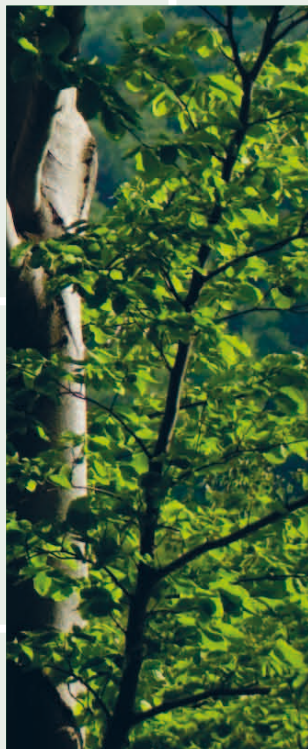# Strategic and operational planning guidelines 2012

## Directorate: Strategic Planning

**agriculture,
forestry & fisheries**

Department:
Agriculture, Forestry and Fisheries
**REPUBLIC OF SOUTH AFRICA**

# Strategic and operational planning guidelines 2012

**June 2012**

Directorate Strategic Planning
DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

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## ACRONYMS

| | |
|---|---|
| ABP | Annual business plan |
| APP | Annual performance plan |
| MTEF | Medium Term Expenditure Framework |
| DAFF | Department of Agriculture, Forestry and Fisheries |
| ENE | Estimates of national expenditure |
| PFMA | Public Finance Management Act |
| DPSA | Department of Public Service and Administration |
| MTSF | Medium Term Strategic Framework |
| SWOT | Strengths, Weaknesses, Opportunities and Threats |
| PESTEL | Political, Economic, Social, Technological, Environmental |
| AOP | Annual Operational Plan |
| MTEC | Medium Term Expenditure Committee |
| DG | Director-General |
| DEXCO | Departmental Executive Committee |
| FOSAD | Forum of South African Director-Generals |
| SONA | State of the Nation Address |
| SGs | Strategic goals |
| SOs | Strategic objectives |
| SP | Strategic plan |
| SDIP | Service Delivery Improvement Plan |
| PDIs | Previously disadvantaged individuals |
| PDAs | Provincial departments of agriculture |
| MER | Monitoring, evaluation and reporting |
| SMART | Specific, Measurable, Attainable, Realistic and Time-bound |
| QQTC | Quantity, Quality, Time and Cost |

# 1. INTRODUCTION

The Department of Agriculture, Forestry and Fisheries (DAFF) is a national department operating within the public sector and complies with the requirements of the Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended.

Regulatory and legislative requirements require the department to adopt comprehensive strategic planning guidelines that are supported by adequate operational planning guidelines. Strategic planning in the public sector is informed by priorities of the elected government, which comes into being as a result of the electoral process that happens every five years.

The electoral mandate overarching the goals and objectives of government must guide the development of the five-year strategic plan, annual business plans (ABPs) and annual performance plans (APPs) for the department. The five-year strategic plan and ABP/APP must be developed within the overall budgets specified by the current Medium Term Expenditure Framework (MTEF). However, the plan is also expected to drive projections related to the allocation of the existing funds and the allocation of new funds in the MTEF going forward.

The DAFF guidelines for strategic and operational planning are developed within the context of a rationale for the strategic planning, and are intended to:

- give direction to the whole organisation over the long-term and specifically to what the organisation wishes to achieve
- make the organisation more aware of the change, new opportunities and possible threats in advance
- serve as a rational basis for managing the allocation of resources
- help management to coordinate various decisions that are strategically related
- promote a better management style
- help to clarify the organisation's plans and ensure that the key players and partners have a common understanding of what needs to be done so that goals and objectives can be achieved
- drive accountability and responsibility
- promote good governance
- ensure effective management within the DAFF and its entities
- ensure continuous improvement in planning.

## 1.1 Aims of the guidelines

The main aim of the strategic and operational planning guidelines is to interpret principles on the development of government-wide and sector planning for the purpose of defining how stakeholders and role players perform their roles and carry their responsibilities in the Department of Agriculture, Forestry and Fisheries.

This will enable the department to use these guidelines for strategic and operational planning effectively and efficiently so that the processes and programmes are aligned and supportive of the vision, mission, goals and objectives of the department. Another aim is to ensure that the planning processes are embarked upon timeously throughout the department, in both a top-down and a bottom-up manner.

In addition, these guidelines further aim to:

- ensure effective strategic planning processes that will improve service delivery within the department
- ensure the alignment of strategic plans with the MTEF and the estimates of national expenditure (ENE)
- ensure that the strategic planning processes are conducted timeously during the financial year
- clarify definitions and standards for strategic planning
- improve integrated structures, systems and processes required to develop the strategic plan for the department

- define roles and responsibilities for the development of the strategic plan
- promote accountability and transparency by providing parliament and the public with timely, accessible and accurate strategic plan information
- understand the concepts of service delivery and the Service Delivery Improvement Plan
- understand strategic interventions.

## 1.2  Applicability of the guidelines

The guidelines will be applicable to the department as a whole. As highlighted in the aims, these guidelines seek to ensure transparency, accountability and responsibility within and by all strata or employees in the department. This will assist employees to understand how the bigger objectives of the department are formulated into deliverable workplans. This has a significant linkage to the performance management system implemented by the department.

## 2.  POLICY AND LEGISLATIVE PRESCRIPTS

### 2.1  Legislative framework

In terms of section 27(4) of the Public Finance Management Act (PFMA), 1999 (Act No. 1 of 1999), the accounting officer of a department must submit measurable objectives within the department's programmes to the National Assembly when the annual budget is introduced. This Act provides a framework for introducing strategic planning linked with the budgeting process as stipulated in the Treasury Regulations for national departments. Furthermore, the government has, since 1997, switched over to a formalised medium-term planning process. These actions were in support of its budgetary and financial management improvement programmes and reforms. As a result, the Medium Term Expenditure Framework (MTEF) was introduced, providing another firm foundation for the integration of planning and budgeting processes.

In line with the requirements of the PFMA and Treasury Regulations, the DAFF will be required to develop a five-year strategic plan which must be tabled before the parliament as and when regulated. Furthermore, the PFMA and Treasury Regulations require that a detailed plan for the first year of the multi-year period be compiled for the Executive Authority by the accounting officer.

In view of the above, cognisance should be taken that the timelines of the planning processes are dictated by the requirements of the PFMA and the Treasury Regulations. The proposed processes are therefore "designed" to ensure that the DAFF is able to adhere to these stipulated requirements.

The strategic and operational planning guidelines have been developed in line with the legislative, regulatory and policy guidelines. To achieve these, the following documents were consulted in developing these guidelines:
- The Public Finance Management Act, 1999 (Act No. 1 of 1999), as amended
- National Treasury: Guidelines for the preparation of strategic plans
- National Treasury Framework for Managing Programme Performance Information, 2007
- The Presidency: A guide National Planning Framework
- The Public Service Act, 1994 (Act No. 104 of 1994), as amended
- Public Service Regulations 2001, as amended and
- The Constitution of the Republic of South Africa, 1996 (Act No. 108), as amended

### 2.2  Government-wide planning

The department should follow a government-wide system of planning, budgeting and reporting as stipulated by the Presidency, the Department of Public Service and Administration (DPSA) and Treasury guidelines.

Treasury Regulations stipulate that the strategic plan of the department must be finalised and submitted to the relevant Executive Authority not later than 1 April of each year or must be submitted six months prior to or in any time period agreed to between the President and the Executive Authority.

## 2.3 *Revised green paper* by the National Planning Commission

Each department, sphere of government and state department should therefore have planning capacity. The outcomes of their planning would feed into the development of the national strategic plan. The national strategic plan would, in turn, define what role the sectors will play in achieving the outcomes defined in the national plan. This does not mean, however, that the planning horizons of all sectors should be the same. It is acknowledged that planning time frames may differ from sector to sector with some sectors' long-term plans going beyond the envisaged 15-year horizon of the national long-term strategic plan.

# 3. STRATEGIC MANAGEMENT PROCESSES

## 3.1 Purpose of planning

The purpose of planning is to improve the chances of reaching desirable possible outcomes. The benefits of planning enable an organisation to:
- define clearly the purpose of the organisation and to establish realistic goals and objectives consistent with the mission in a defined time frame within the organisation's capacity for implementation
- prepare for contingencies that could prevent it from attaining its goals
- communicate these goals and objectives to employees of the organisation
- develop a sense of ownership of the plan
- have a strategy for the allocation of resources in a manner that will allow the organisation to meet its goals
- provide a base from which progress can be measured and establish a mechanism for informed change when needed
- prepare a framework for the department's orderly growth and progress
- to bring together everyone's best and most reasoned efforts to build consensus about where the organisation is going.

## 3.2 Preparation for strategic management processes

Strategic management is not the easiest process to get through, but it does get easier over time. It is visionary, yet realistic; it anticipates a future that is desirable and achievable. It provides a structure for inspired but practical decision making and follow-through.

The following guidelines can assist in getting the most out of strategic management:
- The real benefit of the strategic management process is the process, not the document.
- There is no "perfect" plan. It is about doing your best at strategic thinking and implementation, and learning from what you are doing to enhance what you are going to do the next time around.
- The strategic management process is not usually an "aha" experience. It is like the management process itself – a series of small moves that together keep the organisation doing things right as it heads in the right direction.
- In planning, things are usually not as bad as you fear and not as good as you like.
- Start simple, but start!

Strategic management is not a quick fix solution to a problem. Like many management improvement efforts, strategic management is a long-term investment with pay-offs that increase over time and is therefore not a magic wand. In order to achieve results, executive management as well as the rest of the employees must be committed to the plan and must pay constant attention to the implementation of the goals and objectives therein.

## 3.3  Successful strategic management

A strategic plan is a departmental comprehensive plan that addresses its departmental needs, i.e. to successfully carry out its programmatic mission. Because strategic planning is a team effort that builds consensus on a future direction for a department, the process itself is more important than the resulting document.

A successful strategic management process:

- has the full support of the Director-General and top management
- is participatory and is not left solely to planners. It involves the staff at all levels ensuring that the plan has "buy-in" from everyone in the organisation
- is flexible, fits the organisation and is user friendly
- clearly defines responsibilities and timetables, establishes and ensures accountability for results
- stimulates and produces understanding and common purpose throughout the organisation
- stays aware of the environment in which it functions and is politically sensitive
- is realistic about goals, objectives, resources and outcomes while taking personnel issues, overall fiscal conditions and budgetary trends into account
- develops and conveys compelling evidence for its recommendations
- has a method or strategy for resolving conflicts among stakeholders
- leads to resource decisions and acknowledges the reality of having to do more with less, often requiring trade-offs or the redirection of resources
- is fresh and continuous, not stale and static (meaning that both the plan and the planning process are reviewed and modified regularly).

## 3.4  Recommended strategic management process

**TABLE 1:  Strategic management**

| Question | Answer through process | Steps |
|---|---|---|
| Where are we now? | • Environmental scanning/situation analysis<br>• Strategic issues<br>• Broad comprehensive statement of the department's purpose<br>• Core values and actions to achieve the mission<br>• Employee and management involved | Internal/External assessment<br>Mission and principles |
| Where do we want to be? | • Planning and budgeting<br>• Compelling image of desired future<br>• Specific and measurable targets for accomplishment<br>• Leads to quality initiative goals and objectives | Vision, goals and objectives |
| How do we get there? | • Implementation<br>• Strategies and interventions used to accomplish goals and objectives<br>• Detail workplans<br>• Leads to resource allocation | Action Plan |
| How do we track our progress? | • Methods used to measure results<br>• Ensure accountability and continuous improvement-linked performance targets<br>• Systems to monitor progress<br>• Compiles management information<br>• Keep plan on track | Performance measures<br>Monitoring, tracking and reporting |

| Question | Answer through process | Steps |
|---|---|---|
| How do we measure our progress? | • Evaluation | Systematic assessment of programs/policies using SP and APP as a base |
| How do we acknowledge successful efforts? | • Recognise and reward through<br>• individual performance assessments | EPMS (individual performance assessments) |

## 3.5 Strategic planning and budgeting cycle/process

The proposed guideline aims at ensuring that the Department of Agriculture, Forestry and Fisheries fulfils its legislative requirements in terms of the PFMA and Treasury Regulations through the alignment of the Medium Term Strategic Guideline (MTSF) and the Medium Term Expenditure Guideline (MTEF) together with organisational performance reporting.
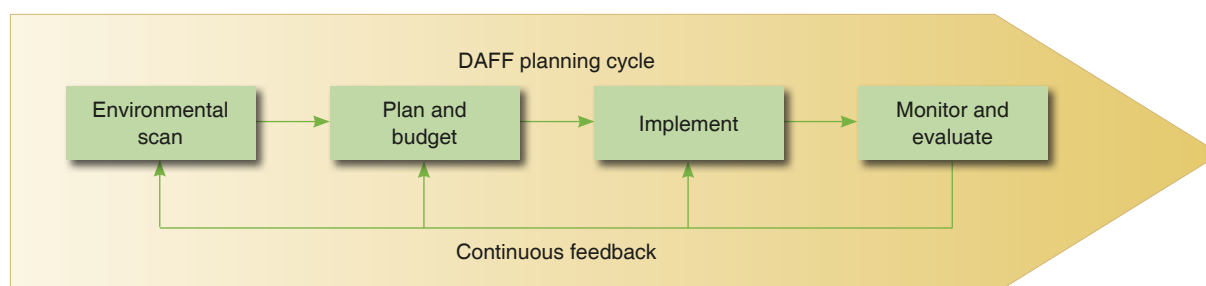


FIG. 1: **DAFF Planning Cycle**

- **Environmental scanning** provides the input required to develop an informed strategic plan taking into consideration all internal and external factors.
- Strategic planning and budget are integral components of good management. The strategic planning charts direction, while the budget provides resources to implement the plan. It establishes and affords management an opportunity to re-evaluate the existing allocation of funds. Directorates can develop strategies and action plans that detail what will be accomplished to achieve strategic planning goals and objectives each year. These action plans, together with performance measures, provide the strongest link between the operating and capital outlay budgets.

  A comprehensive strategic **plan** informs the budgeting processes with regards to the required budget as well as the allocation of this **budget** against plans.
- **Implementation** through annual business, annual performance and operational plans ensures the achievement of set objectives.
- **Monitoring, evaluating and reporting** is a critical component of the strategic management cycle to track progress in achieving strategic goals. Its implementation provides us with information on progress or lack thereof, which directly feeds into the next planning cycle.
- Reports for the first financial year are critical to inform the environment scanning, SONA and lekgotla documents.

### 3.5.1 Environmental scan

External scanning is defined as the acquisition, analysis and use of information about events, trends and relationships in an organisation's external environment. It provides the future knowledge that will assist the management in planning the organisation's future course of action. The external environment includes all outside factors that can affect the performance or survival of an organisation.

The environmental scan enables the organisation to identify exactly where it is in terms of its external and internal environment and to identify potential challenges and opportunities. The scan assists the

organisation in planning effectively for its future by taking stock of current trends and emerging issues that may affect the organisation. Once these trends and issues are identified, the organisation will be able to shape its vision and strategic goals with more knowledge and understanding. A comprehensive environmental scan identifies the potential impact that a variety of factors will have on the organisation's mission, goals, objectives, functions, technology, workforce and results.

### 3.5.2 Environmental scanning techniques

Various methodologies can be used to conduct environmental scanning, however, the methodology should be chosen based on the need for conducting the scan.

Depending on the purpose of the environmental scan, the department could utilise one or more of the techniques mentioned below. It is not essential that all techniques be explored when conducting an environmental scan. The department could also explore a hybrid approach between one or more techniques in order to extract maximum value from the environmental scan results.

(a) **SWOT analysis**

The process of conducting an internal/external assessment is often referred to as a SWOT analysis because it involves reviewing an organisation's internal Strengths and Weaknesses as well as external Opportunities and Threats. The data gathered during this assessment often leads to the identification of strategic issues.

The information gathered will enable you to make decisions that could help to put your directorate into a stronger position by making the most of your strengths, minimising your weaknesses, exploiting the opportunities, and mitigating any threats.

(b) **PESTEL analysis**

This analysis entails identifying opportunities and threats within each of the PESTEL elements that may have a direct or indirect impact on the department. The PESTEL elements are as follows:

- **Political** (the impact of the decisions made by government(s), from new laws and policies to political goals and ideologies such as increasing gender equality).
- **Economic** (issues related to the distribution, supply and availability of money, such as the performance of national economies and change in currency exchange rates).
- **Socia**l (the impact of social factors, such as collective social beliefs of what is right or wrong, and changes in taste, fashion, attitudes and work ethics).
- **Technological** (the emergence and availability of new and enabling technology automations, for example, meaning new things are possible and old processes are obsolete.
- **Environmental** (the impact of consumer attitudes towards and legislation relating to environmental issues, such as pollution and climate change).
- **Legal** (the impact of existing laws, proposed changes to laws, or the introduction or removal of laws. These can be general laws or those specific to business).

## 3.6 Steps of the strategic planning process

**Step 1:  Developing a vision**

The vision is the top management's dream for the organisation and is intended to be achieved over a long-term period:
- Based on the mandate of the DAFF, a vision has to be developed to determine where the institution is heading on a long-term basis.
- The vision has to be forward-looking and demonstrate the institution's eagerness to depart from its current position.
- The vision is decided upon by the top management's individual performance assessments of the institution, whose main responsibility is to provide leadership and guidance.

**Step 2: Developing a mission statement**

The department must define its mission. This is a short summary of the reason for a department's existence:

- The development of a mission is premised on the ways and means of putting together processes and systems that will lead to the achievement of the vision.
- A mission is normally linked to the core business of an institution and outlines how things will be done in the course of realising the vision.

**Step 3: Determining organisational values**

Values are guiding principles that state the department's intentions and expectations. They will be used to judge the department's policies and actions, as well as the conduct of individuals:

- Values need to be derived from the mission statement of the organisation. They must be used to assist the management and staff in achieving good working relations and to establish a supportive culture within the organisation.
- The department should include values such as the importance of customers and customer services, commitment to quality, the importance of honesty, integrity and ethical behaviour, corporate citizenship, respect for the employee and the duty of the organisation to its employees, and the importance of safety and protecting the environment.

**Step 4: Gap analysis**

In this step, the gap between the forecast environmental trends and the strategic goals of the organisation is identified:

- The opportunities and threats of the external environment as well as the organisation's internal strengths and weaknesses are identified. A holistic view of the environment in which the organisation operates is possible, and this helps to achieve its mission and vision.
- This understanding allows the correct strategic plan to be chosen from the range of options available, given the unique environment and business history.
- The environmental trends are then matched to the stated departmental goals.
- Comparisons are made and weaknesses or gaps that need addressing are identified.

**Step 5: Formulate strategic goals**

A strategic goal is a long-term, specific objective that needs to be met as the implementation of the strategic plan occurs:

- The department develops its strategic goals, which are considered to be key focus areas aimed at outlining how the mission will be achieved over a medium-term to long-term period.
- The goals are normally measured in terms of outcomes and defined broader operational areas within which an organisation needs to define its operations.

**Step 6: Review structures, leadership and culture**

The structure, leadership style and culture of the organisation are important because if they are not aligned with the strategic decision, the likelihood of strategy failure is increased. The current structure, culture and leadership style of the department must be matched with the proposed strategic goals and objectives.

**Step 7: Formulate strategic objectives and measurable controls**

A strategic objective represents the intermediate and incremental advances within the overall strategic plan in reaching the strategic goals:

- Strategic objectives are considered to be more defined than strategic goals.
- The strategic objectives have a lifespan of three to five years and are directly linked to strategic goals.

### 3.6.1 Strategic planning process practice in DAFF

It is imperative to mention the DAFF's vision, mission, strategic goals, strategic objectives and values as these elements are essential for planning.

### 3.6.1.1 VISION

A leading, dynamic, united, prosperous and people-centred sector

### 3.6.1.2 MISSION

Our vision will be achieved through developing and sustaining a sector that contributes and embraces:

- Economic growth (and development)
- Job creation
- Rural development
- Sustainable use of natural resources
- Food security.

### 3.6.1.3 STRATEGIC GOALS (SGs) AND STRATEGIC OBJECTIVES (SOs)

**SG1**  **Increased profitable production of food, fibre and timber products by all categories of producers (subsistence, smallholder and commercial)**

SO1   To promote efficient production, handling and processing of food, fibre and timber.

SO2   To coordinate government food security initiatives.

SO3   To improve production systems anchored in commodities with a competitive and comparative advantage in each province.

SO4   To provide comprehensive support for rural development.

**SG2**  **Sustained management of natural resources**

SO1   To ensure the sustainable management and efficient use of natural resources.

SO2   To ensure the protection of indigenous genetic resources.

SO3   To increase contribution to green jobs to improve livelihoods.

**SG3**  **Effective national regulatory services and risk management systems**

SO1    Manage the level of risks associated with food, diseases, pests, natural disasters and trade.

SO2   To establish and maintain effective early-warning and mitigation systems.

**SG4**  **A transformed and united sector**

SO1   To increase equity, ownership and participation of PDIs.

SO2   To enhance systems to support effective utilisation of assets.

SO3   To improve social working conditions in the sector.

SO4   To provide leadership and support for research, training and extension in the sector.

**SG5**  **Increased contribution of the sector to economic growth and development**

SO1   To increase growth, income and sustainable job opportunities in the value chain.

SO2   To increase the level of public and private investment in the sector.

SO3   To increase market access for South Africa and African agricultural, forestry and fish products, domestically and internationally.

SO4   To increase production of feedstock to support the manufacturing sector.

**SG6**  **Effective and efficient governance**

SO1   To establish and strengthen cooperative governance and functional relations with local and international stakeholders.

SO2    To strengthen policy, planning, monitoring, evaluation, reporting and sector information.

SO3    To provide effective audit, investigative and legal, human resources and   financial risk management.

SO4    To improve departmental service excellence through the implementation of quality standards, Batho Pele principles and the general legislative mandate.

SO5    To provide leadership and manage communication and information.

### 3.6.1.4 VALUES

**Drive:**    Driven to deliver excellent service

**Attitude:**    Being an ambitious, passionate, reliable and dedicated workforce

**Fairness:**    Acting with objectivity, empathy, integrity and transparency

**Focus:**    Focusing on people, economic and rural development

## 3.7 Cascading the strategy

It must also be noted that strategic planning is a team effort. It involves all levels and functional units of the department. Although strategy formulation is driven from the top, the roll-out and alignment of this strategy is enforced through a top-down and bottom-up approach.

**Top-down/bottom-up approach**

- The DAFF's five-year *Strategic plan* is cascaded into Chief Directorate deliverables (CDDs) for the first year, which are also costed/budgeted.
- CDDs are cascaded down into directorate annual performance plans (APPs).
- APPs are cascaded down into directorate annual operational plans (AOPs).
- Finally, chief directorate and directorate plans are unpacked to form the individual performance contracts of the various staff members.
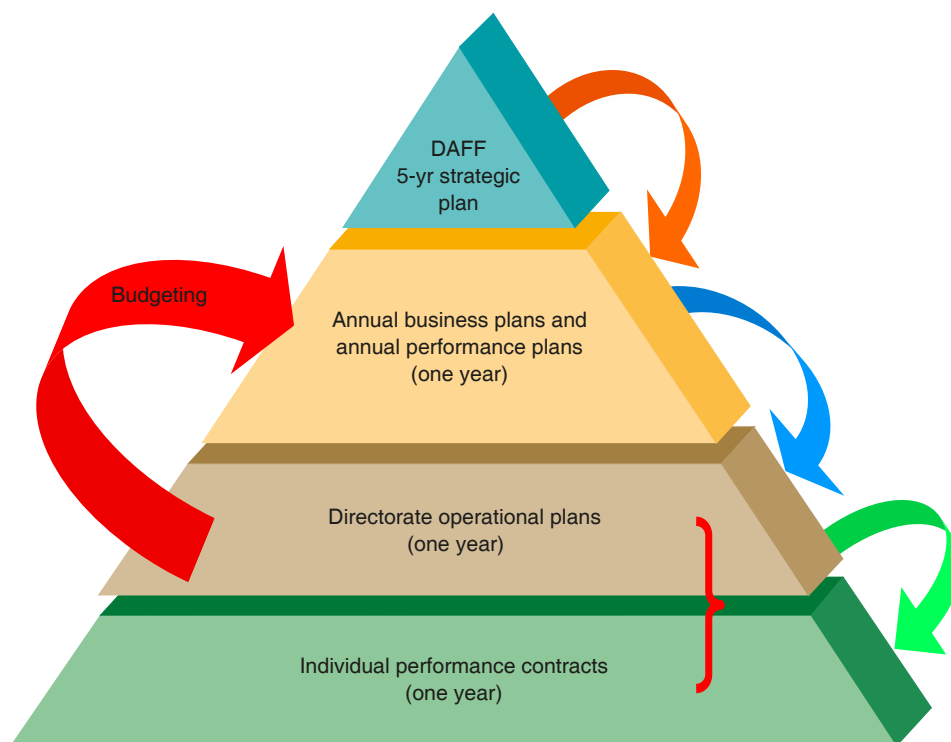


**FIG. 2: Cascading the DAFF agreements strategy**

## 3.8  The core of the guidelines

**Strategic planning process in the Department of Agriculture, Forestry and Fisheries (types and levels of planning)**

### 3.8.1 Sector plan

The sector plan is developed in partnership of the DAFF, the provincial departments of agriculture (PDAs), agricultural unions and industry role players with the objective of agreeing on areas of common interest tha are relevant for the sustainable management of the sector. This plan needs to be implemented over time and continuous monitoring is important to ensure that the targeted beneficiaries benefit from the sector.

### 3.8.2  Five-year departmental strategic plan

This entails the formulation of a corporate/departmental strategic plan, which spans five financial years. The drafting of the five-year strategic plan will require management to look into the future to conceptualise what will happen and what resources will be required, informed by environmental analysis, which includes PESTEL analysis, SWOT analysis, lekgotlas and government priorities. It will therefore highlight the key strategic priorities of the department in line with the findings of the environmental scans.

The departmental strategic plan basically outlines the strategic direction of the department by indicating its strategic focus areas, strategic objectives, key performance indicators and five-year targets.

### 3.8.3  Chief Directorate deliverables (five years)

Chief Directorate deliverables are developed for each chief directorate in which the relevant unit develops a one-year business plan, which unpacks the targets indicated in the first year of the departmental strategic plan.

All programme deliverables defined within the context of the strategic goals and objectives require a business plan. The importance of a business plan will give a sense of clarity regarding the definitions, objectives, budgeting, stakeholders and general allocation of resources. The implementation strategy will reflect on aspects of the day-to-day service delivery activities of the DAFF and ensure that the DAFF business community is well informed.

Each chief directorate will basically take ownership of the relevant strategic focus area(s) and targets identified in the first year of the departmental strategic plan in which they could make the most input based on their functions and unpack the identified strategic focus area(s) so as to indicate, among others, the various action steps that will be undertaken in order to address the specific departmental priority, the various deliverables and their associated performance indicators, responsible persons, and target dates.

### 3.8.4  Annual performance plan (APP)

As part of Treasury requirement, departments are expected to develop an annual performance plan which is directly linked to the financial year. The performance plan should articulate target-based output with a clear relationship towards the overall departmental strategic objectives. The target should range between quarterly time frames as the departments are expected to report according to MER guidelines.

The annual business plans will then be cascaded into directorate annual performance plans. Each directorate will basically take ownership of the relevant strategic objectives and targets identified in the chief directorate business plan for which they are responsible based on their functions.

Among other steps, the directorate APP will highlight the various action steps that will be undertaken in order to address the various units' priorities, the various deliverables and their associated performance indicators, responsible persons, target dates, etc.

### 3.8.5 Annual operational planning (AOP)

The annual performance plans will then be cascaded into directorate annual operational plans. The AOPs will highlight various action steps that will be undertaken in order to address the various units' priorities, the various deliverables and their associated performance indicators, responsible persons, target dates, etc.

Operational planning is the lowest level of planning, where strategic outputs are broken down into clear milestones with implementable activities. The successful integration of strategic plans and budgets requires that operational or line managers be held accountable for the inputs that are allocated to resource their strategic plans. Better budgeting, in terms of the PFMA, extends accountability not only to expenditure of inputs, but more importantly, to the efficient and effective achievement of outputs in line with strategic priorities.

#### 3.8.5.1 Operational planning process

The stage that precedes operational planning is the approval of the annual performance plan. The individual directorate would have identified strategic outputs as contained in its annual performance plan. The budget would have been allocated. It is therefore important for operational planning to include the following processes:

- Review and/or confirm targets set in the annual performance plan and identify milestones within the annual performance targets.
- Breakdown of strategic outputs with clear milestones into implementable activities.
- Budget breakdown and quantification of costs at the level of activities.
- Assessment of human capacity within the context of the skills and capability required to implement the plan.
- Identifying internal and external stakeholders relevant for the successful conceptualisation and implementation of the plan.
- Differentiation between the internal capacity and outsourcing requirements
- Develop individual workplans assigned to the existing staff and, where appropriate, revise job descriptions.
- Align targets within the workplans with those identified in the operational plan.
- Align the plan with the project management guideline of the DAFF where relevant.
- Allocate budget for performance rewards.
- Do team-building exercises for strategic buy-in and ownership of the plan by the staff of the directorate including targets for performance rewards.
- Submit the plan to the Directorate: Strategic Planning for alignment with the programme strategy.
- Submit the individual staff workplans to the Directorate: Human Resources of the DAFF for performance and development management purposes.

### 3.8.6 Individual performance agreements

This forms the lowest level of planning where the Strategic plan, annual business plans, annual performance plans and annual operational plans are cascaded down to individuals in the form of their individual performance agreements.

The Strategic plan, annual business plans, annual performance plans and annual operational plans can be directly aligned with the performance agreements of the Director-General, Deputy Directors-General, Chief Directors and Directors respectively as they are the owners of their respective plans and are therefore accountable for their implementation.

All staff members below SMS level will align their individual performance contracts with the operational plan of their respective directorates as they are expected to perform tasks logically aligned with their directorates' operational plans.

## 3.9 National departments

The table below sets out the time frames that National Departments need to take into account when developing their strategic plans, annual performance plans, quarterly performance reports and annual reports.

TABLE 2: Planning, budgeting and reporting time frames for national departments

| Month | Planning | | Budgeting | Monitoring and reporting | | | Coordination | |
|---|---|---|---|---|---|---|---|---|
| | Strategic plans (every 5 yrs) | Annual perform-ance plans | Annual budget and MTEF | Monthly financial reports | Quarterly perform-ance reports | Annual reports | Change requests to BPS | Change request to core performance indicators |
| Apr. | | | | 15 days after month end | 4th quarter QPR (pre-vious Finan-cial year) | | | |
| May | | | NT issues MTEF instructions | 15 days after month end | | Perform-ance Info sent to Auditors | | |
| Jun. | | | | 15 days after month end | | | Depts propose changes to BPS | Depts propose Performance Indicators |
| Jul. | | | Depts sub-mit 1st draft budget and new ex-penditure estimates | 15 days after month end | 1st quarter QPR | | | |
| Aug. | 1st Draft SP | 1st Draft APP | | 15 days after month end | | Tabled annual reports | NT approves changes to BPS | Depts and NT agree on core Performance Indicators |
| Sep. | | | | 15 days after month end | | | | |
| Oct. | | | NT issues Instructions for ENE | 15 days after month end | 2nd quarter QPR | | | |
| Nov. | 2nd Draft SP | 2nd Draft APP | NT issues allocation letters | 15 days after month end | | | | |
| Dec. | | | | 15 days after month end | | | | |
| Jan. | | Perform-ance indicators and targets for APPs | Depts submit final ENE chapter | 15 days after month end | 3rd quarter QPR | | | |
| Feb. | Tabled in Parliament | Tabled in Parliament | Tabled in Parliament | 15 days after month end | | | | |
| Mrch. | | | | 15 days after month end | | | | |

### 3.10  Strategic interventions

Strategic interventions are specific measures that are undertaken according to the need and circumstances to support a broad departmental strategy. These measures are normally the results of strategic review processes such as monitoring and evaluation results, management review processes and possible new political perspectives. A detailed business plan must be developed for each strategic intervention for implementation, monitoring, evaluation and reporting.

### 3.11  Handling of deliverables

If programmes, subprogrammes and directorates are not in a position to produce certain deliverables, correct procedures need to be followed. A formal notice should be written in line with the reprioritisation process for budget purposes. An approval should be granted before such deliverables are excluded.

### 3.12  Submission and sign-off of the plans

The strategic plan cannot be amended without the necessary authorisation from the Minister and approval by the Parliament.

It is important to note that when changes are made to the ABP, APP and AOP, a revised version needs to be submitted to the DG together with a submission or memorandum providing background and motivation to justify the amendments to the plan. Once the programme deliverables, ABP and APP are finalised, it is expected that the respective DDGs, CDs and Ds sign-off prior to the compilation of the Strategic plan. Operational plans may from time to time be amended to accommodate functions that were not originally planned for during the beginning of the financial year.

### 3.13  Handling of carry-over deliverables

Carry-over deliverables are those deliverables that are meant to be realised in each quarter of the financial year concerned, and due to various reasons, the deadline for them is postponed to the later quarter or even the following financial year.

All the deliverables that have not been achieved during the stipulated financial year or quarter shall be transferred to the following quarter and be reported accordingly. At the end of the financial year, all carry-over deliverables shall be consolidated per directorate, subprogramme and programme. A plan for carry-over deliverables shall be presented to the Departmental Executive Committee (DEXCO) detailing how these deliverables will be concluded. Operational plans for carry-over deliverables shall be prepared by concerned directorates. No carry-over deliverables should be implemented in more than three years.

## 4.  KEY STEPS OUTLINING THE PLANNING PROCESS WITHIN THE DAFF

### 4.1  Overview of the departmental planning process

The department follows a government-wide system of planning, budgeting and reporting as illustrated in Fig. 3 on page 14.

The following steps outline the departmental planning process:

**Step 1:**    In May, the department commences with the Strategic planning process, undertakes an environmental scan and reviews strategic goals, key objectives and key priorities. These are submitted to the relevant clusters.

**Step 2:**    The cluster committee assesses the departmental submissions and develops cluster-relevant objectives and indicators that emphasise integration and coordination. These are then assessed, prioritised and presented in a revised set of cluster level objectives and indicators by the DGs. The priorities are then sent to the Forum of South African Directors-General (FOSAD) Manco.
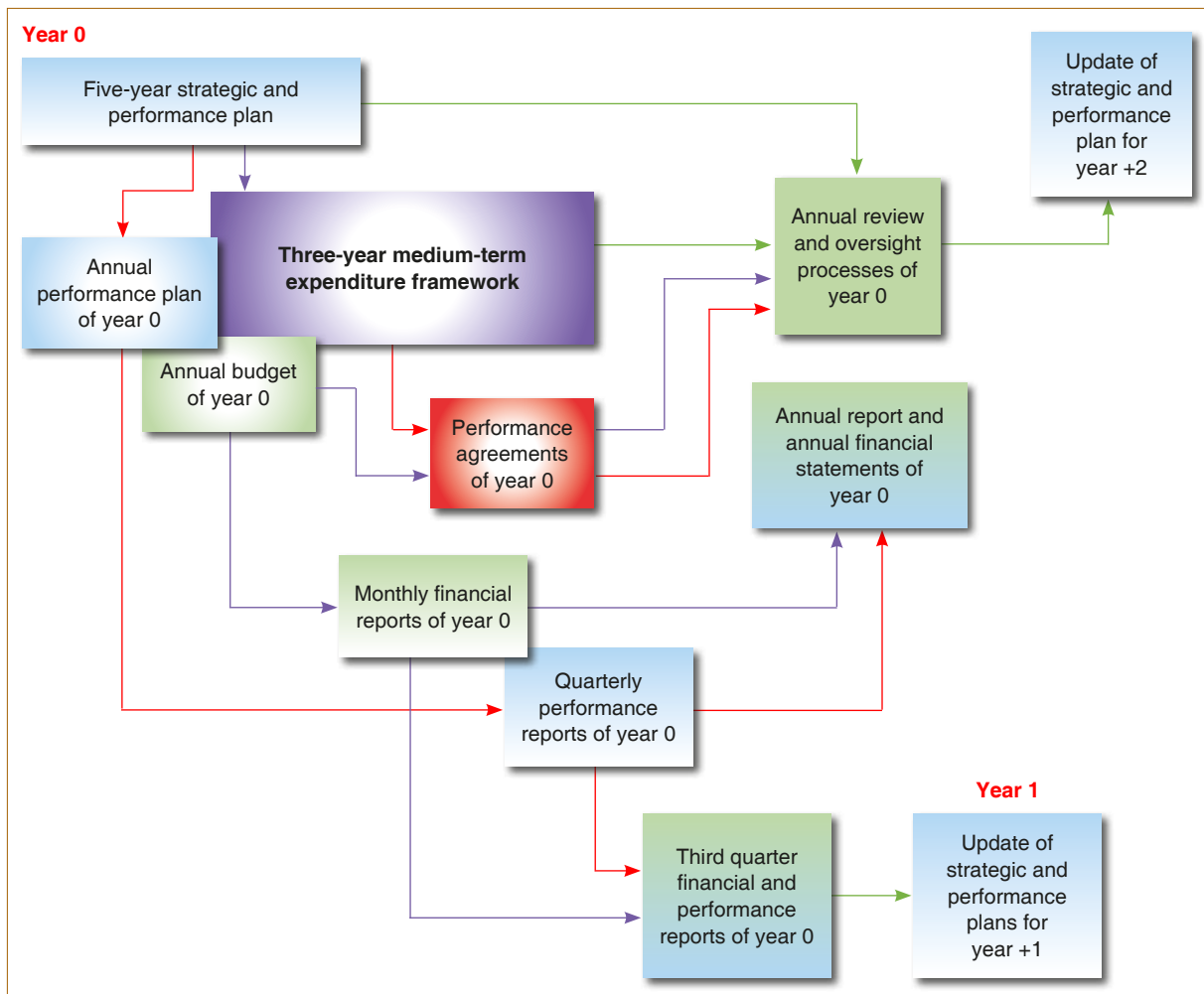
FIG. 3: Five-year strategic and performance plan

**Step 3:** At the July Lekgotla, current needs are identified and reviewed, making it possible to plan for the next phase of the MTSF period.

**Step 4:** The department undertakes detailed planning and budgeting to ensure that resources are allocated to the priorities outlined in the July Lekgotla and SONA. This process has to be completed by the end of March.

**Step 5:** The FOSAD completes a draft medium-term strategic guideline (MTSF) by mid-December.

**Steps 6–7:** During the Cabinet Lekgotla of January the draft MTSF is tabled and discussed. The guideline serves as a guide for DGs in individual government departments for reviewing plans.

**Step 8:** In February, all the medium-term to long-term priorities are communicated to the nation through the State of the Nation Address (SONA).

**Step 9:** During February and March, the priorities are communicated to all spheres of government. The Minister and the DG also ensure that these priorities are cascaded to and understood by all departmental staff.

Once the strategic priorities have been communicated, the DAFF commences with its internal planning process using the templates available for planning (the guideline for strategic and operational planning as shown in Fig. 4).
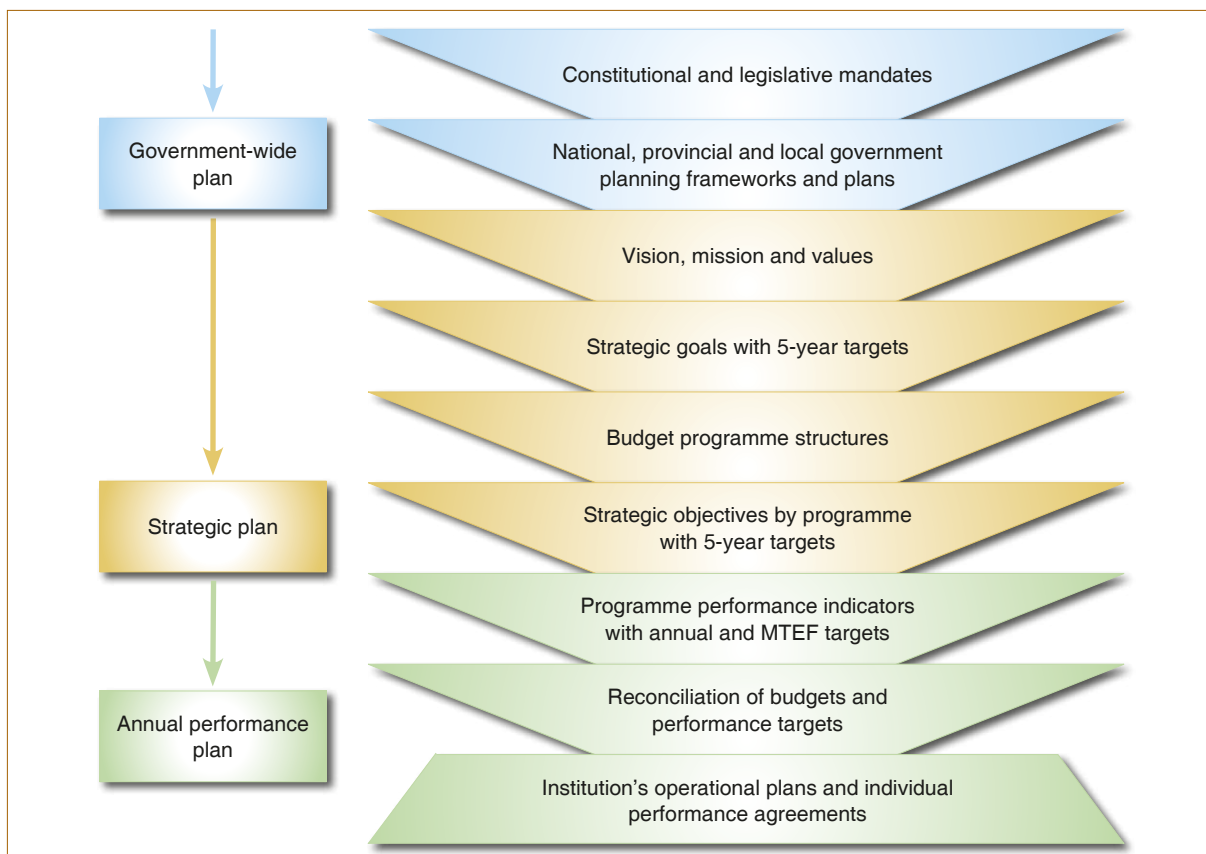
**FIG. 4: The hierarchy of the relationship between planning concepts**

## 4.2 Roles and responsibilities

Strategic planning is managing for results. It is a participatory process which requires the full support of the department's top management. Successful managers own every element in the plan and do not delegate responsibility for its implementation. The department's top management needs to ensure that all strategic commitments are the right ones, that they are strong and that they are delivered.

**TABLE 3: Detailed roles and responsibilities for the strategic management process**

| Activity/role | Responsibilities |
|---|---|
| Development of the strategic planning cycle | Directorate: Strategic Planning (D: SP) |
| Development of priorities for the department | DAFF DEXCO |
| Development of the vision and mission of the Department | DAFF DEXCO |
| Development of strategic goals and objectives | DAFF DEXCO |
| Development of measurable objectives | DAFF branches |
| Development of programme strategic plans (five-year plan) containing outputs, performance measures, indicators and targets | DAFF branches |
| Costing of programme strategic plan (five-year plan) | DAFF branches |
| Quality assurance of outputs, performances measures/indicators and targets | Directorate: Strategic Planning (D: SP) |
| Facilitation of the department's strategic planning session | Directorate: Strategic Planning (D: SP) |
| Development of inputs to strategic plan | DAFF branches |

| Activity/role | Responsibilities |
|---|---|
| Identification and costing of branch/regional priorities | DAFF branches |
| Setting of annual targets | Directorate: Strategic Planning, Directorate: Organisational Performance and Department of Agriculture Forestry and Fisheries (DAFF) branches (D: SP, D: OP) |
| Development of performance indicators and measures | Directorate: Strategic Planning, Directorate: Organisational Performance (D: SP, D: OP) |
| Consolidation of the department strategic plan | Directorate: Strategic Planning (D: SP) |
| Approval of the strategic plan | Director General (DG) and Minister |
| Printing of the strategic plan | Directorate: Communication Services (D: COMMS) |
| Submission and tabling of the strategic plan | Office of the DG and of the Minister |
| Distribution of the strategic plan (hard and soft copies) | DAFF branches |
| Preparation of presentations of the strategic plan to parliament | Directorate: Strategic Planning (D: SP) |
| Presentation of the strategic plan to parliament | Minister and DG |
| Implementation of the strategic plan | All employees of the DAFF |
| Financing of the strategic and operational plan through ENE Development of inputs to the ENE | DAFF branches |
| Coordination of ENE inputs | Directorate: Budgeting and Reporting and Directorate: Strategic Planning (D: BR and D: SP) |
| Performance agreements and workplans Coordination of the alignment process | Performance Management Unit, Human Resource Management |

## 5.  SERVICE DELIVERY PLAN

Service delivery is the process or set of activities associated with the direct provision of a service which meets the needs of an individual or a group of people. The Service Delivery Plan sets out what the department intends to do in the coming years and how the services will be delivered. In order to clearly define our services, DAFF introduced a service catalogue which outlines the departmental services and the methods of delivery. The service catalogue encompasses the service, clients, objective of the service, service agreed standards and service measures. This is a way of informing the clients about what they must expect from the department and how to gauge the quality of service delivery. The Directorate: Organisational Performance (D: OP) will annually update the information captured in the service catalogue and also monitor the performance of the outlined services.

### 5.1  DAFF service catalogue

The service catalogue entails details of the services and products of various directorates. Sometimes services are referred to as routine functions. The elements of the service catalogue are:
* Service/Product
* Objective
* Clients
* Access (physical accessibility i.e. the ease of getting there)
* Information
* Contact information

- Complaint mechanism
- Service measure
- Agreed standards (i.e. waiting response time once served)

**A service:** A service is something that is done for others. It uses a verb (doing word), e.g. register import and export facilities, issue permits, etc. A service is aimed at satisfying customers/clients.

**Service standards:** For these guidelines, the purpose of a service standard is something specific, measurable and realistic that can be achieved within a given time frame. A service standard is not an indicator. It should target those service features that are most important to the client. Furthermore, service standards will be reviewed annually and adjusted to reflect new circumstances. For the service catalogue template, see Fig. 5.

| **Step 1** Know your business | • Identify your customers, your services, your partnership <br> • Know what is being done now and what is affordable |
| **Step 2** Consult | • Consult all stakeholders <br>    – Customers, staff, other departments' partners and labour |
| **Step 3** Set standards | • Standards must be: <br>    – SMART (simple, measurable, attainable, realistic and time bound) |
| **Step 4** Empower staff | • Train staff to deliver quality service against standards |
| **Step 5** Communicate | • Communicate standards <br> • Communicate performance <br> • Service Delivery Charter |
| **Step 6** Manage standards | • Implement standards <br> • Monitor standards <br> • Improve standards |

**FIG. 5: Development of service standards process**

## 5.2 Service Delivery Improvement Plan (SDIP)

As part of improving service delivery, the DPSA has introduced the Service Delivery Improvement Plan (SDIP), under which each government department selects a few of its core or key activities for improvement. The SDIP enhances Batho Pele as it focuses on how to implement the Batho Pele principles. Initially the improvement plan was for one financial year. However, government realised that a sustainable, outcomes-focused service delivery approach requires a paradigm shift from monitoring and reporting to "what we do" and "how we do it" in terms of our services that will have an impact on the lives of our people. Since impact is a medium-term to long-term measurement, the three-year financial period SDIP was introduced.

### 5.2.1 Guidelines for developing SDIPs

The following questions will guide us through the process of developing SDIPs:

- Who are our service beneficiaries?
- Where are we now?
  - What are our key services? (The most benefit to the largest number of people).
  - What are our current standards for those key services? (Quantity, Quality, Time and Cost).
- Where do our service beneficiaries want us to be (in terms of key service and standards)?
- What is the service "gap"?
- How do we address the "gap"?
- How do we make it happen?
- What rewards/incentives will we offer?

### 5.2.2 How to select a key service

For SDIP purposes a service is something that is done for others. It is something that someone asks for or requests. It uses a verb (doing word), for example, issue passport or ID documents, to pay social grants, etc. It is not a task, but a service is often made up of several tasks, for example, in order to issue an ID document a number of tasks have to be performed, such as processing the application, taking fingerprints, obtaining a photograph of the applicant, etc. neither is it a function or responsibility: the function of a Department of Health is to provide health care service, and the function of the army is to protect the country, but these are services. A function often comprises of several services and each service is made up of one or more tasks.

### 5.2.3 Steps to be followed in selecting key services to be included in the departmental SDIP

Step 1:  Define the role/function of a department

Step 2:  List services

Step 3:  Do the services correspond with the mandate?

Step 4:  Which services have the greatest impact?

Step 5:  Prioritise services

Step 6:  Select the top two or three key services.

### 5.2.4 How to select service standards?

The challenge for departments is to select service standards that measure the key services being delivered by that department. It is important to understand that all standards must be **SMART**, namely:

- **Specific:** Is the service standard specific? Does it mention what is being measured? For example, does it refer to a specific quantity, quality, time frame and cost?
- **Measurable:** Is the service standard measurable? If it is vague, rather than specific, it will not be measurable. For example, if we simply state that we should be more courteous to our service beneficiaries, we will not be able to measure the level of courtesy: we need to unpack courtesy in terms of response times, reduced complains, etc. in order for it to be measurable.
- **Achievable:** Is the standard achievable with the current resources, or are additional resources available and affordable in order to achieve the standard? For example, if we set a standard of processing social grants applications within two days, it certainly is specific and measurable, but is it achievable with the available human and financial resources?

- **Realistic:** Is the standard realistic in terms of current or past performance? If we look at the previous example of processing social grant applications within two days, is this realistic, knowing what procedures and protocols have to be followed?
- **Time-bound:** Does the standard specify a clear time frame or deadline, such as having to be completed by a specific date, or within a specific period?

#### 5.2.4.1 QUANTITY, QUALITY, TIME AND COST (QQTC) STANDARDS

A simple and effective way of setting standards is to use **Quantity, Quality, Time and Cost** as a guideline. This will ensure that your standards are **SMART**.

> For example: **"All passport applications will be processed within six weeks."**

- **Quantity**

   All applications. The Quantity standard will specify a definite amount, such as 40%, 500 individuals, 30 vehicles, etc.

- **Quality**

   In compliance with the international best practices, in other words, the output must look like a passport. The Quality standard often presents difficulties, but it is really quite simple: most professions such as health care, education, engineering, etc, have professional quality standards, such as operational procedures, hygiene, ISO and SABS, and these are clearly identifiable. While these standards are extremely important for achieving excellence in service delivery, they are not the standards we require for service delivery IMPROVEMENT. Within the context of service delivery improvement, these quality standards can virtually be taken for granted, as they stay the same, year in and year out. The purpose of these standards is to make the quality of service delivery predictable and to ensure that it conforms to specific requirements.

But in service delivery IMPROVEMENT we want a quality standard that can be raised each year to ensure continuous improvement: it is the "how" of service delivery that we wish to measure. In other words: "How will we behave while delivering that which we wish to measure. In other words: "How will we behave while delivering or providing the service?" This is where the Batho Pele principles come in. We suggest that they be used consistently for all services as a quality standard, the only provision being that the mechanisms to measure them must be put in place, such as complaints desks, citizens surveys, focus groups, etc. "Value for money" is achievable if the relevant Quantity is provided at the right Quality, within the given Time frame and budget or Cost provision.

### 5.2.5  Measuring the Batho Pele principles

The following questions may help in establishing measurable standards or actions, to improve service delivery against the Batho Pele principles:

(1)  **Consultation:** How do we consult our service beneficiaries?

(2)  **Access:** How do our service beneficiaries access us?

(3)  **Information:** What information do we provide on our services and how do we provide it?

(4)  **Openness and Transparency:** How do we gauge whether we are open and transparent?

(5)  **Courtesy:** How do we measure courtesy? (Complaints Desk, Citizen Satisfaction Surveys, etc.)

(6)  **Redress:** What mechanisms are in place to ensure redress?

(7)  **Value for Money:** How do we gauge value for money? (How economic and efficient are we when providing these services?)

   - **Time:** Within six weeks, which is easily measurable
   - **Cost:** within the budget provisions

**Service delivery planning**

1. Functions and programmes contribute to a product or service delivery path at various levels to sustainably provide services and products that are of use to clients

4. Strategy and the SDIP seek to improve the level of service and the extent to which the clients' needs are addressed

Cross-flowing service delivery path

**Strategy**  **Policy**

Strategic functions

**Planning**  **Design**

Planning functions

**Implement**  **Operate**  **Maintain**

Operational functions

Support functions (enabling delivery of service to client expectations

Moments of truth result in client satisfaction – this is the focus of service delivery

Services and products

This is not what we do – it is what is produced by what we do that is of use to our clients

2. Internal support functions are focused on assisting and enabling the service delivery functions to do this

3. Service delivery is measured in terms of how useful it is to the client

**Success lies in the extent to which the entire organisation is focussed on client satisfaction**

FIG. 6: The DAFF macro service delivery process

# ANNEXURE A

## Templates for strategic management

It is vital to note that templates used are to be reviewed every year to accommodate every planning mandate that might be encountered in each year.

### A1. Template for the strategic plan (2010/11 to 2014/15)

| Strategic goals (NOTE: This shows the departmental key result areas, in other words what the department as a whole wants to achieve strategically) | | | Targets | | | | | |
|---|---|---|---|---|---|---|---|---|
| Strategic objectives | Strategic outcomes | Outcome indicators | Baseline | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| | Multiple year/ sectoral, what the programme will achieve over a period of **five years** | Measures put in place that will indicate the success in achieving the **outcome** | The current level of perform-ance that the institu-tion **aims to improve** | Yearly targets to realise the strategic outcome/ steps to achieve the **strategic outcome** | Yearly targets to realise the strategic outcome/ steps to achieve the **strategic outcome** | Yearly targets to realise the strategic outcome/ steps to achieve the **strategic outcome** | Yearly targets to realise the strategic outcome/ steps to achieve the **strategic outcome** | Yearly targets to realise the strategic outcome/ steps to achieve the **strategic outcome** |
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**A2. Template for the Subprogramme Annual Business Plan**

| Strategic goals | | | | | |
|---|---|---|---|---|---|
| **Strategic objectives** | **Strategic outcomes** | **Outcome indicators** | **Key outcomes** | **Key output indicators** | **Time frames** |
| | | | Should be specific but not tangible or operational | Measures put in place that will indicate the success in achieving the **key outcomes** | Indicate the date of completion of the **key outcomes** |
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### A3. Template for the directorate annual performance

| Strategic goals | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Strategic objectives** | **Key outcomes** | **Objectives** | **Outputs** | **Output indicators** | **Targets** | **Time frames** | **Respon-sibility** |
| | | Are a clear indication of what the directorate intends doing or producing in order to achieve the **key outcome** | Should be tangible, verifiable and SMART | Are measures put in place that will indicate the success in achieving the **outputs** | Quantity of the outputs/ how many outputs will be delivered or produced | Indicate the date of completion of the **output** | |
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### A4. Template for the directorate Annual Operational Plan

**Annual Operational Plan template 20**..............

**Directorate:**  ...........................................................................................................................................................

| Output | Mile-stones | Activities | Dependency deliverables/ role players | Allocated budget | Time | | Respon-sible unit(s) | Respon-sible person(s) |
|--------|-------------|------------|--------------------------------------|------------------|------------|----------|----------------------|------------------------|
| | | | | | Start date | End date | | |
| | | • | • | | | | | |
| | | • | • | | | | | |
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**agriculture,
forestry & fisheries**

Department:
Agriculture, Forestry and Fisheries
**REPUBLIC OF SOUTH AFRICA**

## PERFORMANCE MANAGEMENT WORKPLAN

| **Name of employee:** | **Job title:** | |
|---|---|---|
| **Persal No:** | **Period (year) of evaluation:** | **Quarterly date:** |
| **Directorate:** | **Subdirectorate:** | |

| **Linkages with KRAs of senior manager (or higher official)** |
|---|
| |

| **Key result areas [KRAs]** | **Key activities [per KRA]** | **Performance indicator(s) [per KRA]** | **Performance standards** |
|---|---|---|---|
| | • | | |
| | • | | |
| | • | | |

Employee: .................................................................... Date: ....................................................................
Signature

Supervisor: .................................................................... Date: ....................................................................
Signature

Member of
SMS (where
applicable): .................................................................... Date: ....................................................................
Signature

**A6. Template for service catalogue**

| |
|---|
| **Service name (name of the service rendered by directorate):** ........................................................................................ |

**Clients: Who are your clients with regard to the mentioned service?** .................................................................

...............................................................................................................................................................................

**Objective (objective of the service):** ...........................................................................................................

**Access (e.g. e-mail, fax, telephone or walk in):** .........................................................................................

**Information (e.g. pamphlets/departmental website):** ..................................................................................

...............................................................................................................................................................................

**Complaints mechanism (e.g. phone hotline/visit our office/fill in a complaint form):** ........................................

...............................................................................................................................................................................

**Contact information (e.g. Director: Aquaculture Technical Services):** ............................................................

...............................................................................................................................................................................

| **Service measure**<br>(e.g. relevant, accurate and timeous information) | **Agreed standard**<br>(e.g. response within 48 hours) |
|---|---|
| ........................................................................<br>........................................................................ | ........................................................................<br>........................................................................ |

## A7. Template for Service Delivery Improvement Plan

**SDIP for: (insert name of the department)** ......................................................................................................................

**For period:** ......................................................................................................................................................................

**Vision:** ...........................................................................................................................................................................

**Mission:** ........................................................................................................................................................................

| Key services | Service beneficiary | Current standard | | Desired standard | | |
| --- | --- | --- | --- | --- | --- | --- |
| | | **2008/09** | | **01/04/2009 to 31/03/2010** | **01/04/2010 to 31/03/2011** | **01/04/2011 to 31/032012** |
| | | **Quantity:** | | | | |
| | | **Quality:** | | | | |
| | | **Consultation:** | | | | |
| | | **Access:** | | | | |
| | | **Courtesy:** | | | | |
| | | **Openness and transparency:** | | | | |
| | | **Information:** | | | | |
| | | **Redress:** | | | | |
| | | **Value for money:** | | | | |
| | | **Quality standards:** | | | | |
| | | **Time:** | | | | |
| | | **Cost:** | | | | |
| | | **Human resources:** | | | | |

Minister/MEC: ....................................................................     Date: ....................................................
             Signature

DG/HoD: ....................................................................     Date: ....................................................
             Signature

Name of SDIP
Champion: ....................................................................................................................................

Contact
details: ....................................................................................................................................

## ANNEXURE B

### Concepts and definitions

In order to ensure that the purpose of this document is achieved, it is critical that terminology that will be used in the plans is defined. Each Directorate should reflect the broad MTSF priority, departmental strategic objectives, measurable output, output breakdown, milestones, performance indicators, and target dates.

| Term | Definition |
|------|-----------|
| **Activities** | These are processes or actions that use a range of inputs to produce desired outputs and ultimately outcomes. In essence, activities describe "what we do" – the key functions you will undertake, or things you will do, in pursuit of your team's objectives. |
| **Annual Operational Plan (AOP)** | Operational plans provide definitions and guidance on specific issues that everyone in the department can understand and relate to. It gives life to a strategic plan by translating the strategic objectives identified in the strategic plan. |
| **Action plan** | Is a detailed description of the strategies used to implement an objective. Action plans break strategies into manageable parts for a coordinated implementation of goals and objectives. Task specification includes staff assignments, material resource allocations, and schedules for completion. Action plans specify detailed cost and expenditure information and are often referred to as "operational plans" or "implementation plans." |
| **Branch objectives** | These must indicate how the branch/province/business unit contributes towards achieving the broader departmental strategic objectives. These objectives must be business-specific. |
| **Environmental scan** | Is an analysis of key external elements or forces that influence the conditions in which a department functions. This is commonly referred to as the opportunities of and threats to the department. |
| **Impact indicators** | These measure the extent to which the goal has been achieved, i.e. what happened with the implementation of the plan? Is the plan making any difference? |
| **Impacts** | These are the results of achieving specific outcomes, such as reducing poverty and creating jobs. They are the wider social achievements resulting from outcomes. |
| **Inputs** | These are all the resources that contribute to the production and delivery of outputs, "what we use to do the work". They include finances, personnel, equipment and buildings. |
| **Measurable objectives** | These are clear statements of the specific outcomes or results that can be achieved over the medium-term in a given programme. They are a tool to assess the effectiveness of an organisation's/department's performance and the public benefit that is derived. |
| **Measurable outputs** | These are deliverables/end products contributing to the achievement of the strategic objectives. Measurable outputs should follow the **SMART** principle, *viz* specific, measurable, attainable, realistic, and time-bound. |
| **Medium Term Strategic Framework (MTSF)** | These are areas of organisational performance that are critical to the achievement of government's mission over a five-year period. They are statements that describe the strategic direction for the organisation. It is useful to think of MTSF priorities as outcomes to be achieved by the department in line with the priorities of government. |
| **Milestones** | These are critical/significant steps that need to be taken in order to realise the measurable output and these should also be specific. |
| **Mission** | Is the department's unique reason for existence; the overarching goal for the department's existence, usually contained within a formal statement of purpose. It succinctly identifies what the department, programme or subprogramme does (or should do) and why and for whom it does it. |
| **Monitoring and reporting** | The systems to monitor progress compile management information and keep the plan on track. |
| **Outcome indicators** | These measure changes that result from the outputs (usually relatively short-term), e.g. changes in knowledge, attitudes, and skills as a result of the plan's activities. |

| Term | Definition |
|---|---|
| **Outcomes** | These are the medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve". |
| **Outputs** | These are the final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". Outputs are the final goods or services produced or delivered by the directorate or the department to the clients. The outputs define what the directorate delivers. They are within the control of the directorate. |
| **Outputs indicators** | These measure the products, services and systems that are put in place through activities of the plan, .e.g. staff trained and client served. |
| **Performance measures** | The performance measure is a management tool that measures work performed and results achieved. It describes (a) what is to be measured, and (b) the methods of measurement. The measure may be short, intermediate and/or long-term. |
| **Performance standards** | Standards express the minimum acceptable level of performance, or the level of performance that is generally expected. These should be informed by legislative requirements, departmental policies and service-level agreements. They can also be benchmarked against performance levels in other institutions, or according to accepted best practices. They indicate the expected level of performance associated with a particular performance indicator for a particular period and funding level. |
| **Performance indicators** | Are measures that are put in place that will indicate whether we have been successful in achieving the milestones. In other words, they reflect the achievement made towards the milestones. Performance indicators can be measured in terms of quality, quantity, and impact/outcome. A good Performance indicator must be:<br>**C**lear – precise and unambiguous<br>**R**elevant – appropriate to subject at hand<br>**E**conomic – available at reasonable cost<br>**A**dequate – must provide sufficient basis to assess performance<br>**M**onitorable – must be amenable to independent validation<br><br>Defining a good performance indicator requires careful analysis of what is to be measured. One needs to have a thorough understanding of the nature of the input or output, the activities, the desired outcomes and impacts, and all relevant definitions and standards used in the field. For this reason, it is important to involve subject experts and line managers in the process.<br><br>A good performance indicator should be:<br><br>**Reliable:** the indicator should be accurate enough for its intended use and respond to changes in the level of performance.<br><br>**Well-defined:** the indicator needs to have a clear, unambiguous definition so that data will be collected consistently, and be easy to understand and use.<br><br>**Verifiable:** it must be possible to validate the processes and systems that produce the indicator.<br><br>**Cost-effective:** the usefulness of the indicator must justify the cost of collecting the data.<br><br>**Appropriate:** the indicator must avoid unintended consequences and encourage service delivery improvements, and not give managers incentives to carry out activities simply to meet a particular target. |
| **Performance targets** | These express a specific level of performance that the institution, programme or individual is aiming to achieve within a given time period. |
| **Resources** | These are the money, people, time, facilities and equipment needed. |
| **Resource allocation** | The determination and allotment of resources or assets necessary to carry out strategies and achieve objectives, within a priority framework. |
| **Responsibility** | At the business planning level, it should be assigned to the different chief directorates (in the context of a branch), and in provinces and other business units it should be given to directorates/specialist units, e.g. IT and finance. |

| Term | Definition |
|---|---|
| **Stakeholders** | Are groups or individuals that have a vested interest or expect certain levels of performance or compliance from the agency. Stakeholders do not necessarily use the products or receive the services of a programme, therefore they are sometimes referred to as expectation groups. |
| **Strategic goals (SG)** | These are the performance areas most critical to the success of the department and where it is extremely important to achieve results. |
| **Strategic objectives** | These should give a clear indication of what the department intends doing or producing in order to achieve the strategic priorities it has set for itself. They would therefore normally describe high-level outputs or 'results' of actions that the department intends taking. Strategic objectives should support the MTSF priorities. |
| **Strategic plan ( SP)** | This is a departmental plan that focuses on the broader goals of the department. The goals range from three to five years. |
| **Strategic planning** | Is a long-term, future-oriented process of assessment, goal-setting, and strategy building that maps an explicit path between the present and a vision of the future, that relies on careful consideration of the department's capabilities and environment, and leads to priority-based resource allocation and other decisions. It includes the process of developing a strategic plan. Because strategic planning is a team effort that builds consensus on a future direction for an agency, the process itself is more important than the resulting document. |
| **Target dates** | These indicate the date of completion of the output and, in a business or operational plan, should correlate with the achievement of the final activity. |
| **Targets** | When talking about indicators, we also talk about targets. Targets are steps to aim for (in shorter time periods) along the way to achieving the objectives. A target is a particular level of service utilisation or service quality that we aim to reach within a specific time frame. |
| **Tasks** | These are the principal steps required to complete each activity, each resulting in an identifiable output. |
| **The baseline** | This is the current level of performance that the institution aims to improve. The initial step in setting performance targets is to identify the baseline, which in most instances is the level of performance recorded in the year prior to the planning period. So, in the case of annual plans, the baseline will shift each year and the first year's performance will become the following year's baseline. |
| **Vision** | Is a compelling, conceptual, vivid image of the desired future. A vision focuses and ennobles an idea about a future state of being in such a way as to excite and compel the department toward its attainment. It crystallises what management wants the department to be in the future. A vision is not bound by time, it represents global and continuing services, and serves as a foundation for a system of strategic planning. |