



**INSPECTION IN LOCO REPORT ON FULLY OR PARTIALLY
DIGITISED HUMAN RESOURCE MANAGEMENT PROCESSES IN
SELECTED PUBLIC SERVICE DEPARTMENTS**

MARCH 2025



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FOREWORD

The rapid Fourth Industrial Revolution (4IR) technologies changed how Public Service departments learn, adapt, live, work, manage people, conduct business and provide services to their stakeholders. Technology has become an essential part of life and can assist the Public Service in facilitating service delivery, sustaining growth and ensuring efficiency by providing employees with real-time access to information and HR processes. Therefore, government departments should intensively invest in innovative and appropriate systems to seamlessly manage operations and workflow processes. Equally, the Human Resource Management (HRM) units within departments are compelled to digitise their processes and services and simultaneously adapt their policies to regulate actions across activities where the digital transformation will have the most impact.

It is undeniable that in the short to long term, the success of any department is leveraged on the maximum level of innovation, adoption of 4IR technologies and advanced and adaptable policies and institutional capacity (knowledge, skills, abilities and behaviour). And yet digitisation of HRM processes in the Public Service is still nascent. Therefore, Public Service departments must fully embrace 4IR, enhance capabilities and leverage data-driven insights to ensure continuous improvement of operations as well as increased efficiency and productivity.

Against this background, the Public Service Commission (PSC) conducted a study during the 2023/2024 financial year to ascertain the progress made by departments in terms of digitising HRM processes and upskilling of employees in the Public Service to improve the efficiency and effectiveness of core operational processes. Informed by the findings of the 2023/2024 study, the PSC conducted follow-up inspections *in loco* to ascertain the extent of the progress reported in the 2023/24 study on digitisation of processes amongst selected national and provincial departments that have fully or partially digitised their HRM processes. This approach provided the PSC with an opportunity to observe real evidence of fully or partially digitised HR process in those departments.

The PSC hopes that the findings and recommendations from this report, when read in conjunction with the 2023/24 report on *Digitisation of human resource management processes in the Public Service*, will provide practical solutions and assist in speeding up the digitisation of HRM processes, employing suitably qualified Information and Communication Technology (ICT) practitioners/specialists and prioritising the upskilling of HRM and ICT professionals in the Public Service in line with the National Framework Towards the Professionalisation of the Public Sector, which was adopted by Cabinet in October 2022.



MR VGM MAVUSO
PUBLIC SERVICE COMMISSION

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LIST OF ACRONYMS

4IR	Fourth Industrial Revolution
COGHSTA	Co-operative Governance, Human Settlements and Traditional Affairs
Covid-19	Coronavirus disease
DCDT	Department of Communications and Digital Technologies
DFFE	Department of Environment, Forestry and Fisheries
DPSA	Department of Public Service and Administration
EDMS	Enterprise Document Management Systems
ePDMS	Employee Performance Management and Development System
ERP	Enterprise Resource Planning
ESS	Employee Self-Service
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
IBM	International Business Machines Corporation
ICT	Information and Communication Technology
IRP5	Annual Employee Tax Certificate detailing all employer/employee related incomes, deductions and related taxes.
NDP	National Development Plan
NSG	National School of Government
NT	National Treasury
OTP	Office of the Premier
Persal	Personnel and Salary System
PMDS	Performance Management and Development System
PSC	Public Service Commission
SAP	Systems Applications and Products
SCM	Supply Chain Management
SITA	State Information Technology Agency

EXECUTIVE SUMMARY

During and post the Covid-19 pandemic between 2020 and 2023, government departments were compelled to embrace the Fourth Industrial Revolution (4IR) technology and align their policies to maintain business continuity. Gradual adjustments to rapid advancements in 4IR technologies transformed how the Public Service departments learned, lived, worked, managed people, conducted business, and provided services to its citizens. The Public Service Regulations, 2016, as amended, specifically Regulation 25 (1)(e)(iii), states that “an executive authority shall prepare a strategic plan for his or her department that specifies information systems that enable service delivery through the use of information and communication technology.” In 2012, the National Development Plan (NDP) vision 2030 of the Republic of South Africa signalled to government departments that the technological revolution has both deepened and accelerated global interconnectedness and promotion of skills development with an emphasis on high-tech skills advancement.

After the Covid-19 period, departments were expected to be innovative, align and implement policies in areas related to digitisation, and utilise 4IR technologies to support organisational operations. Most departments were caught napping and ill-prepared to handle technological challenges and to keep operations running smoothly. There were concerns that post the Covid-19 period, many human resource management (HRM) components within departments reverted to the familiar manual administrative work or they are simply overwhelmed by the expectations and demands associated with digitisation.

In light of the above, the Public Service Commission (PSC) conducted a study during the financial year 2023/24 to ascertain the progress made by national and provincial departments in digitising HRM processes in the Public Service and to establish the availability of HRM-ICT capacity and capabilities to utilise digital/digitised systems. Informed by the findings of the 2023/2024 study, the PSC decided to conduct a follow-up study through inspections *in loco* to confirm the extent of the progress reported in the study on digitisation of HRM processes amongst selected national and provincial departments that have fully or partially digitised their HRM processes. This approach provided the PSC with an opportunity to observe real evidence of fully or partially digitised HRM process in those departments, which is additional to written evidence submitted during the 2023 study.

The inspections revealed that most of the selected national and provincial departments have fully and/or partially digitised various business operational processes, while HRM processes and services have largely been neglected. Most of the national and provincial departments that were not included in this study are lagging. This state of affairs is attributed to the lack of executive and senior management support, inadequate collaboration and coordination (both internally and externally) in exploring new technologies, disregard for cultivating talent in the HRM and ICT components, budget constraints, and misunderstanding and misinterpretation of the National Treasury Instruction No. 5 of 2017-2018 concerning the procurement of HRM enterprise resource planning (ERP) solutions. Regarding the latter, most national and some provincial departments misunderstood and misinterpreted the National Treasury Instruction No. 5 of 2017-2018, which greatly contributed to digitisation delays in the HRM space.

The impact of not digitising HRM processes in the Public Service results in many challenges, including amongst others, delays in recruitment and onboarding processes, wherein the opportunity to reach a wider pool of candidates and attracting top talent and finalise prompt screening processes are forfeited. They also delay the efficient onboarding processes that would enable swift employee integration, reduce anxiety for new employees, and give access to departmental information which will assist the new employee to understand the culture will be delayed. The administrative burdens of HRM processes and support, which are manual and time-consuming, will not decrease. The lack of an employee self-service portal results in employees being unable to access and update their personal HR information which could assist in alleviating the administrative burden from HR practitioners.

In view of the findings from the inspections and the stated impact, the PSC recommends:

- Decentralisation of government ICT management (including its related budget) and coordination to mitigate the challenges experienced with an alleged inadequate SITA support and services and slow response by NT to departmental requests for procurement deviations.
- Establish a single government digital HRM system and portal that can connect provinces (via OTPs) and national departments using existing ERP solutions in departments instead of the DPSA reinventing the wheel. This will assist in reducing the possibility of cost duplication relating to license fees and easing the burden on the fiscus as well as systems incompatibility, which can also create maintenance challenges.
- Digital transformation timeframe, accountability and consequence management be implemented by the Office of the President and the OTPs, assisted by the DPSA for Executive Authorities and Accounting Officers for failing to embrace HRM digitisation in their department.
- Human capital development and management of ICT system developers should be centrally recruited, continuously developed and rotationally deployed to support struggling national and provincial departments for a particular period. The OTPs serve as coordinators for provincial departments and the DPSA and DCDT serve as coordinators for national departments.
- Based on findings from the study regarding the existence of various systems in different national and provincial departments. The DPSA, working with SITA and NT, should adopt possible transversal of the following selected tried and tested HRM ERP systems that are well-established in the following provinces and national departments:
 - e-Recruitment and Employee Self-Services (ESS) - Gauteng Department of e-Government and Western Cape OTP.
 - Training needs analysis and onboarding - national department of Forestry, Fisheries and the Environment (DFFE); Gauteng Department of e-Government; and Western Cape OTP.
 - PMDS and e-leave - Limpopo Departments of Cooperative Governance, Human Settlements and Traditional Affairs (Coghsta) and OTP, national DFFE, Statistics South Africa (STATSA), Eastern Cape Department of Economic Development, Environmental Affairs and Tourism, Gauteng Department of e-Government and Western Cape OTP.
 - Employee relations case management system – national DFFE and Western Cape Provincial Government.

- To address the challenge of digitally or technologically challenged employees at entry-level positions, the PSC has established that the Western Cape City of Cape Town Metropolitan Municipality has user-friendly digital systems that accommodate such entry-level employees to use digital platforms. The DPSA, NT, and SITA can leverage this approach.

The PSC is convinced that once the listed recommendations are carefully explored and implemented, efficiency and effectiveness will be achieved in the HRM components of the Public Service.

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1. CHAPTER 1: INTRODUCTION

1.1 Background

During and post the Covid-19 pandemic between 2020 and 2022, government departments were obliged to explore unconventional work practices, champion the Fourth Industrial Revolution (4IR) technology, and align their policies and operational functions to ensure business continuity^{1,2}. It is without any doubt that departments must rethink their business operations, policies, institutional capacity (knowledge, skills, abilities and behaviour) and mechanisms to facilitate the provisioning of services to stakeholders in relation to digital transformation and its technological quandaries³. Most importantly, departments must rethink how all processes can be seamlessly connected.

Based on voluminous administrative tasks that human resources management (HRM) sections are exposed to, departments must focus on accelerating the use of modern information communication and technology (ICT) as a strategy to promote effective governance, people management, fairness in the workplace, interdepartmental connectedness, and facilitate the high-technology skills development and reduce the intensity of the transaction volume^{4,5}. Therefore, digitisation of HRM operational processes becomes paramount.

The successful implementation of digital transformation requires executive management level commitment, support and advanced ICT infrastructure⁶. Available literature and lessons learnt from various institutions suggest that digitisation would facilitate easy and quick access to information and services from anywhere. It will also be time saving because officials will not be required to look for hard copies filed at the Registry⁷.

1.2 Mandate of the Public Service Commission

The PSC derives its mandate from section 196 of the Constitution of the Republic of South Africa, 1996, read in conjunction with sections 9 and 10 of the PSC Act, 1997. Section 9 of the PSC Act mandates the PSC to inspect departments and other components in the Public Service and section 10 mandates the PSC to conduct an inquiry into any matter that it is authorised by the Constitution or Public Service Act, 1994 as amended, to perform. The following sections of the Constitution⁸ are applicable to this report:

- Section 196(4)(a) - “to promote the values and principles set out in section 195, throughout the Public Service”; wherein section 195(1)(a) stipulates that “A high standard of professional ethics must be promoted and maintained”;
- Section 196(4)(b) - “to investigate, monitor and evaluate the organisation and administration, and the personnel practices, of the Public Service”; and

¹ National Planning Commission, 2012. National development plan Vision 2030. *The Presidency*. Republic of South Africa.

² Public Service Commission, 2024. *Digitisation of human resource management processes in the public service*. Republic of South Africa.

³ Ibid.

⁴ Ali, A.M. 2022. Digitalisation of human resources management. *Albukhary International University*. https://www.researchgate.net/publication/361388981_Digitalisation_of_human_resources_management

⁵ Dede, N. P. 2019. The role of e-HRM practices on digital era. In Y. Meral (ed.), *Tools and techniques for implementing international e-Trading tactics for competitive advantage* (pp. 1-20). Hershey, PA: IGI Global. doi:10.4018/978-1-7998-0035-4.ch001

⁶ Ibid.

⁷ Public Service Commission, 2024. *Digitisation of human resource management processes in the public service*. Republic of South Africa.

⁸ The Constitution of the Republic of South African, Act no 108 1996. Government Printing.

- Section 196(4)(c) - “to propose measures to ensure effective and efficient performance within the Public Service”.

1.3 Research problem

Most Public Service departments were caught unprepared and poorly equipped to effectively adopt or exploit the 4IR and its technological quandaries as they struggled to maintain ‘the business-as-usual operations’ of providing services whilst still being responsive to the unavoidable demand for change and innovation. This challenge continues even after the pandemic.

In light of this, the PSC conducted a study during the 2023/24 financial year to ascertain the progress made by departments in terms of digitising HRM systems and upskilling of employees in the Public Service to improve the efficiency and effectiveness of core operational processes. Informed by the findings of this study, which are detailed in the PSC’s 2024 report on *Digitisation of human resource management processes in the Public Service*, the PSC decided to conduct a follow-up study through inspections *in loco* to ascertain the extent of the progress reported in the 2023/24 study amongst selected departments that have fully or partially digitised their HRM processes. This approach provided the PSC with an opportunity to observe real evidence of fully or partially digitised HRM processes in the selected departments, which is additional to the written evidence submitted during the 2023/2024 study.

1.4 Objectives of the study

The overall purpose of the study was to ascertain the extent of the progress reported in the 2023/24 study on digitisation of HRM processes in the Public Service, and the objectives of the study are as follows:

- To conduct inspections *in loco* to ascertain the extent of the progress reported in the study amongst departments that have fully or partially digitised their HR process.
- To share with stakeholders, the findings and recommendations of the digitisation report through online/physical engagements and presentations to departments/stakeholders.
- To encourage and advice key stakeholders that are central to digitisation of operations in government to prioritise digitisation of HR processes in the Public Service.

1.5 Methodology

The methodology adopted in the study is explained briefly below.

The study used the inspections *in loco* method. The e-checklist and observation schedules were used to collect data and confirm evidence reported in the 2023/24 study and during interactions with a sample of HRM and ICT senior/middle managers from selected national and provincial departments. Collected data were analysed and presented in line with the main purpose and objectives of the study.

1.6 Limitations of the study

No major limitations were observed because all departments that reported during the 2023/24 study that they have fully or partially digitised their HRM processes were invited to participate

in the study. However, one national department acknowledged the request, but did not avail itself for the inspections.

1.7 Ethical considerations

The inspection e-checklist had a cover page that assured respondents that their responses will remain anonymous, and their inputs will be integrated into the report in a aggregated manner. However, it was communicated to participants that their department's names and best digital HRM solutions/systems used will be mentioned in the report to enable other departments to refer to or emulate. Therefore, submission of the inspection e-checklist was considered as consent to voluntarily participate in the study.

1.8 Structure of the report

The remainder of the report is structured as follows:

Chapter 2: presents the findings of the inspections, and

Chapter 3: presents the conclusion and recommendations of the inspections.

2. CHAPTER 2: FINDINGS

2.1 Introduction

This chapter presents the inspection *in loco* findings. The overall purpose of the inspections was to ascertain the extent of the progress reported in the initial study on digitisation of HRM processes in the Public Service during financial year 2023/24, amongst selected departments that have fully or partially digitised their HRM processes. The inspections covered the following areas: HR processes, HR administration, human resources development (HRD) processes, performance management and development system (PMDS), and employee relations case management system. Below is an overview of the participating departments and the discussion of key findings.

2.2 Details for selected national and provincial departments

Table 1 below indicates the names of selected national and provincial departments that participated in the inspections.

National Departments	Provincial Departments
Forestry, Fisheries and the Environment International Relations and Cooperation National School of Government National Treasury (<i>acknowledged the inspection letter but did not confirm the inspection engagement</i>). Public Service and Administration Statistics South Africa	Eastern Cape Human Settlements; Sport, Recreation, Arts and Culture; Economic Development, Environmental Affairs and Tourism; and Rural Development and Agrarian Reform. Free State Provincial Treasury; and Social Development. Gauteng Agriculture and Rural Development; Human Settlements; and Infrastructure Development. KwaZulu-Natal Agriculture and Rural Development; and Provincial Treasury. Limpopo Office of the Premier; Cooperative Governance, Human Settlements and Traditional Affairs; and Sport, Arts and Culture.

Table 1: Selected national and provincial departments that participated in the inspection in loco

2.3 Discussion of key findings

The following sections present key findings.

2.3.1 National level

The inspections and observations showed that some national departments that claimed to have fully or partially automated and digitised their HRM processes in the initial study have not done so. It seems, some participants in the 2023/24 study misunderstood the concepts of automation and digitisation, although the e-checklist's front page explained the differences between them. For example, in the case of electronic/digital-recruitment and selection, they believed that sending a Curriculum Vitae (CV) and supporting documents by email or completing an online application on a portal that sent an attachment to an email and an HR practitioner as recipient would manually print for prescreening and shortlisting purposes were qualified as automation and/or digitisation.

While with electronic/digital Performance Management and Development System (e-PMDS) they thought that it is about sending a performance agreement and mid-term and annual-reviews as an attachment to the supervisor via email, and then to the HRD units for filing.

Most participants alluded that they are allocated limited ICT budget and they have no control over it because top management frequently diverts it use for non-ICT-related purposes, which makes it difficult to align their systems to the latest technology. Onboarding and employee relations case management systems were not yet digitised in most national departments, except for the Department of Forestry, Fisheries and the Environment (DFFE).

In the National School of Government (NSG) participants mentioned that platforms do exist to digitise all HRM processes, even though they do not have in-house developers. However, most of the business operations are digitised. They alleged that they had previously developed an excellent e-recruitment system, but later the DPSA directed them through a circular issued by the National Treasury Instruction No. 5 of 2017-2018 to cease utilising it due to the envisaged completion and piloting of the Integrated Financial Management System (IFMS – now discontinued). This influenced the NSG to stop focussing on HRM processes.

In contrast, the national Department of Forestry, Fisheries and the Environment (DFFE) has fully automated and partially digitised most HRM processes, and plans are in place to have the remaining HRM processes fully digitised between the financial years 2025/26 and 2026/27. Some of the partially digitised processes include recruitment and selection, employee relations case management system, onboarding, performance management and development for SMS members⁹, leave application management, remunerative work outside the Public Service (RWOPS), submissions and signature, monitoring and evaluation, and reporting templates. The data for these activities are collected, stored, updated, and analysed via a licensed Oracle system. Employees at all levels can access them at work or remotely through a cloud-based central SharePoint system and an electronic document management system (EDMS). According to participants, some solutions/systems were developed in-house while few were outsourced (e.g., the EDMS and approval was granted by the National Treasury). The participants reiterated that in a quest to internalise digital transformation, DFFE conducts monthly training sessions for staff members to become tech-savvy. This ensures efficient coordination and informed fair decision-making as well as provision of quality services to stakeholders. This outstanding digital transformation culture in their department was achieved through bold and concerted executive and senior management support, commitment, collaboration (internally and externally) and tenacity. The latter approach is the ingredient always absent or misplaced in most government departments due to political and power dynamics.

At the Department of Statistics South Africa (StatsSA), the recruitment, leave application management and exist interview form modules were partially digitised and employees at all levels can access them at work or remotely through the “Redikopantsha system”. The “Redikopantsha system” was procured and accessed through the Smart-Gov system which is managed by Boxfusion a cloud-based platform. Further, plans are in place to have the employee relations case management system and performance management and development for SMS members and

⁹ At the time of inspection, DFFE was working on completing the digital PMDS for the levels below SMS.

levels below digitised. Regarding e-recruitment, the initial process from the creation of a post to advertising stages are conducted and approved electronically. However, the shortlisting stage is preferred manually but plans are in progress to conduct it electronically to save related costs. The e-recruitment system allows applicants with the overruling function for editing and making corrections before the closing date. The e-leave application management system synchronizes with the Persal leave credits while “Redikopantsha system” is also used inter alia, for updating and verifying employee personal information and leave days/credits to align with the Persal system, e-workplans (weekly and monthly), e-signature, clocking management system, and approval for reporting and management systems for e-submission.

2.3.2 Provincial level

Digitisation of HRM processes landscape in the few selected provincial departments in the Eastern Cape, Limpopo and Gauteng provinces is more multi-colourful, advancing and stimulating as compared to most national and some provincial departments. This suggests that digitisation of HRM processes across certain provinces is trailblazing. However, the disregard of ICT and HRM professionals upskilling and reskilling remains a dire challenge across provincial departments, yet they are expected to perform miracles when faced with crisis.

Onboarding, e-leave application management, training and development, and employee relations case management system are not yet digitised in almost all selected provincial departments. According to participants, the manual leave application management system has been flagged many times as a concern by the Auditor General of South Africa (AGSA). There is a consensus regarding the use of cloud-based Smart-Gov, which is managed by Boxfusion and SharePoint system for uploading and sharing of folders, files, and signing of documents. Despite a few departments not having started to use SharePoint, they are in the process of migrating to the SharePoint system.

2.3.2.1. Eastern Cape Province

The inspections and observations in the Eastern Cape province showed that the e-recruitment, e-leave, and e-PMDS have been developed and are rolled out in staggering stages by the Provincial Treasury and Office of the Premier (OTP). There is consensus that the e-recruitment system across provincial departments is functioning well. There were mixed views regarding the e-leave and e-PMDS. In the provincial Department of Sport, Arts, Culture and Recreation (ECSRAC), the e-PMDS is fully functional (end to end process) and their e-leave application management system can interface with the Persal system whereas in other departments their e-leave application management system cannot. This creates an additional burden for the HR professionals who must capture and update two different/parallel systems at the same time.

The e-PMDS in the provincial Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) has been developed, piloted and it is ready to be implemented from April 2025. However, the e-PMDS in the Department of Rural Development and Agrarian Reform is still in the implementation phase. Therefore, there is an urgent need for the OTP to integrate the e-PMDS systems for the ECSRAC and DEDEAT into a single system and streamline it across the province to save costs.

2.3.2.2. Free State Province

In the Free State province, the inspections revealed that some HRM processes were automated and partially digitalised during the Covid-19 lockdown. However, most departments returned to using manual processes when the lockdown ended, even though HRM and ICT professionals made numerous attempts to get their departmental senior management to be more digitally savvy. Participants further stated that digitisation of HRM processes is urgently required due to the skyrocketing printing cost of Z83 job applications that are submitted via emails, hand and post for prescreening and shortlisting purposes. In addition, digitisation is essential to reduce the hardcopy leave application forms and manual capturing from the provincial, regional and districts offices. To embrace digitisation and save costs, the participants said the OTP is engaging with the provincial department of Health to help implement the e-leave application management system and e-recruitment throughout the province.

2.3.2.3. KwaZulu-Natal Province

In the KwaZulu-Natal (KZN) province, inspections revealed the following:

- (a) E-recruitment is automated and partially digitised, meaning the relevant HR unit is able to create and review, request approval and load advertised positions for internal and external (open) application. However, in some instances emails, hand delivered or posted applications are still considered by departments due to the rural geographical nature of the province. Further, shortlisting and selection are still done manually.
- (b) The e-leave application management system is partially automated within departments but there is no direct interface with the Persal system regarding the monitoring and alignment of leave credits and other types of leave (e.g. Temporary Incapacity Leave under the PILIR). Some participants reported that in 2014 a service provider was appointed and developed the e-leave application management system through SITA, which is aligned to the directive on leave. The system is being utilised and has been audited a couple of times.
- (c) Most departments agreed to use the Smart-Gov cloud-based system, which is managed by Box Fusion. to digitally access and share documents and activities, monitor compliance and control. However, HRM processes are still lagging, despite a myriad of efforts by departments. This view may be attributed to stringent ICT funding and restrictions by National Treasury or the lack of management willingness to transform from manual to digital dispensation.
- (d) The SITA provincial office, when compared to the other national and few provincial departments, appears to work harmoniously with some departments and its system developers are used by departments. In the department of Provincial Treasury onboarding and service termination (exit management modules) are in the pipeline and might be implemented throughout the province from 2025/2026 financial year.

2.3.2.4. Gauteng Province

The Gauteng provincial government is popularly known for being at the forefront of digital transformation, which is coordinated and maintained by the Department of e-Government. Many provincial departments' HRM processes are SAP Oracle cloud-based and they are actively digitised as compared with other provinces. The digital e-recruitment and Employee Self-Service (ESS) systems are used by all provincial departments and employees can effectively access all

these processes and services remotely. The ESS system includes modules such as personal information, leave application management, payslip, IRP5, HR letters, managers payroll approval signature, disclosures, termination of services and PMDS. The ESS system can interface and synchronize with the Persal system without compromising its effectiveness as compared with many national and provincial departments.

However, some technological issues still affect these systems and participants elaborated as follows:

- (a) The HR professionals are burdened with dual capturing and updating of both the Persal and ESS systems because the Department of e-Government often delays synchronizing the ESS system updates on the Persal system, especially the updating of personal information, leave types and credits and so forth.
- (b) The e-leave application management module does not provide an option for some types of leave, for example, incapacity leave requirements, leave without pay, or the ability to upload supplemental documents, which the PSC noted with concern as this limitation would prevent managers from having a holistic perspective of an employee's leave utilization pattern.
- (c) With regards to e-recruitment, the entire process from the creation of a post to shortlisting approval stages are conducted and approved electronically. However, the e-recruitment does not provide exceptions for an applicant to effect corrections before the closing date once submitted, whereas the e-recruitment in the Limpopo province allows an applicant to edit or make corrections before the closing date. Participants confirmed that in order to ensure fair competition, in some instances exceptions are granted for hand submission and all e-applications are prescreened to identify any omissions or incompleteness, even though the handling process is excessively time-consuming.
- (d) In terms of the existing e-PMDS, participants reiterated similar concerns as follows that: the PMDS process is too qualitative and tedious for quality assurance and provision of feedback, and it is not user-friendly for all levels. For the SMS module it does not have a save/update mode if there is power outages, so one must start over from the beginning; there is no provision for supervisor signature and approval tap; some taps are inconsistently appearing and disappearing; and it does not meet SMS members' concerns as stated in Chapter 4 of the SMS handbook. Therefore, most employees resorted to the manual PMDS submission, even though is paper expensive. The PSC has noted that the concerns were reported to the DPSA and Department of e-Government, but there was no action to date. It should be noted that the PMDS continues to be a challenge not only in the Gauteng province but across the Public Service departments for varied or similar reasons that require the Department of e-Government and the DPSA's strategic intervention.

Another key challenge is that ICT professionals in the Gauteng province, such as technicians and system developers, have restricted access to departments' internal systems that were/are created and managed by the Department of e-Government. As such, ICT issues/queries that can be resolved internally by the technicians and system developers must be logged with the Department of e-Government, whose delays in responding at times exacerbated end-users' frustrations. This practice makes the ICT technicians and system developers to be underutilised and appear incompetent in front of their internal stakeholders; and reduces their important roles to that of query recorders, which negatively affects their development, morale and wellbeing. Therefore,

participants proposed that the Department of e-Government must grant some access rights to internal systems and must fully utilise the services of ICT system developers across the provincial departments.

2.3.2.5. Limpopo Province

In the Limpopo province, most provincial departments have supersessionally progressed in terms of digital transformation which is coordinated through the Office of the Premier (OTP), and the remaining few departments are gaining digitisation ground. The OTP and Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) have employed ICT system developers (on a permanent and internship basis) to help drive provincial digital transformation. This is commendable when compared to some national and provincial departments that do not have ICT system developers or have ICT developers that are underutilised. Interestingly, despite SITA being highlighted as one of the major obstacles impeding departments from digitising their HRM transversal systems, the SITA provincial office appears to work well and harmoniously with the OTP.

According to participants, departments are currently utilising, amongst others, Microsoft Power Apps Cloud-based system and platforms to link some of the in-house HRM and other operational systems and their different platforms. They are currently finalising the process to procure the Enterprise Content Management (ECM) system to streamline all provincial workflows by the end of the financial year 2024/25, as coordinated and supported by the OTP. Some of the HRM processes that are fully and partially digitised include e-recruitment, e-leave application management, e-payslip, e-PMDS, e-exit management system (notice of termination of service or service termination), and e-HRM submission and e-signature particularly for levels 13 and above. The e-recruitment system is transversal and partially digitised for all end-users (i.e., departments and applicants).

The fully and partially digitised systems can be transversally accessed by all employees regardless of their location or devices they use. However, the shortlisting stages are conducted manually, and plans are piloted to have the last stages of the recruitment and selection process (i.e., interviewing and appointment) conducted electronically to save papers. The e-recruitment allows the applicant to first create a profile which can be updated at any time and used for various advertised positions, and it provides a short message service (SMS) and email notifications of progress status to all end-users. In addition, participants reiterated that since some areas in the province are whole/semi-rural with limited access to digital technologies, exceptions are granted for prospective applicants to post or hand deliver hardcopies of applications for vacant positions, particularly for entry level positions, despite this adding too much administration to the HR practitioners.

The inspections demonstrated that the Limpopo OTP has long automated their e-leave application management system since the year 2004 using the International Business Machines (IBM) system. This was later revised in 2023 and migrated to the Microsoft 365 Power App so it can be digitally utilised across departments and employees. In addition, ePDMS was partially automated in 2018 using the IBM system and was later revised and digitised in 2023 to link employees at all levels and their relevant stakeholders (e.g., the job holder, supervisor, PMDS section and PMDS moderation committee) to promptly ensure an iterative quality assurance process and e-approval.

The department of CoGHSTA, based on its ICT innovation, capacity and capabilities, and robust paperless office environment, was tasked by OTP to redevelop and pilot the user-friendly digital e-leave application management system and exit management system (notice of termination of service). The various ICT and digital innovation awards that were previously won nationally and provincially served as evidence of CoGHSTA's ICT innovation muscle. CoGHSTA is currently finalising piloting processes of those solutions, which will be implemented across provincial departments from financial year 2025/2026 onwards. These reengineered systems are designed to provide an iterative seamless process between relevant stakeholders (e.g., for e-leave management: from subordinate, to supervisor, and HR section, while for the exit management system between the subordinate, supervisors, and HR, SCM, ICT, & Finance sections, and Accounting Officer).

Participants attested that future plans and strategies are in place and they are collaboratively coordinated by the OTP to have the following digital measures implemented between 2025/26 - 2026/27 financial years: all provincial departments HRM processes and services to be fully digitised, to have a single portal that can digitally connect all operational transversal systems and their different platforms, and lastly, establish a funded provincial department of e-government, like the Gauteng province in the OTP, to champion digital modernisation and transformation, ensure a seamless operational workflow in the entire province and reduce excessive HR administrative burden on capturing and updating of the Persal and newly built system. Participants attributed the progressive digitisation horizon to the OTP and various senior management support, collaboration and commitment to promote to the province's mission statement, inter alia, to "provide strategic, ethical and innovative leadership for service delivery excellence" and "to strengthen intra and intergovernmental relations" ...¹⁰.

2.3.3 National and provincial concerns and challenges to digitisation of HRM processes

Overall, the inspections demonstrated that in most of the selected national (including the employer, Department of Public Service and Administration (DPSA)) and provincial departments in this digital era, HRM processes were not digitised as compared to other business operational processes, which the PSC has noted with great concern. The following are the participants' main concerns and challenges that contributed to lack of digitisation across their departments:

- a. The lack of executive and senior management support, coordination, and collaboration (internally and externally) to invest in modern HRM digital transformation and skills development in the HRM and ICT components.
- b. The appointment of incompetent people who possess irrelevant qualifications into strategic positions – due to their links to senior managers and/or the governing party – provided a fertile terrain for power abuse, maladministration of ICT infrastructure and the disregard for continuous HRM and ICT practitioners' development in the national and provincial departments, since 2018.
- c. Most national and some provincial departments misunderstood and misinterpreted the National Treasury Instruction No. 5 of 2017-2018, which is a contributing challenge to the gradual digitisation of HRM processes in the Public Service.

¹⁰ Limpopo Office of the Premier. Mission statement. South Africa.
<https://provinciallengovernment.co.za/units/view/64/limpopo/office-of-the-premier>

- d. The limited budget, restrictions by National Treasury and State Information and Technology Agency (SITA) as a monopolistic middleman were highlighted as major obstacles impeding most national and provincial departments to digitise HRM transversal systems which can be developed in-house or elsewhere at a cheaper cost. In addition, the National Treasury's lack of a response to national and provincial departments' requests for deviation to procurement of HRM Enterprise Resource Planning (ERP) solution as per the National Treasury Instruction No. 5 of 2017-2018 was and is frustrating and remains an obstacle.
- e. The SITA's slow pace and poor support with modern technology hinder departments' quests to digitise from thought to furnish.
- f. The dissimilar use of HRM processes and systems (e.g., e-PMDS, e-recruitment, e-leave application management) and lack of electronic/digital employee relations case management (grievances & discipline management) present challenges for many national and provincial departments.
- g. The geographical access, limited financial resources and limited technology literacy levels impede some departments with regional offices from completely digitising their systems since most employees at entry-level positions (e.g., gardeners, cleaners, ground workers, etc.) are relatively old, digitally challenged, and unable to use the newest technologies.
- h. Lastly, the DPSA's inability to coordinate with NT and its lack of appreciation of the departments' uniqueness and scope when developing policies and directives exacerbate challenges and frustration for national and provincial departments.

The above concerns and challenges suggest that digitisation of HRM processes across national and provincial departments is a serious challenge that urgently requires bold executive and senior management support, commitment and collaboration to strengthen the Smart-Gov system's intention of providing digital innovation and tailor-made solutions and platforms.

3. CHAPTER 3: CONCLUSION AND RECOMMENDATIONS

3.1 Introduction

This chapter presents the conclusion of the inspection *in loco* and recommendations are made based on the findings discussed in the preceding chapters.

3.2 Conclusion

Technology has become an important part of life that assists people and departments to improve efficiency, productivity, performance, reduce costs, and render better services¹¹. The inspections demonstrated that the digitisation of HRM processes, skills development for HRM and ICT employees and underutilisation of systems developers across many departments are serious challenges that require urgent and undivided attention of executive and senior management. There is sufficient proof to demonstrate that digitisation of HRM processes in few national and provincial departments is prioritised, adding value and creating opportunities to broaden the digitisation horizon in the right direction in other operations. However, the full-scale embracement of HRM digitisation remains a challenge due to multiple factors, inclusive of the budget constraints, poor SITA support and slow response by NT, and lack of executive and senior management support and collaboration (due to political and power dynamics) to invest in modern high-tech digital ICT infrastructure and skills development.

Findings from the inspections *in loco* and deliberations with representatives from various departments have suggest that there is consensus amongst participants that the DPSA should cease to explore avenues of developing a new HRM module, which might experience the same discontinuities as the long overdue IFMS. Instead, the DPSA, NT and SITA in collaboration with OTPs should join forces, integrate and deploy the existing HRM ERP solutions that have been tried and tested by some national and provincial departments This approach can help to create a unique single integrated portal that can link various national and provincial HRM platforms to ensure a unified and seamless interactive solution that will save millions of rands on ICT procurement and related license fees that are currently covered by individual departmental budgets.

3.3 Recommendations

Based on the findings and proposals identified during the inspections, the following measures are recommended:

- **Decentralisation of government ICT management**

Based on the alleged inadequate SITA support and involvement as well as NT's lack of response to departments' requests for procurement deviations, participants proposed the decentralisation of government ICT management (including its related budget) and coordination. Literature on decentralisation of ICT management emphasises that it is not just an innovation but also a

¹¹Bacus, Y, 2023. Unlocking SA's ICT potential for service delivery. The Mercury, Cape Times.

necessity for efficiency, rapid resource allocation and decision-making, collaboration and security¹². In a decentralised environment, all units (e.g. in this case provincial and national departments) operate their systems “independently (via Offices of the Premier (OTPs) and the central national departments put overarching measures in place to make the systems resilient to failures and breaches” from unauthorized access¹³. Amongst the advantages are that national and province departments would have the ability to design their own ERP systems that link their goals, workflows, and geographical challenges; and resources may be easily accessible and shared without the need for a middleman or deviation requests¹⁴. However, one of the disadvantages is comparable to the existing status quo where each government department pays for its own ICT license costs, which can drain the fiscus as opposed to one government department paying for all departments’ ICT licenses. There is also a possibility of cost duplication and systems incompatibility, which can also create maintenance challenges.

- **Establish a single government digital HRM system and portal**

The DPSA, NT, SITA, and Department of Communications and Digital Technologies (DCDT), in collaboration with OTPs, should urgently converge all national and provincial departments’ ICT system developers, those that have fully and partially digitised their HRM processes and services, to benchmark and integrate their ERP solutions to help establish a single government digital HRM system and portal instead of DPSA creating a whole new digital HRM system and portal. The HRM system and portal could be managed by OTPs in provinces and DPSA for national departments. The DPSA and DCDT could have monitoring and evaluation responsibilities of the system and portal and take responsibility for troubleshooting the risks that may arise.

Currently, each national and provincial department develops its own systems and pays for its own ICT licenses, which is expensive and depletes the fiscus; this is not in line with section 195(1)(b) of the Constitution, the principle of promoting the efficient, economic and effective use of resources. The proposed model will ease the fiscus; enhance efficiency, transparency and accountability; streamline workflows; improve government operations and service delivery; reduce HRM administrative burden; reduce printing and storage costs related to paper-based processes; reduce ERP system duplication and improve interdepartmental and interprovincial coordination; enhance monitoring and evaluation; and enable robust analytics reporting and data-driven decision-making. Also, this approach can map the ways in which HRM and ICT departments can collaborate on digitisation.

¹² Mahajan, V. 2024. The impact of decentralized systems on IT resource management. LinkedIn. <https://www.linkedin.com/pulse/impact-decentralized-systems-resource-management-mahajan>

¹³ Ibid

¹⁴ Ibid.

- **Digital transformation timeframe, accountability and consequence management**

To complement that proposed establishment of a single government digital HRM system and portal and roadmap, the Office of the President and the OTPs, assisted by the DPSA and DCDT, should put a digital transformation timeframe in place to hold executive authorities and accounting officers in departments accountable for failing to embrace HRM digitisation in their department.

- **Human capital development and management**

Some national and provincial departments have few or no ICT system developers, while others have adequate or more, but they are underutilised. ICT system developers should be centrally recruited and continuously developed. At the provincial level, since digital transformation in most provinces is coordinated by OTPs, the OTPs should convene all system developers under one office to support departments in an effort to strengthen digital transformation across all provincial departments. The same approach can be applied for national departments, with DPSA and DCDT serving as coordinators. Where applicable, the system developers can be seconded on a rotational basis to be stationed in and support struggling departments for a particular period. All these efforts are meant to strengthen digital transformation across departments in the provinces and at national level.

- **The existing tried and tested HRM ERP solutions**

Since findings from the study have alluded to the existence of various systems in different national and provincial departments, it is recommended that the possible transversal adoption of the following selected systems that are well-established and/or were found to be more compresence and/or effective should be explored:

- E-recruitment system: The DPSA, SITA, and NT should consider the e-recruitment systems developed and coordinated by the Gauteng Department of e-Government and Western Cape provincial government.
- Employee Self-services (ESS) system: The DPSA, SITA, and NT should consider the ESS developed and coordinated by the Gauteng Department of e-Government and Western Cape provincial government. The ESS system is inter alia, capable of encompassing diverse HRM functions such as e-recruitment, e-submission and e-signature, PMDS, onboarding, training and development analysis, e-leave application management taps and so forth.
- Training needs analysis and onboarding system: The DPSA, SITA and NT should consider the training needs analysis and onboarding systems developed and coordinated by the national DFFE, Gauteng Department of e-Government and Western Cape Provincial Government.
- The digitisation of the PMDS for SMS and levels below, and e-leave application management systems still present challenges for most national and provincial departments. The DPSA, SITA, and NT should consider the PMDS, and e-leave

application management systems developed by the Limpopo Department of Cooperative Governance, Human Settlements and Traditional Affairs (Coghsta) and the OTP; national Department of Forestry, Fisheries and the Environment (DFFE); StatsSA; Eastern Cape Department of Economic Development, Environmental Affairs and Tourism; Gauteng Department of e-Government; and Western Cape provincial government. Their PMDS and e-leave application management systems appear to address a myriad of concerns and challenges raised by participants during the inspections.

- Employee relations case management system: The DPSA, SITA, and NT should consider the employee relations case management system developed and coordinated by the national DFFE and Western Cape provincial government.
- To successfully strengthen digitisation within departments that have regional offices that are characterised by some digitally challenged employees at entry-level positions who are unable to use the newest technology (e.g. gardeners, cleaners, ground workers, etc.), it is important to learn from other sectors. To this end, the PSC refers to lessons learnt during the conceptualisation of the study on the extent of digitisation in the Public Service in 2023/24. In particular, it was established that the Western Cape City of Cape Town's Metropolitan Municipality has user-friendly digital systems and platforms (Tablets) that accommodate digitally challenged entry-level. The DPSA, NT, and SITA can leverage this approach to avoid contributing to the Public Service digital divide in South Africa.

The PSC believes that effectiveness and efficiency will be attained across national and provincial HRM components once the aforementioned measures and recommendations are explored and selected systems are put into practice in the Public Service. In the spirit of all South Africans collaborating towards building a developmental and capable state, South Africa already has a skills landscape in which the Sector Education and Training Authorities (SETAs), working together with the above-mentioned departments and institutions and the National Skills Levy, can be leveraged to assist in driving the digitisation of HR processes in the Public Service.