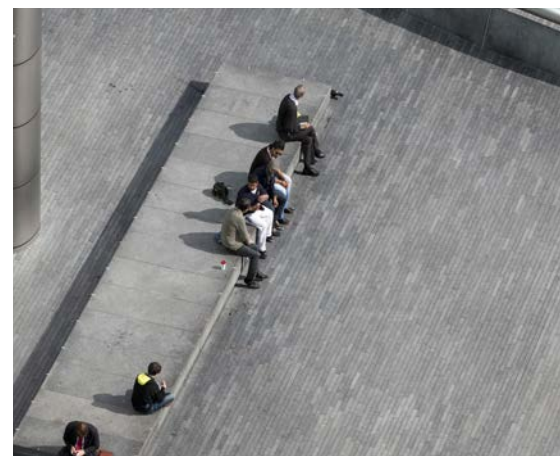

The Africa Government and Public Services Insight Journal



What are future-focused government and public sector organisations in Africa doing?

July 2014



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A photograph of a modern, brightly lit walkway or staircase with a glass and metal railing. The walkway is made of dark steps and a light-colored metal railing. The glass panels are large and reflect the sky and the surrounding environment. In the foreground, a man in a white coat and a woman in a black coat are walking away from the camera. In the background, another man in a blue shirt and jeans is walking towards the camera. The overall atmosphere is clean, modern, and bright.

What are future - focused public sector organisations in Africa doing?



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Welcome to the first edition of PwC's Africa G&PS Insight Journal. In this publication, we evaluate the features of future-focused public sector organisations in an African context. What capabilities do they need and have? Which actions are having the greatest impact and why?

The articles in this journal are authored by our practitioners across Africa. We work with a wide range of public sector organisations in Africa, including government bodies and not-for-profit entities, as well as multilateral finance institutions and donors. In this journal, we share insights gained from experience, but we have also challenged ourselves to think progressively as we describe public sector service delivery. This is what we mean by future-focused: we are not predicting the future inasmuch as we are providing viewpoints on best practices that are shaping the next generation of public bodies.

We take as our starting point PwC's global Future of Government report. That publication spells out the 'must-have' capabilities and behaviours needed by the public bodies of tomorrow and it provides a toolbox for practical implementation. Each of our contributors seeks to describe future-focused service delivery through the lens of their practical area of expertise and their experience on the continent to give you a better sense of what is coming around the corner for Africa's public sector.

In a nutshell, future-focused public sector organisations in Africa are delivering on their promises. To do so, they are gaining an understanding of user needs through 'customer insight', pulling down silo walls to create

connected organisations, building capacity to delivery results, realising the benefits and continuously innovating to sustain them.

Next- generation public service delivery is agile, innovative, connected and transparent. If these elements are in place, the result is the successful execution of a public sector organisation's strategy which is aligned to its vision and mission and delivers the outcomes and impacts that citizens need. Future-focused public sector organisations are:

- Managing mega trends and transformative forces (according to Stanley Subramoney);
- Developing core competencies (Kuria Muchiru);
- Leveraging state-owned enterprises (Nangula Uaandja and Talita Horn);
- Delivering innovative services, particularly through ICT (Muchemi Wambugu);
- Managing procurement (Florence Gatome);
- Working to ensure sustainable service delivery (Margaret Kamau);
- Focusing on human capital (Vish Ashiagbor);
- Improving public finance management (Bert Odiaka);
- Investing in infrastructure (Jonathan Cawood);

Read PwC's global Future of Government report by visiting our Public Sector Research Centre:

<http://www.pwc.com/gx/en/psrc/publications/future-of-government.jhtml>

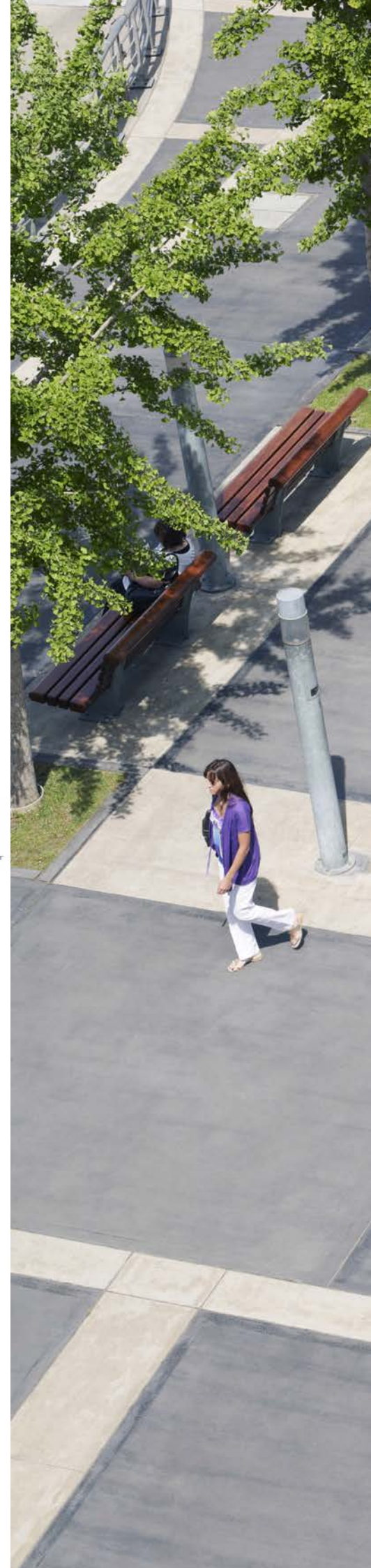
- Fighting bribery and corruption (Rajeev Basgeet); and
- Shifting to high-performance cultures (Cleopatra Mseka).

Each of our contributors takes PwC's global Future of Government report as a point of departure and then drills down into specific examples of future-focused service delivery derived from their experience. This is what distinguishes our journal: we translate best practice into achievable outcomes, using real-world examples.

I hope that you enjoy reading these articles. All of our contributors are available to you for further discussion and we have provided their contact details for your reference. Feel free to reach out to me as well as you navigate the future of public sector service delivery.



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Managing mega trends and transformative forces





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Mega trends and transformative forces are influencing growth and optimism all across Africa. How are these trends influencing Africa's future-focused public sector organisations, and how can they manage their approaches and responses to these trends?

Following two decades of low growth, Africa's economic performance has improved since the beginning of the 21st century. However this growth has not translated into economic diversification and job creation. The huge deficits in infrastructure and institutional capacity must be amended to deal with the challenges of pro-poor growth to push back the frontiers of poverty and inequality.

Mega trends and transformative forces are influencing growth and optimism all across Africa. How are these trends influencing Africa's future-focused public sector organisations, and how can they manage their approaches and responses to these trends?

The first global trend is demographic change. Globally, the developed world's population is ageing. However, developing economies, like those in Africa, have a younger population of workers and consumers that are shaping the global outlook for growth. This trend has important implications for public sector organisations across the continent.

Demographic change is manifested in a shift in mind-sets, attitudes, knowledge and values with the rise of 'Generation Y'. This generation is individualistic, informal, interactive, informed and innovative. Younger workers – in the public sector and elsewhere – want modern facilities, technology and flexibility. They are more mobile in their careers and more attached to their mobile devices.

Younger members of society want to interact with the public sector through different channels, and their expectations are more immediate.

The next major trend is the economic power shift to emerging economies. More trade is taking place between emerging economies. We know this is happening in Africa, with governments engaging in regional trade unions and agreements, helping to facilitate the free movement of goods and people. The key challenge for African countries is the design of an industrialisation policy. Despite modern gains in manufacturing, the continent is yet to reverse the de-industrialisation that has defined the structural changes. Many non-governmental organisations also operate regionally or combine their resources in multilateral trusts to better meet development needs.

Rapid urbanisation is shaping the way that we consume, where and how we live, and what we do and think. There will be an estimated 440 new cities in Africa by 2050. Recent World Bank research on urban development (<http://www.worldbank.org/en/topic/urbandevelopment>) finds that inadequate infrastructure in emerging cities "can drive up the cost of doing business in urban areas and reduce productivity by as much as 40%." Writing about Africa, the Bank states that "for many countries... the negative effect of deficient infrastructure is at least as large as that of crime, red tape, corruption and a lack of financing".

Urbanisation will require a fundamental shift in public service delivery to meet the needs of growing populations. The United Nations identifies five fundamental factors that constitute a 'prosperous city': productivity, infrastructure, quality of life, equity and social inclusion and environmental sustainability.

All of these mega trends contribute to concerns about sustainability and encourage the development of technology-enabled smart cities and communities. We anticipate that climate change, resource scarcity and food security will also have a mega impact on Africa, as will technology. Innovation enables governments and public sector organisations to deliver services faster, better and more cheaply – all the while addressing long-term challenges arising from social, economic, demographic, environmental and technological change.

Mega trends influence development plans

These mega trends are impacting governments and the public sector in Africa, many of which are responding by developing plans for inclusive, future-focused service delivery. South Africa's National Development Plan: Vision for 2030 (NDP 2030) is a good example. Finance Minister Pravin Gordhan again asserted the Government's commitment to the 20-year national development plan (NDP) in his 2014 Budget Review speech. Gordhan announced a large expenditure plan for South Africa that will be centred around the NDP.

South Africa's NDP 2030 provides the public and private sectors as well as society at large with a unique opportunity to jointly plan, deliver and implement a new South Africa. Crucially, business is allocated a definitive role to play in the NDP to drive competitiveness and promote long-term growth, and in the creation of jobs.

The genesis of South Africa's NDP 2030 was a diagnostic report released by the National Planning Commission in June 2011. It identified a failure to implement various policies and an absence of broad partnerships as the main reasons for slow progress. The report set out nine primary challenges, which became the NDP 2030, namely:

1. Too few people work.
2. The quality of school education for black people is poor.
3. Infrastructure is poorly located, inadequate and under-maintained.
4. Spatial divides hobble inclusive development.
5. The economy is unsustainably resource intensive.
6. The public health system cannot meet demand or sustain quality.
7. Public services are uneven and often of poor quality.
8. Corruption levels are high.
9. South Africa remains a divided society.

Africa boasts significant human capital that must be used to promote pro-poor growth, structural economic change and large scale infrastructure development. With vast resources and strong global demand, African governments are forging new partnerships, investing infrastructure and investing in skills and technology.

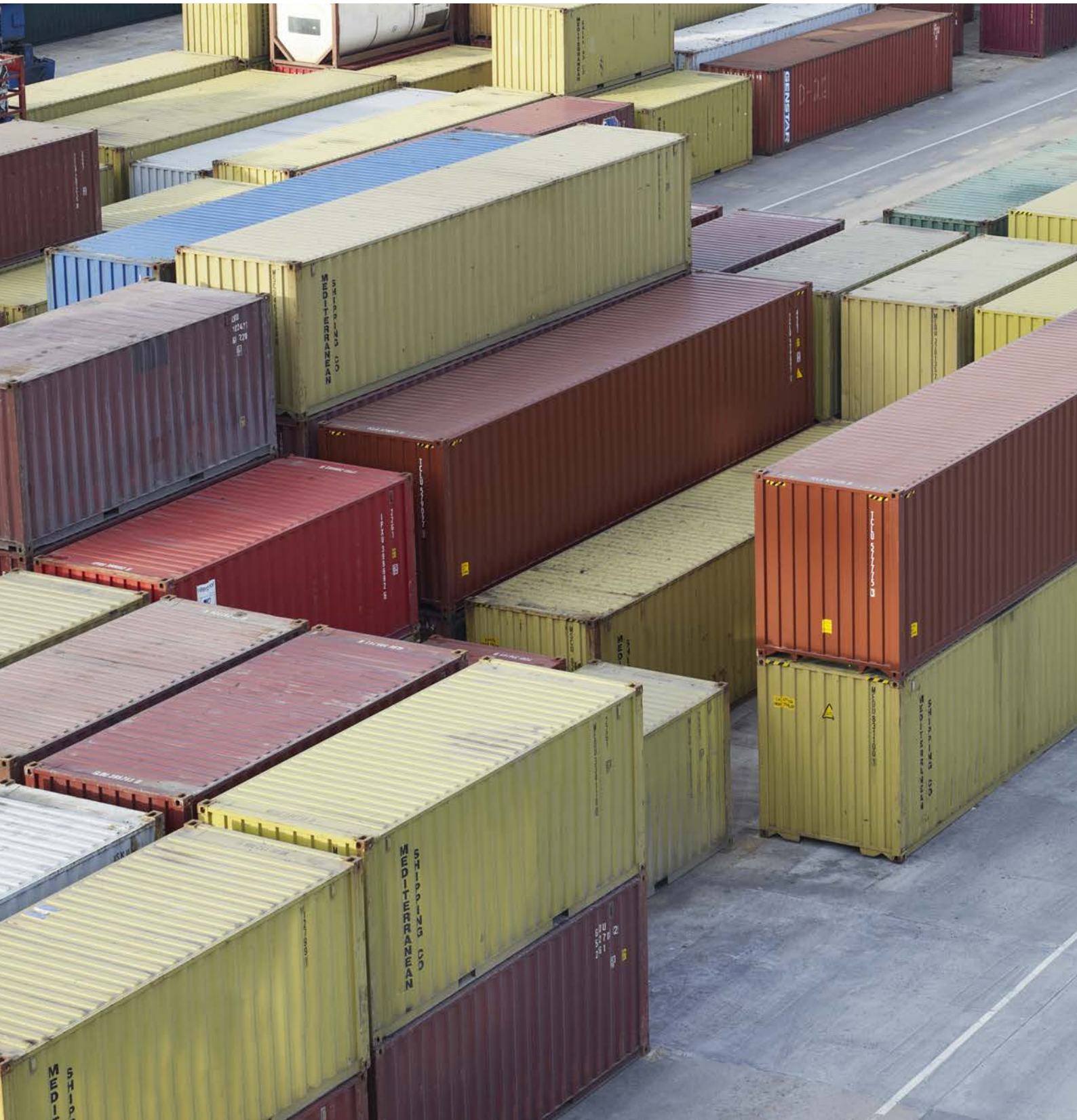
One of the main challenges is to lead strategic collaborations and partnerships with other stakeholders in society. In South Africa, various sectors from society have formed partnerships and alliances in the hope that the plan will work. Communication and dialogue are key to the success of these partnerships. Furthermore, collaboration needs persistent engagement. A long-term view, investment in relations and effective governance arrangements all need to be in place.

Tomorrow's public sector organisations will need to respond to mega trends quite differently and similar to living organisms that adapt to change, create prototypes and evolve to address society's needs. Future-focused public sector organisations must develop within changing environments, projecting a clear and vibrant vision for the future as they advance.

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Developing core competencies





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Citizen awareness has become a powerful force for change in Africa's public sector. Greater understanding of rights and responsibilities; better access to information through technology; and higher expectations of service levels are all challenging the status quo.

Citizens expect quicker delivery and more individualisation of services, and they are calling out for increased transparency and accountability. At the same time, many governments are striving to build trust and legitimacy at all levels.

Future-focused public sector organisations in Africa are meeting this challenge by developing the competencies they need to deliver transformative services. Prioritisation is required to ensure that those services are targeted to achieve maximum outcome and impact, while maintaining affordability. No public sector entity can be all things to all people all of the time.

Those competencies tend to fall into some general areas: technology, people management and leadership, strategy and planning, financial management and accountability, performance management, capital projects and infrastructure, public-private partnerships (PPPs), and fund and project management.

A good conceptual understanding of these competencies is an important first step leading to policy direction and culminating in implementation so that public sector organisations can deliver their priorities.

Future-focused public sector organisations ask themselves:

1. What technology competencies will enable us to deliver public services more effectively and efficiently? Many public sector organisations require integrated systems for service delivery, facilitated by technology. Technology is opening new opportunities to involve citizens in the design and delivery of services, increasing opportunities to engage citizens in jointly producing innovative services and outcomes. It is also creating more secure methods for delivering the services most needed by citizens. Many governments in Africa are adopting some form of e-government to provide services to citizens online.
2. How can we manage people and lead in an effective way to make a real difference? A good leader not only 'infects' his or her organisation with energy, but also creates meaning with context, moves people to action and jointly achieves the shared vision, mission and goals. An important factor influencing the efficacy of both operational control and leadership is culture – structures, skills and people alignment, capacity building, and restructuring all contribute to building a future-focused culture. In many cases, public sector organisations are focused on building capacity.

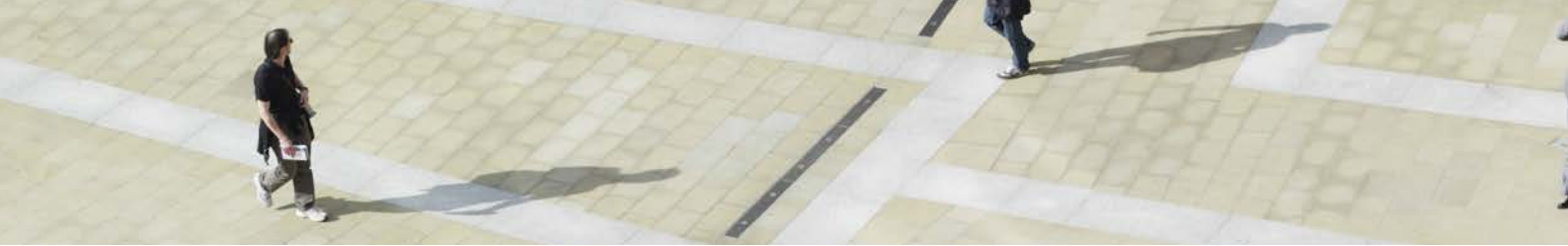
However, there is a need to ensure that public sector salaries do not burden developing countries.

3. Which competencies do we need to deliver effective strategy and planning? Public sector organisations must have the capacity to design and deliver integrated development plans, strategic plans and budgets. This requires specific skills, input and decision-making. But the more input public sector leaders ask for, the more noise they must filter out to make decisions. And yet there is no question that engaging with citizens, employees and other stakeholders makes good sense.
4. Do we have in place smart funding and effective financial management mechanisms to facilitate accountability? Many public bodies struggle to explore, manage and use new forms of finance due to a lack of financial management capability in-house. Future-focused public sector organisations work harder to attract and develop finance professionals capable of stepping up to this new challenge. Their skills and competencies contribute to revenue enhancement and effective controls on expenditure and assets.
5. What are the performance-based management competencies we need to accelerate and improve service delivery? Many governments in Africa and beyond are converting to performance-based employee contracts in an effort to instil behaviour change. A fundamental shift in work processes, systems and behaviour is required to bring about performance cultures that deliver benefits to citizens. Future-focused public sector organisations are looking at annual implementation plans, performance metrics and indicators, as well as performance management systems to help deliver on that promise.
6. How can we improve governance and management for capital projects and infrastructure? Among many public sector organisations, the main challenges include: lack of finance, particularly at the early stages of project development and feasibility; lack of capacity within the entities responsible for central planning; bringing projects to the market, managing procurement and delivering the execution and operation stages; governance and transparency challenges; weak regulatory and policy environments; and managing competing projects and priorities and trade-offs. Future-focused public sector organisations focus on outcomes, impact and accountability. These organisations will identify project risks early and implement risk mitigation measures to ensure projects are delivered on time, under budget and to specification.
7. What do we need to facilitate broader public-private partnerships (PPPs)? Future-focused public sector organisations leverage a 'penta-helix' of stakeholders in society: universities, the not-for-profit sector, citizens, and the private sector, together with local or regional governments. Collaboration of this kind holds the promise of bringing together the commercial acumen and resources of providers together with the 'mission focus', specialist skills and perceived respectability of partners. The competencies that public sector organisations require have changed in response to this wider view of PPPs.

8. Which competencies influence fund and project management?
Linked to effective service delivery is the need to have in place smart funding and effective project management. ‘Smart funding’ is shorthand for exploring innovative and transparent financing mechanisms while wisely allocating limited resources to targeted areas, resulting in maximum impact.

Future-focused public sector organisations are properly equipped with the right competencies to channel resources effectively and efficiently. From inspirational leadership and clear implementation planning to managing finances effectively and prioritising the organisation’s projects, performance, risks, partnerships, assets and human capital, they know how to accomplish their vision and mission – and how to communicate the benefits.

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Striking an appropriate internal-external balance and leveraging SOEs





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With citizen centricity at their core, public sector organisations should be configured to face inside-out. In our view, this means getting the balance right between an internal focus on efficiency and effectiveness, and an external focus on helping and co-creating value with stakeholders in society.

Getting there requires that future-focused public sector leaders re-evaluate the type and purpose of public services currently being provided and delivered, as well as how services are delivered.

Generally, the provision of ‘core’ services continues to be important where the market is either deemed to have failed or too unreliable as a service provider, particularly for the vulnerable and disadvantaged. These arenas remain necessary but are no longer sufficient for public bodies wishing to remain relevant in a rapid and complex world. Future-focused public sector organisations widen their horizons and focus not only on how they produce their services, but also on how they can help drive external growth.

Against this policy backdrop, PwC Namibia hosted the first-ever Namibia proto-typing week in October 2012. The theme was ‘Namibia Societal Acceleration Platform’ and the purpose was to discuss the efficiency of state-owned enterprises (SOE) and ICT as an enabler of economic growth. We brought together over 100 delegates, including representatives from PwC’s global network of public sector practitioners, to facilitate the debate. The result was the identification of 43 potential projects to achieve economic growth, job creation and income equality in Namibia in accordance with the country’s Fourth National Development Plan (NDP4).

There are over 70 SOEs in the Namibian economy, and although their asset base is as high as 40% of GDP, their actual contribution to GDP leaves much to be desired. If Namibia’s economy is to perform well, it is imperative that SOEs follow suit. It was clear from the Namibia proto-typing week that SOEs have a key role to play in accelerating development.

Some of the questions and considerations discussed are practical for many other African economies where SOEs play a significant role:

1. How can a country get the right SOEs in place to support the implementation of the country’s vision statement (e.g. Namibia’s Vision 2030) and consequent national development goals? Align national development plans to SOE strategies and determine the right number of SOEs, evaluate whether they are all doing the right thing, and ensure that they are all strategically aligned.
2. What is the right smart governance framework for SOEs? In Namibia, a governance framework already exists for SOEs in the form of the State-Owned Enterprises Governance Act, and it is encouraging to see that the directives issued by the related



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“We must provide institutional and management support to SOEs for them to comply with governance principles and practices. This will require active engagement with stakeholders to achieve alignment regarding the role of the SOE in economic strategy.”

Hon. Saara Kuugongelwa-Amadhila, Minister of Finance, Republic of Namibia

“We need to apply the 101% principle. The principle acknowledges that we have various differences BUT calls on us to identify the 1% we all agree on and give it 100% of our attention.”

Nangula Uaandja, Country Senior Partner, PwC Namibia

State-Owned Entities Governance Council are starting to be implemented.

3. How can SOEs absorb external innovation? Is there a greater need for creating public-private partnerships and can SOEs support young and upcoming innovation through SMEs?
4. What intellectual capital is needed to manage a country's SOEs? This goes beyond limiting the pay levels of their CEOs, depending upon the rating or performance of their entity. It must also include robust management development, accountability and reporting, combined with consequences for bad and good management alike.
5. How can SOEs help to build greater trust between the public and private sectors? This must go beyond the latest proposed changes to tender regulations, for example. Transparent and fair tender evaluation and awarding will not make the news and may even reduce the level of scepticism surrounding the award of large projects. A concerted effort also needs to be made to award less procurement of goods and services to international companies when local companies are capable of delivery. At the same time, local companies need to build and expand their capacity to deliver in the longer term.

Whether directly through government or through a myriad of SOEs, it is clear that any future-focused public organisation must assess its new roles, focus on building a governance culture (rather than intensifying governance processes) and actively manage its ownership of SOEs.

Future-focused public sector organisations will need to be designed around collaboration, agility and resilience. Practically speaking, this may mean smaller or more deeply networked public sector bodies that meet specific needs while being governed by a shared purpose.

Globally, PwC public sector practitioners have found that relatively smaller organisations (those with fewer than 3 000 employees) are more cohesive, feel more successful in strategy implementation and have stronger financial management. SOEs may fit the bill, but they need to demonstrate an active commitment to future-focused principles.

Namibia's development goals (economic growth, job creation and income equality) are similar to the goals of many other countries in Africa. Like other countries, Namibia's state-owned enterprises have been challenged to provide services aligned to achieving those goals. But it is also important to put the unique Namibian context into perspective.

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Namibia is a country of just over two million people. The country's landscape stretches over 800 000 square kilometres, posing a challenge to the government and SOEs as they seek to deliver on their mandates to a widely dispersed population. Namibia's population density is just 2.5 citizens per square kilometre. Therefore, the pressure on public services and assets is not due to the density and volume of residents, but rather to the ability to serve all remote areas of the country.

Namibia has not suffered negative growth rates in recent years, but an average growth rate of 4–5%, while laudable, does little to contribute to economic advancement in real terms. Even so, Namibia was recently classified by the World Bank as an upper middle income country.

A recent labour survey determined that the unemployment rate in Namibia is 27%, far lower than previously supposed. However, 27% is still a concerning number, especially when coupled with income inequality indicators. Income disparity is exacerbated by a sparsely distributed population; higher-income-earning populations are centred in the major towns. Rural populations, which tend to be poorer, have weaker access to adequate public services.



***Delivering affordable,
interconnected, innovative services***





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In The Second Machine Age: Work, progress and prosperity in a time of brilliant technologies, authors Erik Brynjolfsson and Andrew McAfee hypothesise that among the forces shaping human development, technology has had the greatest impact in the shortest amount of time. Computers and other digital advances are doing for mental power what the steam engine and its descendants did for muscle power.

What does this mean for future-focused public sector organisations? The rate of change driven by technology will influence the affordability, interconnectedness and innovation of public services going forward.

Affordability

In Africa, public services can still end up being too expensive for many citizens – even when those services are subsidised. This is because the total cost to the citizen includes long travel times (particularly for those in rural, less connected areas) and long waiting times, such as for initial diagnoses, which also reduces take-home pay.

Many citizens choose public services based on what they can afford. They are the caretakers of their own information, carrying their files and experiences from provider to provider. The burden is on the citizen, rather than any institution or system, to manage cost and information.

Another challenge is the way that governments collect revenue and disburse it based on budgets. For most budgets the biggest line items are salaries and benefits. What if, instead, funds could be allocated based on reliable data about need? Information about maternal birth rates or malaria

in particular regions, for example, could inform prioritised allocations and funding for third-party providers, helping to build an institutional framework based on need, not bureaucracy, and putting citizens first.

Interconnectedness

For this to happen, future-focused public sector organisations must operate in a more interconnected manner. Over time, Africa's government and public sector organisations have acquired a huge amount of data. Data points are many and varied; information is often duplicated; and patchwork systems are punctuated with one-time research and decisions informed by a lot of guesswork. But the data we have is a virtual treasure trove.

The challenge for future-focused public sector organisations is to connect the dots between service centres, so that we can clearly see how information systems are interlinked

– a holistic view that has the added benefit of putting citizens and their needs first. If systems were more closely integrated, we could save lives and improve security at the same time.

In my view, it is government's role to implement a comprehensive policy framework that connects the dots between providers to drive decision-making.

For that to happen, we need to do two things: first, data has to be captured in a rational way. Second, we need a framework to provide data analysis, interpretation and decision-making capacity to benefit the public.

To improve interconnectedness, service providers must have proper systems and ways of serving citizens. Secondly, they must be able to make enough money to be self-sustaining and disciplined enough to provide services and solution sets. If government or donor funding is tight, public service providers must also look at different ways to deliver services. These could include PPP arrangements where services are provided in exchange for revenue sharing, and creating a system where providers specialise and citizens get the services that they require.

Embracing the cyber world means opening up systems and processes to external suppliers, customers, partners and employees, and accepting culturally and psychologically that the old boundaries are being swept away. This culture change needs to be driven from the top, with the need for greater executive-level awareness of the challenge. To combat resistance, government must be clear about the benefits of a comprehensive information system.

Innovation

Technology will also influence innovative service delivery. There are two aspects of innovation of importance to the future public body: operational, at the level of service delivery; and strategic, in terms of local, regional or national innovation capacity.

Operationally, delivering the promise to the citizen entails having the right (new) service delivery models for the right results, with an eye on measurable outcomes and real impact. Additionally, the future public body needs to consider its role in local, national and regional innovation strategies based on areas of competitive advantage.

Future-focused public sector organisations that manage data more effectively and efficiently are able to discern trends over time to target service delivery where it will have the greatest impact. Imagine dynamic updates about public service needs in real time; our decisions and investments would have a profound impact. Affordable, interconnected and innovative service delivery will also help to reduce fraud and corruption.

Many have called for the deployment of world-class ICT to automate everything in sight as a cure-all for all ills. But ICT is not the prescription for every malady that besets economic growth and development in Africa. Instead, we can look at the trajectory for technology change and plan for a better future.

Many countries in Africa have successfully created an environment with fibre-optic cable and information technology to drive their economies. The telecommunications sector effectively connects with citizens and facilitates connections between them, benefiting all areas of the economy.

Now it is the public sector's turn to provide connected citizen-centric services.

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Managing procurement to deliver value and impact





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Public procurement is often seen as a back office role within the public sector. Following recent public financial management reforms among governments in Africa, it has now become one of the most bureaucratic processes in the public sector. It can be a high pressure and complex role for the officials coordinating public procurement and a very painful process for the bidders who participate.

Future-focused public sector organisations know that delivering value and impact through public procurement requires not just elaborate procurement procedures and laws but quality staff to coordinate these procurement processes. Quality is measurable not only in terms of skills and experience but also relevant qualifications and personal integrity. Having unqualified staff with low integrity is tantamount to inputting poor quality data into sophisticated computer software for data analysis and expecting results, in other words, garbage in, garbage out.

The truth is that no public sector organisation, whether future-focused or otherwise, can function without procurement. For example, it is estimated that over 60% of a government's budget is utilised through public procurement which explains why managing procurement is a fundamental component of ensuring efficient, economic and effective use of resources. In most cases, public procurement accounts for 10 - 16% of the GDP of any country which makes procurement a key policy instrument.

Public procurement is also the area that is most vulnerable to waste, fraud and corruption due to its complexity, the size of the financial flows it generates and the close interaction between the public and the private

sectors. Hence, we cannot discuss good governance without focusing on public procurement.

Significant efforts have been made to develop comprehensive procurement laws and regulations for governments in Africa and to align them with best practices. Governments are now shifting towards computerising procurement processes through e-procurement. However, despite these remarkable achievements in public procurement, the 'people' element has not moved in line with these achievements.

Future-focused public sector organisations know that they must prioritise the calibre of staff assigned to procurement in terms of qualifications and skills as well as personal integrity. However, public procurement officers in most institutions are seen as playing a 'back office' role and a major hurdle to the efficient implementation of operations due to lengthy, time consuming procedures that require a full moon cycle before a tender can be concluded.

The delays and bureaucracies created by these lengthy procedures are not much encouragement in terms of stakeholders complying 'willingly' with public procurement procedures. Nonetheless, these procedures are put in place to enhance transparency and

fairness in the procurement process but it is important to strike a balance between efficiency and lengthy bureaucratic procedures.

Despite these lengthy procedures, one would wonder why there is massive corruption in public procurement. It is because we have not dealt with the quality of people handling public procurement. Recruitment of procurement officers is done using a “simplistic and general” approach that does not focus on relevant qualifications, personal integrity and past performance. This has seen public procurement been coordinated by staff with general qualifications and others with “vested interests”. This is why we find ourselves in this current situation of high levels of corruption in public procurement.

The time has come to build sustainable capacity in public procurement. In the past, this might have meant rolling out a series of short uncoordinated trainings that mainly benefit the providers of the conference facilities. Future-focused public sector organisations build capacity in their procurement functions by committing to a coordinated, long term and systematic capacity building programme that will result in relevant qualifications and skills.

Future-focused public sector organisations ensure that procurement officers obtain the qualifications that they need. Very few universities in Africa have tailor-made courses in procurement. Governments must work with institutions of higher learning to develop both undergraduate and postgraduate degree courses in public procurement and professional qualifications in public procurement through recognised certificate courses. This model has worked well in Rwanda.

However, professional qualifications are not a guarantee that a professional will conduct him/herself in line with the standards of the profession. Hence, the next step should be to put in place a professional body for procurement to ensure proper regulation and promotion of the profession. With a professional body in place, public procurement can be well monitored and sanctions can be taken against officers not following ethical or professional standards.

Despite the significant role public procurement plays, it has not always been accorded the attention it deserves. If we take steps to “professionalise” public procurement, half the journey towards good governance will have been won and we will see many public sector organisations move from the ‘law of the jungle’ in public procurement to the ‘law of an orderly and well regulated profession.’

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***Engaging with stakeholders
to ensure environmental
sustainability***





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For future-focused public sector organisations in Africa, sustainability is no longer a ‘nice to have’ but a ‘must have’. Today’s leaders need to ask: Are we creating or consuming a legacy? Are the decisions being made today contributing to the wellbeing of future generations, or are they satisfying immediate needs at the expense of the future?

Long-term prosperity is a commonly-stated goal, but future-focused public bodies can only ensure sustainable policy outcomes by building up strategic assets like social, environmental, cultural, intellectual, infrastructural, ICT and political participation capitals. To do so, they must secure the buy-in of a wide range of stakeholders.

One of these assets, the environment, is under serious threat. The scale and gravity of the impacts of climate change is a major challenge to sustainable development in Africa, particularly regions that are heavily dependent upon rain-fed agriculture for food security.

Agriculture remains one of Africa’s preeminent economic activities. The sector is the mainstay of many economies, with linkages and stakeholders in manufacturing, distribution and other service-related sectors. Sustaining and enhancing agricultural production is therefore an imperative for future-focused public sector leaders.

Since 2011, PwC has worked towards reducing poverty among the rural poor and building capacity within the agricultural sector by facilitating access to appropriate technologies and financial mechanisms.

We have engaged with a wide range of stakeholders, especially in Kenya and Malawi, as they developed mechanisms for attracting, financing and distributing benefits in a practicable, timely, equitable and least costly manner with the ultimate objective of supporting the development of a low carbon and climate change resilient agricultural sector in Sub-Saharan Africa.

We continue engaging with regional communities such as the AU/NEPAD initiative on agriculture.

At PwC, we have also supported the government of Kenya and other regional governments to move faster to a low carbon and climate resilient society through collaborative processes involving multiple stakeholders. We have helped them prepare for climate change by:

- Supporting the development of government strategy and policy in Kenya and throughout the region;
- Promoting the development of clean technologies with both SMEs and at industrial scale; and
- Developing mechanisms to promote climate-smart agriculture, helping the largest sector of Kenya’s economy to adapt to the climate challenge.

Through the Climate and Development Knowledge Network (CDKN), an organisation that PwC leads and that supports decision-makers to design and deliver climate compatible development, we worked with the Government of Kenya to develop its National Climate Change Action Plan, launched in March 2013. The plan's development was a collaborative process involving government, private sector and civil society stakeholders. Collaboration ensured that the plan was demand-led and issue-based.

CDKN is working around the East Africa region to incorporate climate change into development planning by establishing the climate change response strategy and national environmental fund in Rwanda, undertaking a range of assignments in Uganda including a study on the economics of climate change and helping to implement the Ethiopian government's vision for a climate resilient green economy.

It is clear that the private sector also must respond to the climate challenge, to minimise risks to their enterprises and maximise commercial opportunities. We have worked with both the International Finance Corporation and the UK Department for International Development (DfID) to investigate ways to encourage the engagement of the private sector in climate issues in Africa.

The World Bank-funded Climate Innovation Centre (CIC) in Kenya will promote clean energy innovations that will expand the country's agriculture, energy, transport, health and water sectors to serve the needs of a growing population while improving living standards. The CIC is being implemented by PwC in conjunction with Strathmore Business School, the Kenyan Industrial Research and Development Institute and the Global Village Energy Partnership.

CIC will support domestic industry and small and medium-sized enterprises to realise commercial opportunities as they innovate to mitigate and adapt to climate change.

There is little doubt that acting now in a measured way to protect and sustain environmental assets will be cheaper in the long run than putting off action until later. But the policy agenda can be complicated by politics, budgets and competing priorities.

Gone are the days, if they ever existed, where legislation could be laid down, policy levers pulled and delivery to happen automatically as a result. To enact change, future-focused public sector organisations must be clear about their vision and purpose. This begins with a common understanding about where society needs to go. It must also encompass internal and external stakeholders' points of view as well as reflect changes in the environment.

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WILLIS CORROON



Deploying effective human capital strategies





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In Africa, we continue to see intense competition for talent and investment with increased mobility of people and goods, and technology is building virtual bridges for knowledge and innovation. Even so, in PwC's annual Africa CEO Survey, 75% of respondents say that the availability of key skills is still a threat to growth.

In the public sector, the skills gap has direct implications not only for education systems, but also for the recruitment and retention of people in public services. Where home-grown talent is in short supply, future-focused public sector organisations are importing talent, knowhow and ideas through developing the right networks and strategic alliances. They see this as part of a nation's 'structural capital'.

Every year in our Africa CEO Survey we ask business and government leaders whether strategies for managing talent are on the boardroom agenda, and every year an overwhelming majority say 'yes'. In this year's survey, over half of respondents also said that managing talent was a top-three investment priority for their organisation. This tells us that leadership is paying more than just lip service to managing talent.

Future-focused public leaders inspire and 'lift the tone', energising staff with their vision. 'Hardware' changes such as a revamp of institutional structures and flatter organisational structures can help facilitate agility, but these leaders know that the key to the development of an agile organisation is the 'software' factors – strong, courageous and effective leadership promoting a shared agile mindset.

A good manager of the future in the public sector knows the direction and controls it, has great relationships, creates trust and so makes sure the team ends up at the right spot after an enjoyable journey.

At the organisational level in the public sector, talent management is changing. More advanced ways of managing people are being developed. The previous style of managing people was to employ personnel managers who would do the hiring, discipline and record keeping. Now, in both the public and the private sectors, we are seeing more leaders being strategic about talent and looking at their employees as assets. They want to know how to motivate, how to foster development and specifically what works in terms of high performers in order to improve retention.

A supportive human capital strategy is needed that aims to develop an agile workforce. This means creating an adaptable workforce that can work across boundaries and pursue cross-organisational collaborations to achieve joint outcomes. It might involve a variety of interventions such as job rotations across business units to train employees to approach issues from different perspectives, as well as providing opportunities for engaging in cross-agency projects and secondments, including into the private sector.

Innovating operationally does not just refer to processes and services, but also includes encouraging an innovative organisational culture. Developing an ‘incubating’ environment allows ideas to grow and flourish. Ideas with potential can subsequently be accelerated for execution and implementation.

More organisations are now talking about change management and a vision aligned with employees’ needs and priorities. At the upper levels of management, we find that competition for talent is very much an employees’ market and they have a lot of leverage. At the graduate level, it is much more of an employer’s market. This is true in the public and private sectors alike.

How are future-focused public sector organisations investing in younger workers in Africa?

Particularly with regard to graduates and Generation Y workers, employers must manage a number of challenges. The main one has to do with a large pool of candidates who require significant training, but who also have very different expectations of the workplace and their employers than older generations.

Certain skills are in high demand across the continent, such as entrepreneurial skills. It’s fair to say that over the last 10 or 15 years in Africa, job creation in the informal sector has far outstripped that in the formal sector. Now we need to assess what entrepreneurial skills are needed to move beyond start-ups and small enterprises to employment-generating businesses. University and tertiary training tends to be largely academic, with less emphasis on entrepreneurial skills. This is something that needs to change.

At all levels, future-focused public sector organisations are showing more interest and focus with regard to human capital. Public sector leaders need to consider how best to attract, develop, motivate and retain talent by exploring ways of collaborating with the private sector (e.g. via staff exchanges between government and industry) to jointly develop talent as opposed to competing for the same talent pool.

Leading public sector organisations of the future need to exhibit certain key characteristics in order to deliver the outcomes and impacts required of them. They must act and behave differently from the past and be equipped with the internal management capabilities to channel resources effectively and efficiently towards accomplishing their vision.

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Improving public finance management





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Future-focused public sector organisations commit all institutions, organs and officials to a well-defined and objectively structured regime of fiscal prudence, transparency, accountability and value for money. In this way, they can improve fiscal and budget outcomes while at the same time building alignment.

In many countries, public sector finance management occurs in five main areas:

1. Raising of revenue and making of expenditures;
2. Preparing and submitting budget estimates (including the time for doing so);
3. Preparing and submitting accounts for audit (including the time for doing so);
4. Borrowing; and
5. Making banking arrangements, including the opening of bank accounts and investing of public funds.

Future-focused public sector organisations are equipped with the internal management capabilities to channel resources effectively and efficiently in these areas. Their chief financial officers (CFOs) are partners to management and take the lead in building internal capacity in public finance management matters. They walk the talk on transparency and accountability.

For that to happen, the CFO role in public bodies must necessarily switch from that of a scorekeeper to that of a business partner of senior management and politicians.

Their objective should be to improve operational and service performance at all levels of the organisation and provide forward-looking information that is useful for decision-making. Actions like implementing accrual accounting can improve decision-making and transparency and build trust, but they are not a cure-all. Instead, they are starting points towards transforming the government's finance function overall.

However, public sector finance functions may not have the requisite in-house skills for delivering their mandate in the first place. The recruitment and retention of qualified CFOs and other personnel remains a challenge to improving public finance management. Future-focused public finance functions need to reflect carefully on the range of skills they need to fulfil the role of business partner, working together with senior management so that decisions are evidence-based with clear financial consequences.

Future-focused finance professionals in the public sector will need to develop in a different way in response to growing expectations for well-developed business understanding and engagement skills, as well as sharp technical and analytical insights. Many public bodies struggle to explore, manage and use new forms of finance due to a lack of financial management capability in-house.

Training and development programmes can be better structured to build capacity within public sector finance functions and ensure that:

- Staff training emanates from a more focused and objective appraisal system;
- Nominations to attend conferences and training programmes are based on identified capacity-building needs;
- Greater emphasis is placed on local and in-house training programmes that address identified needs; and
- Post-training evaluation of attendees is carried out.

Identifying, supporting and retaining people with potential is important to the development and success of public sector finance functions. Public sector organisations need to work harder to attract and develop the next generation of finance managers capable of stepping up to this new challenge. Finance needs to identify those people with the potential to take on insight roles and develop clear career paths with them. Another way to develop finance function talent is through short secondments both to and from other organisations in either the public or private sectors.

Future-focused public sector organisations deal with uncertainty, delivering affordable services while also coping with disruptive changes. Public bodies must decide if they want to consume the legacy left behind by predecessors or create a new legacy for the next generation, while navigating some seismic shifts and mega trends.

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Term Expenditure Framework

Nigeria's Medium-Term Expenditure Framework (MTEF) is a key component of the country's fiscal and budget policy framework. It is an integrated top-down as well as bottom-up system of public expenditure management with a medium-term (three-year) horizon designed to help achieve macroeconomic stability.

The MTEF has six key components that are instructive generally for future-focused public sector organisations seeking to improve public finance management. They are:

1. The Macroeconomic Framework provides an analytical evaluation of the country's macroeconomic projections for the preceding three years and presents the public sector's broad economic policies and financial objectives for the next three years. It specifies and explains the public sector's broad strategic priorities and their rationale, and identifies how policies and objectives will be assessed. It also provides a justification for any policy changes since the previous three-year Macroeconomic Framework.
2. The Revenue Framework provides an analytical review of revenue performance for each of the preceding three years and sets out detailed, comprehensive and credible revenue estimates for the government for each of the next three years. These estimates are based on a pre-determined benchmark and tax revenue projections, and cover all sources of revenues. The Revenue Framework serves as authoritative documentation of resource availability over the three-year horizon.

3. The Expenditure Framework analyses expenditure for the preceding three years and its impact on federal, state and local governments, and on their economic policies and financial objectives. It serves to strike a balance between the resource availability as detailed in the Revenue Framework and the macroeconomic projections and targets documented in the Macroeconomic Framework. The Expenditure Framework also specifies an aggregate debt limit and provides a credible financing plan consistent with this limit to address a potential budget deficit.

4. The Fiscal Strategy Paper provides broad, medium-term economic policies and financial objectives to set fiscal policies for the next three financial years. In the context of strategic priorities and their rationale and assessment, it justifies any policy changes and connects medium-term objectives to long-term priorities and sound financial management. It provides a breakdown of aggregate expenditure to sector resource envelopes consistent with medium-term policy actualisation, financial objectives and strategic priorities. Finally, it identifies and analyses medium-term fiscal risks and proposes credible measures to mitigate them.

5. The Consolidated State Debt Statement quantifies, documents and analyses public sector debt and sets out measures to reduce the stock of debt. It is the authoritative document detailing public sector indebtedness.

6. The Contingency Liability Statement identifies and analyses the fiscal significance of public sector liabilities and quasi-fiscal activities and strategies to offset them. It enables the public sector to better manage contingent liabilities (such as guarantees) that may crystallise and increase the stock of debt.

The benefits of the MTEF to the people of Nigeria cannot be over-emphasised. The MTEF remains a credible framework for articulating policy objectives and linking the annual spending of ministries, departments and agencies with the government's long-term strategies and objectives.

Nigeria's Medium-Term Sector Strategies (MTSS) provide the critical linkage between the six components of the MTEF and Nigeria's annual budget. The MTSS is a series of sector strategies aligned to the government's policy objectives and high-level goals that achieve the following benefits:

- Better articulation of policy goals and objectives, reflecting government and stakeholder buy-in;
- Clear action planning for efficient and effective delivery of public goods and services to federal, state and local governments;
- Improved matching of resources to policy targets and better linkages between policies and their implementation; and
- Measurable outcomes against which performance can be objectively evaluated, thus increasing accountability and transparency.

To date, Nigeria's federal government and a few state governments have adopted both the MTEF and MTSS frameworks for public finance management.

Unfortunately, many state governments and all of the local governments have yet to adopt them in full; those that have adopted them may have chosen select aspects of the frameworks to suit their short-sighted interests.

The MTEF and MTSS lessons in Nigeria point to the historic and continuing under-performance of government and agency budgets in many countries. Those that have failed to improve public finance management must be encouraged to do so immediately.

Investing in infrastructure development





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Future-focused public sector leaders project a clear and vibrant vision for the future, which energises both their internal and external stakeholders. Their organisations are adaptive to circumstances and ready to deliver their defined purpose in a world of constant change. They build society's assets by managing the capitals needed for long-term prosperity: social, environmental, cultural, intellectual, infrastructural, ICT and political participation.

Infrastructure is public capital that enables socio-economic growth. The opposite is also true: historical underinvestment and regionally fragmented infrastructure undermines productivity, raises production and transaction costs, and hinders growth by reducing the competitiveness of businesses as well as the ability of governments to pursue economic and social development policies.

A severe infrastructure backlog in Africa contributes to constrained headline growth and inter-regional trade, consumer market fragmentation, impeded economic diversification, inflated costs, and political and social unrest. It is a problem that requires continental and regional collaboration, planning, solutions, funding, partnerships and implementation.

Future-focused public sector organisations unlock wealth through appropriate, affordable and sustained investment in infrastructure. A number of factors are driving the increased demand for infrastructure in Africa, including oil and gas discoveries, mining, urbanisation and political change, and the opening up of economies as well as increased global interest in Africa's growth potential. At a regional level:

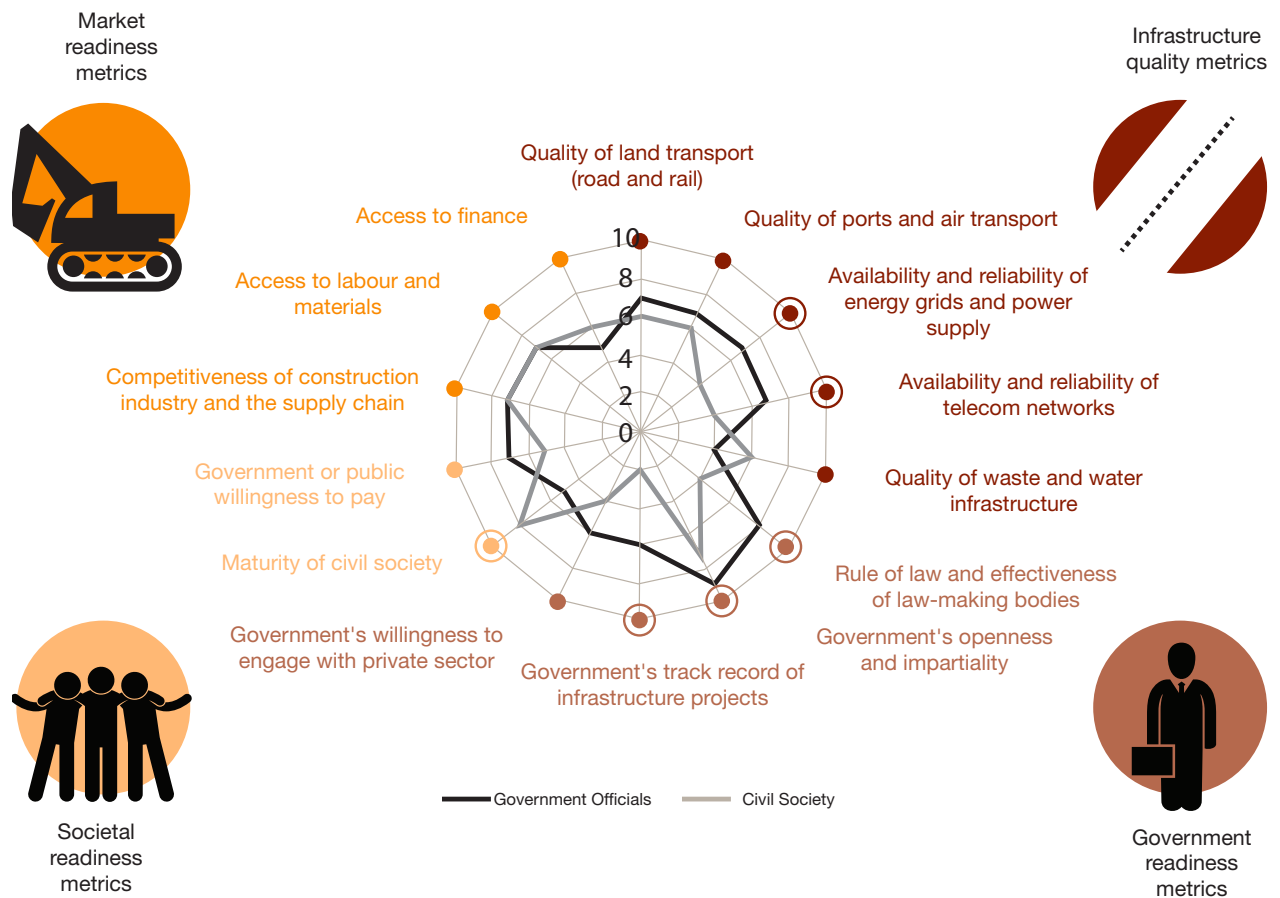
- In West Africa, Nigeria's growing economy and significant population contributes to the spread of its commercial interests;
- In the South, while growth in South Africa remains subdued its infrastructure expansion plans, particularly in the power and transport sectors, are significant. Recent discoveries of natural resources in Mozambique, Namibia and Botswana will drive regional and corridor-type infrastructure developments; and
- In the East, the Lamu Port and Lamu-Southern Sudan-Ethiopia Transport Corridor (LAPSSET) will include a railway, fibre-optic cable and pipeline. A new railway line from Mombasa to Nairobi in Kenya is underway.

These developments aside, however, most African countries are not investing enough. This hampers their growth prospects and worsens the burden on future generations. In our 2013 annual Africa CEO Survey, 56% of respondents in 22 countries said that inadequate infrastructure is a threat to growth. Less than half (45%) believe that the government where they are based is taking adequate steps to improve infrastructure.

Our interactions with developers, funders, concessionaires, agencies and ministries throughout Africa indicate that the main challenges to infrastructure investment include: lack of finance, particularly at the early stages of project development and feasibility; lack of capacity within the entities responsible for central planning; bringing projects to market, managing procurement and delivering the execution and operation stages; governance and transparency challenges; weak regulatory and policy environments; and managing competing projects and priorities and trade-offs.

Future-focused public sector organisations take stock of infrastructure gaps, challenges and opportunities by assessing market, societal and government readiness and infrastructure quality metrics – as viewed both by government and by civil society. Their perceptions may differ. For example, public officials may have a different view of government’s track record on infrastructure projects than the citizenry. But when it comes to the competitiveness of a country’s construction industry and supply chain, access to labour and materials, and access to finance, government and citizens may have more common views.

There may never be full alignment on all metrics. However, a successful infrastructure development programme will take into account a wide variety of performance metrics to build a framework that is future-focused and effectively delivers results.



Since its launch in 2001, the Africa Union and the New Partnership for Africa's Development (NEPAD) have developed and agreed numerous policies and programmes. Recently, the Programme for Infrastructure Development in Africa (PIDA) was initiated with the NEPAD Planning and Coordinating Agency (NPCA), the African Union Commission and the African Development Bank in collaboration with several other African stakeholders, including the regional economic communities and member states.

More than 50 significant regional projects have been identified by PIDA to deal with the increase in demand for infrastructure. Projections include an eight- to 14-fold increase in demand by 2040 for road and rail transport, a rise from 265 million tonnes to two trillion tonnes passing through ports, and the need for 700Gw of electricity, up from 128Gw. Similar rates of growth are expected in the urban infrastructure, ICT and water sectors.

China, the African Development Bank and the World Bank continue to be major players in infrastructure funding, with the latter two organisations having established much-needed project preparation funding facilities to assist governments and agencies in bringing projects to market more successfully.

Corridor or multi-country programmes for infrastructure, such as those identified by PIDA, will provide the basis for the industrial, manufacturing and agriculture sectors to fulfil their potential and contribute to economic growth.

With greater political support and improved feasibility of regional projects, new sources of funding are becoming available from international and local sources, sovereign wealth funds, pension funds, bond issues, the pooling of funding and partnering arrangements.

Frequent use is being made of a variety of collaborative partnerships like PPPs, outsourcing and shared services to reduce costs, and increase revenues and return on investment. Given the significant pressure on public funds, the imperative for partnering to jointly secure outcomes is stronger than ever.

Future-focused public sector organisations that can realise the benefits of regional cooperation and development will be best placed to break through their most challenging development barriers. But their success will depend upon the establishment of clear political support, a formal legal and regulatory structure, a procurement framework that can be understood by both procurers and bidders, and a credible project timetable.

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Fighting fraud, cybercrime, bribery and corruption





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Fraud, bribery and corruption are economic crimes that threaten business processes, erode the integrity of employees and tarnish reputations. These threats affect public and private sector organisations alike. Future-focused public sector organisations are vigilant and proactive in fighting economic crime.

In PwC's 2014 Global Economic Crime Survey, over 5 000 respondents from 99 countries (including 604 respondents from 24 countries in Africa) shared their views on the evolving threat of economic crime. Like a virus, economic crime adapts to the mega trends affecting all organisations: an increasing reliance on technology and technology-enabled processes; a younger demographic of workers who are increasingly tech-savvy; and the growing economic energy in emerging markets like ours in Africa.

Traditionally, fraud suffered by public sector organisations has comprised primarily asset misappropriation and accounting fraud as well as bribery and corruption. However, our Global Economic Crime Survey shows that new types of fraud are emerging, like cybercrime.

Cybercrime, also known as computer crime, is an economic crime committed using computers, mobile devices and the Internet. Cybercrime includes distributing viruses, illegally downloading files, phishing and pharming, and stealing personal information like bank account details. The definition of cybercrime is limited to crimes where a computer/mobile device and the Internet play a central role in the crime and not an incidental one.

In this changing environment, future-focused public sector organisations are on high alert to the real danger of cybercrime.

They address this threat by marrying the right detection and prevention controls to eliminate both old and new fraudulent patterns.

The challenge is that cybercrimes are usually hard to detect and investigate, as well as poorly understood. This environment provides fraudsters with an opportunity to exploit any weaknesses in public sector organisations' control frameworks. Cybercrime perpetrators are usually 'virtual'. Fraudulent acts or third-party penetration can originate anywhere. This renders the identification of perpetrators difficult and makes it even tougher to bring perpetrators to justice.

Future-focused public sector organisations regularly plan and conduct penetration testing exercises to assess the robustness of their respective control frameworks to withstand a cyber-attack. Those preventative measures can help them to strengthen risk management protocols.

In an interconnected world, bribery and corruption pose unique threats to organisations everywhere. In addition to triggering fines and even criminal indictments, violations can be seen as part of a larger organisational problem (be it a failure of internal controls or processes, or lack of appropriate culture or tone at the top).

They can also create a great deal of damaging fallout – from reputational harm (including viral negative attention in social media, unwanted publicity in traditional media, litigation or adverse stock market reaction) to financial losses, costly disruptions and loss of critical talent. In our Global Economic Crime Survey, respondents cited the impact of bribery and corruption on ‘reputation’ and ‘financial loss’ as most damaging.

At an industry level, our Global Economic Crime Survey shows that government/state-owned enterprises saw the highest future risk from bribery and corruption. A total of 74% of respondents from the public sector named bribery and corruption as the greatest relative economic crime risk facing their organisations. The public sector is not alone in this regard. In our Africa CEO Survey, 76% of CEOs in 22 countries in Africa told us that bribery and corruption is a threat to growth. It consistently ranks among the top three risks cited by CEOs.

Any anti-fraud programme requires leadership to assume ownership and accountability. A commitment to accountability – and transparency – sends the signal that the government is serious about working for and with its constituents and stakeholders for the achievement of desired societal outcomes, and will be accountable for the part it plays in the process.

Future-focused public sector leaders accept more responsibility for managing and mitigating economic crime and set the appropriate tone from the top. Leadership by a management team that nurtures a ‘risk-aware’ culture is essential to ensuring that all departments are aligned in the common fight against fraud.

Public sector leaders must be conversant with the risks as well as the opportunities that surround economic crime. They are responsible for creating a ‘risk-aware’ culture. To deliver on this mandate, they must hire and retain people with relevant skills and experience – a potential challenge, particularly finding people with the skills to combat the evolving threat of cybercrime.

Those that are future-focused also raise awareness internally on matters regarding potential attacks. Any steps initiated from that perspective will impart confidence in controls as well as identify any knowledge gaps. The public sector, specifically government, should also review its legislative framework regularly to close any potential loopholes. Law enforcement bodies have a crucial role to play in translating legal intent into enforceable legal actions.

The combined effect of these initiatives will help to lower the incidence of reputation-damaging headlines, reduce management’s time spent on troublesome matters and mitigate the potential for collateral damage caused by economic crimes. Future-focused public sector organisations know that their investment in fraud detection and prevention measures is a priority, even when there are budget constraints. In this way, public sector organisations can safeguard themselves as well as improve trust in today’s complex digitised environment.

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Shifting to high performance cultures





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Devolution of government services, national accelerated growth strategies and East Africa regional economic integration means that governments face very different futures from those envisaged in years' past. Expectations to deliver on the citizen promise have risen exponentially.

Regional economic integration and efforts towards the proposed harmonisation of monetary systems, capital markets and free movement of labour will challenge governments in East Africa now more than ever. They must think faster and act faster in order to align to high productivity levels and deliver services on par with the expectations of a regional government model.

There are four key interdependent and reinforcing characteristics which the leading public sector body of the future needs to exhibit and which will affect how leaders and their staff must act and behave in order to deliver the outcomes and impacts required of them:

- 1. They must be agile,** ready to anticipate situations as well as adapt and react optimally to unforeseen events, in a speedy and cost effective manner providing needed responses in the short term without compromising or sabotaging long term options.
- 2. They must be innovative,** capable of incubating ideas and delivery models and accelerating their impact.
- 3. They must be connected** and collaborative across sectors, borders and organisations, with partnerships, co-ventures, co-creation and co-design being key features in the service delivery toolbox.

- 4. They must be transparent,** becoming truly accountable for actions and outcomes in today's era of eroding trust and legitimacy.

Agility, innovation, connectedness and transparency and trust are the levers allowing future-focused governments in East Africa to make this shift happen. How can governments embed these characteristics to accelerate service delivery in East Africa? Additionally, are our governments configured to respond to both expected and unexpected events?

To do so, a fundamental shift to performance driven cultures in government is now required. Many governments like Uganda's have begun initiatives to convert to performance based employee contracts in an effort to instil behaviour change.

This is a good first step but we can still ask whether a fundamental shift in work processes, systems and behaviours are required to bring about high performance cultures that will deliver service delivery benefits across an integrated regional economy.

Future-focused public sector leaders have a key role to play in bringing about high performance cultures. They must tackle both internal and external issues, working from the inside out as well as the outside in.

The question that many face is which comes first? Should the leader be reactive, responding to external pressures and influence or should he/she be very proactive and focus on a high performance vision for the public sector organisation, trying to fix it independently of what goes on externally?

One way of managing this challenge is to implement an interactive approach to develop both leadership performance and organisational cultures in a more strategic way. It involves being constantly aware and alert to changes in the local and regional external environments while at the same time evaluating new opportunities and threats through the internal lenses of vision, values, culture and process improvement. This approach takes into account both the internal and external factors influencing high performance required for enhanced service delivery.

Specifically, East African governments and their leaders can bring about a cultural shift to high performance service delivery by:

- Building awareness campaigns explaining the financial case for the changes relating to regional integration;
- Translating the case for change to refined performance measures and performance management frameworks;
- Undertaking qualitative ‘tests of the temperature’ of the various public sector cultures and subcultures across the regions to identify key culture risks and opportunities for connectedness across governments;
- Beginning reviews of the effectiveness of other supporting people practices in government operations;

- Reviewing current Senior Management team styles and commission leadership team development programmes and behaviour change programmes to build a culture of high performing and connected regional teams and
- Building the commitment from various stakeholders and the political environment through various engagement programmes.

To achieve the long-term ambitions for East Africa’s integration agenda for the various sectors, a change in the way public services are delivered needs to be instigated. This will ensure that behaviours and cultures of trust, openness, accountability and results-based leadership styles are embedded.

Putting public services customers and citizens at the heart of everything they do, managing regional resources in a co-ordinated and sustainable way, valuing the contribution of regional partners, employees and citizens, seeing and leveraging off the strength in the diversity of our regional people and communities will soon be key contributors to the success of our regional economy.

Tomorrow is too late to wait to deliver on the citizen’s promise; the time for results is now!

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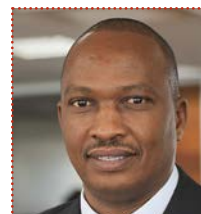
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