



Economy



Society



Justice, Crime Prevention and Security



International Relations, Peace and Security



Governance and Administration

statistics south africa strategic plan 2003/04 – 2005/06

'I like good news. I like to tell good stories about how well we are doing as a country. But please don't give me what I like, give me what I need, because part of what I need to do is to help deliver democracy to people who have waited for it to touch their lives. Government needs good statistics.'

Hon. Trevor Manuel, Minister of Finance

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strategic plan

2003/04 – 2005/06

Statistics South Africa
2003

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[preface]

**by the Honourable
Minister TA Manuel**



Strategic plans provide a road map, charting the route organisations intend following to reach a sequence of specified destinations. Like any good route map, they include milestones, stop-over points, and mechanisms to assess progress along the way.

I welcome the presentation of Statistics South Africa's first-ever comprehensive strategic plan, which sets out the department's goals for the next three years. The plan is an ambitious one: it includes plans for better meeting the quality requirements of stakeholders as well as strategies for increasing statistical capacity and competence amongst Stats SA staff and other producers and users of statistical data. It provides criteria for refocusing and prioritising Stats SA's core business – something that is critical in the transformation of institutions. This strategic focus will form the basis for the development of an integrated National Statistics System. It necessitates reprioritisation of functions and deliverables, and the development of new hierarchies of priority aligned to availability and allocation of resources.

Good statistics have to be reliable and comparable. But, equally important, they have to be useful to their users. Government as a whole needs good statistics, which are useful for planning, prioritisation in allocation of resources, and monitoring performance in the delivery of services, good governance and overall social and economic development. We need indicators to benchmark

and monitor our progress in poverty alleviation and employment creation; we need to know how government programmes are performing in providing houses, water, sanitation, education, and social welfare and security, and whether those programmes are successfully targeting those whose need for better social services and infrastructure is greatest.

When I opened a recent workshop on developing indicators to measure social development and progress, jointly hosted by the Presidency and Stats SA, I noted that I like good news. I like to tell good stories about how well we are doing as a country. But please don't give me what I like, give me what I need, because part of what I need to do is to help deliver democracy to people who have waited for it to touch their lives. Government needs good statistics. The government needs a timely, accurate, reliable and useful statistical system to provide the information needed to plan, implement, monitor and improve its delivery of programmes and services which enhance good governance, economic growth and social development. The importance of good statistical information was highlighted by President Mbeki's opening address to Parliament in June 1999 when he said, 'Our task is to build on the achievements reflected in the ... realities reflected in the figures issued by Statistics South Africa.'

This strategic plan holds out the promise of offering the users and stakeholders of statistics what they need, through the improved coverage and quality of statistical information.

Strategic plans are only as good as their implementation, and Stats SA now faces the task of translating this long-term plan into a set of operational and project plans, and ensuring that the resources allocated to these plans are used in a way which maximises their impact and success.



TA Manuel
Minister of Finance

There were an estimated 1,1 million farming operations in South Africa in August 2000
(Survey of large and small scale agriculture)



[introduction]

**by the Statistician-General,
Pali Lehohla**



This strategic plan marks a watershed in the development of official statistics in South Africa. Although this plan is in line with the three-year Medium Term Expenditure Framework (MTEF) period, its overall strategic implications on the organisation extend well beyond five years. The plan represents the outcome of a process of distilling the nature, value, development and influence of official statistics in South Africa and draws heavily on global lessons. The plan takes a historic perspective and maps out conditions under which official statistics can be benevolent in society and thrive. It concretises the vision of becoming a quality statistical knowledge centre in statistical production and lays the foundation for creating a National Statistics System. It identifies those who will benefit from good statistical information, the associated activities to create value for beneficiaries, and what tangible forms this value will take.

South Africa is amongst a few countries on the continent with a long history of legalised statistical practice; this dates back to 1904, when the importance and sanctity of statistics as a public good was recognised through the establishment of a Council. The object of the advisory agency (Council) of the Census Office was to ensure that the various statistical operations were conducted in the best interests of the 'public' and that they served practical purposes and were not merely of an academic nature. However, statistical practice and development subsequently followed a lamentable trajectory corroding this noble ideal. Reflecting the legal fiction of independent states, the Central Statistical Service

(CSS) saw its task as catering for the population of the remaining 'white' South Africa. Yet, because of the 'non-independent homelands' within its borders, this area in reality was very heterogeneous indeed, the majority of its population was African and, as change began to unfold, serious conflicts arose from divergence between new user needs and the CSS products, with negative implications for the system of official statistics.

As stated by the Honourable Minister in his preface, the production of statistics is critical in ensuring democracy for the people of this country. The Minister states, 'I like good news. I like to tell good stories about how well we are doing as a country. But please don't give me what I like, give me what I need, because part of what I need to do is to help deliver democracy to people who have waited for it to touch their lives. Government needs good statistics.' The critical moment of history for getting statistics on the right path was the enactment of the Statistics Act (6 of 1999), which empowered Statistics South Africa to collect and coordinate production of official statistics in the country. Implied by the Act, explicitly or otherwise, are the following questions: How do we get the public to appreciate the role and importance of statistics in society? What constitutes official statistics? Who needs official statistics and in what form are they needed? What statistics and information are required to inform policy, planning, implementation, monitoring and evaluation of government initiatives and programmes at national and sub-national levels? Who provides what statistical information and what gaps exist? What system would best provide rationalised and coordinated official statistics in a synergic and efficient manner? In addition to being a producer of specific statistics, how should Stats SA develop the National Statistics System and nurture it so that the gains are irreversible? How should Stats SA position itself as the standard-bearer of quality statistics, the professional conscience of the National Statistics System and the first 'point of call' for official statistics in the country? How should the quantity of official statistics be increased and how should their quality be improved? How does Stats SA become intensively strategy and user-focused?

This plan is a crystallisation of breakthrough ideas, arguments and proposals. It takes into account current and future requirements for official statistics and especially for policy, planning and decision-making, and for the monitoring and evaluation of government initiatives and programmes. It further considers the current situation of official statistics in the country and best practices in strategic planning. The implications of this plan are far-reaching and will change forever the way statistics are produced and used in South Africa. This transformation will see a wide range of users accessing comparable statistics through electronic

means, and utilising detailed spatial information to analyse the locations of poverty, and socio-economic development. This plan requires new ways of organising the collection and dissemination of statistics, new sets of skills, and enhanced and expanded statistical literacy within government and society as a whole.

I would like to thank all those who have participated in the process of designing this Strategic Plan, in particular, Prof Ben Kiregyera, a consultant from Paris21 (Partners in statistical development for the 21st century), which Stats SA co-chairs. Prof Kiregyera consults widely on the continent on statistical development and I wish to extend my great appreciation to him for his valuable assistance in the compilation of the strategic plan.

I appeal to all stakeholders and especially the staff of Stats SA to commit themselves fully to its implementation. Let the execution of the plan be 'everyone's everyday job' to achieve quality through people. Together we can contribute to a better South Africa for all with better statistical information.



Pali J. Lehohla
Statistician-General

[executive summary]



The proportion of African-headed households in non-urban areas with electricity as a main lighting source increased by 17,2% between 1996 and 1999 (October household survey, 1999)

The quality of policy decisions rests largely on the quality of the information on which those decisions are based. Integrated planning enables political leadership to focus less on monitoring the disparate efforts of different agencies and more on the lean set of outcomes resulting from the integrated initiatives of government. In order to implement integrated planning, it is necessary to have integrated information. This strategic document aims to chart the future of statistics in South Africa, and consequently of Statistics South Africa.

There is a critical relationship between good governance and statistical information. Internationally, democracy and development are increasingly underpinned by a cohesive, comprehensive and high quality set of statistical information. A set of indicators of national development provides this link.

A comprehensive review of Statistics South Africa and its functions is followed by a detailed assessment of the current situation of Statistics South Africa including recent improvements and initiatives. The bulk of the document is aimed at charting the way forward for Stats SA. The organisation's vision is ***to become a quality statistical knowledge and competence centre in statistical production and coordination and provide leadership in the promotion of evidence-based planning and decision-making to advance socio-economic development.***

In order to achieve this vision, Stats SA has identified six strategic themes. Each of these themes is related to Stats SA specifically and to the National Statistics System (NSS) in general. The themes are:

- enhancing the quality of products and services
- developing human capacity
- enhancing statistical integration through geography and registers
- transformation
- refocusing statistical information in line with user requirements
- developing the NSS.

What remains is the resourcing and implementation of the plan. This will require a concerted effort, not only from Stats SA itself, but also from all stakeholders concerned about the extent and quality of our country's statistical knowledge.



COLD DRINK R120
FRESH MILK R110

There were approximately 2,3 million people running at least one small or micro business in March 2001
(Survey of employers and self-employed)

[section 1]

**governance and
statistical information**



The General Government Service sector contributed 12,6% to the real value added to the GDP for the year 2001 (Gross Domestic Product, Fourth Quarter 2002)

1.1 Introduction

If you can't measure it, then you can't manage it has become the slogan of policy makers throughout the world. This has triggered global pressure to produce timely and accurate information especially to inform policy, planning, decision-making, monitoring and evaluation of development programmes, particularly in developing countries. Governments, therefore, require information for managing development. South Africa is an emerging economy with a unique history of statutory inequalities and ranks high amongst societies with the most unequal distribution of income; our information needs are at the same time extensive and urgent.

Yet, the legacy of the system for gathering information that the South African government inherited was fragmented and inconsistent, and focused on issues that had the least benefit to society.

Underpinning statistical development in South Africa was the political system of apartheid. In its political wisdom the white minority government brought about a system of self-determination based on race and ethnicity. Out of this regimen of power emerged eleven territories of governance. With them were ushered in

new responsibilities, including those for collecting statistics, resulting in a fragmented statistics system.

This document sketches the blueprint for improved national statistics which meet the needs of the new political dispensation.

1.2 Good statistical information for good governance

a) Globalisation, democracy and information

The last 15 years have witnessed the rapid globalisation of world politics and economy. Since 1994 South Africa has been part of this growing trend. While debate rages in many countries about the benefits of globalisation for rich and poor countries, its existence appears irreversible. Globalisation does not just mean the speeding up of communication, but more importantly, it signals the emergence of a universal convergence and homogenisation of ideological opinions, products and means of exchange. Democracy and development represent the core of the global political and economic agenda. Through international structures such as the United Nations, International Monetary Fund, World Bank, and other alliances such as the Organisation for Economic Cooperation and Development (OECD) and commonwealth, countries are being cajoled to abide by a core set of standards.

Along with this political and economic agenda comes the need to monitor the progress of countries along the path of democracy and development. To this end, the UN has a list of development indicators, which countries can use to compare their progress against each other and to ensure that comparisons are meaningful. These comparisons are a key competitive factor in attracting investment. In addition, specific international agreements call for special reporting standards to facilitate comparisons amongst countries.

b) South African Government priorities

Eight years ago, the South African government formulated the tenets of a development policy framework through the Reconstruction and Development Programme (RDP). It committed itself to transform South African society through:

- meeting basic needs
- developing human resources
- building the economy
- democratising the state and society.

Each of these programmes was articulated with high-level activities, the unbundling of which was left to implementing agencies, mainly government departments. More recently the development of the African continent, through NEPAD, has been added to this high-level list. The long-term directions have remained fairly constant over time although the medium-term priorities have shifted from the RDP to Growth, Employment and Redistribution (GEAR) and the Medium Term Expenditure Framework (MTEF) priorities. The government priorities, as reflected in the MTEF and the departmental clusters, that are most relevant to the arena of national statistics are as follows:

- poverty alleviation
- health (impact of HIV/Aids and other emerging and re-emerging diseases)
- access to basic services
- economic growth and job creation (including reduction in inflation, economic infrastructure and tourism)
- human development (including representivity in the workplace)
- crime reduction
- increased spending on social grants, municipal infrastructure and housing
- effective governance
- rural development/urban renewal
- education
- NEPAD/SADC.

c) Integrated planning

Medium-term priorities of Government are reflected through the Medium Term Strategic Framework (MTSF) and the cluster system. These priorities number over 50 and must inform both planning at departmental level and the information required to monitor progress.

The key to RDP, GEAR and the MTSF is the cross-cutting nature of their priorities, which cannot be handled at a departmental level. Each priority requires an integrated approach. Equally important, the information needed to monitor and inform them is scattered over many different datasets. South Africa plays a key role in NEPAD and the SADC region. Here too, reliable, cross-cutting, and internationally comparable statistics are needed to inform regional initiatives.

Integrated planning enables the political leadership to focus less on monitoring disparate efforts of different agencies and more on a lean set of outcomes coming out of integrated structures of government. The framework for this process was adopted by Cabinet in January 2002, and links political priorities, executive imperatives, cluster concerns, departmental strategies, budgeting and reporting in government.

The government has grouped departments into five clusters for this reason. They are the social sector cluster, the economic investment and employment cluster, the governance and administration cluster, the justice, crime prevention and security cluster, and the international relations, peace and security cluster.

The Planning, Coordination and Advisory Services (PCAS) established in the Presidency aims to drive the process of integrated planning. It will translate cabinet priorities into cluster and consequently departmental policy goals. It will need cross-sectional information to monitor the implementation of these goals. This information will be sourced through the NSS and government's management information system (KITE).

Integrated planning is also seen as a priority at local and provincial levels. In the provinces the Premier's Office frequently plays this integrative role. At local authority level, the process is formalised through the formulation of integrated development plans, which aim to match community needs with spatial, economic and social development activities. The Department of Provincial and Local Government is establishing a set of generic performance indicators to

measure performance at these levels of government. Stats SA has the responsibility to assist them to collect information to meet their individual needs.

d) Information requirements for integrated planning and the need for indicators

Integrated planning requires the effective use of information, thereby avoiding unhealthy competition in production and resulting in unproductive debates, which frustrate decision-making. There are many datasets that are not consistent, and decision-makers are not sure which sets to use.

The integrated nature of the government's priorities points clearly to the need for a set of national statistics, a framework of quality standards, and a system to coordinate and maintain them. In line with international practice the primary source of information for monitoring government performance will be a set of national development indicators. These indicators will provide the high level signals as to whether government programmes are achieving the desired outcomes and impact.

There are two sets of indicators which measure government performance. The first set is usually produced directly by departments or parastatal bodies and has a sectoral-specific focus. The second set of indicators cuts across sectoral concerns and provides information on encompassing goals such as poverty reduction, child nutrition, etc. The first level of indicators will measure departmental inputs and outputs. The second set measures the outcome, or impact of policy initiatives. A coordinated planning and indicators system has multiple benefits, which are constrained in its present fragmented form. It is now imperative that the situation is arrested.

[section 2]

national statistics



Among African-headed households in South Africa, 15,7% were living in informal dwellings in September 2002 (Labour force survey)

2.1 Introduction

Given the need for evidence-based decision-making and the current fragmented state of statistics, it is clear that there is a need for a national integrated statistical information framework. National statistics is the coherent body of data produced as the basis for policy choices and decision-making. Since information is produced from multiple sources, there is a need to advance standardisation, quality, consistency, and comparability while eliminating unnecessary and costly duplication.

The statistical information produced by Stats SA, as the official statistics agency, forms the foundation for all national statistics. However, the worldwide role of statistical agencies has been changing. More and more agencies are being asked to certify and capacitate other bodies in the collection of statistics. Similarly in South Africa, section 14(7)a of the Statistics Act (No. 6 of 1999) empowers the Statistician-General to designate as official, statistics produced by Statistics South Africa or any other organ of state.

2.2 How statistical information is obtained

There are three primary ways that statistical information is collected.

Firstly, departments generally collect information on their activities for their own management purposes. These are frequently stored in departmental management information systems and provide the input and output indicators.

Secondly, administrative data is collected through the completion of official forms, but usually for the purposes of a specific organisation. An example would be the recording of a birth on the population register, which is sourced through the completion of a notification of birth form. The information from these registers can be utilised to produce indicators such as population growth. This information may also form a sampling frame from which samples for population-based surveys can be drawn.

Thirdly, surveys and censuses are statistical collection methods, which collect information from specific companies, households or individuals through a questionnaire. Surveys and censuses are the most useful tool to collect information for outcome and impact indicators.

Given these different methods of collecting data and the myriad of role players in statistical production, a need exists to ensure the integrity and comparability of these different datasets.

2.3 The quality of national statistics

For the Statistician-General to designate statistics as official, they must pass certain criteria. Any institution wishing to have its statistics designated as official must belong to the National Statistics System. The agency must demonstrate the capacity for the production of the statistics to be sustained in terms of people, infrastructure and equipment. And the statistics must satisfy the following quality requirements, which are identified in the Data Quality Assessment Framework (DQAF) developed by the International Monetary Fund (IMF):

- **Relevance:** Statistics must meet current and diverse information needs for major users and anticipate future information needs.

- **Integrity and credibility:** The practice of professionalism, transparency and ethical standards help to create a brand name associated with independence and separation from political influence.
- **Methodological soundness:** The collection and handling of statistics must follow internationally accepted standards, guidelines, or good practice.
- **Accuracy and reliability:** This quality dimension refers to the ability of statistical outputs to sufficiently portray reality. The dimension requires that source data provide an adequate basis to compile statistics, that statistical techniques used conform to sound statistical procedures, and that source data and statistical outputs are regularly assessed and validated.
- **Consistency:** Data reconcilability within datasets, over time and with other major datasets in the country.
- **Timeliness:** Minimum time lag between data collection and release of information. Timeliness enhances the usefulness of data.
- **Accessibility:** The extent to which information is available to users, data and metadata are clear and easily available, and assistance to users is adequate to help them find and use the data.

Not all statistics will be designated as official statistics, nor would this be desirable. For this reason a five-tier hierarchy is used, of which only the top category constitutes official statistics.

The five-point scale is given below:

Five – Official statistics: Statistics will be designated as official statistics if they are sustainable, meet the quality requirements and are relevant beyond the organ or agency that collected them.

Four – Significant statistics: Once-off statistics which satisfy the quality requirements and are relevant beyond the organ or agency that collected them. By definition, once-off statistics cannot be sustainable.

Three – Departmental statistics: Statistics which satisfy all the quality criteria, but which are relevant only to the department collecting them may be classified as departmental statistics. Departmental statistics may be once-off or sustainable.

Two – Acceptable statistics: These are statistics which meet most quality standards. Statistics will be designated as acceptable to the extent that, despite their limitations, some deductions can be made and they can therefore be utilised.

One – Questionable statistics: Statistics will be labelled as questionable if the methods used to collect and compile them are suspect or if conclusions that could be drawn from the sample are inappropriate. This would include uncontrolled measurement error, reporting standards not defined, problems of overgeneralisation or systematic error.

It is intended that all statistical indicators and datasets that have a bearing on public policy will be classified according to this typology.

2.4 The legal framework for national statistics

The Statistics Act (section 14) enables the Statistician-General to promote coordination among organs of state regarding the application of appropriate quality criteria and standards, classifications and procedures for statistics, in order to:

- advance the quality, consistency, comparability and optimum use of official statistics; and
- avoid unnecessary duplication in the collection and publication of statistics.



Real GDP at market prices increased by 3,0% in 2002
as compared with an increase of 2,8% in 2001
(Gross Domestic Product, Fourth Quarter 2002)

[section 3]

**assessment of the current
situation at stats sa**



Data processing

3.1 Introduction

In order to ensure a proper flow of statistical information to inform policy and decision makers, a strong statistics agency is a *sine qua non*. Statistics South Africa has never been adequately resourced and this problem is even more serious now that it faces additional challenges and requirements. This section focuses inwards and examines the competencies and weaknesses of the organisation which either enhance or reduce its ability to respond to the challenges posed by the external environment.

a) Statistics South Africa

Stats SA is a national government department accountable to the Minister of Finance. The activities of the department are regulated by the Statistics Act (6 of 1999) which ensures independence from political interference in the production and dissemination of official statistics.

In the Statistics Act (6 of 1999), the role of the department is defined as informing organs of state, businesses, other organisations and the general public in planning, decision-making, monitoring and assessment of policies.

Further, Stats SA is to:

- promote coordination among statistical producers in South Africa in order to advance the quality, consistency, comparability and optimum use of official statistics and thereby avoid unnecessary duplication;
- provide statistical advice to government departments; and
- liaise with the statistical agencies of other countries, and other international agencies.

Therefore, its task is to coordinate, collect, process, analyse and disseminate official statistics in support of economic growth, socio-economic development, and promotion of democracy and good governance.

b) Statistics Council

The Statistics Act makes provision for a Statistics Council consisting of between 15 and 25 members, whose appointment has to be approved by Cabinet. These members include one representative from each province, and nominated members from organs of state, organised business and labour, the statistics community, researchers and the general public.

The Statistics Council advises the responsible Minister, the Statistician-General and other organs of state on statistical matters. It is also responsible for promoting, coordinating and safeguarding the system of official statistics. More specifically, its role is to:

- assist with the classification of statistics as official or otherwise
- act as an independent watchdog and quality assurance body
- oversee all statistical activities of organs of state
- inform the annual programme of Stats SA
- promote Stats SA and the NSS
- monitor the performance of Stats SA and the NSS
- respond to requests for advice.

The Statistics Council is independent of Stats SA and submits its own periodic reports to the Minister.

3.2 Current Stats SA activities

a) Core business

The department's core business at present is the production of a range of economic, social and population statistics. More specifically, these include:

- **economic statistics** on various aspects of the economy derived from information from businesses, enabling the compilation of indices such as the producer price index and consumer price index; trends in employment, production volumes and prices in various sectors; and financial statistics of government and the private sector;
- **social, employment and population statistics** based on household surveys, a five-yearly population census, and administrative records;
- **national accounts** such as the gross domestic product, supply and use tables, and social accounting matrices; and
- **analyses** of the demographic, social and economic data.

A further core activity of the department is the development of the National Statistics System, which will coordinate the production of official statistics, a set of development indicators to measure national, provincial and local government performance and promote statistical literacy and capacity building in government.

b) Support activities

Support activities consist of both statistical and management support functions.

Statistical support activities include:

- spatial referencing and analysis through a geographic information system (GIS);
- publishing and promotion of all statistical information including a user information service;
- maintenance of a register of businesses which forms the sampling frame for economic surveys;
- enhancement of data through the application of information and communication technology; and
- development of statistical quality and methodology concepts for application in the various survey areas.

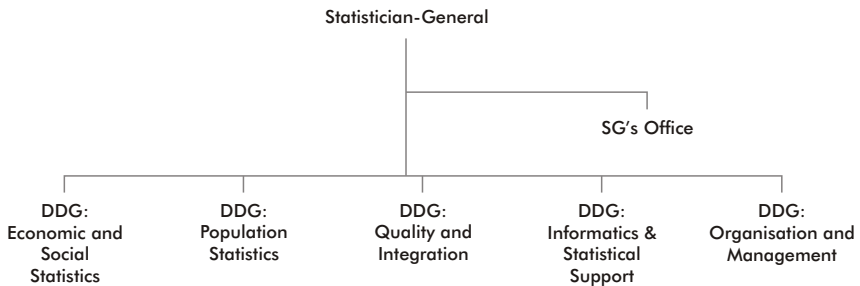
Management and administrative support functions include:

- an executive management structure responsible for strategy and policy;
- programme management with a management information system to monitor operational performance and spending;
- financial and provisioning management;
- an internal audit component guided by an independent internal audit committee;
- human resource management to attract, develop and retain skilled staff; and
- improvement of service delivery through strategic planning, performance management and organisational development.

3.3 Organisational structure of Stats SA

In order to ensure sustained quality through the development of people and to facilitate the development of national statistics, Stats SA has adopted a new organisational structure. The recognition of the need to restructure coincided with the promotion of the department to schedule one of the Public Service Act. This change in status necessitated a revamp of the management echelon.

The following chart depicts the strategic level structure of Stats SA.



Stats SA's head office is located in Pretoria and there are nine provincial offices. The head office is mainly responsible for planning, coordination and statistical production at a national level whilst the provincial offices play a key role in user liaison and data collection at a provincial level.

The structure consists of five Deputy Director-General (DDG) clusters, as follows.

- The Economic and Social Statistics, and Population Statistics clusters comprise the core statistical product output areas.
- The Quality and Integration, and Informatics and Statistical Support Services clusters comprise the core statistical support areas.
- The Organisation and Management cluster comprises the corporate support area.

The Statistician-General's office provides key strategic direction and integration to the organisation.

The objective of a flatter structure to promote staff development was achieved through redesigning the organisational job categories. Government's 16 remuneration levels have been mapped to seven occupational categories. These are given in the following table.

Table 1 : Stats SA occupational categories

| Category | Levels | Role |
|--|--------|---|
| Statistician-General | 16 | the head of the department |
| Deputy Directors-General | 15 | strategic level of leadership |
| Executive managers | 13-14 | providing confluence between strategy and operations |
| Managers | 9-13 | operational level of management, implementing strategy |
| Professionals | 6-13 | responsible for producing specific outputs |
| Statistical and administrative support | 6-10 | perform routine functions in statistical or support areas |
| General office support | 3-6 | focusing on manual tasks |

3.4 Resources

It is the combination of human, financial and physical resources that allows an organisation to develop its products or offer its services effectively, efficiently and with value for the user.

a) Human resources

The key competence of Stats SA has been its ability to collect, process, analyse and disseminate large-scale statistical information. This work requires highly skilled staff. In addition, as the leader of the NSS, Stats SA requires professionals with coordination and advanced statistical methodology and analysis skills.

However, due to low levels of funding and an uncompetitive remuneration structure, it has not been possible to employ and retain adequate numbers of senior managers and professionals with the required skills. This places great strain on existing personnel, who feel they put in a disproportionate effort for the reward received. In addition this has resulted in an operationally focused senior management echelon without the time or expertise to properly listen and respond to user requirements. At the same time, the growing awareness in government of the importance of statistical information, and the monitoring and evaluation requirements of the Public Finance Management Act (PFMA), have created intense demand for statistically trained professionals in government. The supply of professional statisticians within South Africa is very limited and currently the best source of these officials is Stats SA, making it difficult to retain staff.

Table 2 illustrates that of Stats SA's 279 professional staff, only 11% have master's degrees, and 1% have PhDs. This results in management staff having to perform most of the high level technical jobs, diverting their attention from managing processes and ensuring administrative coherence. This has been taken into account in the creation of the new job categories, making it possible to remunerate professionals on a Senior Management Services (SMS) level. This should ameliorate the problems experienced in retaining high-level skilled staff.

Table 2: Breakdown of educational qualification per job category

| Job category | Education attainment | | | | | | |
|-----------------|----------------------|-------|-----------------|----------|---------|---------|-----------|
| | Lower than Gr 12 | Gr 12 | Gr 12 + 1/2 yrs | Tertiary | Honours | Masters | Doctorate |
| General support | 26% | 45% | 19% | 9% | 1% | 0% | 0% |
| Admin & stat | 11% | 10% | 15% | 58% | 5% | 1% | 0% |
| Professional | 1% | 17% | 11% | 36% | 23% | 11% | 1% |
| Manager | 0% | 0% | 5% | 38% | 26% | 21% | 10% |
| Senior manager | 0% | 0% | 0% | 28% | 33% | 17% | 22% |

b) Employment equity

Stats SA acknowledges the need to advance staff members from designated groups through training, development and career advancement. This programme is intimately tied to the capacity building process.

Over the last five years, progress has been made towards the achievement of a representative workforce. Tables 3 and 4 show the race and gender breakdown in the Senior Management Service (SMS) and below this level respectively. The tables demonstrate that while black people occupy a large percentage of positions at lower levels, the management echelon is not fully representative of the population profile especially in terms of Africans and females.

Table 3: Number of senior staff (SMS level) per race and gender as at December 2002

| | African | Asian | Coloured | White | Non-SA citizens | Total |
|--------------|-----------|----------|----------|-----------|-----------------|-----------|
| Female | 4 | 2 | 0 | 5 | 3 | 14 |
| Male | 10 | 1 | 4 | 9 | 4 | 28 |
| Total | 14 | 3 | 4 | 14 | 7 | 42 |

Table 4: Number of staff below SMS per race and gender as at December 2002

| | African | Asian | Coloured | White | Non-SA citizens | Total |
|--------------|------------|-----------|-----------|------------|-----------------|------------|
| Female | 193 | 8 | 8 | 160 | 6 | 375 |
| Male | 244 | 9 | 13 | 49 | 7 | 322 |
| Total | 437 | 17 | 21 | 209 | 13 | 697 |

One of the significant problems faced by the department is the large number of contract staff employed both on a project basis and in a more long-term capacity. Contract staff are mainly employed in the administrative and statistical support category. This tendency creates problems such as lack of commitment, low motivation, and increased expense on retraining people for the same job.

c) Financial resources

As a result of its history, Stats SA has never been adequately funded to carry out the limited mandate it has had to this point. It has been noted that when inflation is factored into budget increases, and the lumpy expenditure of the census is excluded, Stats SA has only once received any significant increase in its budget allocation. If Stats SA is to properly fulfil its role within the NSS, as articulated later, funding levels will require a significant increase.

Table 5: Actual and budgeted expenditure (R '000)

| Programme | Estimated actual | Medium-term expenditure estimate | | |
|-------------------------------------|------------------|----------------------------------|----------------|----------------|
| | 2002/03 | 2003/04 | 2004/05 | 2005/06 |
| 1 Administration | 59 607 | 74 470 | 82 599 | 108 630 |
| 2 Economic & Social Statistics | 53 872 | 78 400 | 89 801 | 96 180 |
| 3 Population Statistics | 163 018 | 21 308 | 127 746 | 229 194 |
| 4 Quality & Integration | 11 863 | 22 105 | 26 612 | 28 109 |
| 5 Statistical Support & Informatics | 66 874 | 96 917 | 109 441 | 119 112 |
| Total | 355 234 | 293 200 | 436 199 | 581 225 |

Financial planning is driven by Treasury requirements within the PFMA and MTEF guidelines. While there have been improvements in the linking of planning and budgeting over the past few years, there is still room for further development.

d) Information technology

Information and Communication Technology (ICT) underpins the collection, processing, analysis and dissemination of statistical information. The intention of Stats SA is to use appropriate cutting-edge technology to enhance the effective production of quality statistical information. However, the deployment of ICT has often been fragmented within the organisation and not guided by a strategic approach aligned with the core business requirements of the department.

e) Physical facilities

i) Buildings

Stats SA has moved to a larger and more flexible building to accommodate its new organisational structure. The new building is open plan and contains substantial space for teamwork activities. The new facility sports a state-of-the-art one-stop information-shop for enhanced user access to statistical information.

Additional facilities such as a 160-seater auditorium, staff canteen, modern furniture suitable for open plan and a museum will promote a more professional and employee-friendly working environment.

ii) Vehicles

Stats SA has a substantial vehicle fleet which is used primarily for field work during household surveys and census. There are 37 vehicles at head office and 211 vehicles allocated to the provincial offices. The estimated value of all vehicles is R10 million.

3.5 Recent improvements and initiatives at Stats SA

During the past 18 months Stats SA has made substantial progress in its transformation in several key areas.

a) Quality in economic statistics

Significant moves have been made to improve the quality of certain statistical series. The focus was on economic statistics through enhancements to the business register and the drawing of new samples, which more effectively cover the whole economy.

b) Total quality management

A programme based on quality management principles was initiated with the adoption of three pilot projects. The chosen projects are:

- the business frame (improving the quality and usability of the frame)
- household surveys (creating an accurate sampling frame)
- recruitment (a process to plan recruitment activities).

These pilot projects are a precursor to the implementation of a quality management system throughout Stats SA.

c) Statistical capacity building at Stats SA

In order to ensure that South Africa produces quality statistics into the future, Stats SA has embarked on a process of building statistical capacity.

The key initiative in this regard was the enrolment of 23 Stats SA staff members for diploma and post-graduate courses in official statistics at the statistical training institutes at Makerere University (Institute of Statistics and Applied Economics – ISAE) in Uganda and at the East African Statistical Training Centre (EASTC) in Tanzania.

A similar number of other staff members are attending either full-time or part-time academic courses to improve their expertise within their work area. These formal capacity-building programmes complement the extensive international exchange programmes Stats SA has with other statistical agencies. Introductory statistics courses are also conducted. Stats SA provides bursaries to staff members who wish to undertake studies on their own initiative. During 2002/03, 140 staff members were granted bursaries amounting to R733 954.

d) Organisational Development Task Team (ODeTT)

A cross-organisational task team for transformation has been established to drive organisational development. This team, together with management, developed an Agenda for Change for Stats SA to ensure that quality through

people is achieved. ODeTT was tasked with fleshing out the Agenda for Change, of which the key elements are as follows:

- people development
- leadership and management development
- process and systems development
- culture and environment development
- organisational design.

e) Building a National Statistics System

The start of coordination capacity for the NSS was created through the appointment of five senior managers within the Statistician-General's office. Three workshops were held with participation from users, producers and suppliers of statistical information from a wide range of national and provincial departments. The first workshop focused on statistical capacity building with the second exploring the role and elements of the NSS. The third workshop focused on developing a system of indicators as a key output of the NSS.

f) Integrated planning and project management

The new challenges placed on Stats SA by the NSS require sections to work together in more integrated manner. In order to facilitate this, and provide ongoing monitoring of activities, Stats SA has established a project and MIS office. This office will oversee the increased use of project management tools and the development of a comprehensive management information system.

A set of principles has been adopted by the organisation to ensure the infusion of quality considerations in all project work.

g) Performance management

As Stats SA rapidly evolves into a strategy-focused organisation, traditional performance appraisal methods no longer work to optimise the contribution of each section and individual. A new performance management system which links organisational strategy and component level objectives with individual performance goals is being rolled out across the organisation. This will enhance the ability of the department to achieve its strategic goals.

[section 4]

**vision, mission and
strategic objectives**



Nineteen per cent of secondary school learners have access to computers at home
(Census @ School, September 2001)

4.1 Introduction

This section looks at how Stats SA should move forward. It presents a new vision for the organisation, its mission, core values and primary role, and strategic objectives for realising the vision and mission.

4.2 Vision

Statistics South Africa will become a quality statistical knowledge and competence centre in statistical production and coordination and provide leadership in the promotion of evidence-based planning and decision-making to advance socio-economic development.

4.3 Mission

The mission of the department is to collect, process, analyse and disseminate high quality official and other statistical data and information and coordinate the National Statistics System, in support of economic growth, socio-economic development, democracy and good governance.

The vision and mission take into account users' needs and inspire user confidence in the integrity, reliability and relevance of official statistics.

4.4 Core values

Stats SA is currently in a transformation process which involves restructuring, changing work methods, building a representative work force and developing a corporate culture and environment which promotes quality service delivery. The following key categories of core values were identified at the recent strategic planning lekgotla:

- empowerment
- transparency and accountability
- excellence, quality and performance
- respect.

4.5 Primary role of Stats SA

In line with its vision and mission, the primary role of Stats SA can be described as two fold.

- Producing statistical information to inform stakeholders in planning, policy formulation, monitoring and evaluation, and decision-making. Stats SA's core competence lies in its ability to collect data in large-scale surveys, censuses and registers, and to process, analyse and disseminate it to users. Stats SA's main business in this regard should be to produce and disseminate statistical information that highlights the outcomes and impact of policy, rather than inputs or outputs. By definition, this requires a cross-cutting and integrative focus.
- Enhancing its own competencies and the competencies of other partners through the coordination of the NSS. This requires an emphasis on capacity building both within Stats SA and other departments, the establishment and development of quality standards and certified methodologies within the context of national statistics and the promotion of common systems and integration tools such as a system of registers and a national spatial frame, among other elements discussed in Section 2 above.

4.6 Strategic themes

In order to achieve its vision and mission, Stats SA has identified the following strategic themes. For each theme, there are a number of strategic focus areas. The focus of the organisation's strategy is to meet the statistical information requirements of its stakeholders and users. This requires Stats SA to ensure the quality, relevance and integrity of all its products and services. This emphasis on enhanced quality and coherence does not apply to Stats SA's products alone, but to all national statistics.

Strategic theme 1: Enhancing the quality of products and services

The development and application of world-class quality standards, classifications, methods and systems, both within Stats SA and across the NSS as a whole, will be the central pillar of the quality drive, which is also focused on improving the management of Stats SA. This strategy is concentrating on the following areas:

- **enhanced data quality**, for effective evidence-based decision-making;
- **financial management**, to ensure appropriate resourcing of the organisational strategy by aligning it with the budget;
- **informatics and technology**, which is at the heart of the effective processing, analysis and dissemination of statistical data;
- **strategic management systems**, comprising an integrated strategic performance management system, the ongoing alignment of the structure to the organisational strategy and the development of relevant quality management frameworks and processes; and
- **operational excellence** through the Management Information System, to enhance the effectiveness and efficiency of operations within both Stats SA and the NSS.

Strategic theme 2: Developing human capacity

Employees are the most valued asset of the organisation. Well-trained staff are essential for the sustainable production of quality products and services. This underscores the critical need for a comprehensive strategy for developing human resources at Stats SA. The strategy aims to guide and systematise investment in human resources in order to transfer knowledge, broaden the strategic skills base and raise staff motivation in the following ways:

- **recruitment and retention of employees**, guided by an employment equity plan as well as the implementation of policies on staff rotation, career development and staff motivation;
- **human capacity** through the implementation of various capacity building programmes; and
- **quality and coordination of human development** by ensuring compliance with the national skills development legislation and the workplace skills plan.

Strategic theme 3: Enhancing statistical integration through geography and registers

Statistical integration will be enhanced through geography and registers and its success will be ensured by:

- **developing and maintaining a geographic framework** which will link geographies and statistical data, to enable the analysis of socio-economic development on geographically detailed levels; and
- **integrating registers**, by harmonising their systems and content, to allow for comparability across them.

Strategic theme 4: Transformation

This strategic plan is essentially about the transformation of the statistical system to meet the needs of a transforming society. Ensuring that Stats SA transforms at the same time requires attention to the following areas:

- **employment equity and diversity**, through the implementation of the Employment Equity Plan, and an Affirmative Action policy and programme which includes career advancement initiatives;
- **corporate culture and value system**, which is critical in directing the basis of staff behaviour and decision-making at all levels;
- **leadership**, through the adoption of African and transformational leadership principles; and
- **positioning the organisation** through the development and implementation of a corporate marketing and communication strategy.

Strategic theme 5: Refocusing statistical information in line with user requirements

The premise of Stats SA's strategy is that statistical information must meet the requirements of all users. While the NSS will ensure this alignment for all statistical information produced in the country, it is critical that Stats SA ensures that the information it produces is meeting the demands of our users by:

- **producing statistics according to user needs** based on a user needs assessment, which will include consultations with users, producers and suppliers of statistics; and
- **transferring responsibility for non-core business** by identifying relevant activities and surveys and transferring them to the relevant department after getting agreement and ensuring that statistical capacity is developed.

Strategic theme 6: Developing the NSS

The Statistics Act provides a framework for improving the quality of statistics, enhancing the comparability of statistics and minimising unnecessary overlaps and duplication in the collection and publication of official statistics. The National Statistics System is the vehicle for implementing this legal mandate. In its drive towards meeting stakeholder needs, Stats SA will provide leadership in establishing and coordinating the NSS, as a natural outcome of its strategic approach.

The NSS is a partnership of suppliers, producers and users of national statistics for the efficient production and effective use of these statistics. This partnership is aimed at meeting the demands of users for accurate, relevant, and timely statistical information. Stats SA will be the hub of the NSS. In order to accomplish the above, the coordinating framework must ensure the following:

- **a system of development indicators**, which are high-level measures of national and sub-national performance in a range of different delivery areas;
- **the development of a management system for statistical information (MSSI)**, which will provide access, via a web interface, to the data holdings of NSS partners;
- **statistical advocacy and partnerships** to create a high level of general awareness about the role and importance of statistics to society;
- **a statistical master plan** to provide a coordinated, coherent and effective statistical service, in tandem with the national policy agenda and priorities for development.



In September 2002, an estimated 20,8% of working women were employed in the informal sector (Labour force survey, Sep 2002)

[section 5]

**implementing the
strategic plan in 2003/04**



A total of 996 552 low-income houses were constructed between 1 April 1994 and 31 March 2000 (Department of Housing)

5.1 Introduction

The preceding sections of this Strategic Plan have focused mainly on the long-term strategic priorities of the organisation. In this section the key activities and outputs as well as objectives of each DDG cluster are documented. Furthermore, the various new activities that are to occur within the organisation are detailed.

5.2 Executive and Organisational Management provide corporate support for the activities of the department. Executive management provides strategic leadership to the department and includes the office of the National Statistics System.

Organisational management includes Finance and Provisioning Administration, Human Resource Management, Strategy and Service Delivery Improvement and Legal Services.

Provision for the NSS over the medium term will focus on establishing a framework for developing and implementing a Statistical Master Plan for the NSS; coordinating the establishment of an MSSl (Management System for

Statistical Information); and conducting a statistics audit of departments. Furthermore the organisation will focus on the development and maintenance of a programme and project management information systems (MIS) for Stats SA.

5.3 Economic and Social Statistics produces economic and social statistics to meet user requirements.

Objective:To provide statistical information which is accurate, relevant and timely in order to inform socio-economic decision-making.

| Division | Output | Measure/Indicators | Target |
|---------------------------------|---|--|---|
| Industry and Trade Statistics | Statistical information on industry-related activities in the primary, secondary, tertiary, services and transport sectors of the economy | Number of series and releases produced as per release schedule | 12 monthly series 1 quarterly series 6 annual series |
| Employment and Price Statistics | Statistical information on the composition and characteristics of the workforce in the South African formal non-agricultural business sector Statistics on various goods and services to monitor price changes | Number of series and releases produced as per release schedule | 2 quarterly series 3 monthly series (one will only commence publication in January 2004) |
| Financial Statistics | Financial statistics on national, provincial, local government and the private sector | Number of series and releases produced as per release schedule | 2 quarterly series 11 annual series |
| Social Statistics | General Household Survey providing information on living conditions of South Africans Statistics on labour market dynamics which include employment and unemployment | Number of series and releases produced as per release schedule | 1 annual series 1 six-monthly series |

The following are the various key new activities that are planned for the next MTEF period in response to user requirements for expanded data with improved coverage and quality:

- **General Household Survey** – to collect social indicator data for each province for accelerated rural development and urban renewal with a proposed sample size of 30 000 households. The General Household Survey will provide demographic information as well as information on

employment, living conditions and development indicators and will measure the status of development and living conditions annually;

- **Rural CPI** – to provide price data within user requirements that accurately reflect changes in consumer prices for the rural areas;
- **Tourism Surveys** – to improve the coverage of sectors that are directly related to tourism by collecting data regarding short-stay accommodation, the tourism-related catering industry and tourism services;
- **Service Sector Large Sample Survey** – to provide detailed information on the state of the service sector; and
- **Service Price Index** – to monitor producer and consumer price changes in the service sector.

5.4 Population Statistics produces population statistics and conducts the population census.

Objective: To provide information on the demographic characteristics of the country at all levels of government in order to inform policy and planning

| Sub-programme | Output | Measure/Indicators | Target |
|--|--|---------------------------------------|----------------------|
| Population Census (all sub-programmes) | Census 2001 results and publications | Results released by scheduled date | 30 April 2003 |
| | Census 2006 planning documents | Number of approved planning documents | 2 planning documents |
| Demographic Analysis | Thematic reports on fertility, mortality, migration and nuptiality as well as population projections and estimates | Number of reports and projections | 3 reports |
| Vital Statistics | Statistical information on births, deaths, marriages and divorces | Number of reports produced | 4 annual reports |

Planned activities include the production of all Census products, the publishing of the standard Census 2001 reports and the development of the website for the Census 2001 results. Over the medium term, the organisation will focus on the planning and development of tools and techniques for census data collection for Census 2006. Specific activities will include extensive consultations with users of census data and a review of the lessons of Census 2001.

5.5 Quality and Integration provides expertise on quality and methodology for official statistics, builds capacity for the production and use of official statistics, compiles national accounts and analyses other statistical data.

Objective: To integrate social, economic and demographic statistical information to enhance the quality and usage of national statistics.

| Sub-programme | Output | Measure/Indicators | Target |
|-------------------------------|--|--|---|
| Quality and Methodology | Statistical quality and methodology support service to all producers of statistics | | |
| | Compendiums of concepts, definitions and classifications | Number of compendiums | 2 documents |
| | Research reports on methodological issues | Number of research reports | 2 reports |
| Integrative Analysis | Analysing and integrating findings from various databases, narrative and graphic reports | Number of reports produced | 3 reports |
| National Accounts | Data about the level of economic activity within a coherent system of concepts and classification | Number of reports produced according to timetable | 1 quarterly series 3 annual series 2 periodic reports |
| Statistical Capacity Building | Achieving a critical mass of skilled individuals by: <ul style="list-style-type: none"> • a targeted statistical literacy programme • an accredited in-house training programme • a database of accredited tertiary level education providers | Number of Stats SA staff members participating in programmes | 120 staff members |

New activities over the medium term will focus on enhancing general capacity, both human and technological, to provide quality and integration.

5.6 Statistical Support and Informatics promotes and provides better access to official statistics by optimising technology in the production and use of official statistics and by developing provincial capacity to support the production and use of official statistics.

Objective: To develop and strengthen systems at national, provincial and district level to improve access to statistical information.

| Sub-programme | Output | Measure/Indicators | Target |
|--|---|--|--------------------|
| Geography | Geographic framework for spatial analysis of statistical information | Percentage of geographic coverage of country | 40 per cent |
| System of Registers | Sample frame for the collection of economic statistics | Timeous production of updated sample frames | 1 annually by June |
| Information and Communications Technology | A local area and wide area network to facilitate information sharing | Percentage of time of network availability | 98 per cent |
| Statistical Information Services | Accessibility of Stats SA's statistics to all users, in accordance with its obligations to disseminate statistical information for the public good | Number of calls to User Information Services | 48 000 per annum |
| | | Number of hits on the website | 800 000 per month |
| Provincial Offices/ Provincial Co-ordination | Fieldwork capacity within Stats SA for surveys and censuses, statistical information solutions for provincial and local stakeholders and statistical and geographical information services to all provincial stakeholders | Number of completed questionnaires | 90 000 |

Planned activities over the medium term will be directed towards the development of a storage area network (SAN) to improve access and response times to corporate data as well as a data warehouse which will be the fundamental building block linking the collections of different statistical producers. Further new activities will be focused towards the establishment of 27 regional offices to provide increased fieldwork capacity as well as the enhancement of capacity at provincial offices.

5.7 Proposed information technology acquisitions or expansion

- A storage area network (SAN) will be established and implemented over the next three years at an estimated cost of R18 million.
- An end-to-end solution including data warehousing is to be implemented at an estimated cost of R2 million.

5.8 Proposed acquisition of fixed or movable assets

| Programme | R ('000) |
|-------------------------------------|-----------------|
| 1 Administration | 8 949 |
| 2 Economic & Social Statistics | 3 637 |
| 3 Population Statistics | 964 |
| 4 Quality & Integration | 1 035 |
| 5 Statistical Support & Informatics | 10 554 |
| Total | 25 138 |

In October 1996, the urban population constituted
54,1% of the total population (Census '96)



[section 6]

**implementation, monitoring
and evaluation**



The proportion of African-headed households in non-urban areas with access to running water in the dwelling or on site increased from approximately 27% in October 1999 to about 30% in September 2002 (Labour force survey, September 2002, and October households survey, 1999)

6.1 Introduction: Creating a strategy-focused organisation

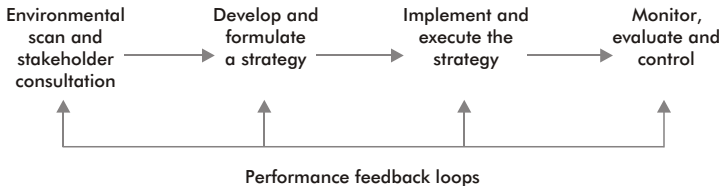
It is important to appreciate that the right strategic plan is not all that is needed to realise the vision and mission of the organisation. Strategy implementation is the most important factor that shapes management and corporate effectiveness.

6.2 Strategic management process

Stats SA has adopted the 'balanced scorecard' as a strategic management system to ensure the implementation, communication and alignment of the strategies to the overall objectives of the organisation. The balanced scorecard is focused on measuring the strategy and therefore will become a tool for managing strategy.

6.3 Strategy implementation

Strategy implementation is a management responsibility and it is therefore required that it is managed as a value chain realising the equal importance of and interrelationships between all its components. Strategy implementation requires that all business units, support units, and employees be aligned and linked to the strategy.



The balanced scorecard will enable Stats SA to focus and align its executive team, business units, human resources, information technology and financial resources to the organisation's strategies. The following are the key steps that are required to implement and execute the strategy:

Step One: Translating the strategic themes to operational terms

As already discussed in Section Four, Stats SA has identified six strategic themes to transform the organisation into a high-performance, customer-driven organisation.

The first step in executing strategy is to develop a strategy map and define the relationships by translating the six strategic themes into measurable and tangible objectives within the four perspectives of the balanced scorecard.

Stats SA has adopted the four traditional perspectives of the balanced scorecard to suit its own requirements. They are:

- **External stakeholders:** In this perspective of the balanced scorecard, the organisation looks at its stakeholder relations and what it needs to deliver to its stakeholders in order to meet their expectations.

- **Business processes:** The business process perspective allows the organisation to identify what core business processes it needs to excel at in order to deliver to stakeholders.
- **Governance:** This perspective measures the critical governance or non-core business related functions as well as aspects of management, administration, organisational culture and so forth that the organisation needs to improve on.
- **Investment in future:** This perspective measures the investment that the organisation is making to ensure current and future success and growth. It measures what the organisation needs to work on now in order to ensure that it achieves its goals in five years time (e.g. product development, training, etc.)

The themes are further cascaded into strategic focus areas that have SMART (specific, measurable, achievable, relevant and time-related) objectives and activities that will include clear measures/performance indicators, target dates, responsibility, and alignment to the available budget.

Step Two: Aligning the organisational structure

The organisational structure should be flexible for the future as well as fit for the present. Stats SA needs to continuously re-align itself to government priorities and stakeholder requirements to achieve organisational success. This includes the clarification, understanding and agreement of the roles and responsibility of each division, component and individual across the organisation in relation to implementing the plan.

Step Three: Development of business plans

Individual divisions will be required to develop their own business plans, with detailed business goals that are linked to the department's strategic plan. The respective executive managers of each division are to take ownership of their division's business plan and ensure its implementation, thus being accountable for the plan. These annual business plans will be compiled outlining the specific actions we intend to take to achieve our objectives within a budgetary and

resource framework and will be monitored through quarterly management reports. Furthermore each business plan will be attached to the respective manager's performance agreement.

Step Four: Development of operational/project plans

Within each division the business plans are to be further cascaded down into operational plans for each component detailing the lowest level of operations or actions per individual or team in the form of operational goals, which are related to the business goals. An operational plan ensures that everyone knows what needs to get done, coordinates their efforts when getting it done, and keeps close track of whether and how it got done.

The business and operational plans should have tangible and measurable performance indicators, target dates (start and end dates), and responsibility or accountable person(s) per action, and each action should be costed and aligned with the available budget. Furthermore, Stats SA needs to analyse its current major projects and assess whether they are in line with the organisation's strategic objectives. If this is not the case, all major projects, especially those that have huge budgetary implications, need to be reprioritised and aligned to meet the strategic objectives of the organisation. All operational/project plans will be monitored through the Programme Coordination office and the MIS.

Step Five: Individual performance management

Stats SA needs to align their employees on all levels to the organisation's strategy in order to ensure that employees make strategy part of their daily working lives. It is at an operational level that one can link an individual's performance with the performance of the organisation as a whole by aligning operational goals to his/her performance plan. At this level quarterly performance reviews can measure how an individual is contributing towards the organisation's strategic goals and performance by measuring individual performance towards the operational goals of the component.

Step Six: Monitoring, evaluation and management of organisational performance

Monitoring, evaluation and control is the process by which corporate activities and performance results are monitored and actual performance compared with desired performance.

According to the PFMA, the accounting officer of the Department must establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action. In order to monitor and evaluate organisational performance Stats SA will utilise tools such as the balanced scorecard and monthly and quarterly reporting against plans based on a reporting framework.

Monitoring and evaluation of the organisation's performance will be further enhanced by the development and implementation of Project Coordination and MIS. Plan monitoring will also provide information that is essential for accounting purposes. Monitoring will be based on a system of plan-relevant performance indicators given in the strategy scorecard.

On an annual basis, there will be an evaluation of the extent to which the plan achieved its objectives. The objectives of the evaluation include, *inter alia*, accounting to Government for the work of Stats SA, conveying to staff the seriousness of the process and validating or changing the department's strategies.

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Statistics South Africa recognises that a number of challenges remain and that total commitment and co-operation from all staff members is required before the full impact of the strategic management approach can be realised. We are committed to a continuing process of improving performance by maintaining a consistent focus on our strategic themes, firm commitment to implementing the plan and constant monitoring and evaluation of the progress of our work. Most importantly, this document constitutes more than just words on paper, it is an action plan reflecting our commitment towards attaining our vision.



An estimated 95,1% of children aged 7 to 10 years were attending an educational institution in September 2002 (Labour force survey)