

CHAPTER 1: ORIENTATION AND PROBLEM STATEMENT

KEY WORDS: Executive Mayor; Municipal Manager; Integrated Development Plan (IDP) Performance Management System (PMS); service delivery; Service Delivery and Budget Implementation Plan (SDBIP); Strategic Business Process Mapping; Total Quality Management (TQM); Sedibeng District Municipality.

1.1 ORIENTATION AND PROBLEM STATEMENT

Current public sector management practice has to comply with the prevailing conditions imposed on it by the internal as well as external environments, influenced by the factors of globalization. Competition within the public sector and between the public sector and the private sector has become eminent, in order to maintain the relevance of government and the manner in which government is reinventing itself (Osborne & Gaebler, 1993:84). Business processes in the public sector have become very complex. This is due to the fact that there is a growing demand for better governance underpinned by better performance in order to achieve improved service delivery. In the absence of understanding and the proper management of business processes, the practice in the public sector is prone to wastage of resources, duplication, inefficiencies, poor monitoring, poor evaluation and lack of compliance.

The private sector has been light years ahead of the public sector in introducing Total Quality Management (TQM) in order to compete globally. Therefore, the public sector can take its cue from the private sector regarding business process mapping since the strategy is an integral part of TQM. The TQM notion has been adopted by the government and is reflected in the *White Paper on the Transformation of Public Service* (SA, 1995). According to the White Paper public service organisations will increasingly be guided by the principles of total quality management. According to the Institute of Management Services (Managers-net, 2004:1) Total Quality Management is defined as: "A strategy for improving business performance through the commitment and involvement of all employees to fully satisfying agreed customer requirements, at the optimum overall costs, through the continuous improvement of the products and services, business processes and people involved." However for a TQM system to be successfully implemented it requires a clear strategy and business process mapping. From a public sector perspective, the Federal Quality Institute in the United States defines TQM as "a comprehensive customer-focused system ... to improve the quality of products and services. It is a way of managing the organisation at all levels, top management to front-line to achieve customer satisfaction by involving all employees and continuously improving the work processes of the organisation" (Lewis, 1991:1).

The introduction of TQM to the public sector, with specific reference to Sedibeng District Municipality (SDM) will undoubtedly enhance service delivery as TQM emphasizes quality which citizens demand quite often. A myriad of policies are in place in the SDM. The corporate department keeps records of all the policies and legislations applicable to local government, which govern municipalities. Policies and legislations are also kept in various departments of the municipality based on their applicability.

1.1.1 Problem Statement

Some of the policies in the SDM are outdated and in some instances there is a need for new policies. Policies in the SDM are very seldom followed up with procedures and standards; hence a mismatch between policies and implementation plans. The SDM lacks procedures and standards, which allow for various *ad hoc* approaches that are subjected to individual interpretations. Standards are almost non-existent at the SDM level, though policy and legislative frameworks provide guidelines for such standards including the *White Paper on Transforming Public Service Delivery* (SA, 1997) which refers to *Batho Pele*. The lack of baseline information makes planning very difficult especially when one considers key goals such as the Millennium Development Goals (MDG) as well as SA governmental goals such as to halve poverty and unemployment by 2014.

Strategic processes at SDM, are not properly mapped and managed, and therefore appear to be very haphazard, *ad hoc* and allows for a situation of business as usual. The workflow at the SDM is not mapped strategically and therefore the general high-level business process mapping is flawed. Business process mapping is currently only valid at the level of strategic planning and does not translate into implementation. Currently, the development of business process mapping in the SDM is complicated by the lack of information and very little participation from all the clusters and departments in the SDM. This form of process mapping is merely aimed at malicious legal requirement as stipulated in the *Municipal Systems Act* (Act 32 of 2000) and the *Municipal Finance Management Act* (Act 56 of 2003). The end result being a framework adopted by the SDM and the local municipalities namely Emfuleni, Midvaal and Lesedi which outline only the key processes namely the IDP and the budget and excludes important management processes. In many instances the process ended up being a desktop exercise undertaken by the IDP Manager and the Chief Financial Officer endorsed by the Municipal Manager, the Executive Mayor and the Mayoral Committee. Executive Managers are unable to focus on strategic management and rather get bogged down in the operational aspect of management which gives rise to conflict and tension with the clusters and even between Executive Managers and their middle managers. Strategic processes are most of the time overlooked and hence approached in a haphazard/*ad hoc* manner that do not gel. Furthermore, departments are operating in a very *ad hoc*, compartmentalized manner distinct from other departments in the institution which can be

described as silo-ism. Silo-ism is one of the major weaknesses in the SDM, which lacks complete integration. Municipalities are expected to function in an integrated nature and requires cross pollination between clusters and departments, and SDM is no exception to this rule. The SDM is experiencing lots of inefficiencies, duplications, and wastages all because processes are not interrelated and integrated, notwithstanding the fact that SDM has a clear strategy in place in the form of a vision, mission, core values strategic objectives and sub-objectives in place. This strategy is encapsulated in the SDM's Integrated Development Plan (IDP) which is a five year strategic plan. Strategic processes within the SDM are not enhancing integration and it makes tracking and accountability a virtual impossibility. This is evident from the IDP, which is supposed to be integrated, but lacks integration in itself, sector plans are regarded as attachments to the IDP instead of forming an integral part of the IDP. Introducing TQM in the public sector is aimed at addressing problems relating to poor service delivery. The above necessitates the introduction of a TQM system.

The IDP and budget planning process is a nine month planning cycle that start from the 1st of July till the end of March the following year. This planning process only considers the key activities that guide the IDP and its link to the budget. It is not aimed at ensuring that from a strategic point of view, all processes are integrated and interrelated in order to give effect to a quality IDP and budget. The IDP is not defined into key aspects, the same with the budget as well as the Performance Management System (PMS) and the Service Delivery and Budget Implementation Plan (SDBIP).

TQM is an output-orientated approach which seeks to improve the capacity of organisations to meet the needs of clients by continually reorienting organisational structure, behaviour and culture to this purpose. Clients may be external service users, or they may be other public service agencies and departments. TQM techniques will therefore be studied, adopted where appropriate, and adapted to suit the specific circumstances of the South African public service. In the case of SDM, services are delivered in an *ad hoc* manner resulting in poor implementation of organisational goals. This means that the services that are being rendered to the community are inconsistent. As a consequence they'll have a minimum impact on improving the quality of life of the people being served. According to Ould (1995:2) business processes are divided into three broad types namely, core processes, support processes and management processes. The focus for the research is on the management process of the SDM with specific emphasis on strategic business process mapping, as an integral part of TQM.

Government, in its quest for enhancing performance and corporate governance has become much focused on goals and targets as in the case of municipalities. In terms of Chapter 6, Section 38 of the *Municipal Systems Act* (Act 32 of 2000) performance management is described as a dynamic process that integrates strategic planning, business planning, budgeting, team and individual goal setting and measurement – it is not merely

an appraisal of the performance of people in terms of a range of factors, according to Joubert and Noah (2001:1).

Since TQM is a very broad technique, the emphasis of the research proposal is on the strategic business process mapping as an aid to give effect to the strategic plan of the Sedibeng District Municipality and to pave the way for the successful implementation of the TQM philosophy. Business process mapping in the private sector has become a general phenomenon.

Performance enhancement is essential for improved service delivery and therefore it becomes a key business process within the milieu of TQM, Professor Sangweni (2003:1), the Chairperson of the Public Service Commission in his address at the 2nd Senior Management Service Conference believes that performance management became popular in the 1980s as TQM programmes emphasized the use of management tools, including performance appraisal to ensure achievement of performance goals.

According to Radebe (1998:1) the South African and perhaps global phenomenon of a dwindling fiscus create a challenge to the effective utilization of resources for more quality. To attain this it is inevitable that government has to revisit business processes and re-engineer systems. The success of TQM is determined by getting all players to work in unison and towards the same goal. He further explains that considering the enormous development challenges that South Africa faces, the South African government firmly believes in the TQM principle of long term commitment to constant improvement. The field of TQM and its application is vast and varied. There is however no doubt that its application in the long-run is critical to the success of the transformation agenda for all sectors of our economy. Oakland (1993:4) describes TQM to be far wider in its application than assuring product or service quality – it is a way of managing business processes to ensure complete ‘customer’ satisfaction at every stage, internally and externally.

TQM is a key challenge in the work place as it requires a mind shift change, paradigm shift as it requires a change in culture. TQM also involves driving a commitment amongst the different clusters and departments to share information with other clusters and departments to reduce product waste and eliminate service defects such as duplication of services (SDM, 2004:26). Through such a system, the SDM will be able to become more accountable and responsible in terms of corporate governance. Oakland (1993:411) explains the integration of TQM into the strategy of business in the following way: “Organisations will avoid the problems of ‘change programmes’ by concentrating on ‘process alignment’ – recognizing that people’s roles and responsibilities must be related to the processes in which they work. Senior managers may begin the task of process alignment by a series of seven distinct but clearly overlapping steps. This recommended path develops a self-reinforcing cycle of commitment, communication, and culture change”.

According to the *White Paper on the Transforming Public Service Delivery* (SA, 1997), improving service delivery is a continuous, progressive process, not a once-for-all task. This problem statement is providing a bird's eye view of the focus of the research which can be summarized as an attempt to apply the TQM concept to enhance the delivery of quality service in the Sedibeng District Municipality. Strategic business process mapping therefore becomes the cornerstone to the successful implementation of the SDM's strategy which in return lays a firm foundation for the successful implementation of TQM in the SDM and that is aimed at addressing challenges such as lack of integration, lack of strategic management, poor monitoring and evaluation.

The aim of the study is to recommend the application of total quality management in enhancing service delivery at Sedibeng District Municipality

1.2 RESEARCH QUESTIONS

The following research questions can be formulated from the above background with regard to the improvement of service delivery in the municipality:

- What is meant by Total Quality Management and strategic business process mapping in SDM?
- What management weaknesses exist at SDM that necessitate the introduction of TQM?
- Can the breaking of silo-ism at a strategic management level improve service delivery in the public sector with reference to SDM?
- How does one equate quality with improved service delivery in the public sector with reference to SDM?
- How does strategy evolve from policy to implementation, monitoring and evaluation in the enhancement of performance in the SDM?

1.3 RESEARCH OBJECTIVES

The following research objectives will be explored in the study:

- To contextualize Total Quality Management and strategic business process mapping within the management functions of the SDM.
- To analyse the management deficiencies at SDM that require the introduction of SDM to promote quality in service delivery

- To investigate the impact of silo-ism on service delivery in the SDM.
- To assess the relationship between quality and service delivery improvement at SDM.
- To explore the processes involved in strategic process mapping in the SDM.

1.4 HYPOTHESIS

The current institutional arrangement and public sector practices at Sedibeng District Municipality are not coherent; they are prone to inefficiency and management ineffectiveness, and require an overhaul through strategic business process mapping to improve quality in service delivery.

1.5 RESEARCH METHODS

This research utilized a number of techniques classified under qualitative research methods to gather information, which includes literature study and empirical research.

1.5.1 Literature Study

Literature study was employed to gather information on TQM. Much of the information was acquired from the following sources: legislation, policy documents, government publications, books, periodicals, newspapers, journals, internet, databases and Sedibeng District Municipality council records.

1.5.2 Empirical Research

Although TQM is governed by policies it is a practical field and therefore it is not enough to use literature, but also empirical methods such as:

- Semi-structured interviews with the political leadership (i.e. Executive Mayor, Members of Mayoral Committee); senior management including the Municipal Manager, Executive Directors, Middle Managers of the Sedibeng District Municipality as well as key stakeholders such as organised business e.g. National African Federated Chamber of Commerce (NAFCOC), Chambers of Commerce, organised labour e.g. Congress of South Africa Trade Union (COSATU), civil society, state owned enterprises e.g. Telkom, Eskom, Randwater, Post Office, tertiary institutions such as North-West University, Vaal University of Technology (VUT), Municipal Managers of local municipalities, representatives of other spheres of government as well as service providers. Consequently, interviews were conducted and directed more at officials at the first three levels of the municipality's organisational structure in order to obtain adequate and current information on

standards in service delivery.

- Questionnaires were structured with the aid of study leader and the Executive Mayor.

1.6 OUTLINE OF CHAPTERS

Chapter One: Orientation and problem statement

Chapter Two: Theoretical exposition of TQM and strategic business process mapping

Chapter Three: Analysis of current business process management in Sedibeng District Municipality

Chapter Four: Empirical Study: Impact of an integrated Strategic Business Process Management on improved service delivery in Sedibeng District Municipality

Chapter Five: Conclusion and recommendations