



SKILLS AND COMPETENCY AUDIT OF HUMAN RESOURCE AND FINANCIAL MANAGEMENT SENIOR MANAGERS IN THE WESTERN CAPE

MARCH 2015

Executive summary

The National Development Plan [NDP] articulates the need for a capable state that is endowed with a workforce that is appropriately skilled and fully professionalized. Having regard for this ideal and in line with its mandate, the Public Service Commission (PSC) embarked on a research project, in the form of a skills audit, which aims to highlight the critical skills and knowledge aspects of the Human Resource Management and Financial Management portfolios in order to assure high performance. The study focused on senior managers occupying these portfolios in the Western Cape Provincial Government.

In conducting the study, a consultative approach was adopted to ensure a cross pollination of expertise between the PSC and experts in the public sector in terms of the design, and data collection tools and analysis. It was concluded that an approach that included an all-round evaluation would best provide valid data and the Multi-rater assessment tool (otherwise known as a 360° assessment) was identified as the primary method.

A purposive sampling procedure was applied to select participants for the audit. The first category comprised senior managers (from level 13-15) who work in Human Resource Management. The second category comprised senior managers (from level 13-15) who work in Financial Management. Each manager identified a list of respondents to participate in their multi-rater assessment. The project required voluntary participation and all participants were assured of anonymity and confidentiality.

The quantitative data was processed per leader in a way that resulted in averages per rater category (superior, peer, follower, stakeholder, and self), and item analyses were also done per rater category to provide richer information. Thematic analysis was conducted for the qualitative data. Focus groups were used as an additional method of validating and enriching the findings and recommendations.

The feedback and results from the survey, as well as the information provided through the focus group discussions indicate the following:

Summary of findings (Senior Managers in Human Resource Management)

The survey findings indicate that the sample of senior HR managers are well regarded by their raters, and especially seen as having a high level of honesty and integrity. Considering the open-ended feedback with the quantitative results, HR managers seem to have improved their components/ functions in terms of competence, teamwork, morale and most notably increased efficiencies, compliance and service delivery through streamlining administrative processes.

The focus group participants positioned the state of Human Resources within the provincial departments slightly differently. Whilst they agreed with a fairly high level of technical competence prevailing amongst HR managers, there was perception that:

- Senior Human Resource Managers need to do more to position themselves as strategic partners, including improving their own strategic capabilities, as well as ability to use HR data analytics more effectively to guide human resource strategies.
- Human Resource Managers must become experts in human behaviour and drivers to enhance performance to properly influence service delivery. This requires a fundamental shift in terms of skills set, and the ability to transfer this different approach to human resource practitioners in departments becomes paramount.

The main development themes for this level of senior managers therefore include:

- Strategic capability and leadership, in some areas including effective data analysis and problem-solving;
- Knowledge and understanding of human behaviour and related performance drivers;
- People leadership and development competencies, especially within the context of intergenerational diversity; and
- The management of business processes and innovation towards automation.

Lastly, the focus on innovation that leads to greater efficiency seems to be a key driver to improving service delivery. Capacity constraints, if appropriately addressed, could further unlock the performance potential within this group.

Summary of findings (Senior Managers in Financial Management)

The survey findings indicate that senior managers' detailed orientation and continuous scoping and analysis of the policy environment, as well as the manner in which most help staff to improve competence, are seen to add value within their context.

The Finance Managers stated that they continue to seek efficiencies in business processes as their primary objectives. It seems that within this context, Finance Managers benefit from being able to use their knowledge of operational demands to find innovative ways to create efficiencies in order to better meet strategic objectives.

The focus group participants further commended senior finance managers for their adaptability and tenacity, and recognise that they have made great progress in positioning themselves as service delivery partners with the intention of helping others achieve their strategic objectives. Continued improvements in communication and collaboration with operational senior managers in particular will drive success even further.

The focus group participants and senior managers do, however, feel that more can be done at this level, and asserted that senior managers should challenge themselves to move from *nominal* compliance [which they have mastered] to *substantial* compliance in which they can add more strategic value through expert analysis and guidance. To achieve this they would need to unlock the potential within their teams, by elevating the level at which their middle managers and others operate.

Additional developmental themes for this group include:

- Some managers may benefit from enhanced interpersonal competencies, especially those skills that will allow them to thrive when managing larger and more diverse teams;
- According to the data from both the questionnaire and the focus group, there is room for improvement in terms of aspects of project management and service delivery innovation; and.
- For some senior managers, change management and knowledge management competencies can also be further enhanced.

Senior finance managers have indicated that they are enabled largely through support and empowerment from their superiors. The questionnaire results indicate that they may be less effective if they are in a position of changing structures, or experience limited ability to fully capacitate their teams. This is exacerbated within the context of changing policies and more stringent finance requirements. The focus group participants further emphasised that forcing austerity measures onto senior finance managers, often with the requirement for speedy implementation, is a core constraint that reduces their effectiveness, and potentially undermines other positive initiatives they are busy putting in place or trying to maintain.

For both the Human Resources and Financial Management Managers to optimize their performance it is recommended that they:

- Identify and develop enhanced skills set required to render them even more capable in their roles;
- Continue getting closer to service delivery partners, and elevating the standing of their function; and

- Elevate the level at which their teams operate, through system efficiencies as well as a higher level of competencies, in particular for middle managers.

In summary, whilst senior managers generally appear to be technically competent as specialists, some competencies need to be thought of at a higher level and developed in order for them and their functions to achieve their full potential as service delivery partners in driving enhanced service delivery in the Western Cape provincial government.

Contents

CHAPTER 1: INTRODUCTION	8
1.1 PURPOSE OF THIS RESEARCH	8
1.2 THE MANDATE OF THE PUBLIC SERVICE COMMISSION	8
1.3 research OBJECTIVES.....	9
1.4 SCOPE.....	9
1.5 overview of Research process	9
1.6 STRUCTURE OF REPORT	9
CHAPTER 2: PROJECT DESIGN AND METHODOLOGY	10
2.1 Approach.....	10
2.2 The process followed in selecting the audit method	11
2.3 Development of instruments	12
2.4 Ethical Considerations.....	14
2.4.1 Voluntary participation	14
2.4.2 Anonymity and confidentiality	14
2.4.3 Analysis and reporting.....	14
2.5 Data collection	15
2.5.1 Set Climate for the Project	15
2.5.2 Sample	15
2.5.3 Data Collection process	17
2.5.4 Participation.....	18
2.5.5 Limitations of the Study:	19
2.6 Data Analysis	20
2.6.1 Analysis of quantitative data	20
2.6.2 Analysis of qualitative data	20
2.6.3 Focus groups.....	20
2.6.4 Combined analysis	21
CHAPTER 3: RESULTS	22
3.1 results for Human resource managers	22
3.1.1 SECTION A: Functional expertise (HR managers)	22
3.1.2 SECTION B: Leadership competence and personal work style (HR managers).....	23
3.1.3 SECTION C: Open-Ended Feedback for HR Managers.....	29
3.2 results for finance managers.....	36
3.2.3 SECTION A: Functional expertise (Finance managers)	36
3.2.4 SECTION B: Leadership competence and personal work style (Finance managers).....	38
3.2.5 SECTION C: Open-ended Feedback for Finance Managers.....	44
CHAPTER 4: FINDINGS AND RECOMMENDATIONS.....	49

4.1	Senior Human Resource managers.....	49
4.1.2	Survey Findings.....	49
4.1.3	Focus group findings and analysis – Human Resource Management	51
4.2	Finance.....	54
4.2.1	Survey Findings.....	54
4.2.2	Focus group findings and analysis – Financial Management.....	55
	CHAPTER 5: CONCLUSION	60
	ACKNOWLEDGEMENTS.....	62
	REFERENCES	63

ANNEXURES:

- A. 360° Questionnaire for Human Resource Managers (self)
- B. 360° Questionnaire for Human Resource Managers (others)
- C. 360° Questionnaire for Finance Managers (self)
- D. 360° Questionnaire for Finance Managers (others)
- E. Results for Human Resource Managers
- F. Results for Finance Managers

CHAPTER 1: INTRODUCTION

1.1 PURPOSE OF THIS RESEARCH

This research takes the form of a skills audit and focuses on a specific cadre of senior managers – those responsible for Human Resources and Financial Management in a department. The study aims to highlight the critical skills and knowledge aspects related to these respective portfolios in order to assure high performance. These functional areas have also been cited in numerous Auditor-General reports as being crucial to the efficiency levels of state institutions. Reports of the Public Service Commission also point to the critical nature of Human Resources and Financial Management in state organizations [the same can be concluded of all other organizations whether private or public]. In particular, the National Development Plan speaks of a capable state that is endowed with a workforce that is appropriately skilled and fully professionalized. This is one of the success factors in growing the economy and ensuring social justice for all citizens of South Africa.

The target group for the study is public service senior managers, from Director to Deputy Director-General level [i.e. post levels 13 to 15], given both the strategic and operational roles of these functional areas. This research aimed to better understand where senior managers within the Human Resource (HR) and Financial Management functions in the Western Cape Provincial Government are, in terms of the required knowledge, experience, skills and competencies for their respective portfolios, performing as per or above expectation to further enhance their functions. Being a process for measuring and recording the skills of an individual or group (Watson, 2004), the study is considered a skills audit.

The report discusses the process that was followed to carry out this project, the methodology used, the findings of the audit, and presents recommendations based on the findings.

1.2 THE MANDATE OF THE PUBLIC SERVICE COMMISSION

Section 196 (4) (b) of the Constitution, 1996, read in conjunction with Sections 9 and 10 of the Public Service Commission's Act, 1997, mandates the PSC to investigate, monitor and evaluate the organization and administration, and personnel practices in the Public Service. This project therefore falls within the mandate of the PSC.

1.3 RESEARCH OBJECTIVES

The objectives of this study were to:

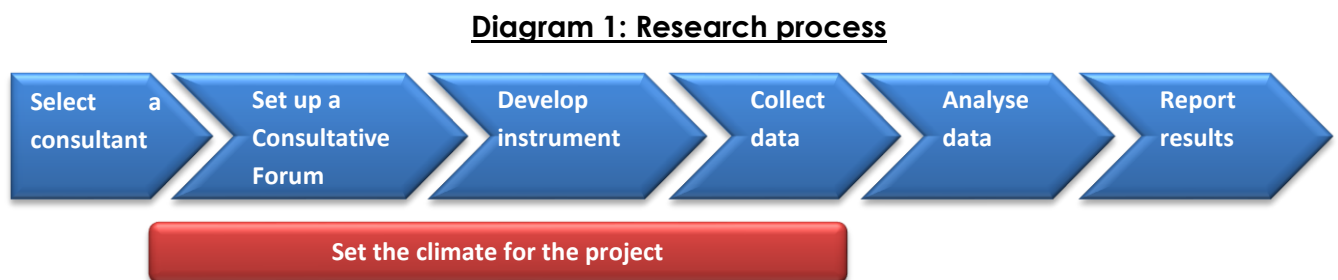
- Measure the level of skills and knowledge of senior managers in Human Resource Management and Financial Management;
- Identify skills gaps amongst current incumbents of these posts in the sample Departments; and
- Make recommendations to improve the skills and knowledge of the senior managers in order to improve performance in these portfolios.

1.4 SCOPE

This study covered senior managers in Human Resource Management and Financial Management from Director-level upwards (levels 13-15), across all thirteen Western Cape Provincial Departments.

1.5 OVERVIEW OF RESEARCH PROCESS

The research process followed is depicted in **Diagram 1** which is discussed in over the next sections.



Adapted from Loveder (1991)

1.6 STRUCTURE OF REPORT

This report is structured as follows:

- Chapter 2: Presents the project design and methodology that was applied in the study
- Chapter 3: Presents an overview of the results of the study
- Chapter 4: Presents an overview of the key findings of the study
- Chapter 5: presents the conclusion and recommendations of the study

CHAPTER 2: PROJECT DESIGN AND METHODOLOGY

This section explains how the audit method was decided, and the final design of the data collection tools and analysis thereof.

2.1 APPROACH

The project was undertaken by the Public Service Commission, with the assistance of an experienced Industrial Psychologist. The project benefited from the Industrial Psychologist's expertise as they possess extensive experience and know-how in skills and competency assessments and have significant exposure in public sector organizations over a number of years.

Although there are a number of processes that can be followed, for this study a consultative approach was adopted to benefit from other experts in the public sector in terms of design and administration.

One of the first steps included setting up a consultative platform comprised of top Human Resources and Financial Management executives in the province. This group of executive managers was viewed as an important way of gaining support for the project and its outcomes. They also contributed valuable expertise to the skills audit project.

Interactive sessions focused on:

- The most suitable design or methodology to be employed for the purpose within the context;
- What they perceived as essential content for the questionnaires;
- How to set the desired climate for the research; and
- The most suitable process for reporting findings, including the benefits of one-on-one feedback and / or focus groups within the context.

The Finance experts consulted during this process included:

- Professor Gavin Woods [Public Service Commissioner, former Member of Parliament and Chairperson of SCOPA and expert in Economics and Public Sector Finance]
- Mr Leon Ely [Deputy Director-General and Chief Financial Officer at the Western Cape Education Department and former Public Investment Corporation Board Member and registered Chartered Accountant].

The Human Resources experts consulted during this process included:

- Ms Louise Esterhuysen, Head of Human Resources for the Department of the Premier;

- Mr Ivan Carolus, Head of Human Resources for the Western Cape Education Department;
- Ms Bernadette Arries, Head of Human Resources for the Department of Health, Western Cape; and
- Mr Pieter Kemp, Research Psychologist for the Department of the Premier.

2.2 THE PROCESS FOLLOWED IN SELECTING THE AUDIT METHOD

To select the most suitable methodology for this research, the project team commenced by surveying literature on similar studies; the role and importance of financial management in an organization; the role and importance of human resource management in an organization; and various aspects of skills audits.

The project team identified four categories of methods that could be employed to undertake the study. These include:

- Self-Analysis questionnaire (with validation by the manager);
- Competency Assessment/Exercise;
- Highly Structured Competency Interview; and
- Multi-rater assessment (otherwise known as a 360° assessment)

(Kleynhans, 5 Methods for Conducting a Skills Audit, 2013); (Watson, 2004)

Effort was also made to define the information that was being sought in more detail. To this end, DPSA and Treasury documents were consulted in terms of framing a skills set for HR and Finance senior managers. The Competency Framework for SMS managers was also carefully considered.

In determining the most suitable method, the following factors were considered: resource requirements (time, cost, labour intensity) and, most importantly, the ability of the method to gather *as much* of the required information with sufficient validity and reliability. The HR team of the Department of the Premier provided valuable input on the suitability of these methods within the context.

In response to the need for improved leadership capability, senior managers in the Public Service have in recent years been required to undergo a competency assessment as part of the selection process before being placed into senior management posts. These assessments measure specific managerial and behavioral competencies in a standardized manner. Unfortunately, on investigation and consultation, this information was not deemed suitable for the purpose of this research as these assessments are limited to measuring generic competencies versus technical skills requirements and additional insights such as contextual knowledge, skills and performance.

As such, the project team, after consultation with the expert groups, concluded that an approach that included an all-round evaluation would best provide valid data and selected the **Multi-rater assessment (otherwise known as a 360° assessment)** as the preferred approach.

In Multi-rater assessments, input is gathered from subordinates, peers, and supervisors. It also includes a self-assessment and, in some cases, feedback from external sources such as relevant stakeholders (Rahman, 2011). Used correctly, this method is a powerful tool for ascertaining incumbents' perceived strengths and development areas as witnessed by people who work with them on a daily basis, as well as allowing the incumbent the opportunity to conduct a self-assessment of their proficiency levels in terms of the selected criteria. Such a process allows the assessor to gain a greater depth and spread of information which increases the validity of the findings. The Human Resources Head of the Department of the Premier and her management team were involved in this part of the process by providing input for the framework and content of the questionnaire.

2.3 DEVELOPMENT OF INSTRUMENTS

Once the method had been identified, a framework for the questionnaire was developed. This step included establishing/identifying key requirements for a job, including what competencies an individual needs in order to perform successfully in a job (behavioural competencies and functional competencies – knowledge, skills and experience) (Kleyhans, 2013).

The team used the documents available from DPSA (Department of Public Service and Administration) and Treasury (National Treasury), as well as the competency framework for SMS managers (Department of Public Service and Administration, 2003), and job descriptions provided by the provincial government for all their financial management and human resource management senior managers. This information was used to compile a framework describing the skills, knowledge, experience and qualifications required at each level. The framework was discussed with the Head of Human Resources [Department of the Premier] and her team who then provided additional content for the questionnaire.

Once the framework was confirmed, the above mentioned competencies were used to design structured questionnaires for a Multi-rater assessment process. These instruments included both qualitative and quantitative elements.

The content of the questionnaires was tested with the panel of Human Resources and Financial Management experts, and also piloted within the project team prior to being finalised.

Annexures A, B, C and D are the questionnaires that were used. The structured questionnaires were designed to gather information relating to the senior manager's behavior, and to look at the basic attitudes and opinions of the identified respondents towards the senior managers they were rating (Kirklees Council: Corporate Research & Consultation Team). As such, the data obtained from the questionnaires arises from the direct and indirect observations and experiences of both the senior managers and their identified respondents.

All questionnaires sought to elicit the following information using a combination of qualitative and quantitative questions:

Section A: Functional expertise

The extent to which leaders:

- Demonstrate expertise and leadership within their role / function.
- Soundly implement minimum requirements of their roles (e.g. understand their clients; compliance, risk management strategies).
- Further develop their function.

The above qualitative questions were supplemented by open-ended feedback that sought to understand:

- How they have improved their function / component.
- What their plan is for their function / component going forward.
- What technical qualifications, experience, skills or knowledge they need in order to be more effective in their current role.
- Contextual information
 - o What in their context is preventing them from performing effectively?
 - o What in their context is enabling them to perform effectively?

SECTION B: Leadership competence and personal work style

How well they perceive themselves / others perceive them on the following senior manager competencies and also in terms of their work style:

- Strategic Capability and Leadership
- Programme and project management
- Financial management of own component / directorate
- Change management
- Knowledge management
- Service Delivery Innovation and customer focus
- Problem solving and analysis
- People management and empowerment (within component / directorate)
- Communication (Relationship building and influence)
- Honesty and integrity
- Personal work style

The above qualitative questions were supplemented by open-ended feedback that sought to understand what, in terms of their leadership competencies and work style:

- What do they do well and should continue
- What they should focus on improving

The questionnaires also allowed for additional open-ended feedback.

2.4 ETHICAL CONSIDERATIONS

This section covers the potential ethical issues of social research that are inherent in studies of this nature and the attempts made to mitigate these issues in the design, administration and reporting (Babbie & Moutan, 2008).

2.4.1 Voluntary participation

- This research required that the respondents reveal personal information, and required that the information be revealed to a stranger. Therefore, it was very important that the respondents participate in the study voluntarily.
- To address this concern, the research was only conducted among those who were willing to, and who voluntarily participated in this study. The research team ensured that each participant was clear on the purpose and scope of the study, that they knew who the research team are and why this study is being done.

2.4.2 Anonymity and confidentiality

- The clearest concern in the protection of the respondents' interests and well-being is the protection of their identity. If revealing their responses would harm them in any way, adherence to this norm becomes all the more important. Identities should remain undisclosed, and responses should remain confidential.
- To address this concern, the research team guaranteed confidentiality and participants were informed that their identities and respective responses will be known only to the research team and all documentation will be stored securely at the completion of the research report.
- The processing of results was further done off-site by the Industrial Psychologist, and other research team members worked with the quantitative results in an anonymous manner. As the qualitative results included reference to some individuals' names or contexts in a way that would make them identifiable, extra care was taken when theming the open-ended feedback so as not to include any personal or context specific information.
- A double-editing process using different researchers also cross-checked that no personal information was revealed.

2.4.3 Analysis and reporting

- The way in which a researcher reports and presents their findings is of the utmost importance for their validity.

- To address this concern, the researcher adhered to the highest possible technical standards in this research, and has presented the findings fully - without changing the data or findings in any way.
- The initial findings were discussed in a focus group with a cross section of the study participants in order to validate the findings. The focus group participants were also asked to add commentary to the findings, provide development suggestions, and comment on constraints and enablers.

2.5 DATA COLLECTION

2.5.1 Set Climate for the Project

Prior to executing the exercise, the PSC team set out to create a positive climate for the project. This was done through activities such as setting up and working with the Department of the Premier; meeting with key individuals to gain buy-in for the project; and briefing senior managers on the project. This process of communication and encouraging participation continued throughout the project until the conclusion of the data collection phase (Horizon TM, 2013)

2.5.2 Sample

In selecting participants for the audit, a purposive sampling procedure was applied. Such sampling is useful in selecting a section of the research population which in the researcher's judgement will provide the most useful information for the study (Babbie & Moutan, 2008).

In this regard, a standardised letter of communication was sent to the Premier of the Province, Director-General of the Province, and the HoDs of all Provincial Departments informing them of the study. A communication channel was established with the Head of Human Resource Management in the Department of the Premier, the Department of Health and the Department of Education. The respective heads provided the PSC with the names and contact details of all the senior managers within their Financial Management and Human Resource Management components.

In conducting the study, the following two categories of participants were selected:

- The first category comprised senior managers (from level 13-15) who work in Human Resource Management (known as People Management in the Western Cape Provincial Departments). **Table 1** shows the names of the Provincial Departments and the number of managers identified in this category. The rationale for targeting few departments in the area of HR is because in the Western Cape, human resource management is

centralised in the Office of the Premier, except for the departments of Education and Health.

- The second category comprised senior managers (from level 13-15) who work in Financial Management. **Table 2** shows the names of the provincial Departments and the numbers of managers identified in this category.

Table 1: Human Resources Departments

Department	Total Number of HR Senior Managers
Department of the Premier	7
Department of Education	5
Department of Health	5 (one manager retired and so could not participate)
TOTAL	17

Table 2: Financial Management Departments

Department	Total Number of Finance Senior Managers
Department of the Premier	2
Department of Education	5 (one manager on maternity leave and one manager medically boarded and so could not participate)
Department of Health	7
Department of Social Development	2
Department of Transport and Public Works	3
Department of Community Safety	1
Department of Agriculture	1
Department of Economic Development and Tourism	1
Department of Environmental Affairs and Development Planning	1
Department of Cultural Affairs and Sport	1
Department of Human Settlements	1
Department of Local Government and Housing	1
Department of Treasury	6
TOTAL	32

A. Biographical Profile of Sample

The tables below present a biographical profile of the sample [45 provided information]:

Age Profile

AGE	35 - 40yrs	40-45 yrs	45-50 yrs	50-55yrs	55-60yrs	60-65yrs	TOTAL
Number of Managers	4	6	14	8	9	4	45

The senior managers in this sample fall between the ages of 35 and 65, with the majority being between the ages of 45 and 55.

Highest Qualification

Highest Qualification	Matric	National Diploma	Undergraduate Degree	Honours Degree	Master's Degree	TOTAL
Number of Managers	4	11	13	9	8	45

The highest qualification amongst these senior managers is a Master's Degree. Almost all of the managers have a tertiary education, the majority of which range between an Undergraduate and Master's Degree.

Number of Years in Current Post

Number of Years in post	0-1 years	1-3 years	3-7 years	7-10 years	Over 10 years	TOTAL
Number of Managers	3	11	12	6	13	45

It appears that at least 28% of the senior managers in the sample have been in their post for over ten years. The majority of senior managers [68%] have been in their current post for 3 years or more.

Number of Years as a Senior Manager

Number of Years as a senior manager	0-1 years	1-3 years	3-7 years	7-10 years	Over 10 years	TOTAL
Number of Managers	0	5	12	6	22	45

88% of this group have been senior managers for 3 years or more. Significantly, of these, 48% have been senior managers for over 10 years.

2.5.3 Data Collection process

As with most Multi-rater assessments, eliciting responses from both the managers and their respondents require much effort and follow-up activities. To encourage participation as far as possible, the data collection process ran as follows:

Inviting participation and sending out questionnaires

- The identified managers were emailed a letter of communication that briefed them on the study, its purpose, and how the information would be used. The letter requested their participation in the study and provided them with all relevant instructions.
- This letter was sent along with the questionnaire (MS Excel format) that they were asked to complete, as well as a template for completing a list of respondents who would be asked to rate them as a part of the 360° feedback process.
- The targeted managers were asked to promptly return their list of respondents to the PSC.
- As the lists of raters were received by the project team, letters of communication, instructions, and the relevant questionnaires were sent to the respondents.

Follow up activities

- Participants were given a week (from the date of receipt of the letter and questionnaire) to return the completed questionnaire to the project team. After the due date had passed, the number of completed questionnaires completed was insufficient. This was anticipated by the project team.
- In order to maximise the response rate, the PSC Provincial Office staff were assigned lists of participants to contact directly. These phone calls resulted in an increase in the number of completed lists of respondents being submitted, as well as completed questionnaires.
As an added measure, the due date was extended to 30 January 2015 to accommodate managers and respondents who were on leave over the 2014/2015 festive season.
- At the beginning of January 2015 reminder emails and second copies of the questionnaire were sent to all those who had not yet responded.

Data collation

- A template was designed for summarising the responses for each manager, and the responses were populated onto the summary sheets as questionnaires were returned to the PSC.

2.5.4 Participation

- As with most surveys, not all the managers who were targeted were willing to participate, and not all managers who indicated a willingness to participate sent in their self-assessment questionnaire.
- Not all managers who participated submitted a comprehensive list of respondents.
- Similarly, of all the respondents asked to rate a particular manager, not all participated.

- Nonetheless, a significant number of participants completed the questionnaires.

Table 3 below indicates the levels of participation per category, as well as the total number of participants as at 30 January 2015.

Table 3: Research participation

	HR	Finance	Total
No. of Managers in portfolio	17	32	49
No. of Managers targeted	16	30	46
No. of Managers willing to participate	11	19	30
No. of managers who actually participated	11	18	29
Percentage of participating managers (those willing vs those who actually participated)	100%	95%	97%
No. of raters targeted	104	200	304
No. of raters who participated	54	95	146
Percentage of raters who participated	52%	48%	48%
Number of 360° reviews considered complete*	8	13	19

* Completion was based on at least a self-rating, one superior, and three others (peers, followers, or stakeholders)

2.5.5 Limitations of the Study:

In this study, the following limitations, particularly relating to potential bias, are as follows:

1. Studies have shown that the length of time that a rater has known the person being rated has the most significant effect on the accuracy of a 360° review. However, we had no control over the selection of raters and the length of time that they knew the manager (Rahman, 2011).
2. 360° feedback can generate conflicting opinions and there is no real way to determine whose feedback is accurate (Rahman, 2011).
3. Studies have also shown that self-ratings are generally significantly higher than the ratings of others (Rahman, 2011).

2.6 DATA ANALYSIS

For the purpose of this research, a Multi-rater assessment is complete if it contained at least a self-rating, one superior, and three others (peers, followers, or stakeholders). In this study 50% of the managers had complete Multi-rater assessments. Given this dimension, each manager's multi-rater assessment was not treated as a separate piece of information as this would have resulted in quite a bit of data not being used. Rather, the information was mainly compared overall so that all data received through questionnaires were used.

The process of analyzing the quantitative and qualitative data is provided below. The results are presented in the following section.

2.6.1 Analysis of quantitative data

The quantitative data was processed per leader in a way that resulted in averages per rater category (superior, peer, follower, stakeholder, and self). Item analysis was also done per rater category, to provide richer information.

This approach allowed comparison between rating categories. These averages across rating categories were also averaged (with the exception of self) for an overall indication on each item and construct. This approach is deemed most appropriate rather than averaging across all respondents as this would skew results towards the rater category that has the greatest number of respondents.

It is also typical of individuals to rate themselves either too favorably or too harshly; therefore self-ratings were omitted from the overall averages. Nonetheless, the unit analysis results for 'self' were still included in the discussion of results in chapter three.

2.6.2 Analysis of qualitative data

Thematic analysis was conducted for the qualitative data. Firstly, the data was combined for all raters for each manager, excluding their self-assessment. This data was then analysed per question across all other comments, and then across all self-comments with the intention of identifying themes.

2.6.3 Focus groups

Focus groups were used as an additional method of validating and enriching the data that was collected. These were conducted after provisional analysis of the data. One focus group was run per category (Human resources and Financial management).

The finance focus group included 14 participants representative of senior managers (self), superiors, peers and followers

The HR focus group included 9 participants representative of senior managers (self), superiors, peers and followers.

However, it is important to note that most of the participants fall into more than one category, and the table below gives a more accurate depiction of how many representatives from each category were present.

Table 4: Focus group participation

	HR	Finance	Total
Senior managers	5	13	18
Superiors	2	4	7
Peers	1	3	4
Followers	4	3	7
Stakeholders	0	2	2
Subject matter experts	3	1	4

Focus group process

During the focus groups sessions, the background to the research and provisional results and findings were presented for each group (either Human Resources or Financial Management). It then required small groups to work together to identify what, from their perspectives, Senior Managers in Finance or Human Resources were doing well, and what they needed to focus on in terms of development, firstly with regards to technical / functional expertise, and secondly with regards to leadership competencies and work style. Participants were given copies of the provisional results, but not restricted to the content of the questionnaire. The input from the small groups was then shared and further discussed. Results from the focus groups are presented under findings below.

2.6.4 Combined analysis

The focus group analysis is presented under the following results section. As a last step, the quantitative and qualitative information was analysed together across both HR managers and Finance managers in order to identify overall findings of this research. This is discussed in the findings section.

CHAPTER 3: RESULTS

3.1 RESULTS FOR HUMAN RESOURCE MANAGERS

The result for the Human Resource Managers will be presented in three categories. *Section A* and *Section B* will be presented as tables of averages (Quantitative data) across all rating categories, and the results will be discussed below. *Section C* will be presented as a summary of the responses to the open-ended feedback questions (Qualitative data).

The rating scale used for *Section A* and *Section B* is as follows:

RATING SCALE:

1. Strongly disagree / never
2. Disagree / hardly ever / seldom / rarely
3. In-between / sometimes / inconsistently
4. Agree / fairly often / most of the time
5. Strongly Agree / almost always
6. Not Applicable - you are not in a position to comment on this behaviour.

3.1.1 SECTION A: Functional expertise (HR managers)

Below is the table displaying the averages of ratings across all categories in *Section A* for the senior Human Resources managers.

Table 5: Results for Human Resource Managers

	OVERALL RATINGS (Average ratings)					
	SELF	Superiors	Peers	Followers	Stakeholders	Average
SECTION A: Functional expertise						
1. Demonstrates expertise and leadership within their HR role/ function	4.6	4.4	4.5	4.5	4.7	4.5
2. Sound implementation of minimum requirements	4.4	4.4	4.6	4.4	4.7	4.5
3. Further develops function	4.4	4.5	4.5	4.6	4.7	4.6

1. Demonstrates expertise and leadership within their HR role/ function

When it comes to demonstrating expertise and leadership within their HR role / function, the study revealed that HR managers strive to continuously improve their understanding of HR practices and procedures, and work towards being experts in their field. The HR managers are also able to write well-structured, complex documents (policies, regulations, plans, etc.)

For a few of the HR managers, superiors (20%) and stakeholders (22%) indicated that they could focus more on putting forward innovative ideas based on their expertise. Some may also wish to focus more on demonstrating advanced HR skills and knowledge according to superiors (20%).

2. Sound implementation of minimum requirements

According to the ratings, HR managers appear to focus on compliance within their HR service / component. They are seen to have a sound understanding of their client's HR needs as it relates to their component / service.

A few of the HR managers may be able to benefit from developing and implementing effective risk management strategies for HR in relation to their service / component according to superiors (20%) and stakeholders (14%).

Whilst generally the HR managers seem to be able to implement measures to ensure value for money with regards to HR services procured by the department, some superiors (20%) have indicated that a few may benefit from demonstrating how they go about this to their superior, or improve these measures.

3. Further develops function

Overall HR managers are focused on trying to move their components to go beyond compliance towards excellence and continuous improvement. The HR managers themselves feel that they have developed their HR function to fully support managers and employees as required.

No potential development areas were significant enough to note for this competency.

3.1.2 SECTION B: Leadership competence and personal work style (HR managers)

Below is the table displaying the averages of ratings across all categories in Section B for the senior Human Resources managers.

Table 6: Results for Human Resource Managers – Section B

	OVERALL RATINGS (Average ratings)					
	SELF	Superiors	Peers	Followers	Stakeholders	Average
SECTION B: Leadership competence and personal work style						
4. Strategic Capability and Leadership	4.0	4.1	4.4	4.5	4.5	4.4
5. Programme and project management	4.4	4.3	4.5	4.4	4.3	4.5
6. Financial management of own component / directorate	4.3	4.0	4.5	4.6	4.1	4.4
7. Change management	4.2	4.2	4.4	4.3	4.5	4.4
8. Knowledge management	4.2	4.3	4.5	3.9	4.3	4.2
9. Service Delivery Innovation and customer focus	4.5	4.1	4.6	4.4	4.5	4.4
10. Problem solving and analysis	4.1	4.1	4.5	4.1	4.2	4.2
11. People management and empowerment (within component / directorate)	4.4	4.3	4.6	4.3	4.8	4.5
12. Communication (Relationship building and influence)	4.5	4.4	4.4	4.3	4.7	4.5
13. Honesty and integrity	4.7	4.4	4.8	4.4	4.8	4.6
14. Personal work style	4.2	4.2	4.7	4.3	4.7	4.5

4. Strategic Capability and Leadership

Overall it seems that HR managers develop detailed action plans that give direction to their teams to execute strategic objectives.

For a few of the HR managers, their superiors (20%), peers (17%) and stakeholders (15%) indicated that they could focus more on conducting an effective analysis of their internal and external environment when formulating strategy. Whilst generally the HR managers are able to achieve strategic objectives against specified performance measures, both superiors (20%) and the HR managers themselves (18%) believe they can improve in this area.

5. Programme and project management

Overall it seems that HR managers effectively monitor and evaluate the progress of projects.

A few of the HR managers could benefit from clearly defining the roles and responsibilities for the project team members and clearly communicating their expectations. Although most managers are able to identify and manage

risks for each project, according to superiors (20%), peers (18%), followers (17%) and stakeholders (14%), some managers should focus more on assessing potential risks and building contingencies into their project plans.

6. Financial management of own component / directorate

Peers (91%) and followers (94%) believe that most of the HR managers continuously look for new opportunities to obtain and save funds, and ensure value for money. Peers (100%) and followers (94%) have indicated that most of the managers ensure alignment of expenditure to revised forecasts and develop corrective actions as needed throughout the year.

Although the HR managers are perceived to have the ability to formulate an effective budget and convincingly motivate how the resources required will meet the directorate's needs, according to their superiors (20%) and stakeholders (16%), some managers should improve in this area. In addition to this, 30% of superiors have indicated that some managers should focus more on looking for new opportunities to obtain and save funds, and ensure value for money. The results also show that some supervisors (20%) and stakeholders (20%) indicated that for some managers, ensuring alignment of expenditure is an area that needs to be developed.

7. Change management

Peers (92%) and followers (89%) believe that most of the HR managers manage change effectively.

According to the superiors (20%), change management is an area in which development is required, and particular attention should be paid to creating an awareness of pending changes within their own unit, and inspiring and building commitment for those changes.

8. Knowledge management

The table below indicates the item analysis for question 8

8. Knowledge management	Strength (rating 4-5)	Potential Development Area (Rating 1-3)
8.1. Creates mechanisms and structures for sharing of knowledge.	80% - superior 100% - peer 82% - follower 87% - stakeholder 100% - self	20% - superior 0% - peer 18% - followers 13% - stakeholders 0% - self
8.2. Adapts and integrates information from multiple sources to create innovative knowledge management	70% - superior 92% - peer	30% - superior 8% - peer

solutions (i.e. use of ICT e.g. effective information management systems; databases; research studies, etc.)	65% - follower 87% - stakeholder 91% - self	35% - follower 13% - Stakeholder 9% - self
8.3. Ensure their component / directorate utilises technology effectively.	70% - superior 91% - peer 70% - follower 87% - stakeholder 91% - self	30% - superior 8% - peer 30% - follower 13% - stakeholder 9% - self

100% of peers seem to believe that the HR managers create mechanisms and structures for sharing of knowledge in their own area and across the organisation.

According to superiors (20%), followers (18%) and stakeholders (13%), some managers need to focus more on creating mechanisms and structures for sharing knowledge in their own area and across the organization. A significant number of superiors (30%) and followers (35%) noted that some managers need to improve at adapting and integrating information from multiple sources to create innovative knowledge management solutions; and although the HR managers themselves have indicated that they ensure their component/directorate utilises technology correctly, some superiors (30%) and followers (30%) believe that this is an area in which several managers should improve.

9. Service Delivery Innovation and customer focus

Overall HR managers are seen to ensure that their team implements innovative opportunities to improve service delivery to clients, and effectively manages consultation and complaint processes around service delivery.

Although HR managers are noted as being strong in service delivery innovation and customer focus, it is indicated that some supervisors (20%) need more evidence of both implementing innovative opportunities and effectively managing consultation and complaint processes around service delivery.

10. Problem solving and analysis

The table below indicates the item analysis for question 10

10. Problem solving and analysis	Strength (rating 4-5)					Potential Development Area (Rating 1-3)				
	Superiors	Peers	Followers	Stakeholders	Self	Superiors	Peers	Followers	Stakeholders	Self
10.1. Conducts effective analysis of complex problems (break down complex problems into manageable parts, determine root causes, and to identify suitable solutions).	66%	100%	89%	83%	81%	34%	0%	11%	17%	19%
10.2. Takes effective decisions.	78%	100%	79%	100%	91%	22%	0%	21%	0%	9%

Peers (100%) and followers (89%) seem to believe that the HR managers demonstrate the ability to break down complex problems into manageable parts, determine root causes, and identify suitable solutions. In addition to this, HR managers (91%) and their peers (100%) indicated that they take effective decisions.

Some superiors (34%) and the HR managers themselves (19%) have indicated that the ability to break down complex problems into manageable parts, determine root causes, and identify suitable solutions is an area for development. Furthermore, some superiors (22%) and some followers (21%) have indicated that the ability to take effective decisions is yet to be mastered by some managers.

11. People management and empowerment (within component / directorate)

HR managers appear to be good at consistently applying labour and employment legislation, as well as at delegating and empowering others to fulfil their responsibilities. Superiors (90%), peers (100%) and the managers themselves have indicated that they effectively implement the performance management system as per the guidelines, and evaluate performance consistently and fairly.

Superiors (20%) and followers (17%) have indicated that some managers need to improve in their ability to enable others to increase their contribution and potential through developmental feedback and training opportunities. Some followers (17%) and superiors (20%) have indicated that there are managers who need to focus on taking time to consider the contributions of individuals and teams, and to work to motivate them through verbal or written acknowledgement/praise.

12. Communication (Relationship building and influence)

The results show that the majority of managers are proficient in relationship building and influencing others.

Superiors (20%) and followers (12%) feel that some managers should improve how they communicate/present information in an influential way that would gain support and commitment. Stakeholders (25%) indicated that some managers should develop their ability to network effectively with stakeholders, and some stakeholders (25%) have indicated that there are managers who need to improve their ability to communicate controversial/sensitive messages to both internal and external stakeholders tactfully and in a politically sensitive and correct manner.

13. Honesty and integrity

All raters indicated that HR managers conduct themselves in accordance with the organisational code of conduct. The majority of raters also noted that most of the managers consistently demonstrate sound leadership behaviour and organisational values.

20% of superiors and 25% of followers indicated that there are managers who do not admit their own mistakes and weaknesses, nor seek help from others where they are unable to deliver.

14. Personal Work Style

The table below indicates the item analysis for question 14.

14. Personal work style	Strengths	Development Area
14.1. In general the manager you are rating...Work effectively as part of a team	80% - superior 100% - peer 94% - follower 90% - stakeholder 91% - self	20% – superior 0% - peer 6% - follower 10% - stakeholder 9% - self
14.2. Manage their own time effectively	90% - superior 100% - peer 88% - follower 100% - stakeholder 91% - self	10% - superior 0% - peer 12% - follower 0% - stakeholder 9% - self
14.3. Effectively manages the multiple demands and pressure of their role	100% - superior 100% - peer 89% - follower	0% - superior 0% - peer 11% - follower

	100% - stakeholder 72% - self	0% - stakeholders 28% - self
14.4. Remain focused on achieving results	100% - superior 100% - peer 94% - follower 100% - stakeholder 91% - self	0% - superior 0% - peer 6% - follower 0% - stakeholder 9% - self
14.5. Gets back to people in agreed timeframes	40% - superior 100% -peer 77% - follower 100% - stakeholder 91% - self	60% - superior 0% - peer 23% - follower 0% - stakeholder 9% - self
14.6. Displays personal interest in the well-being of colleagues	90% - superior 100% - peer 89% - follower 87% - stakeholder 72% - self	10% - superior 0% - peer 11% - follower 13% - stakeholder 27% - self

The majority of raters seem to believe that HR managers succeed in remaining focused on achieving results.

Many superiors (60%) indicated that some HR managers need to improve at getting back to people in agreed timeframes. 27% of the managers themselves indicated that they should perhaps display more personal interest in the well-being of colleagues and effectively manage the multiple demands of the pressure of the role.

3.1.3 SECTION C: Open-Ended Feedback for HR Managers

Improvement to component since starting in the role:

According to respondents, managers have focus on ensuring that their units have competent team members, and enabling them to keep abreast of HR best practices and to remain competent through training. Respondents also mentioned that HR managers are quite hands-on when it comes to guiding and directing more junior team members, and providing clear instructions. A few also commented on the HR managers' impact in terms of improving others' leadership skills. There has been an improvement in teamwork and some made mention of the improvement in relation to the optimal use of team members. Part of this seems to be the HR managers' focus on active communication with their teams.

Respondents have further noted increased morale / positive spirit within teams, and quite a few HR managers are appreciated for the extent to which they are providing positive feedback and showing appreciation for team members' contributions. Most of the HR managers were commended for being open to

implement changes and implementing new programmes. Many also come across as keeping themselves abreast with changes in HR practices.

In terms of how their functions operate, respondents indicated that HR managers have improved and streamlined processes and procedures in order to be more efficient. As a result, others tend to see an improvement in standards, compliance and service delivery. It was specifically mentioned for two of the HR managers that they were taking a more strategic approach to risk management within their environment, and that this was benefiting their units. HR managers themselves were able to list accomplishments (e.g. implementing a particular system) in terms of specific goals they had set. In general there seems to be a focus on ensuring HR alignment to strategic goals by most HR managers. For most this has resulted in the implementation of management systems or standardised business processes to ensure things get done far more efficiently, including developing clearly defined standards and focusing the team on compliance when necessary. For a few, this also meant revising their team's structure to enhance service, and being prepared to take calculated risks.

With regards to how their teams function, many HR managers indicated that they are focused on providing cohesive leadership with more frequent interactions and more participative decision-making processes. Some also mentioned the increase in use of on-the-job training of their team members, as well as encouraging employees to further their studies. HR Managers have also tried to influence their service delivery partners and stakeholders. Some have done this by focusing on building the competencies of managers of functional areas. Others have improved the expert advice provided to line and top management, and increasing awareness of how HR information can enable or assist decisions. For some teams this included ensuring all teams had more generalist capabilities, in order to deal more efficiently with queries, rather than wait for specialists to assist. A few have also improved networks with stakeholders and service delivery partners.

Plan for the component going forward:

Many of the HR managers' plans going forward included the use of technology, automation or other innovations to reduce voluminous manual tasks, increase efficiencies and improve service delivery times / responsiveness. Some managers specifically mentioned better aligning their structure and functions with the strategic objectives. A few indicated that they are striving to change the perception of their HR service from HR administrators to HR consultants. Improving relationship-building with other service delivery partners was also important to a few.

With regards to staff, various ideas were mentioned in terms of improving the competency and initiative of some staff, multi-skilling their teams, and developing the next level of management.

Specific technical (HR related) qualifications, experience, skills or knowledge needed for HR managers to improve their effectiveness in their current role:

Respondents recommended that HR managers should stay abreast with all the latest developments within the HR environment on issues relating to HR best practices.

Some of the raters stated that managers should be devoted to implement change and introduce new systems in departments according to the latest trends. Many raters have indicated that most HR managers possess all the essential academic requirements, knowledge and skills in the HR environment and therefore no further training interventions and/or qualifications were needed at senior management level. But with reference to essential inherent requirements, some raters stated that in order to fulfil the duties of an HR manager, incumbents must possess the following additional qualifications, experience and skills to enhance their knowledge and competencies:

Qualifications	Experience	Skills
<ul style="list-style-type: none"> • Relevant/Appropriate HR qualification • Master in Business Administration • Master in HR specialising in labour relations • Post graduate qualification. 	<ul style="list-style-type: none"> • 3-5 years in HR related environment • 6-10 years in HR related environment • Knowledge and understanding of budgeting processes • Monitoring and evaluation 	<ul style="list-style-type: none"> • Advanced spreadsheet • Programme and project management • Management of systems (processes and procedures) • Policy interpretation • Human resource related systems

Some raters were very specific in mentioning the qualifications acquired by their managers and recommended them to pursue their studies up to the level of PhD.

It was further indicated that good management skills enhances and motivates staff morale in an organisation. However, a few raters emphasized the need for HR managers to acknowledge the contributions/views of their subordinates in order to gain support and to excel in their responsibilities and deliver according to the expected standard. The shared experience of HR managers and their ability to provide clear guidelines to their subordinates have been commended by followers as it enhances their knowledge and provides clear understanding and ability to develop and work independently with confidence in the near future.

Managers themselves indicated that a human resource management qualification is an essential academic requirement for an HR manager. Furthermore, some noted that specialisation in Industrial Psychology is advantageous as it will enhance the ability to source talent in an HR environment, and others are of the opinion that a Masters Degree in Public Administration, Post-Graduate Diploma in Labour Relations, Project Management and Research Methodology specialising in Monitoring and Evaluation are also essential requirements for an HR manager.

In addition to the above, managers indicated that at least 3 - 5 years experience in a human resources environment is vital. It was also noted that an understanding and knowledge of Public Service Regulations; HR systems (PERSAL) and procedures; budgeting; HR best practices such as labour relations; conditions of employment; equity; labour court procedures; experience in handling of grievances; good negotiation and conflict resolution skills; and the Basic Conditions of Employment Act is essential. Furthermore computer literacy and basic statistical skills are required.

Although some managers commented generally on requirements for HR related qualifications and development, some were very specific in mentioning that they are currently pursuing their studies to better equip themselves by being registered for an Executive Development Programme (EDP) which forms part of a compulsory personal development programme initiated by government for senior managers. Furthermore, managers have emphasised the need to motivate staff, enhance team work, provide guidance, and the sharing of information as essential elements that make for a successful HR senior manager.

Environmental factors preventing managers from performing effectively, or implementing their plans to improve their component:

HR managers have indicated lack of capacity both at central and decentralised level to perform the duties required to fulfil the mandate of the department. Furthermore, managers stated that unrealistic expectations regarding the development of a regional training centre without the appropriate allocation of resources and clear guidelines regarding the requirements impedes on their performance. It was also noted that some senior managers are focusing on trivial issues which subsequently creates an unhealthy and hostile environment.

It appears that insufficient funds, shortage of resources and budget cuts impedes greatly on managers' ability to carry out standard/normal functions. Furthermore, some portfolios that have been added to some of the managers' duties are seen to have negatively affected the functioning of the components,

and caused delays in implementing systems that speed up service delivery. As the result of this, some managers have experienced delays in service delivery due to staff shortages and difficulty in replacing experienced staff that resigned, were promoted, transferred or are experiencing ill-health.

According to some managers, National Offices must give more strategic direction to the provincial level of government. Furthermore, managers have stated that they are against the restrictions on automation of processes implemented by National Offices that cause unnecessary delays in service delivery and creates unnecessary pressure. Inadequate structures that are not properly aligned to the performance indicators of the particular component is also a matter of concern as it creates confusion and uncertainty amongst staff on the expected final product to be produced.

Environmental factors enabling managers from performing effectively, or implementing their plans to improve their component:

Managers commended their subordinates, relevant components and peer members for the support and commitment showed and their willingness to go the extra mile. Some showed their appreciation of the support received from Heads of Department (HoDs) and superiors in order to deliver quality services. The managers mentioned their gratitude to subordinates who are resilient to the ever-changing environment, and it was recommended that the good working relationship with colleagues and stakeholders involved in services delivered by the departments be continued.

Competencies, work style and skills – what managers do well and should continue doing:

The respondents have indicated that their HR managers are competent enough in policy formulation and planning and knowledgeable in most HRM related prescripts, public service regulatory frameworks which contribute positively to their work plans.

Most raters shared the same sentiment in acknowledging various skills and competencies possessed by HR managers, which amongst others include good leadership, communication, people management, interpersonal, presentation, team work, strategic, communication, report writing, presentation, analytical and systematic and conflict management skills. To add to this the raters acknowledged their HR manager's abilities for being impartial and act independently, work under pressure and for mentoring employees specifically on lower levels. This has helped teams to perform efficiently and effectively in their duties. Furthermore, the abilities of HR Managers to create opportunities for the junior members in all aspects of the functions for the benefit of personal

development has been acknowledged by the raters and for recognising and valuing and support views/ opinions expressed by them.

According to respondents, information shared by HR managers has increased the ability and confidence of junior members to lead and excel in their own capacities. HR managers continue to create a good image for the department as they constantly engage/involves relevant stakeholders in all decision making process, and ensure that in any decision that needs to be taken proper research and consultation is conducted. Importantly, the raters are of the opinion that their HR managers perform with integrity, honesty and always maintain high professional working standards.

In terms of their leadership competencies and work style, HR managers identified the following three areas as areas where they perform exceptionally well:

- Providing strategic leadership by: creating opportunities to share departmental and strategic information / fostering a shared vision; leading the team / facilitating team cohesion / affording employees the opportunity to form work groups to deliver objectives; using appropriate information to take decisions / identify and mitigate risks; managing projects and change management; and working with others to streamline processes.
- Facilitating people management through: Appointing the right people in the right job; participative leadership with healthy debate and consultation / frequent meetings to ensure that staff are kept abreast /informed / provide context before delegating; and delivery focused / holding the team accountable/ remaining firm on what they want, but also being open to input.
- Ensuring their personal work style reflects the departmental values by: Walking the talk / sticking to promises or informing people timeously if cannot meet them; stakeholder engagement / not afraid to engage in difficult conversations at all levels; engaging and caring about people / respecting staff / showing empathy / social actions to show that they care about people.

Competencies, work style and skills – what managers should focus on improving:

The raters recommended that their HR managers engage/ interact with the team to ensure that decision-makers are fully aware of what is expected of them, devote more time to make decisions in order to gain more confidence, focus on systems management, and to be more patient to their subordinates. Data interpretation, communication and tactfulness, research and people

management skills also emerged as skills improvement needs. It was also stated that HR managers should improve their knowledge in HR best practises and be more knowledgeable in the latest trends and adapt accordingly in order to be able to provide clear guidance to subordinates. They should attend relevant HR training courses to broaden their knowledge.

Some respondents mentioned that HR managers should allow subordinates to improve on skills and knowledge relevant to HR for their own personal developments. They should be afforded more opportunities to make decisions and to plan properly. Comments also included that the HR manager should improve on the ability to differentiate between micro management and the management of processes on a macro strategic level.

In terms of their leadership competencies and work style, managers indicated the following areas as areas they want to focus on improving:

Self-Development	<ul style="list-style-type: none"> • Time management • Being more decisive in decision making.
Managing their function	<ul style="list-style-type: none"> • Delegating more effectively in order to balance work. • Developing a structured induction to the component to ensure role clarity, transfer of departmental knowledge and retention of staff.
People management	<ul style="list-style-type: none"> • Management of talent and introducing succession planning • Enhancing commitment and focus within their teams to improve results / shortening turnaround times.
Interpersonal/ Communication skills	<ul style="list-style-type: none"> • Having more individual discussions to encourage innovations and good performance. • Spending more time with people in their department.
Technical competence	<ul style="list-style-type: none"> • Improving synergy within the directorate and breaking down silos.

Additional comments / suggestions to help the managers to develop further in their role:

- Managers should have a willingness to learn and the appropriate qualifications mean that they will continue to develop. Some managers may just require time and more experience / exposure.

- Managers should focus on up-skilling themselves in all HR functions.
- Managers with experience and training are encouraged to continue to keep updating themselves
- Some managers have excellent relationship skills and are seen as good colleagues and a good support to peers – this should continue.
- Some managers are able to listen to other people's views with an open mind and adapt easily – this should continue.
- Some managers have the ability to change people and innovate. They should continue to do so to build the organisation.
- Some managers could look at issues in terms of detail and longer-term consequences that are not immediately apparent when taking decisions.
- Some managers could improve in terms of time spent monitoring and providing feedback. They should communicate on a more regular basis and help staff understand the purpose and meaning of their work. They should also listen so that the staff feel understood.

3.2 RESULTS FOR FINANCE MANAGERS

The results for the Human Resource Managers are presented in three categories. *Section A* and *Section B* will be presented as tables of averages (Quantitative data) across all rating categories, and the results will be discussed below. *Section C* will be presented as a summary of the responses to the open-ended feedback questions (Qualitative data).

The rating scale used for *Section A* and *Section B* is as follows:

RATING SCALE:

1. Strongly disagree / never
2. Disagree / hardly ever / seldom / rarely
3. In-between / sometimes / inconsistently
4. Agree / fairly often / most of the time
5. Strongly Agree / almost always
6. Not Applicable - you are not in a position to comment on this behaviour.

3.2.3 SECTION A: Functional expertise (Finance managers)

Below is the table displaying the averages of ratings across all categories in *Section A* for the senior Finance managers.

Table 7: Results for Finance Managers – Section A

	OVERALL RATINGS (Average ratings)					
	SELF	Superiors	Peers	Followers	Stakeholders	Average
SECTION A: Functional expertise						
1. Demonstrates expertise and leadership within their Finance role/ function	4.5	4.3	4.4	4.5	4.5	4.5
2. Sound implementation of minimum requirements	4.5	4.2	4.4	4.6	4.2	4.4
3. Further develops function	4.7	4.1	4.2	4.6	4.3	4.3

1. Demonstrates expertise and leadership within their Finance role/function

Financial managers strive to be experts in their field who continuously improve their skills and knowledge regarding financial practices and procedures. They are able to write well-structured and complex documents (for example policies, regulations and plans); and as a result of their advanced financial skills and knowledge, they are able to act as independent, impartial and consistent advisors on finance related matters to both superiors and subordinates.

Some superiors (21%) indicated that Finance managers could potentially improve their writing skills; and although managers act as independent, impartial and consistent advisors, 32% of their peers are of the opinion that this aspect needs improvement.

2. Sound implementation of minimum requirements

Managers appear to be able to develop and implement effective strategies with regard to risk management, fraud and corruption within their departments. It is also indicated that they are able to ensure value for money with regards to goods and services procured by departments.

Some superiors (15%) indicated that finance managers could improve their skills in implementing measures to ensure compliance in relation to the financial services in their Department; and some may also wish to focus more on the implementation of strategies to detect and manage fraud and corruption.

3. Further develops function

As a result of the efforts taken by Finance managers, the finance function appears to be fully developed and supported by managers and employees as required. Their components strive for excellence and continuous improvement.

Nonetheless, some superiors (15%) and peers (12%) indicated that managers could improve the finance function in order to fully support managers and employees; and whilst Finance managers continuously strive for excellence and improvement, superiors (21%) and peers (24%) are of the opinion that there is still room for improvement.

3.2.4 SECTION B: Leadership competence and personal work style (Finance managers)

Below is the table displaying the averages of ratings across all categories in Section B for the senior Finance managers.

Table 8: Results for Finance Managers –Section B

OVERALL RATINGS (Average ratings)						
	SELF	Superiors	Peers	Followers	Stake-holders	Average
SECTION B: Leadership competence and personal work style						
4. Strategic Capability and Leadership	4.5	4.0	4.2	4.4	4.2	4.2
5. Programme and project management	4.5	3.8	4.1	4.4	4.3	4.1
6. Financial management of own component / directorate	4.7	4.1	4.5	4.6	4.3	4.4
7. Change management	4.5	3.8	4.0	4.3	5.0	4.1
8. Knowledge management	4.4	3.7	4.0	4.1	4.0	3.9
9. Service Delivery Innovation and customer focus	4.4	3.7	4.0	4.2	4.0	4.0
10. Problem solving and analysis	4.6	4.2	4.3	4.5	4.5	4.3
11. People management and empowerment (within component / directorate)	4.6	4.0	4.3	4.4	4.3	4.3
12. Communication (Relationship building and influence)	4.4	4.1	4.0	4.4	3.8	4.2
13. Honesty and integrity	4.7	4.5	4.4	4.5	5.0	4.5
14. Personal work style	4.6	4.2	4.2	4.4	4.8	4.4

4. Strategic capability and leadership

Finance managers are able to give strategic direction and are leaders in their directorates. It is noted that most of the managers effectively analyse internal and external environments, are able to develop action plans and achieve strategic objectives against specified performance measures.

It was indicated that some superiors (29%) are of the opinion that there are managers who could develop their ability to analyse the internal and external environment in order to formulate strategies; and according to some superiors (29%) and followers (24%), there are finance managers who could also improve in their development of action plans.

5. Programme and project managements

The table below indicates the item analysis for question 5.

5. Programme and project management	Strength (rating 4-5)					Potential Development Area (rating 1-3)				
	superiors	peers	followers	stakeholders	self	superiors	peers	followers	stakeholders	self
5.1. Defines roles and responsibilities for project team members and clearly communicates expectations	77%	77%	90%	89%	95%	23%	23%	10%	11%	5%
5.2. Identifies and manages risks to the project by assessing potential risks and building contingencies into project plan	69%	77%	76%	88%	83%	31%	23%	24%	12%	17%
5.3. Monitors and evaluates progress of projects effectively	53%	85%	89%	88%	94%	46%	15%	11%	12%	6%

Finance managers appear to succeed in defining roles and responsibilities for project team members and clearly communicate expectations. It is also indicated that they effectively identify and manage risks in order to project, monitor and evaluate the progress of projects.

A significant number of superiors (46%) identified a need for finance managers to improve their monitoring and evaluation skills in order to stay abreast of projects; and some superiors (31%), peers (23%) and followers (24%) are of the opinion that there are finance managers who could improve on their risk assessment skills and capacity to develop contingency plans.

6. Financial management of own component / directorate

The feedback received suggests that Finance managers are competent in formulating budgets and obtaining the resources required to meet their component / directorate's needs. They continuously identify new opportunities to obtain and save funds to ensure value for money and have the necessary skills to revise forecasts and to develop corrective actions as needed.

Although finance managers seem to have the skills to revise forecasts and to develop corrective actions as needed, superiors (31%) indicated that some managers could improve in this area. Similarly, superiors (29%) are of the opinion that some finance managers' budgeting skills and efforts to obtain resources leave room for improvement and that some finance managers could improve in their efforts to identify opportunities to save funds, ensure value for money, as well as manage fraud and corruption.

7. Change management

The table below indicates the item analysis for question 7.

7. Change management	Strength (rating 4-5)	Potential Development Area (rating 1-3)
7.1. Creates an awareness of pending changes within own component.	78% - superior	22% - superior
	82% - peers	18% - peers
	80% - follower	20% - follower
	72% - stakeholder	28% - stakeholder
	94% - self	6% - self
7.2. Manages change effectively.	57% - superior	43% - superior
	78% - peers	23% - peers
	80% - follower	20% - follower
	72% - stakeholder	28% - stakeholder
	94% - self	6% - self
7.3. Inspires and builds commitment for pending changes within own component.	64% - superior	36% - superior
	81% - peers	19% - peers
	73% - follower	27% - follower
	72% - stakeholder	28% - stakeholder
	100% - self	0% - self

The results indicate that 82 % of peers and 80% of followers believe that most of the managers create an awareness of pending changes within their own component, as opposed to the managers' self-assessment of 94% and 78% rating by superiors. In spite of the difference, the overall ratings are exceptionally high in this area.

A significant amount of superiors (43%), stakeholders (28%), peers (23%) and followers (20%) indicated that a number of finance managers need to improve on how they manage change. Stakeholders (28%) and superiors (21%) were of the view that some of the managers need to be more purposeful in creating awareness of pending changes within their own component; and according to superiors (36%), stakeholder (28%) and followers (27%), some managers need to develop in the area of inspiring and building commitment for pending changes within their own component.

8. Knowledge management

According to Superiors (95%) and 88% of peers, Finance managers create mechanisms and structures for sharing knowledge in their own area and across the organisation.

Although most Finance managers themselves (90%) said they ensure that their components/directorates utilise technology correctly, some superiors (38%), peers (26%) and followers (23%) believe that this is an area in which a few managers should improve. Similarly, superiors (29%), followers (17%) and stakeholders (20%), are of the opinion that some managers need to focus more on creating mechanisms and structures for sharing knowledge in their own area and across the organization. Furthermore, a significant number of superiors (38%), peers (33%) and followers (20%) noted that some managers need to improve at adapting and integrating information from multiple sources to create innovative knowledge management solutions.

9. Service Delivery Innovation and customer focus

The table below indicates the item analysis for question 9.

9. Service Delivery Innovation and customer focus	Strength (rating 4-5)	Potential Development Area (rating 1-3)
9.1. Ensures their team implements innovative opportunities to improve service delivery to clients.	62% - superior 71% - peers 74% - follower 89% - stakeholder 95% - self	38% - superior 29% - peers 27% - follower 11% - Stakeholder 5% - self
9.2. Effectively manages consultation and complaint processes around service delivery.	62% - superior 84% - peers 76% - follower 79% - stakeholder 84% - self	38% - superior 16% - peers 23% - follower 21% - stakeholder 16% - self

The results indicate that 89% of stakeholders, and Finance managers themselves (95%) believe that they ensure that their teams identify and implement

innovative opportunities to improve service delivery to clients. However, 38% of superiors, 21% stakeholders and 23% followers feel that effectively managing consultation and complaint processes around service delivery is potentially an area for development. Furthermore, superiors (38%), peers (29%) and followers (27%) seem to believe that some managers could be more proactive in ensuring that their teams identify and implement opportunities to improve service delivery to clients.

10. Problem solving and analysis

The results indicate that the majority of raters (at least 80%) seem to believe that most of the managers take effective decisions and demonstrate the ability to break down complex problems into manageable parts, determine root causes, and to identify suitable solutions.

11. People management and empowerment (within component / directorate)

According to most of the raters, people management and empowerment is something that most finance managers do well, particularly in the area of delegating and empowering others to fulfil their level of responsibility and enabling others to increase their contribution and potential. Another area in which managers do well is in consistently applying labour and employment legislation, regulations and internal finance policies.

Nonetheless, 31% of superiors and 20% of followers have indicated that some of the managers do not take enough time to consider the contributions of individuals and teams, and work to motivate them through verbal or written acknowledgement or praise. 20% of followers and 15% of superiors feel that some of the managers don't always evaluate performance consistently and fairly; and some superiors (23%) and followers (20%) have indicated that effectively implementing the performance management system as per the guidelines is a potential development area.

12. Communication (Relationship building and influence)

The results indicate that 95% of stakeholders and 93% of superiors believe that most managers network effectively with stakeholders. However, there are superiors (21%) and peers (23%) who are of the view that some managers should improve how they communicate/present information in an influential way that

would gain support and commitment. Similarly, stakeholders (25%) indicated that some managers should develop in their ability to network effectively with stakeholders; and some superiors (21%), peers (24%), followers (20%) and stakeholders (14%) indicated that there are managers who need to improve their ability to communicate controversial/sensitive messages to both internal and external stakeholders tactfully and in a politically sensitive and correct manner.

13. Honesty and integrity

All raters indicated that the finance managers conduct themselves in accordance with the organisational code of conduct and the majority of raters believe that most of the managers consistently demonstrate sound leadership behaviour and organisational values. Nonetheless, 24% of followers and 20% peers indicated that there are managers who don't admit their own mistakes and weaknesses, nor seek help from others when they are unable to deliver.

14. Personal Work Style

The table below indicates the item analysis for question 14.

14. Personal work style	Strength (rating 4-5)					Potential Development Area (rating 1-3)				
	superiors	Peers	followers	stakeholders	self	Superiors	peers	followers	stakeholders	self
14.1. In general the manager you are rating...Work effectively as part of a team	85%	88%	90%	96%	90%	15%	12%	10%	4%	10%
14.2. Manage their own time effectively	69%	96%	90%	95%	100%	31%	4%	10%	5%	0%
14.3. Effectively manages the multiple demands and pressure of their role	84%	96%	90%	90%	100%	6%	4%	10%	10%	0%
14.4. Remain focused on achieving results	92%	96%	94%	90%	95%	8%	4%	6%	10%	5%
14.5. Gets back to people in agreed timeframes	85%	71%	76%	95%	100%	15%	29%	23%	5%	0%
14.6. Displays	85%	79%	77%	90%	95%	15%	21%	23%	10%	5%

The majority of raters indicated that the finance managers work effectively as a part of the team, succeed in remaining focused on achieving results, and effectively manage the multiple demands of their job. However, a number of superiors (31%) indicated that some finance managers could manage their time more effectively, whereas 29% peers and 23% followers indicated that for some finance managers should learn to provide feedback to people in agreed timeframes. 27% of the managers themselves indicated that they should perhaps display more personal interest in the well-being of colleagues and effectively manage the multiple demands of the pressure of the role.

3.2.5 SECTION C: Open-ended Feedback for Finance Managers

Improvement to Component since starting in the role:

Feedback received from raters emphasized the role played by the senior managers in consolidating processes and procedures that would ensure good financial control and sound financial governance. These managers were able to ensure that staff understood and complied with prescripts and policies that governed the work of their units. Some managers were acknowledged for enhancing the work of their components in terms of improving their value offering to clients by engaging them directly and moving beyond compliance aspects. They viewed themselves as service delivery partners that focused on ensuring that financial resources are an empowering tool to delivering better.

One of the critical aspects surfacing from respondents was the manager's ability to critically analyse the structure and design of their components and to institute measures to improve workflow and task orientation. This was further supported by an appropriate set of delegations to ensure that subordinates were empowered to perform their tasks, and notably, held accountable for successes and failures.

Staff development and encouraging staff members to improve their skills and qualifications was an important feature amongst respondents. Members of the components have been more motivated and productive in an environment where they are affirmed in terms of training opportunities and exposure to skills development.

Most managers were also applauded for the performance levels achieved by their components. Audit outcomes indicated a positive trend in terms of improved financial performance. Most departments received unqualified audit

outcomes with some even achieving clean audit outcomes. Respondents ascribed these achievements to the ability of the managers to implement strict and effective financial controls and to focussing on mitigating measures to address irregular expenditure.

The managers themselves underlined the need to focus on staff development and to ensure that team members are competent and supported in their jobs. The financial control environment enjoyed particular focus for most managers, and norms and standards for financial administration were set and a rigorous regime of monitoring compliance put in place. Internal control units were ramped up in terms of capacity and skill, and supply chain management practitioners and middle managers were capacitated to deliver services whilst upholding the policies and prescripts which apply.

A few managers indicated their successful initiatives to review the structure of their components as a key factor in lifting performance levels. Re-engineering of supply chain management, the integration of financial disciplines [budget management and financial management], and the establishment of functional and effective management/ governance structures such as audit committees, enterprise risk committees and the internal control unit were cited as critical to growing the financial capability of their organizations. One of the managers also asserted that growing the culture of ownership of the financial health of a department was important. To this end, measures were put in place to foster an understanding of the standards relating to performance and also the accountability that is tied to this.

Plan for the component going forward:

The managers were clear about the need to subscribe to current prescripts and policies. However, they were equally motivated to grow the understanding amongst staff to be of better service to clients within these parameters. One of the main thrusts was to ensure that the work of finance is acknowledged as integral to the overall objectives of the department and that it supports and partners the operational divisions. Focused goals also revolve around improving SCM processes and internal control measures; and in addition to this, managers were eager to at least maintain their audit records and even improve on these going forward.

Specific technical (finance related) qualifications, experience, skills or knowledge needed for the finance managers to improve their effectiveness in their current role:

Qualifications

Raters identified post-graduate degrees in finance as a necessary qualification to improve the effectiveness of managers. A Master's degree in finance, being a registered Chartered Accountant, or obtaining a Master of Business Administration degree was frequently stated. However, a number of raters commented that a three year qualification coupled with experience was sufficient. Also, the comments from superiors supported the notion of extensive experience balancing out the emphasis placed on high academic qualifications exclusively.

Technical knowledge

Financial advisory services and risk management were highlighted as knowledge areas that are essential to enhance the effectiveness of managers, although respondents were mostly satisfied with the technical knowledge that managers possessed and it is clear that they rate the incumbents as having a good understanding of the content of their jobs. The base requirements expressed by raters were knowledge of the Public Finance Management Act [PFMA], Treasury Regulations, procurement prescripts and knowledge of accounting transactional systems such as BAS and LOGIS.

Specific experience or technical skills

Raters clearly indicated the need for strong financial management and budgeting management skills as a requirement for success in these positions. Extensive management experience was also fronted [5 to 7 years]. In particular, some raters suggested that public sector experience was important in leading a unit to improved effectiveness. It is also important to note that respondents pointed to people management skills and the need for managers to display emotional intelligence as an ingredient that would make for improved effectiveness.

Managers themselves indicated the following:

Qualifications	<ul style="list-style-type: none">• MBA qualification• Post graduate qualification in Finance• Chartered Accounting• Short courses which address specific areas
-----------------------	--

	[demand management, GRAP]
Technical Knowledge	<ul style="list-style-type: none"> • Knowledge of Accounting practices [GRAP] and Accrual Accounting Practices were central to the effective functioning as a finance manager.
Specific experience or technical skills	<ul style="list-style-type: none"> • Generally, the areas of technical skills and knowledge identified were on government financial systems and financial management processes.

Environmental factors preventing managers from performing effectively or implementing their plans to improve their component:

Managers cited structural anomalies as one impediment to them exercising full control of certain operations. Staffing is a challenge and the available funding does not allow for units to be fully capacitated. In addition to this, increasing changes and more stringent measures introduced in the legislative and policy environment are also noted as presenting certain constraints.

Environmental factors enabling managers from performing effectively or implementing their plans to improve their component:

The overwhelming sentiment expressed by managers was that they were supported by their superiors and from the management team of the department. They stated that they were empowered to implement plans and strategies to drive their objectives.

Competencies, work style and skills – What managers do well and should continue doing:

The raters' responses centred on the following, which they viewed as the manager's current good attributes and skills which could be further enhanced:

- Continuous scoping and analysis of policy environment – proactively analyse new policies and determine potential impact; excel in cost centre management activities and financial projections that will lead to improved planning; ensures compliance to rules and regulations.
- Attention to detail - conversant with all relevant processes and procedures; listen to staff and be open to advice; hone problem-solving skills; and maintain good communication.

- Support staff members towards increased competence – mentor staff; create opportunities for development; provide guidance and devolve responsibility.

The managers themselves indicated that managing audit processes and managing a team effectively were their strengths. The development of staff and providing appropriate mentorship and guidance was also noted as a positive element of their management style.

Competencies, work style and skills – What managers should focus on improving:

Respondents were of the opinion that fostering open and engaging relationships with colleagues and the embracing of differing views are areas in which the managers could improve. Interpersonal skills also emerged as a strong recommendation.

The issue of stringent compliance to rules was mentioned by some respondents as an inhibiting factor that negatively impacted on service delivery levels. It is suggested that the finance managers would do well to mediate this space and to ensure that operational managers are not unnecessarily impeded in actualizing their delivery plans. Similarly, it was noted that greater automation of processes and continuously innovating is a core aspect that must be taken forward by managers. In addition to this, respondents indicated that managers should become more knowledgeable about the operational demands, and in this way they could be instrumental in simplifying processes and procedures in terms of procurement.

The managers themselves mentioned the improvement of business processes as an objective, as simplifying processes and procedures will lead to greater efficiency. One response was the effective use of data and how this should be used by finance to provide improved services to clients. Another area of improvement was noted as extending their knowledge of cost and management accounting in order to lift the financial management capability of the department.

Additional comments/suggestions to help the managers develop further in their role:

- A significant number of raters highlighted the need for managers to improve their ability to manage a large and diverse team. Some indicated that managers should not shy away from asserting themselves in terms of driving performance in their units.
- The need for managers to acquire further academic qualifications was also mentioned as part of their own self-improvement initiatives.

CHAPTER 4: FINDINGS AND RECOMMENDATIONS

This chapter will discuss the findings of the research project and make recommendations by indicating the areas that require improvement and/or development.

4.1 SENIOR HUMAN RESOURCE MANAGERS

As the above results indicate, the overall ratings for the HR managers were positive with a few potential development areas being highlighted.

4.1.2 Survey Findings

Please bear in mind that the survey for senior human resources managers was conducted on a defined sample, and that general conclusions resulting from the analysis of the data are hypotheses (Mangal & Mangal, 2013).

A. Technical expertise

HR technical expertise

In general, all categories of raters indicated that the HR managers have sound functional expertise. Stakeholders, in particular, seem to hold the most positive view in this regard. There is also a strong focus on ensuring that as individuals and experts within their fields, HR managers are committed to ongoing development as well as transfer of knowledge.

There were fairly specific examples of how these managers have improved the functioning of their sections/components; and those working with them appreciate their co-operative and influential approach with colleagues and service delivery partners, as well as the participative leadership style that they display with their team.

In order to develop their functional expertise going forward many feel that they require more experience. Some specific technical training was referenced, such as advanced HR qualifications or training in skills such as programme and project management, or budgeting processes (refer to list above in results). Others indicated person specific developmental areas such as strategic management or risk management.

B. **Leadership competence and personal work style**

HR leadership competencies

The quantitative results when averaged present an overall positive picture of the HR managers' leadership competency and personal work style. Peers and stakeholders have very positive perceptions of the HR managers, whilst followers and superiors and the HR managers themselves indicated overall strengths with a few development areas.

According to the item analysis, the strengths lie in doing detailed planning and monitoring achievement. However, the item analysis also indicates that there may be some room for even better performance against strategic objectives.

Given that HR managers are also responsible for financial management for their components, some indicated that there is room for improvement in terms of cost saving, ensuring value, and formulating a budget. In addition, knowledge management could also be improved in some areas by adapting and integrating information from multiple sources to create more innovative knowledge management solutions. Further development in problem-solving and analysis is also recommended, as well as enhanced decision-making which could improve the performance of managers [20% of raters indicated likewise]. Similarly some indicated the need to improve synergy within their directorates, and a few managers identified the need to focus on delegation, and other aspects of people management and motivation of staff.

HR work style

As mentioned above, work style and leadership competencies were viewed as particularly strong for this group of HR managers. In particular, honesty and integrity stood out as a strong attribute of this group of managers. There was also a view that HR managers have a strong focus on achieving results.

However, several areas of development were identified. Time management emerged as a need for few HR managers, together with the ability to handle multiple pressures associated with their role.

C. **Constraints and enablers**

When asked what enables or constrains their performance, HR managers indicated that potential constraints include:

- Restrictions on automation of processes implemented by National Offices that cause unnecessary delays in service delivery and pressure.

- Inadequate structure of unit and design of functions.
- The lack of capacity both at central and decentralised level to perform the duties required to fulfil the mandate of the department.
- Additional duties or large projects added to portfolios tend to obstruct the achievement of other service delivery initiatives.

In terms of enablers, the HR managers observed that the support from followers and superiors and the positive relationships with colleagues and stakeholders are critical factors to their success.

4.1.3 Focus group findings and analysis – Human Resource Management

A core theme with cascading strengths and development areas emerged during the Human Resources focus group discussion. This core theme is the need for senior human resource managers to move towards strategic HR and become active agents for improving service delivery of the public sector.

The focus group participants strongly indicated that although Human Resources functionaries have progressively assumed the role of strategic partners over the past few years, they are still largely seen as administrative support personnel.

However, the senior human resource managers asserted that being strategic partners is not enough – rather they can and should play a pivotal role in shaping service delivery within their departments and the province. In the context of the public sector in which all departments have been tasked to improve service delivery, senior managers within human resources should firstly view themselves as having a critical and strategic role to play in achieving service delivery rather than as administrative support. They must actively seek ways to empower, capacitate and develop managers and public servants within other functions to be able to focus on the client as a person with peculiar needs and aspirations.

The above is a provocative challenge laid out for senior human resource managers, and other managers to embrace. To achieve this, the following guidance and recommendations for senior human resource managers is advanced:

A. Develop strategic capability within the HR function

HR managers need to develop their skills on a strategic level and play a guiding role in the strategic decision-making process. Currently many are fulfilling an administrative and basic management function. There is a need for managers to develop to the next level and become leaders who can reflect on what they are trying to achieve strategically.

Some participants noted that a change process to align HR functions to the overall strategic purpose of their departments may be required.

B. Data analysis and effective use of HR analytics / information

Focus group participants noted that senior human resource managers can provide better input to strategic decisions, and also proactively identify strategic opportunities or threats against strategic objectives. To achieve this, senior HR managers should build more competence when it comes to analysing data effectively. They should also take note of what sources of data are readily available from their institutions and other strategic partners.

C. Enable partners to improve service delivery through human behaviour understanding and competence

In order to identify ways in which their internal partners can be more focused on the person (not the employee as a worker), HR Managers need to update their skills, and that of their team, regarding human behaviour and human reward elements (within the confines of legislation and regulations).

Once human resources units are more competent in this area, they should find ways to transfer this knowledge in a practical way to influence service delivery.

D. People management and development

Focus group participants also identified the need for senior human resource managers to further develop their people management and development competencies, especially with the view of empowering employees. In particular, they should:

- Enhance their ability to manage in the context of intergenerational diversity. This requires better knowledge of what motivates different generations, openness to change, and improved self-awareness of their leadership styles.
- Appoint the right staff and also develop staff to play a visionary role in which HR should operate, and not just as administrators of the payroll and other service benefits.
- Focus more effort on talent management within HR functions and ensure that Managers stay clear of hoarding experience and expertise. At times there is a perception that senior managers do not transfer knowledge due to fear that the 'new blood' will 'take over my job'.

E. Innovation towards automation

Senior human resource managers should continue to try to ensure that administrative functions are further automated. As they need to do more with fewer resources, this will free up capacity and time to focus on more strategic endeavours.

F. Technical competence and work style strengths and development areas

From the focus group participants' point of view, senior human resource managers within departments in the Western Cape Province seem to have strong technical expertise in the following areas:

- Policy;
- Experience;
- Handling of complaints; and
- Specialisation in certain areas.

However, the following competencies need to be developed:

- Risk management;
- The management of business processes;
- Data analysis capability;
- Time management; and
- Improve budgeting and financial management.

G. Contextual constraints and enablers

Lastly, the focus group participants acknowledged that senior human resource managers have some constraints and enablers that should be considered as follows:

At times red tape prevents access to data. Some human resource functions have less competent and mature staff than what is required to achieve objectives, and some senior human resource managers themselves need more expertise and knowledge to be able to fully function at this level.

Current legislation governing recruitment and selection provides an obstacle to some initiatives around talent management or encouraging the transfer of skills (e.g. succession planning is not possible within this context). Currently the HR function is primarily responsible to fill vacancies and some other production functions, and innovation is at times made more difficult as these functions need to continue whilst shortcomings are addressed. Another constraint relates to budgets which at times prevent much needed initiatives from being implemented.

Nonetheless, in some environments there is greater trust between managers and sub-ordinates, making it easier to implement changes and improvements.

4.2 FINANCE

4.2.1 Survey Findings

A. Technical expertise

Finance Technical Expertise

Financial managers are valued for their financial skills and knowledge, and were praised by their colleagues for the contribution they have made in terms of their value offering to clients, and also towards risk, fraud and corruption management. This was achieved by ensuring that staff are capable and supportive of departmental strategies, and complementary structures and workflow processes are in place. In general, finance managers have a strong focus on continuous improvement and a desire to change perceptions among their teams to view themselves as service delivery partners who help others achieve their operational objectives.

In addition to the areas of strength, the results suggest that some finance managers could further improve their components/directorates from a peer and superior point of view. Furthermore, experience is highly regarded in this group, as well as continued professional learning. To this end formal qualifications seem to be desired by this group.

B. Leadership competence and personal work style (Finance managers)

Finance leadership competencies

Financial management of own component and problem solving and analysis were seen as the strongest leadership competencies for this group of finance managers. Followers provided positive ratings across all competencies. Attention has been placed on identifying and implementing service delivery innovations according to finance managers and stakeholders; and communication and relationship building is seen as a strength by superiors and followers for this group.

With respect to development, superiors would like to see an improvement in the area of programme and project management, as opposed to the view of most finance managers that this is their area of strength. Project risk identification and management was a specific need highlighted for some

finance managers' development, as is the case with change management, knowledge management, people management and empowerment, and relationship building.

Finance work style

Finance managers are regarded as highly ethical and honest in their dealings with others. They are also seen as working effectively with others, focused on results and able to cope with multiple demands.

There were concerns that some finance managers are not open to admitting mistakes and requesting assistance; and a few managers should improve their skills in terms of time management and providing specific timelines to their teams. Showing more personal care towards people seems to be something many finance managers (27%) want to work on themselves, and the open-ended feedback supports this conclusion. Of note, the improved ability to handle larger and more diverse teams was identified a major area of need within this group.

C. Constraints and enablers

When asked what enables or constrains their performance, finance managers indicated the following:

Funding to fully capacitate teams coupled with more stringent financial measures are indicated as presently constraining effectiveness. On the positive side, empowerment and support from superiors and their management team, significantly contribute to finance managers' effectiveness.

4.2.2 Focus group findings and analysis – Financial Management

The following key themes and suggestions emerged from the group discussion during the finance focus group.

A. Working towards positioning finance as partners

Senior finance managers seem to have adopted more of a service delivery and client focused approach than in the past, where they tended to be seen as only being compliance focused. As such, where they used to be an 'us versus them' relationship with line management, this has shifted to a partner approach in which they are more solution-focused. They also seem to work closer with other stakeholders such as the Auditor General.

To further develop this partner approach, it is necessary for Senior Managers to assist in shifting their entire components, and especially the middle managers to this partnership approach. Currently middle managers seem to be less challenged at thinking 'outside the box' and have a very conservative approach (a situation referred). These middle managers tend to focus on compliance and maintaining rather than adapting value and finding solutions. Senior managers are required to intervene in these situations to force change.

In addition, senior managers should consider how they market finance as a partner, for example, through the manner in which they engage with other service delivery partners and also by educating line managers as to how finance can assist them to achieve their objectives.

B. Adaptability

Senior managers in finance were commended for the ease with which they are able to adapt to change, especially when it comes to ensuring maximum service delivery within budget. They are at times seen to be driving change as well, although this is not consistent across the different components.

C. Communication and collaboration

Senior finance managers are also seen to be fairly good communicators. They were commended for being able to present what is sometimes difficult information with the necessary tact, given the socio-political pressures and demands prevailing. They also tend to be quite flexible in their approach to communicating information, and some use forums very effectively to facilitate collaboration and information sharing across functions/departments.

There is room for improvement with regards to communication which will in turn improve the positioning of finance as a partner as mentioned above. The following suggestions were provided:

- Senior finance managers tend to operate in the background and seem to be afraid to showcase achievements. They could do more to share their expertise through various platforms such as giving talks on financial matters (as expert guest speakers).
- There needs to be more honest and regular engagement with line management in order to understand their service delivery partners better.
- Similarly, to help service delivery partners understand the constraints and opportunities around sensitive matters, they should have more personal interaction such as engaging with managers to explain their stance before issuing certificates or notices.
- Inter-departmental / inter-governmental relationships can be further enhanced through communication, which particularly will help resolve policy implementation issues within the local context. Senior managers as a

collective do not seem to create or use these forums as effectively as they could and this constrains improvement.

D. **Compliance versus adding value through expert analysis**

As with the two points above, compliance is seen both as a strength in some instances as well as a development area. In terms of strengths, participants emphasised that senior finance managers are very good at *nominal* compliance (e.g. implementing PFMA). They are receiving good audits as a result.

In terms of limitations though, they are not seen to have control over issues of *substantial* compliance. This means that they provide plans and reports as required but that the quality of their plans and the degree to which value is extracted through implementation is not necessarily vigorously pursued. The focus group members strongly suggested that these senior managers should challenge things that are not necessary, that do not add value, or are done at the expense of service delivery.

Although the participants acknowledged that a lot of financial analysis has to be done manually, they agreed that senior managers could still add a lot more value if they adopted the mind-set that "it is my business to analyse data" and ensure they provide expert input by using data effectively for strategic purposes.

E. **Innovation**

The above paragraph links to the points raised on innovation. Within the finance environment, senior managers are currently seen as being able to overcome system limitations through 'innovative' ways – or rather working with the information in a clever manner. As mentioned earlier, this is typically a manual process.

However, more can be done to put in place longer-term and broader based innovative solutions by developing systems, and business processes, ultimately allowing finance to do more with less resources.

Importantly, the overall finance function does not seem to be good at identifying innovative solutions that some components develop, and then rolling them out and embedding them within the province. Examples were given of great achievements in terms of systems that are working, that should be implemented on a wider basis, but yet are not. The potential of implementing the SAPS system as a move in the right direction was mooted.

F. **Project management**

According to the focus group participants some senior managers are adept at project management, although this was seen as an area for improvement overall. It is recommended that senior finance managers should better understand project management methodology so that they can:

- Continue to provide useful input as to “how” business owners can achieve “what” they want to; and
- Be in a position to ensure that critical information is contained in the project management system.

In addition, from a development point of view, senior managers tend to run their own financial projects under pressure, and do not always apply the principles of project management as effectively as they could.

G. **People Management**

Within the finance components, there is generally a strong ‘family’ image, and an effort is made by senior managers to support and protect their team members from external challenges or criticism. They often do this by taking the blame for others’ failures or mistakes, and then addressing issues behind the scenes within the finance teams.

A lot more should be done with regards to staff development with the focus on the following:

- There is a need for more strategic thinkers in the finance teams as there is currently an over-reliance on senior managers to fulfil this role. In this regard, identifying and developing middle managers towards higher levels of analysis and strategic capabilities should be done sooner, rather than waiting for them to be in a more senior position.
- Similarly, at all levels there is a need to build the capacity of team members to be able to step in when needed. Often service delivery is delayed due to ‘specialists’ not being available, whereas some of the skills are easily transferable.
- As part of development, it is important that senior managers take steps to ensure that staff within their components have a broader understanding of *why* and *what* they are doing. Senior managers need to improve their own ability to empower staff, as well as enhance motivation.

The focus group recommended using staff rotation as a key method to achieve the above objectives.

H. **Contextual constraints**

Finally, the focus group participants emphasised that senior finance managers operate within a very complex service delivery environment. The greatest challenge is that decisions regarding austerity measures are taken without considering complex contextual factors. The rationale behind these decisions is often not thoroughly communicated.

The decisions place finance managers in a difficult position. They have to implement decisions quickly and often do not have time to work out a suitable implementation strategy. Effective communication also suffers as a result of the demands for speedy action. In addition, the process perpetuates the feeling that different functions are operating in silos, and possibly undermines senior finance managers' efforts to position themselves as service delivery partners as discussed above.

Imposing decisions without sufficient consultation as to the potential implications on other existing endeavours, or providing senior managers time to implement in a well-thought through manner, reduces senior managers' effectiveness. Addressing these constraints will thus improve finance in general, and assist senior managers to further drive the strategic objectives of their departments through their components.

CHAPTER 5: CONCLUSION

This skills audit sought to examine the skills, experience, knowledge and overall competency of senior managers within the Human Resources and Financial Management functions in the Western Cape Provincial Departments.

A custom-designed multi-rater assessment with quantitative as well as open-ended qualitative items was conducted to elicit this information. Results were then further explored, validated and expanded on during focus group sessions.

The feedback and results from the survey, as well as the information provided through the focus group discussions indicate that senior managers in human resources and finance in general have done much to improve their functions. As a group they are considered to be quite competent and knowledgeable, and generally have sound relationships with colleagues at all levels.

However, they need to, and are capable of, challenging themselves to operate at an even higher level according to the focus group results. Although both sets of focus group participants worked completely independently, they reached a similar conclusion – which is that senior managers still tend to be too administrative, and need to do more to position themselves and their functions as strategic partners. To do this, they must place even more emphasis on competencies such as strategic capability and leadership, data analysis and people management.

Importantly, what it means to be a strategic partner is about using functional expertise to really help the business functions within their departments achieve and exceed service delivery targets and objectives, and should not be seen as providing a high level of administrative support only.

The human resources portfolio should become a resource that enables other business functions to provide the desired service delivery to the end clients as *people* [thereby accounting for their peculiar needs and aspirations as best possible [learners, patients, citizens, etc.]]. Managers should thus become experts in human behaviour and how to maximize opportunities to increase the productivity of staff. This requirement stands apart from the current thinking of being internal partners in terms of a support function.

Similarly, financial managers should move from nominal compliance to substantial compliance, and for senior managers to adopt a business owner mind-set in which they ensure their service delivery partners benefit from their technical expertise and analysis at a higher level, and that their functions are better able to respond to partners without being limited to a few individuals having specialist knowledge.

In short, for both the Human Resources and Financial Management functions to address the challenges set out above it has been recommended that they:

- Identify and develop this enhanced skills set required for taking on this new challenge, or revise the skill set to reflect this way of operating.
- Continue to get closer to service delivery partners and elevate the standing of their functions in their departments.
- Elevate the level at which their teams operate, especially middle managers, through implementation of system efficiencies as well as development of higher levels of competencies.

In summary, whilst senior managers generally appear to be technically competent as specialists, some competencies need to be thought of at a higher level and developed in order for them and their functions to achieve their full potential as partners in the drive for enhanced service delivery.

ACKNOWLEDGEMENTS

1. *The PSC wishes to thank the Premier and the Director- General of the Western Cape Province for their support of the project.*

2. *The PSC also wishes to thank the panel of experts who interacted with the process and content of the research at various times:*
 - *Professor Gavin Woods*
 - *Mr Leon Ely*
 - *Ms Louise Esterhuyse*
 - *Mr Ivan Carolus*
 - *Ms Bernadette Arries*
 - *Mr Pieter Kemp*

3. *In particular, the PSC expresses its gratitude to the senior managers and all of the respondents who voluntarily participated in the study.*

4. *The Commission's Project Team:*
 - *Paul Rockman – Supervisor*
 - *Bryne Joynerwood – Chief Researcher*
 - *Support with Data Collection and Data Analysis:*
 - a. *Noluthando Goniwe*
 - b. *Sidwell Dyusha*
 - c. *Carin Du Plessis*
 - *Hazel Dunbar - Executive Consulting Psychologist*

REFERENCES

Babbie, E., & Moutan, J. (2001). *The Practice of Social Research (South African Edition)*. Oxford University Press.

Department of Public Service and Administration. (2003). *SMS Handbook*. South Africa: DPSA.

Department of Public Service and Administration. (n.d.). *Competency Framework for Human Resource Management and Development*. South Africa: DPSA.

Horizon TM. (2013). *Key Steps to a Management Skills Audit*. PPA Consulting Pty Ltd.

Kirklees Council: Corporate Research & Consultation Team. (n.d.). *Research and Consultation Guidelines: Questionnaires*. Retrieved December 18, 2014, from Kirklees Council: <https://www.kirklees.gov.uk/community/yoursay/Questionnaires.pdf>

Kleynhans, N. (2013, October 10). *5 Methods for Conducting a Skills Audit*. Retrieved May 27, 2014, from HR Pulse: <http://www.hrpulse.co.za/employee-management/training-and-skills-development/230150-5-methods-for-conducting-a-skills-audit>

Kleynhans, N. (2013, July 30). *What Standards Should I use to Conduct a Best Practice Skills Audit?* Retrieved May 27, 2014, from HR Pulse: <http://www.hrpulse.co.za/employee-management/training-and-skills-development/229909-what-standards-should-i-use-to-conduct-a-best-practice-skills-audit>

Loveder, G. H. (1991). *Skills Audits*. Tafe National Centre for Research & Development PTY. LTD.

Mangal, S., & Mangal, S. (2013). *Research Methods in Behavioural Sciences*. New Delhi: PHI Learning Private Limited.

National Treasury. (n.d.). *Chief Financial Officers Handbook for Department's. National Treasury (1st Edition)*. Pretoria, South Africa: the National Treasury.

Rahman, M. A. (2011). *Application of 360' Feedback in DOSM*. Department of Statistics, Malaysia.

Watson, H. (2004). *Skills Audits*. Retrieved May 27, 2014, from FASSET: http://www.fasset.org.za/downloads/SDF5_skills_audit_full_article.doc