Figure 8

Forty one (41) respondents agreed that it is important to uphold the Public Service Code of Conduct when performing ones duties. This is a satisfactory sign of an ethical code of conduct among the employees who are willing to uphold the code of conduct during the performance of their duties. The average score for the group (mean) was 1,6 which reflects that most of the respondents agreed with the statement. It is, however, of concern that six (6) respondents did not agree that it is important to uphold the Public Service Code of Conduct during the performance of duties. This shows a high level of unethical code of conduct, and suspicion that they could be involved in unethical behaviour. The scores are evenly distributed and clustered further from the mean (standard deviation) and was equivalent to 0,8. One (1) of the respondents did not respond to the statement. This can be attributed to ignorance or lack of information, the respondent might be a newly appointed official who had not yet undergone orientation at the time of completing the questionnaire.

Statement 9:

In your opinion, it is necessary for SASSA to launch a hotline to report acts of fraud?

The following forty two (42) responses were gathered from a sample size of forty eight (48) participants.

Strongly agree	agree	Disagree	Strongly disagree
29	13	0	0

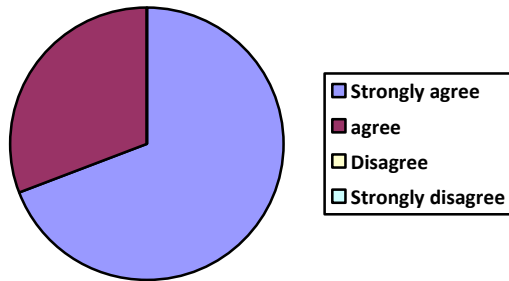


Figure 9

Forty two (42) respondents agreed that it is necessary for SASSA to launch a hotline to report acts of fraud. This shows a high ethical code of conduct and it can be inferred that the employees have nothing to hide and want acts of fraud to be reported. The average score for the group (mean) was 1,3 which indicated that most of the respondents agreed with the statement. However, it is a serious concern that six (6) respondents did not respond to this statement. It can be assumed that there could be a high level of unethical conduct and raises suspicion that these officials might be involved with acts of fraud. The scores are evenly distributed and clustered around the mean (standard deviation) and was equivalent to 0,5.

Statement 10:

In the last year you saw a colleague document a grant application without all the required documents.

The following forty six (46) responses were gathered from a sample size of forty eight (48) participants.

Once a quarter	Once a month	Once a week	Never observed it
6	9	13	18

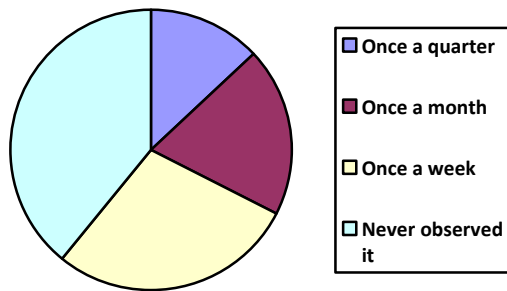


Figure 10

Thirteen (13) respondents saw a colleague document a grant application without all the required documents (once per week), nine (9) saw the same practise once a month while six (6) saw the same practise once a quarter. Twenty eight (28) respondents agreed with the statement regardless of the differences in the frequency of the deviation. This was an indication of a high unethical code of conduct which is a deviation to the grant application procedure. Such inefficiencies can lend the grant application process susceptible to fraud. It is alarming that the deviations occur more frequently which warrants the visibility of supervisors and close monitoring of the operations. Eighteen (18) respondents did not witness a colleague document a grant application without the required documents. This shows a satisfactory ethical code of conduct, and that they comply with the grant application procedure. However, there is a possibility that some of these respondents have something to hide; they could be involved in such a practise. Two (2) respondents did not respond to the statement. There is a possibility that they could be documenting grant applications without the required documents, which could lead to possible fraud.

Statement 11:

In the last year you observed a colleague approve a grant outside of his delegation.

The following forty five (45) responses were gathered from a sample size of forty eight (48) participants.

Once a quarter	Once a month	Once a week	Never observed it
3	2	2	38

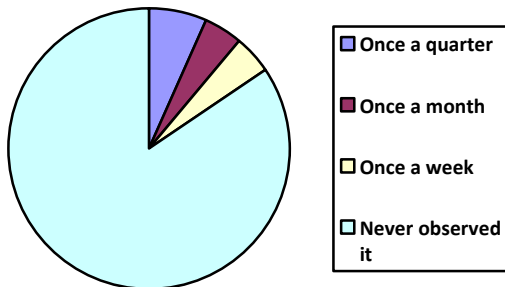


Figure 11

Thirty eight (38) respondents stated that they had not observed a colleague approving a grant amount outside his/her delegation. This shows a high compliance to the grant approval delegation and procedure, and ethical code of conduct. However, seven (7) respondents had observed non-compliance by the officials. Three (3) of the respondents did not respond to this statement.

Statement 12:

Staff does create fictitious clients on the SOCPEN system.

The following forty three (43) responses were gathered from a sample size of forty eight (48) participants.

Not at all	To some extent	Somewhat	To a large extent
29	7	3	4

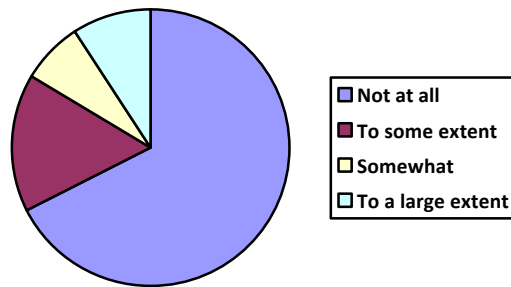


Figure 12

Twenty nine (29) respondents were of the opinion that the officials do not create fictitious clients on the SOCPEN system, which indicates a high ethical code of conduct. The average score for the group (mean) was 1,6. Twenty nine (29) of the respondents agreed with the statement. However, it is a concern that fourteen (14) officials are of the opinion that some officials create fictitious clients on the SOCPEN system. This is indicative of possible unethical conduct and prevalence of fraudulent activities being committed. It is important to have supervisors who are visible while officials perform their duties. The scores are evenly distributed and clustered further from the mean (standard deviation) and was equivalent to 0,9. It confirms disagreement of the respondent's responses. Five (5) respondents did not respond to the statement. This is either indicative of ignorance or high unethical conduct. It raises suspicion around shielding those who commit this deviant act.

Statement 13:

Leadership allows staff to provide input in the formulation of strategies to eradicate weaknesses in the grant application process.

The following forty five (45) responses were gathered from a sample size of forty eight (48) participants.

Not at all	To some extent	Somewhat	To a large extent
21	15	4	5

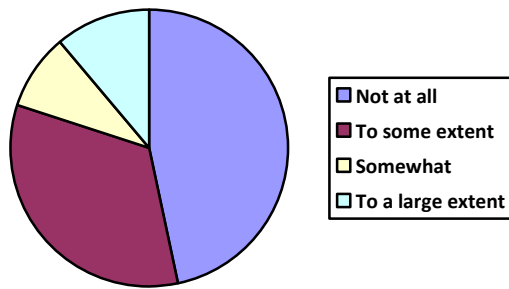


Figure 13

Twenty one (21) respondents stated that leadership does not allow officials to make inputs in the formulation of strategies to eradicate weaknesses in the grant application process. This is an indication that leadership does not value inputs from officials which is a concern as they have the experience being part of the operations on the ground. Twenty four (24) respondents stated that leadership allows officials to make inputs to the strategy to eradicate weaknesses in the grant application process. Consequently, the officials feel they are involved and that their inputs are of importance to the improvement of service delivery by the Agency.

Statement 14:

In your opinion, deviations occur at specific procedures of the grant application process.

The following forty five (45) responses on customer engagement, forty five (45) on screening, forty five (45) on attesting and forty seven (47) on system verification were gathered from a sample size of forty eight (48) participants.

Part of process:	Yes	No
Customer engagement	34	11
Screening	39	6
Attesting	35	10
System verification	34	12

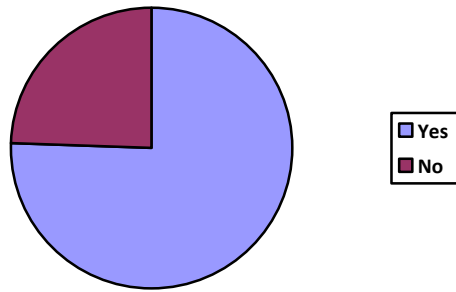


Figure 14

Customer engagement – thirty four (34) respondents agreed that deviations occur in this section of the grant application process. Supervisors' visibility and close monitoring of interactions between officials and clients need to be strengthened since the section functions in an open plan set up in many offices. Twelve (12) respondents disagreed that deviations occur in this section of the grant application process.

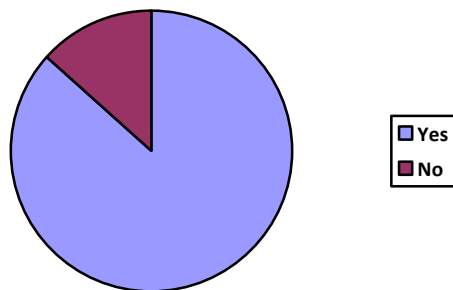


Figure 15

Screening - thirty nine (39) respondents agreed that deviations occur in this section of the grant application process. Supervisors' visibility and close monitoring of interactions between officials and clients need to be strengthened since the section operates in an open plan set up in many offices. It is a concern that six (6) respondents disagreed that deviations occur in this section of the grant application process.

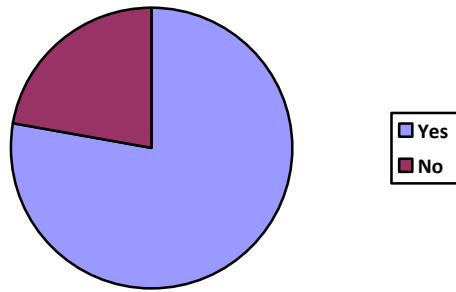


Figure 16

Attesting - thirty nine (35) respondents agreed that deviations occur in this section of the grant application process which is a possible reflection of the high unethical code of conduct. More internal controls are required besides the supervisors' visibility. Close monitoring of interaction between officials and clients need to be strengthened. The section operates in an open plan set up in many of the offices. It is a concern that ten (10) of the respondents disagreed that deviations occur in this section of the grant application process. This is the phase where fictitious clients can be created and large grant amounts may be generated on the SOCPEN system. This raises suspicion that the respondents may be involved in committing fraud.

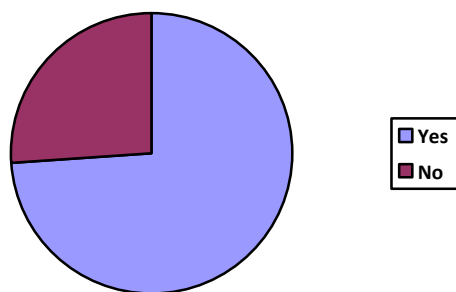


Figure 17

System verification - thirty four (34) respondents agreed that deviations occur in this section of the grant application process which indicates possible high level of unethical code of conduct. Supervisors' visibility and close monitoring of

interactions between the officials and the clients need to be strengthened. This section functions in an open plan environment in many of the offices. Twelve (12) respondents disagreed that deviations occur in this section of the grant application process. This is indicative of possible high unethical code of conduct. There is a possibility that they have something to hide, or they could be committing fraud because the grant application process is prone to fraud.

Statement 15:

Fraud is likely to occur at specific sections of the grant application process.

The following forty six (46) responses on customer engagement, forty six (46) on screening, forty six (46) on attesting and forty seven (47) on system verification were gathered from a sample size of forty eight (48) participants.

Part of process	Yes	No
Customer engagement	25	21
Screening	26	20
Attesting	26	20
System verification	29	18

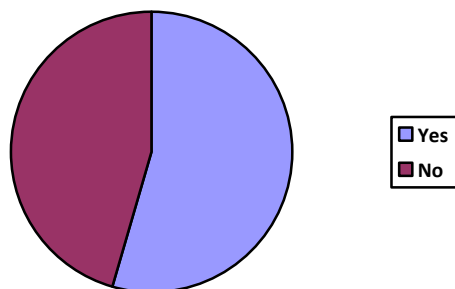


Figure 18

Customer engagement – twenty five (25) respondents agreed that fraud occurs in this section of the grant application process. Supervisor visibility and close

monitoring of interactions between officials and clients need to be strengthened. Twenty one (20) respondents disagreed that fraud occurred in this section of the grant application process. This is a reflection of unethical conduct.

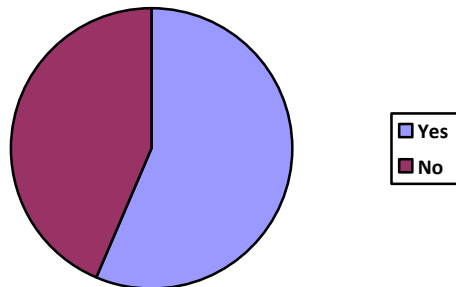


Figure 19

Screening – twenty six (26) respondents agreed that fraud occurs in this section of the grant application process. Supervisor visibility and close monitoring of interactions between officials and clients need to be strengthened. Twenty (20) respondents disagreed that fraud occurs in this section of the grant application process. This reflects a possible chance of unethical code of conduct and some of the respondents could be involved in acts of fraud and possibly have something to hide because they are benefiting from such activities.

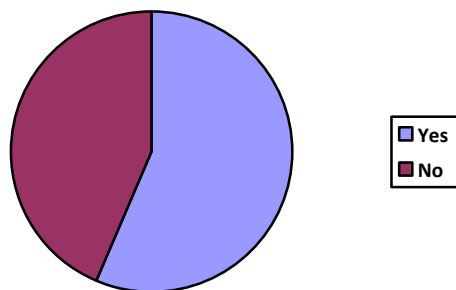


Figure 20

Attesting – twenty six (26) respondents agreed that fraud occurs in this section of the grant application process. More internal controls are required besides supervisor visibility. Close monitoring of interactions between officials and clients

need to be strengthened since the section functions in an open plan environment. Twenty (20) respondents disagreed that fraud occurs in this section of the grant application process. This could be interpreted as a greater chance of unethical conduct and some of the respondents involved in acts of fraud. This is the phase where fictitious clients can be created and large grant amounts may be generated on the SOCPEN system.

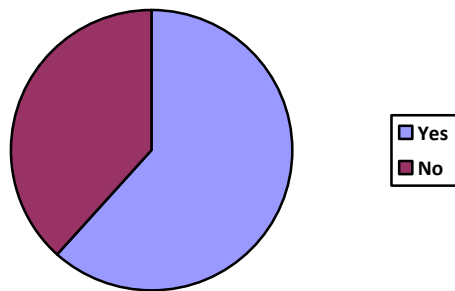


Figure 21

System verification – twenty nine (29) respondents agreed that fraud occurs in this section of the grant application process. Supervisor visibility and close monitoring of interactions between officials and clients need to be strengthened. Eighteen (18) respondents disagreed that fraud occurs in this section of the grant application process. There is a possibility that they have something to hide or they are committing acts of fraud.

Statement 16:

In your opinion, weaknesses are experienced in specific areas of work.

The following forty seven (47) responses on wrong calculation of means test, forty six (46) on accepting applications without the required documents, forty six (46) on staff not signing applications and forty six (46) on fraud were gathered from a sample size of forty eight (48) participants.

Area of work	Yes	No
Wrong calculation of means test.	41	6
Accepting applications without all required documents.	32	14
Staff not signing applications.	32	14
Fraud.	26	20

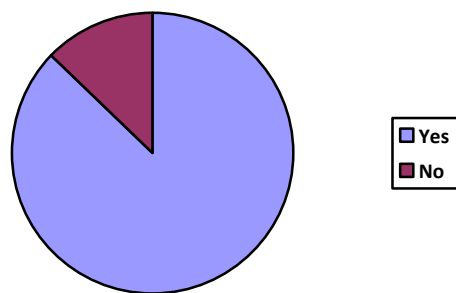


Figure 22

Wrong calculation of means test – Forty one (41) respondents agreed with the notion that weaknesses are experienced during the calculations of the means test. This shows a high level on inadequate knowledge and experience. There is also a greater chance of unethical code of conduct, as this is where large amounts of money can be accumulated. Training, continuous practice with the means test calculations, supervisor visibility and close monitoring of interactions between officials and clients need to be strengthened. Six (6) respondents disagreed that weaknesses do not occur during the calculations of the means test. It is a concern that few respondents have the necessary knowledge and experience in calculating the means test, and that they uphold the ethical code of conduct.

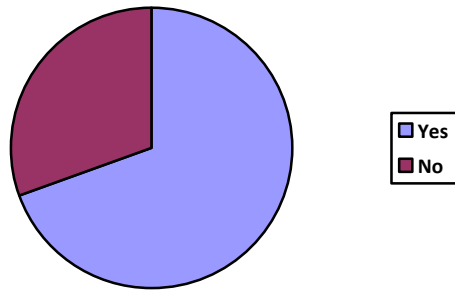


Figure 23

Taking applications without all required documents - Thirty four (34) respondents agreed that weaknesses are experienced when documenting applications without the required information and documentation. This shows a lack of adequate skills and experience. There is also a greater possibility of unethical code of conduct, since this is a deviation from the grant application procedure. Refresher training, supervisor visibility, monitoring of interactions between the officials and the clients need to be strengthened. Disciplinary action needs to be applied to those who have deviated. Fourteen (14) respondents disagreed that weaknesses occur when documenting applications without the required documents. This shows that a low number of respondents comply with the grant application procedure.

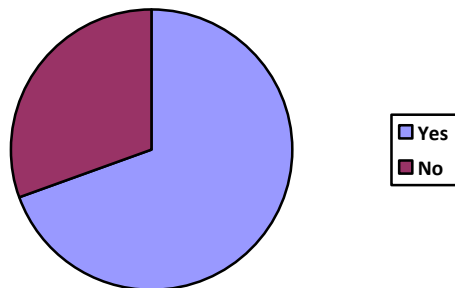


Figure 24

Staff not signing applications - Thirty four (34) respondents agreed with the notion that officials do not sign applications. This shows a high level of unethical

code of conduct and deviation from the application procedure. Disciplinary action needs to be applied to all those who deviate from the grant application procedure. Fourteen (14) respondents disagreed that weaknesses occur when officials do not sign applications. A low number of respondents comply with the grant application procedure and uphold the satisfactory ethical code of conduct.

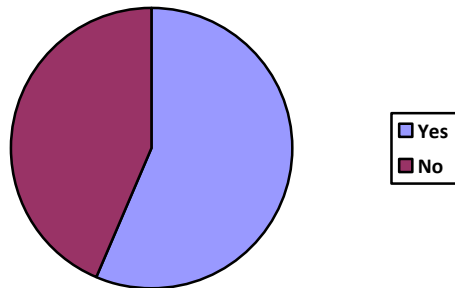


Figure 25

Fraud – Twenty six (26) respondents agreed that officials get involved with acts of fraud. This shows a high level of unethical code of conduct and deviation from the application procedure. Fraud management strategy has to be implemented to eradicate fraud in the grant application process. Twenty (20) respondents disagreed that weaknesses in the grant application process created opportunities for fraudulent activities. This is indicative of the low number of respondents' who are compliant with the grant application procedure and uphold a high ethical code of conduct which is a major challenge that requires urgent attention.

Statement 17:

In your opinion, missing files indicate the following.

The following forty seven (47) responses on negligence, forty six (46) on the lack of knowledge, forty six (46) on backlog and forty six (46) on misfiling were gathered from a sample size of forty eight (48) participants.

Reasons for missing files	Yes	No
Negligence	35	12
Lack of knowledge	28	18
Existence of backlog	33	13
Misfiling	37	9

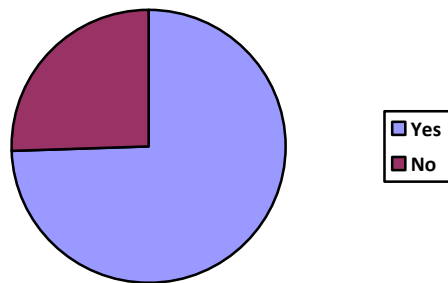


Figure 26

Negligence – Thirty five (35) respondents agreed that missing files are an indication of negligence and possibly lack of ethical conduct. Close monitoring and enforcement of compliance to registry procedures needs to be prioritised and enforced. Disciplinary action should also be applied to those who are found guilty of this act. Twelve (12) respondents disagreed with the notion that missing files indicate negligence. It is disappointing when employees do not accept responsibility for their actions.

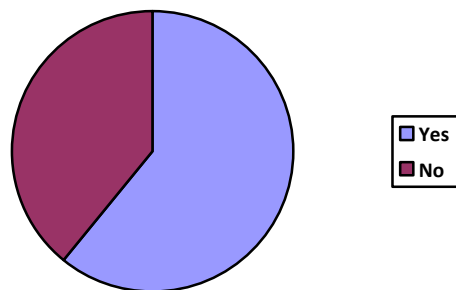


Figure 27

Lack of knowledge – Twenty eight (28) respondents agreed that missing files indicate the possible lack of knowledge by the officials in executing their tasks. Training needs to be prioritised in order to correct the situation. Eighteen (18) of the respondents disagreed that missing files indicate the possible lack of knowledge. There are possibly other reasons leading to files being misplaced which warrants further investigation and an appropriate strategy to correct the situation.

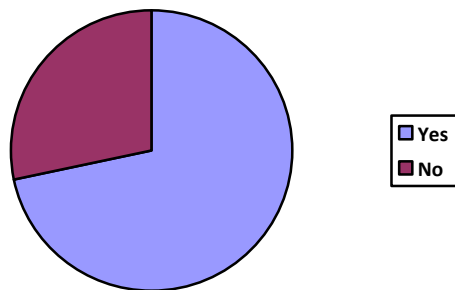


Figure 28

Existence of backlog – Thirty three (33) respondents agreed that missing files are an indication of a backlog of grant application files that have not yet been filed in the record management centre. This is a deviation from the registry procedure. It also shows acknowledgement of inefficiencies in the grant application process by employees, and inadequate supervisory capacity in terms of visibility and performance management. Thirteen (13) respondents did not agree that missing files indicate the existence of a backlog. There is a possibility that these employees are involved in unethical practices and thrive in an environment where supervision is inadequate.

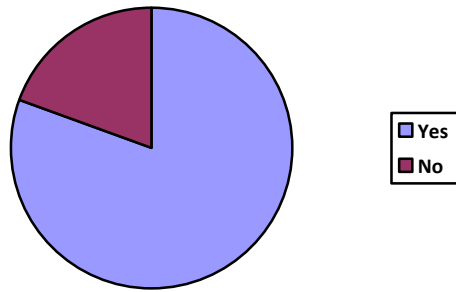


Figure 29

Misfiling – Thirty seven (37) respondents agreed that missing files are an indication of misfiling which is a deviation from the registry procedure. It is also a possible acknowledgement of inefficiencies within the grant application process by employees, and inadequate supervisory capacity in terms of visibility and performance management. Nine (9) respondents did not agree that missing files are as a result of misfiling. There could be other reasons for the missing files which warrant further investigation or they have something to hide.

4.2.2 Analysis of data from the focus group

A focus group was also used as a technique or instrument to collect data. The aim was to select knowledgeable participants who could provide detailed information regarding the grant application process in West Rand and North Rand Districts. The researcher directed the interaction in an unstructured manner, using an open-ended interview schedule in line with the aim of the investigation. The researcher communicated directly with the respondents and clarified aspects of the questions when required.

Ten (10) knowledgeable supervisors volunteered to participate in the focus group interview. However, on the day of the interview, only nine turned up. The data collected during the interview was coded and clustered in six themes and analysed as follows:

Theme 1:

The participants' understanding of compliance.

The theme was identified from question 1 from the interview schedule (See ANNEXURE B), and the purpose of the theme was to establish the participants' understanding of compliance to the grant application process. The following responses were gathered from the participants:

Compliance to Acts, regulations and procedure	Pay the right beneficiary
89%	11%

89% of the participants understand compliance as the documentation of the applications should comply with the Act, regulations and the grant application procedure. 11% of the participants' stated that compliance means the identified beneficiary must be paid by SASSA regardless of whether there is compliance to the Act, regulations and the grant application procedure. This raises a serious concern as the respondents might deviate from the system which could lead to fraud. Supervisory visibility is critical to prevent deviation. All the participants understand the concept of compliance in the grant application process.

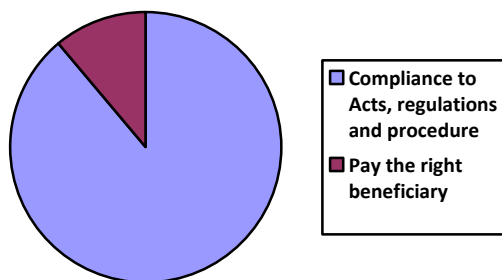


Figure 30

Theme 2: Questions 2, 3, 4, 5, and 12 were clustered from the interview schedule regarding deviations from the Act, regulations and procedure.

Theme 2:

Reasons activities observed and mechanisms to prevent deviations.

The purpose of clustering the questions in this theme was to understand the reasons for deviations, observations made on activities deviating from the norm and the mechanisms to prevent deviations. The following responses were gathered from the participants:

Participants' responses to the possible reasons for the deviations:

Lack of knowledge and experience	Fear of clients when they do not qualify	Incorrect interpretation of the Act and regulations	Pressure of work	Manual system of work
22%	22%	23%	11%	22%

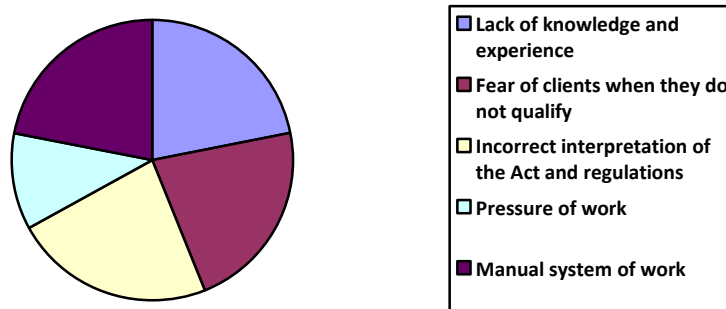


Figure 31

Data was generated from the responses to the clustered questions.

23% of the participants' responses with regard to the causes of deviations were: incorrect interpretation of the Act and regulations while 22% of the participants stated that it was due to a lack of knowledge and experience. The same number of participants was of the opinion that the manual system created many mistakes. 11% of the participants stated that deviations are due to fear of

aggressive behaviour by the clients while 11% of the participants stated that deviations are due to the pressure of work and the intention by officials to commit fraud.

The participants' responses to activities which reflect the deviations:

Wrong calculation of means test	Take down an applications for fictitious clients	Take down applications without all required documents	Bank statements not checked	Foster care grants paid from wrong dates	Incorrect taking of finger prints
23%	22%	22%	11%	11%	11%

23% of the participants' stated that activities which indicate deviations included incorrect calculation of the means test, 22% stated the documenting applications for fictitious clients and 22% stated documenting applications without the required documents. 11% of the participants stated that the bank statements were not checked while 11% stated that foster care grants were not paid on the dates of the children's placements and 11% stated that the finger prints were recorded incorrectly. All the participants agreed that the current mechanisms to prevent deviations were unsuccessful and were hopeful that the introduction of standardisation and the use of the best practise models from other departments would improve the process.

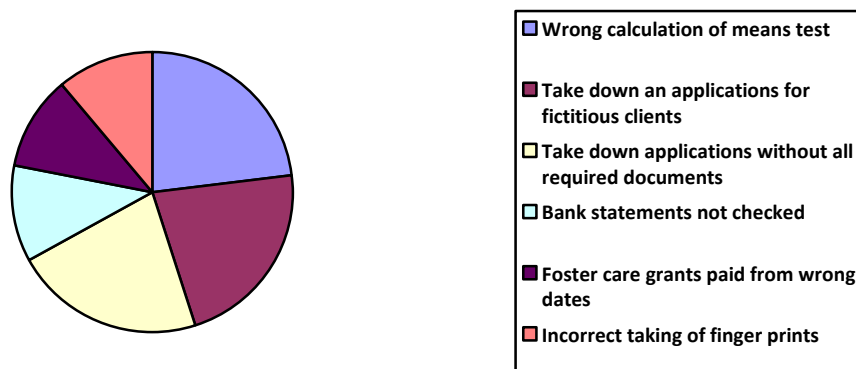


Figure 32

All the participants agreed that most of the deviant activities occur when grant applications are documented in the grant application process. This can be inferred as unethical conduct by the supervisees. However, with regard to foster care grant being paid on the wrong dates, it shows a possible lack of skills or misunderstanding of the regulation. The responses show the supervisors willingness to make valuable inputs towards the strategies to eradicate deviations and improve service delivery. Seven (7) participants did not indicate whether the current mechanisms to prevent deviations were working or not.

Theme three was identified from question 6 from the interview schedule.

Theme 3

The importance of supervisor's visibility when staff performs their functions.

The purpose of the theme was to establish the participants' opinions of the importance of supervisor visibility while performing their duties. The following responses were gathered from the participants:

Identify gaps and assist officials.	Observe the interaction between officials and clients.	Makes officials take their work seriously.	Minimises acts of fraud
45%	33%	11%	11%

All the participants agreed that it is important for the supervisors to be visible when officials performing their duties. However, their reasons differ as follows: 45% of the participants agreed that supervisors identify gaps and offer support or assist officials that need help. 33% of the participants agreed that supervisors observe the interaction between the officials and the clients. 11% of the

participants agreed that supervisor visibility results in officials taking their work seriously, while another 11% of the participants' agreed that supervisor visibility minimises acts of fraud.

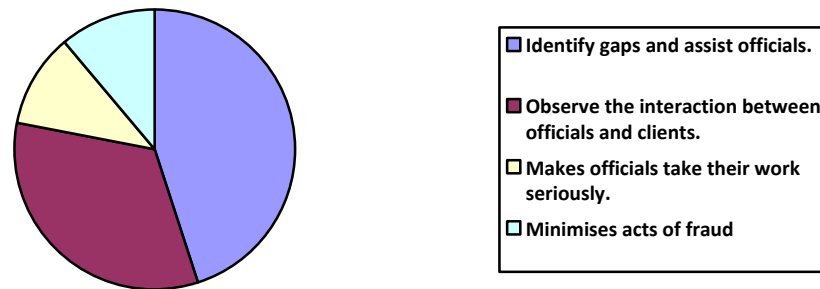


Figure 33

The high regard for supervision is a valuable tool in the grant application process. This also shows a high level of commitment and the supervisors' willingness to improving the efficiencies in the grant application process.

Theme four was identified from question 11 of the interview schedule.

Theme 4

The problem of missing files and measures to eradicate the loss.

The purpose of this theme was to get the participants' opinion of the reasons of missing files and mechanisms that can be put in place to eradicate the problem. The following responses were gathered from the participants:

All the participants agreed that there is a problem of missing files; however, 66% attribute the loss to poor workflow management that leads to backlogs. A probable solution is to capacitate registry managers. 22% of the participants believe that the problem of missing files is caused by misfiling due to the data being captured manually instead of electronically. The possible solution is the

procurement of an electronic filing system. 12% of the participants believe the problem is caused by the centralisation of the registry.

Missing files caused by poor workflow management	Missing files caused by misfiling due to a lot of manual work	Misfiling caused by centralisation of registry
66%	22%	12%

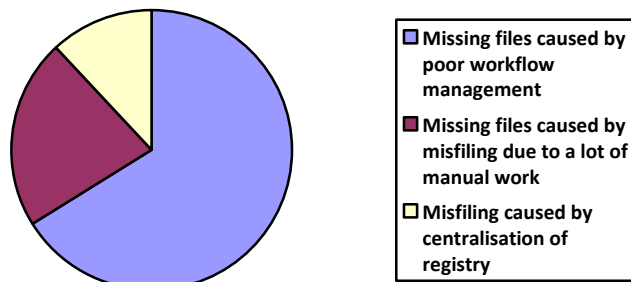


Figure 34

All the participants' responses indicate that there is a problem with regard to missing files. This indicates the willingness of the supervisors to make valuable inputs towards the strategies to eradicate the problem of missing files and improve service delivery.

Theme 5

Weaknesses of the SOCPEN system as part of the grant application process which needs to be improved.

The theme was derived from questions 9 and 10 from the interview schedule. The purpose of this theme was to get the participants' opinion of the weaknesses in the SOCPEN system and how it can be improved. The following responses were gathered from the participants:

SOCPEN does not interface with systems of other departments	SOCPEN is out dated and limited
56%	44%

56% of the participants indicated that the SOCPEN system does not interface with systems of other National Departments such as Department of Labour, Department of Finance and South African Revenue Services. This is a major challenge making the system susceptible to fraud. The system can be improved through interfacing with systems of the National Departments so that all the clients' income can be determined at the time of the grant application. 44% of the participants indicated that the SOCPEN system is out-dated and its security measures require improvement. The SOCPEN is problematic and has a negative impact on service delivery.

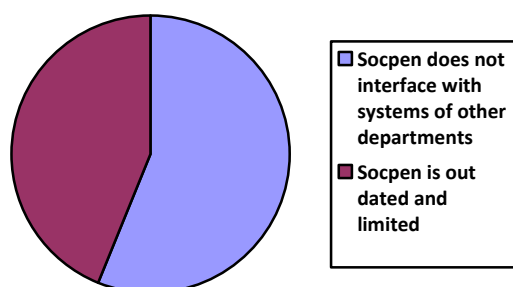


Figure 35

All the participants agreed that the SOCPEN system has weaknesses that result in inefficiencies in the grant application process. This shows a high level of commitment to ensure that the system is improved which will minimise acts of fraud. Without the necessary improvements, the SOCPEN system will result in the grant application process being vulnerable to fraud.

Theme 6

Fraudulent activities and fraud prevention mechanisms.

The theme was identified from questions 7 and 8, from the interview schedule, and the purpose of the theme was to get the participants' opinion on the activities where fraud may occur, and measures that may be put in place with preventative measures. The following responses were gathered from the participants:

Fraud occurs with applications taken without identity documents (regulation 11)	Fraud occurs with issuing of social relief of distress	Fraud occurs with applications for disability and foster care grants
67%	22%	11%

67% of the participants strongly believed that the category of applications taken without identity documents in terms of regulation 11 is where fraud is most prevalent. The participants reported that clients perjure themselves about not having identity documents. SASSA's lack of a verification mechanism with the Department of Home Affairs results in applications and grants being approved. The participants believe that Regulation 11 should be amended so that clients submit the required documents. 22% of the participants stated that fraud occurs with applications for social relief of distress for the first issue; where documentation is not required which is a loophole. 11% of the participants believe that fraud also occurs with applications for the disability and foster care grants. The participants stated that the principle measure to curb fraud would be to ensure that the SOCPEN system interfaces with the systems of other departments.

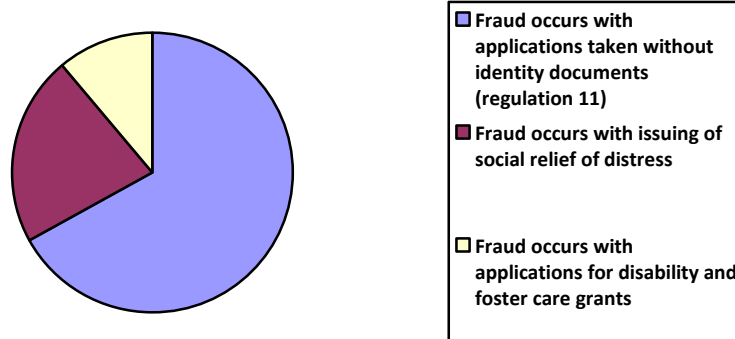


Figure 36

All the participants agreed that fraud occurred when documenting the grant applications, although they differed in terms of the grant type and categories. This showed a high level of commitment to ensure an improved system and willingness and commitment by supervisors to find strategies to minimise acts of fraud in the grant application process.

4.3 SUMMARY OF MAJOR FINDINGS AND ANALYSIS

The findings indicated that there are deviations from the Social Assistance Act 13 of 2004, regulations and the procedure in documenting the grant applications. The findings also indicated a lack of knowledge and experience in the field or misinterpretation of the Regulations by some of the officials which contributed to the deviations. Additional training is highly recommended for those officials. On the contrary, there was also an indication of compliance in the grant application process, although the deviation rate is high. This is indicative of possible unethical conduct among officials in the grant application process. The research also indicated that some of the supervisors are knowledgeable and they have the skill and capacity to correct issues of non-compliance among their employees.

The findings revealed that the SOCPEN system is inadequate, which makes the grant application process inefficient and ineffective and vulnerable to fraud. The lack of the SOCPEN system linkage to the systems of other departments is a

major challenge for SASSA. The findings stress that the SOCPEN system requires urgent improvement. It was encouraging that there was a high level of commitment among the participants who want to see the system improved in order to minimise acts of fraud.

The research provided a clear indication that there are fraudulent activities in the grant application process. Several participants had observed such activities taking place. All the participants agreed that fraud occurs in documenting grant applications, although they differ in terms of the grant type and categories. There was no indication of whether observed actions were reported to management. This shows high unethical conduct and corrective action will need to be taken against those who commit fraud.

The findings indicated that the supervisors must be visible when officials perform their duties. Supervision was perceived as a valuable tool that promoted the efficiency and effectiveness of the grant application process. This indicated ethical conduct and the majority of the employees were willing to work under supervision.

The findings provided several reasons for misplaced files. This highlighted a deviation from the registry procedure. It also showed acknowledgement of inefficiencies in the grant application process by employees, and inadequate supervisory capacity in terms of visibility and performance management. Some respondents did not agree that misplaced files were as a result of misfiling.

4.4 CONCLUSION

A large amount of data was gathered through questionnaires and the focus group interview which was analysed. The questionnaires were analysed individually per statement while the focus group interview was organised and clustered into

themes. The interpretation of the data was also undertaken throughout the data analysis process.

This following chapter provides a foundation for the concluding remarks on the major findings and recommendations which will be expanded on in the last chapter of the mini-dissertation.

CHAPTER 5

CONCLUDING REMARKS AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter presents concluding remarks about the study undertaken to evaluate the grant application process in the South African Social Security Agency (SASSA). The study endeavoured to determine the inefficiencies in the grant application process which can lend it to fraud, and to come up with strategies to minimise them.

In the process of documenting grant applications, policies, regulations, procedures and delegation of functions must be complied with. These are guidelines stipulating required documentation to be presented at the time of the grant applications, the calculation of the means test, methods of payment those clients can choose etc. The procedures indicate the steps the staff has to follow and comply with throughout the grant application process. The image of any government department whose systems are perceived to be inefficient and affect service delivery negatively, leads to the public losing confidence in that particular department.

5.2 CONCLUDING REMARKS AND RESEARCH FINDINGS

Conclusions derived from the analysis and interpretation of data collected confirmed that there are inefficiencies in the grant application process. It can also be concluded that the research answered the research questions and the research objectives.

Classical theory stresses efficiency in organisational work. The command structure is designed to manifest both the overall objectives of the organisation

as well as the specific purposes of the functional units. This requires certain things to be in place: a strict definition of duties and objectives, the control over all labour functions and a rational connection of one functional unit to another (Johnson, 2012:1). The findings revealed short comings in that without the basics, no organisation can function efficiently, according to the classical argument.

Data was collected through multiple instruments in the form of a focus group and questionnaires. The disadvantage of using a questionnaire is that it is costly, labour intensive and time consuming (Auriacombe & Mouton, 2007:443). The researcher experienced delays in gathering data because the participants took their time to complete and return the questionnaires. All the research findings were related to the goal of the research.

5.2.1 Findings from the questionnaires

The findings were clustered into four themes namely: deviations from the grant application procedure leading to non-compliance, weaknesses with the SOCPEN system and fraudulent activities together with measures to correct them. The final theme is the importance of supervisors' visibility when officials perform their duties.

The research confirmed that it is in the grant application process where most of the deviations took place. Consequently, the system is inefficient, ineffective and susceptible to fraud. The activities performed by staff start with interviews held with clients to determine the correctness of the service required, and then refer them to the required government department or explain the documents required for the grant application. When the clients visit a SASSA office for the second time, with all the required documents available, grant applications are documented, the means test is applied where applicable, grant applications are

processed and outcome letters are issued to the applicants, (Section 10 (1 – 6) Social Assistance Act (Act number 13 of 2004:10-11).

The findings indicated a variety of reasons for the deviations, activities observed as deviant and the deviations need to be reported so that they are corrected. Deviations are a sign of non-compliance, and it is a requirement that there is compliance with the Social Assistance Act (Act number 13 of 2004), its' regulations and all applicable procedures in the grant application process.

Social assistance is a government funded public policy to address the high level of poverty in the country. Therefore, it is understandable that the tax payers expect the government institutions to act with caution during the execution of their administrative functions in line with their strategic objectives and mandate. Access to social assistance is derived from section 27 (1) (c) of the Constitution of RSA (1996:13), which states that, “everyone has a right to have access to social security, including, if they are unable to support themselves and their dependants, appropriate social assistance”. The state approach is a targeted one and grants are thus delivered to those identified as “vulnerable”; including the old, disabled and children (Kollagen, 2004:5).

The implementation of social assistance policy is the responsibility of SASSA. It is undertaken through the management of grant administration. The grant application process is part of grant administration. The concept of administration is also understood as a mechanism for the implementation of policy, management (and its functions), monitoring, reporting and evaluation (Chelechele, 2010:46). Therefore, deviations within the grant application process are deviations to the social assistance policy which compromises the efficiency and effectiveness of service delivery.

The findings revealed that the SOCPEN system has weaknesses. Consequently, the grant application process is inefficient and ineffective making it susceptible to

fraud. The fact that the SOCPEN system is not linked to the systems of other national departments such as Department of Labour, SARS and the Department of Finance, and it is out-dated is a major challenge for SASSA. It was stressed that the SOCPEN system requires urgent enhancement to improve service delivery. The research also confirmed that officials have observed their colleagues creating fictitious clients on the SOCPEN system. This is supported by the SASSA Report (2010:6) which states that “staff may also create fictitious clients on the SOCPEN system using relatives or friends’ identity documents and bank accounts. Such cases do not have records and are classified as missing files by the Auditor General. This also provided the opportunity for staff to create amounts higher than what the clients actually qualified for and were entitled to receive (SASSA, 2011(c):1 - 5).

The nature of the Agency’s business renders it vulnerable to fraud and corruption. The Agency has developed and is implementing a fraud management strategy that contains elements of prevention, detection and response (SASSA 2012/13–2016/17:9). Although the strategy is being implemented, the research provided a clear indication that there are fraudulent activities within the grant application process and some participants have observed such activities happening. All the participants agreed that fraud occurs within the activity of taking down grant applications, although they differ in terms of the grant type and categories. The research also indicated that such activities must be reported whenever they are observed so that corrective action can be taken against the culprits. This is an indication that the implementation of the fraud management strategy is ineffective and drastic action needs to be taken to address the problem. Based on the findings, the researcher agrees with Olivier *et al* (2003:45) who argue that, corruption and fraud clearly highlight the existence of managerial and administrative flaws in the social security system.

The Constitution of RSA (1996:13) provides the legal basis for combating fraud and corruption, and promotes good governance through the establishment of

institutions supporting constitutional democracy, for example, the Public Protector and the Auditor General. The Public Protector has a duty to investigate improper conduct resulting in prejudice while the Auditor General has a duty to audit and report on the accounts, financial statements and financial management amongst other functions they perform (Public Service Commission, 2001:5).

Committing acts of fraud in the grant application process is in contravention to the code of conduct. “An official does not use her or his official position to obtain private gifts or benefits for herself or himself during the performance of her or his official duties nor does she or he accepts any gifts or benefits when offered as these may be construed as bribes” (The Public Service Act, (Act number 103 of 1994:6). The Code of Conduct for the Public Service issued by The Public Service Commission is the important pillar in the establishment of good governance and ethical conduct of public servants (Sangweni, 2002:4).

The findings indicated that there is a need for supervisors to be more visible when officials perform their duties. The reasons provided included monitoring and evaluations, support, provision of assistance observe interaction between officials and clients, and prevention of possible deviations and fraudulent activities committed by officials. The research further indicated that supervision is perceived as a valuable tool that promotes the efficiency and effectiveness of the grant application process. It is the responsibility of supervisors to give instructions that staff perform their functions or and coordinate the activities within their span of control. To coordinate is to unite and correlate all activities while controlling deals to ensure that all the functions are executed according to the rules and instructions (Tshikwatamba, 2002:42).

When staff experiences difficulty in doing the job, the supervisor can take the time to provide one-on-one coaching. This might mean sitting in an office reviewing the situation with the staff member, encouraging him/her to think of options, and supporting him/her in decisions, or, be at his/her side while the

work is being done (Woloschuk, 2010:1). Supervisors need to identify the goals for the work unit, assess where the work unit is in achieving those goals, and identify what is working well and what needs improvement.

The findings also indicated some area of inadequate supervisory capacity to manage, monitor and evaluate staff performance which may also contribute to the inefficiencies in the grant application process. Inadequate capacity can also include lack of motivation, willingness and commitment which will have a negative impact on service delivery. Consistent supervision, monitoring and regular audits will identify wrong doing quickly, and the units should have the means and express the will to follow through with an investigation that will identify the guilty person (Pauw *et al.*, 2009:348).

The findings confirmed that there are missing files. The reasons identified included poor workflow management and monitoring, negligence and backlogs. Other reasons that were highlighted was that files were misplaced (due to the process being conducted manually) and the centralisation of the registry. Close monitoring and enforcement of compliance to registry procedures need to be prioritised and enforced. Employees did not accept responsibility for untraceable files in their own area of work which is a serious cause of concern. Disciplinary action should also be applied to those who are found guilty of this act.

5.2.2 Findings from the focus group

Findings from data gathered and analysed were also clustered into several themes. This data also complemented the one gathered through questionnaires. This principle expresses that the “methods should be mixed in a way that has complementary strengths and overlapping weaknesses” (Cresswell & Plano, 2007:23).

The research indicated that most of the deviations occur when the grant applications are documented leading to non-compliance to prescripts, regulations

and procedure. The findings further indicated a clear understanding about the concept of compliance within the grant application process. However, the activity of foster care grants paid from incorrect dates since placement, the findings indicated the lack of knowledge and experience in or misunderstanding of the regulation by officials.

The Special Investigation Unit's (SIU) also reported deviations in the grant administration processes. "This is where the unlawful and illegal payment and/or receipts of social grants or benefits in respect of deceased and/or fictitious persons and/or persons who do not qualify for the receipt of such grants or benefits or any portion thereof and any conduct directed at, promoting, or facilitating payment and/or receipt thereof" (Reddy & Sokomani, 2008:5).

The research also indicated that some of the supervisors are knowledgeable and that they were able to correct issues of non-compliance. The findings indicated that there is a need for supervisors to be more visible when officials are performing their duties. The reasons provided included monitoring and evaluation, support, provision of assistance, observe interaction between officials and staff, and prevent possible deviations and fraudulent activities committed by officials. Supervision is perceived as a valuable tool that promotes the efficiency and effectiveness of the grant application process through management of staff performance.

Performance management helps to identify the areas that need training and development which is solely needed to address poor performance, and ultimately inefficiencies in government institutions (Van Dijk, 2003:132). Where performance management has not been correctly implemented, poor performance may have a negative impact on people management and empowerment, financial management and customer care (Chelechele, 2010:107). Supervisors do their monitoring and evaluation through observation

and gathering information or inputs from the staff doing the work, identifying deviations from the procedures and taking corrective action (Chabane, 2011:5). However, the shortage of or less knowledgeable and experienced supervisors in SASSA contributes to the inefficiencies within the grant application process.

The findings provide the reasons for the missing files, the poor workflow management and monitoring that leads to backlogs, file misplacement due to the process being managed manually and the centralisation of the registry. Numerous mislaid files are discovered during the auditing process, and on investigation, it is often found that the clients do not exist (SASSA 2011(c):1-5). In the grant applications process, the records themselves can serve to detect fraud and recover loss. Through early detection, the records can assist in the reduction of financial losses attributed to repetitive fraud.

With regard to the SOCPEN system, the finding was the same as that those reported from the questionnaires. The SOCPEN system has weaknesses which results in the grant application process being inefficient and ineffective and susceptible to fraud. The fact that the SOCPEN system is not linked to the systems of other departments and is out-dated, is a major challenge for SASSA. This is supported by the Welfare and Population Development Portfolio Committee (2000:3) report which stated that the administrative difficulties alone in grant administration due to the out-dated and inadequate SOCPEN system were a massive hurdle. The lack of capacity in the provinces, infrastructure limitations, poor customer service and backlogs has dogged the system.

The findings further indicated that the staff still creates fictitious clients on the SOCPEN system using relatives or friends' identity documents and bank accounts. Such cases do not have records and are classified as mislaid files by the Auditor General (SASSA, 2010:4). With the recent SOCPEN enhancement and the roll-out of standardisation with online capturing from April 2013, the situation has improved. The segregation of duties cannot be bridged as the

system blocks a capturer from system verification. Capturers and system verifiers are allocated different system functions (SASSA, 2012:30-37).

With regard to fraud, the findings are the same as revealed in the quantitative approach. There are fraudulent activities within the grant application process, and some participants have observed and witnessed such activities taking place. “It is crucial also that officials should as a rule reject, resist and refuse offers and gifts as these may be construed as bribes” (Sangweni, 2002:4).

The Code of Conduct for the Public Service issued by The Public Service Commission has set the highest standard of ethical conduct. It is an anti-fraud and anti-corruption initiative, and, if it was observed by all as it was intended, the country would not sit with so many incidents of fraud and corruption. The instructions contained in the document are mandatory to all public servants, so that effective service delivery reaches the citizens.

The findings, however, did not reveal whether observations made were reported to management or not. Such activities must be reported whenever they are observed so that corrective action can be taken against those who commit them. The provision of social grants has been confirmed through a number of empirical evidence that if they are managed, administered and monitored correctly, supported by a well developed and implemented anti-fraud strategy with commitment by all staff, can successfully alleviate poverty (Reddy & Sokomani, 2008:63).

5.3 CONCLUSION

Taking into account the aforementioned discussion, one can conclude that this research was long overdue considering the number of challenges SASSA faces. The information gathered will add to new knowledge and be of great importance to SASSA in its stride to improve service delivery.

This research was able to evaluate the grant application process in the SASSA Gauteng offices in the West Rand District. There is no doubt that the aforementioned institution is confronted with ineffective and inefficient service delivery in the grant application process which is SASSA's core business. This research highlighted a number of areas which require urgent intervention and preventative strategies.

The recommendations are aimed at improving the inefficiencies of the grant application process in SASSA.

The conclusions based on the research findings are as follows:

Firstly, there are deviations from the Social Assistance Act (Act number 13 of 2004), regulations and the procedure throughout the grant application process which leads to non-compliance. This is due to several factors such as the lack of knowledge and experience, misinterpretation of the regulations by some officials, inadequate supervisory visibility and capacity, and, the deliberate acts by officials who might be involved in acts of fraud. The latter is indicative of unethical conduct by officials in the grant application process. On the contrary, there is also a clear understanding of the concept of compliance in the grant application process by most of the officials, although the deviation rate is high. It is also clear that some of the supervisors are knowledgeable and that they will be able to correct issues of non-compliance.

Secondly, the SOCPEN system is still inadequate although some effort has been made to improve it through standardising the process. The identified inadequacies in the grant application process make it vulnerable to fraud. The system still does not block an official from verifying a large sum of money for grant even though it is above the sum total he/she has been delegated. The lack of the linkage to the systems of other departments is a major challenge for SASSA. There is no doubt that the SOCPEN system requires urgent

development. It is encouraging to see that there is a high level of commitment by the supervisors to ensure that the system is improved in order to minimise acts of fraud.

Thirdly, the research provided a clear indication that there are fraudulent activities in the grant application process and some participants have observed such activities taking place. All the participants agreed that fraud occurs when documenting the grant applications, although they differ in terms of the grant type and categories. Although it is clear that such acts need to be reported, there is no indication of whether offenders have been reported to management. Intervention and preventative strategies have been implemented and need to be fast tracked so that the problem can be adequately addressed.

Good governance in the social assistance programme offered by SASSA is critical for the viability and sustainability of the scheme, since “its role in successfully reducing poverty can never be seen in isolation. As such reduction would not be possible without the complementary effect of labour market policies” (Olivier *et al.*, 2003:45). “The absence of good governance within systems, structures and strategies is disastrous to social security schemes” (Fultz, 2005:12).

5.4 RECOMMENDATIONS

The recommendations listed below primarily addresses the main role players in the social grant administration in SASSA. The recommendations highlight broader areas of concern which the South African government may review, as well as those that civil society may consider to be areas which require advocacy.

Strengthening internal control mechanisms, such as increasing the security of the SOCPEN database, is equally, if not more critical. In this regard, the recently unveiled plan to overhaul the SOCPEN system is noteworthy. There needs to be

an interface between the databases of the different departments to ensure an improved detection of anomalies – a point also highlighted by the SIU.

Strengthening of supervisory capacity and visibility while officials perform their duties is critical to ensure observation of management, monitoring and evaluations of performance. Supervisors need to enforce compliance to prescripts, regulations and procedures in order to improve the effectiveness and efficiency of the grant application process. This can be done through monitoring, evaluation, reporting, increasing the number of permanent employees, training and taking corrective actions where necessary.

It is also important that all offices are designed 'open-plan' so that the supervisors can move around easily and note all activities at a glance to prevent deviations thereby leading to possible non-compliance and fraudulent activities. This may serve as a deterrent for any staff with bad intentions.

It is critical that SASSA holds regular workshop for all staff on the existence and content of the Public Service Code of Conduct in order to promote ethical conduct among public servants, and internalise the contents and messages the document preaches. The researcher agrees with Sangweni (2002:4) who argues that, the Code of Conduct also raises issues of respect for human rights, the rule of law, accountability, transparency in personal conduct and private interest.

Disciplinary action and prosecution which the Agency has implemented must be fast tracked against officials who are found guilty of fraud. This may ultimately be the best instrument in the prevention of fraud.

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COVERING LETTER TO THE QUESTIONNAIRE

ANNEXURE A

Enquiries: M G Kgaphole
Telephone: 012 301 0703

Dear participant

Re: Consent to participate in research

You are kindly requested to participate in the research I am conducting in the work environment as part of my studies. The research is about an evaluation of the grant application process, to determine the weaknesses or inefficiencies and come up with recommendations to help develop strategies to minimize those. Your own recommendations will also be welcomed too. The research will benefit both the participants and SASSA Gauteng in improving the efficiency and effectiveness of grant administration and improve service delivery to the poorest communities. This will also improve the image of the organization you work for.

Your contribution into this research is extremely important as you are involved in the functions throughout the grant application process and can make valuable inputs. The report will be made available to the participants through district offices and the Regional office.

The completion of this questionnaire will take five minutes, is voluntary and the participants will be anonymous. The responses provided will be kept confidential. Kindly complete undersigned and tick the appropriate level:

I the (title)

Grant Administrator	Supervisor
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hereby give consent to voluntarily participate in research conducted on the “evaluation of the grant application process”.

Thank you for your anticipated participating in the research.

Completed at on

Questionnaire on evaluation of the social grant application process

Please indicate with an x next to what is applicable to you:

Rank

Grant Administrator	
Supervisor	

Age.....

Highest qualification

Matric	
National diploma	
Graduate	
Post graduate	

Gender

Male	
Female	

No	Statement	Strongly agree	Agree	Disagree	Strongly disagree
1.	In your opinion, SASSA staff is aware that they have to comply with the grant application procedure.				
2.	In your opinion, it is important to report deviations from the grant application procedure.				
3	In your opinion, Socpen system needs to block capturing staff from verifying their own work.				
4.	In your opinion, it is important to report acts of fraud observed in the course of work.				
5.	In your opinion, it is necessary for supervisors to be visible amongst staff to prevent deviations to the regulations.				
6.	In your opinion, SASSA experiences weaknesses within the grant application process.				
7.	In your opinion, the current mechanisms are working to prevent deviations from the regulations.				
8.	In your opinion it is important to uphold the Public Service Code of Conduct during the performance of duties.				
9.	In your opinion, it is necessary for SASSA				

	to launch a hotline to report acts of fraud.				
No	Statement	Once a quarter	Once a month	Once a week	Never observed it
10.	In the last year you saw a colleague taking down a grant application without all required documents.				
11.	In the last year you observed a colleague approving a grant amount outside of his delegation.				
No	Statement	Not at all	To some extent	Somewhat	To a large extent
12.	In your opinion, staff create fictitious clients on the SOCPEN system.				
13.	In your opinion, leadership allows staff to give inputs into the strategy to eradicate weaknesses in the grant application process.				

No	Statement		
14.	In your opinion, deviations occur at these parts of the grant application process.		
a)	Customer engagement.	Yes	No
b)	Screening.	Yes	No
c)	Attesting.	Yes	No
d)	System verification.	Yes	No
15.	Fraud is likely to occur at these parts of the grant application process.		
a)	Customer engagement.	Yes	No
b)	Screening.	Yes	No
c)	Attesting.	Yes	No
d)	System verification.	Yes	No
16.	In your opinion, there are weaknesses experienced in the areas of work below.		
a)	Wrong calculation of means test.	Yes	No
b)	Taking applications without all required documents.	Yes	No
c)	Staff not signing applications.	Yes	No
d)	Fraud.	Yes	No
17	In your opinion, missing files are indicating the following.		
a)	Negligence.	Yes	No
b)	Lack of knowledge.	Yes	No
c)	Existence of backlog.	Yes	No
d)	Misfiling	Yes	No

ANNEXURE B

INTERVIEW SCHEDULE

1. What is your understanding of compliance to the grant application procedure?

2. In your opinion, what are reasons for deviating from the grant application procedure?

3. Identify the activities where deviations occur a lot.

4. Have you observed deviations that could lead to acts of fraud being committed?

5. Describe what happened.

6. In your opinion, is it important for supervisors to be visible when staff is performing their functions? Provide reasons.

7. Identify activities where fraud may occur.

8. What measures should be put in place to prevent fraud from happening?

9. In your opinion, what are the weaknesses with SOCPEN as part of the grant application process?

10. Which specific areas of SOCPEN need to be improved and provide reasons for that.

11. In your opinion, why is there a problem of missing files? What measures can be put in place to eradicate this?

12. Do you feel that current mechanisms to prevent deviations from the grant application procedure are working or not?

If yes please explain

If no please explain
