

**THE MONITORING AND EVALUATION FRAMEWORK FOR THE  
BROAD BASED BLACK ECONOMIC EMPOWERMENT POLICY  
IN SOUTH AFRICA AND LESSONS OF EXPERIENCE FOR  
NAMIBIA**

BY

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A Mini-Thesis submitted in partial fulfillment of the requirements for the degree of  
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Management Sciences, University of the Western Cape

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## **ABSTRACT**

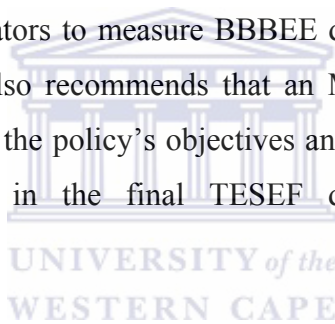
The Namibian Government has recently embarked on the formulation of an empowerment strategy similar to South Africa's Broad Based Black Economic Empowerment (BBBEE) policy - the Transformation of Economic and Social Empowerment Framework (TESEF) for Namibia. Monitoring and evaluation (M&E) more specifically, results-based M&E has also recently emerged worldwide as an important tool in public sector management reform and is focused on the attainment of outcomes and development results at project, programme and policy levels. The problem being investigated in this study concerns the shortage of evidence in BBBEE policy and legislative documentation of a coherent M&E framework inclusive of a set of indicators that can measure BBBEE progress against its set objectives and anticipated outcomes. Through an investigation on the state of an M&E framework for BBBEE and South Africa's good experiences regarding the development of a Government-wide (including all sectors) coherent M&E system a number of lessons of experience have been drawn for the anticipated implementation and M&E framework of TESEF and the establishment of a Government-wide M&E system in Namibia.

The study reveals that there is currently (May 2009) no comprehensive M&E framework inclusive of set of indicators in effect to measure BBBEE progress towards its objectives and anticipated outcomes. The suitability of available indicators to measure BBBEE derived from the South African Development Indicator framework (SADI) and the Compendium of Indicators for the Provincial Growth and Development Strategy (CIPGDS) of the Western Cape are assessed and the potential for indicator development has been explored. Through an appropriate methodology a comprehensive set of indicators that address the objectives and anticipated outcomes of BBBEE are developed and suggested in this study.

The study found that while Namibia sees herself in the final phase of TESEF formulation with the release of the latest TESEF Draft Strategy Document (April 2008) the country

also sets out plans in its National Development Plan (NDP3) for period 2007/08 – 2011/12 for the establishment and institutionalisation of a government-wide M&E system dedicated to the results-based M&E approach. The study finds valuable lessons for Namibia in South Africa's Government-wide M&E (GWM&E) system drawn from South Africa's development of: a Policy Framework for GWM&E system; a comprehensive set of national development indicators across prioritised clusters (the South African Development Indicator framework); and the established public sector capacity building and M&E support organs such as the Public Administration Leadership and Management Academy (PALAMA) formerly known the South African Management Development Institute (SAMDI) and the South African Monitoring and Evaluation Association (SAMEA).

Apart from the potential indicators to measure BBBEE developed as part of the study's recommendations, the study also recommends that an M&E framework for TESEF is developed upon finalization of the policy's objectives and anticipated outcomes and that this framework is included in the final TESEF design to guide its effective implementation.



## DECLARATION

I declare that this study on *The monitoring and evaluation framework for the Broad Based Black Economic Empowerment Policy in South Africa and lessons of experience for Namibia* is my own unaided work, that it has not been submitted for any degree or examination in any other university, and that all the resources I have used or quoted have been indicated and acknowledged as complete references.

Okaute Akwega Kasuto

May 2009

.....  
Signature



## **DEDICATION**

This study is dedicated to my late grandfather Rev. Jason Akwega Amakutuwa and to my loving parents. I further dedicate this research to both the Namibian and South African nations for whom I give this study in aiding our development.



## ACKNOWLEDGMENTS

First and foremost I would like to extend my utmost thanks to my spiritual guider and Lord for; he has paved the way in my journey toward this important accomplishment. My greatest gratitude and thanks go to my father Adv. Ephraim Katatu Kasuto and my mother Nelago Kasuto, your contribution and guidance in this journey is one without which I would not have realised this achievement. Meme thank you for the hours spent engaging on this topic for which I have had so much passion for. To my supervisor Prof. Christo De Coning I humbly thank you for your guiding academic hand and your unwavering dedication to my work. You have demonstrated your firm experience, professionalism and willingness to go the extra mile in contributing to the blossoming of this important piece of work. I also wish to extend my utmost gratitude to Hon. Prof. Peter Katjavivi and Mr David Nuyoma for your valued input in this exploration.

I give thanks to my sponsors in particular the Carl Schletweinn Foundation whose financial muscle in contributing to this research has played a pivotal role. My parents were also part of the financial muscles that have made a heartfelt contribution. Furthermore, my acknowledgement extends to the esteemed academics of the School of Government who have been key players in my intellectual growth and have indeed made a lasting contribution.

Last but not least my sincere thanks goes to my pillar of strength my late grandfather Rev. Jason Akwega Amakutuwa who passed away in April 2008 your wisdom and inspiration remains with me even though you are not here, the entire Kasuto family my sisters Ngatuuane and Hikutengevi Kasuto and to Yoliswa Khetiwe Khumalo your support and motivation has helped me through.

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## 10 KEY WORDS

1. Monitoring
2. Monitoring and Evaluation
3. Broad Based Black Economic Empowerment
4. Public Policy
5. Government-wide Monitoring and Evaluation
6. Indicators
7. Transformation of Economic and Social Empowerment Framework
8. Empowerment
9. Namibia
10. South Africa



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# CHAPTER 1

## INTRODUCTION

### 1.1 INTRODUCTION

Monitoring and evaluation is the life-blood of sound and efficient planning and implementation. For it to add value to government work and to the broader process of social transformation, it should be based on objective measurements that reflect the ideals in our Constitution: to improve the quality of life of all South Africans and ensure that South Africa contributes to the creation of a better Africa and a better world.<sup>1</sup>

The Namibian Constitution adopted in 1990 made an undertaking to redress the structural disparities brought about by apartheid and colonisation. Article 23 of the Constitution lays down the legal basis for the passing of legislation to 'implement policies and programmes to redress the socio-economic imbalances created by past racially motivated socio-political and socio-economic policies'.<sup>2</sup> Although the Namibian Government has presided over more than a decade of democratic independent rule, thus far it has not legislated a black economic empowerment strategy. The Namibian Government has been paying special attention to South Africa's Broad Based Black Economic Empowerment (BBBEE) strategy (Venter, 2007). Consequently, in 2007 after an extensive consultative process culminating from Cabinets approval to amend the initial 2005 Empowerment Framework, the Office of the Prime Minister in Namibia has tasked a consultancy firm, Decti Namibia (linked to the South African empowerment rating and mining consultancy

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<sup>1</sup> This appropriate quote is derived from Development Indicators Mid-Term Review. (2008).[online], available <http://www.info.gov.za/otherdocs/2007/developmentindicator/index.html>, accessed 2 March 2008.

<sup>2</sup> As sourced from Office of the Prime Minister. TESEF Draft Strategy Document (2008:5)

Decti), with ‘spearheading’ the formulation of an empowerment strategy: the Transformation of Economic and Social Empowerment Framework (TESEF) strategy aimed at redressing the socio-economic imbalances experienced by historically disadvantaged Namibians (HDNs).<sup>3</sup>

The South African Government has declared the Broad Based Black Economic Empowerment (BBBEE) Policy legislated in 2004 a core concern in addressing the socio-economic transformation of the majority of the South African population. In keeping with the progressive quotation at the beginning of this introduction, this study aims to explore the monitoring and evaluation (M&E) framework of the BBBEE policy and draw lessons of experience for the M&E framework and implementation of the TESEF in Namibia (still in final draft phase at time of writing). Furthermore, the study seeks to examine the South African Government-wide Monitoring and Evaluation (GWM&E) system established in 2007 and through this draw valuable lessons from South Africa’s experience in the establishment of a government wide M&E system. Focus will also be placed on examining the suitability of the set of indicators applied to measure BBBEE. The potential for indicator development for TESEF M&E will be explored and potential indicators to effectively measure BBBEE against its set objectives and anticipated outcomes will be suggested as part of the study’s recommendations.

This research will also deduct recommendations from lessons drawn in establishing a results-based government wide M&E system for Namibia. Lessons borne out of the experience of South Africa’s GWM&E system and an investigation into the state of an M&E framework for BBBEE have been identified to illustrate best practices and shortcomings to be avoided in the formulation and or implementation of TESEF and the development of a government wide M&E system for Namibia.

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3 As collaboratively sourced from N. Angula. (2007). [Online]. Available [www.opm.gov.na/pm/speeches/2007/april/tesef.htm](http://www.opm.gov.na/pm/speeches/2007/april/tesef.htm), accessed 12 November 2007 and the TESEF Draft Strategy Document (2008)

## 1.2 BACKGROUND

### 1.2.1 South Africa

For over a century the establishment and implementation of colonial and apartheid rule in South Africa instituted and perpetuated a divide between the white ‘advantaged’ populace and the black ‘disadvantaged’ majority. For the white coloniser, the discovery of mineral resources, specifically gold, in 1886 led to the profitable exploitation of this resource, which was only possible through the availability of low-waged and submissive black labour. Consequently, the South African Native Affairs Commission (SANAC) (1903–1905) ruled that Africans be dispossessed of their economic freedom and converted into a poor populace with no option ‘but to seek contract labour in the white economy’. Through laws such as the 1913 Land Act, the African population – representing 70 per cent of the total population – were constrained to a meager 8 per cent of South African land. From 1913 to 1973 the white population of less than 20 per cent raked in 70 per cent of South Africa’s total income, whereas the Africans, accounting for 70 per cent of the population, absorbed a mere 20 per cent of total income.<sup>4</sup> Suffice it to say that apartheid had methodically and decisively constrained the ‘majority of South Africans’ from actively participating in the country’s economy (Department of Trade and Industry {DTI}, 2003:4). Consequently, upon South Africa’s democratic transition in 1994 a total of ‘26 million Blacks were impoverished’ (Terreblanche, 2004:1).

Ten years after the democratic transition the South African economy had gone through a major reformation: recording a steady growth rate and macroeconomic stability (DTI, 2003:4). However, despite the economic achievements and a wide range of policy and programme implementations geared at defeating economic inequalities, embedded disparities remain embedded in the economy, curbing economic enhancement, the creation of employment and the eradication of poverty (BBBEE, 2003:4). In post-democratic South Africa there exist wide disparities along racial and gender divides in the allocation of and access to skills, employment, income and wealth (BBBEE, 2003:4).

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<sup>4</sup> This paragraph has been sourced from Terreblanche (2004:1). The author provides a comprehensive assessment of South Africa’s inequalities as a result of the colonial and apartheid regime.



As a result, the 'economy continues to perform below its full potential' (BBBEE, 2003:4). In addressing this challenge, South Africa introduced the Broad Based Black Economic Empowerment (BBBEE) strategy, promulgated as an act of parliament in January 2004, ten years after South Africa's democratic transition.<sup>5</sup> The BBBEE strategy document pronounced the policy a 'necessary government intervention' to address the systematic exclusion of the South African black majority from full and active participation in the country's economy (BBBEE, 2003:6).

### **1.2.2 Namibia**

Namibia, a former colony of South Africa and a neighbouring country, has shared a historical and consequently economically correlated path with South Africa. For over a century, the colonial era in Namibia was marred not only by violence but also by the control gained by the colonists over Namibia's land, mineral and other resources through a combination of purchase, theft and the application of superior military power (Office of the President, 2004:29). 'For the majority of Namibians [black people] the history of colonial rule was characterised by dispossession, national oppression and poverty' (Office of the President, 2004:29). More specifically, South African apartheid policies entrenched ethnic and racial divides to the degree that communities were economically, geographically and socially segregated (Tapscott, 1993:29). 'As in South Africa', racial and class groupings in Namibia tended to correspond; and the minority white population, with backing from the South African administration, controlled Namibia's economic and political realms (Tapscott, 1993:30). By 1989 the white settlers, comprising a mere 5 per cent of the population, controlled 71 per cent of Namibia's gross domestic product (GDP), while the black population or 'bottom 55 per cent of the population ... controlled just 3 per cent of the GDP' (Tapscott, 1993:30). Namibia gained its independence from South African apartheid rule on 21 March 1990.

Similar to South Africa, Namibia's post-independence democratic era has been characterised by a steady economic growth rate and macroeconomic stability, owing, among others, to the implementation of market-oriented policies, and a stable political

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<sup>5</sup> As sourced from the Broad Based Black Economic Empowerment, Act 53, 2003.

and legal milieu (Office of the President, 2004). However, despite these economic achievements, Namibia still endures severe income inequalities, a skills shortage and a high level of unemployment (Office of the President, 2004). On 17 April 2007, the Government of the Republic of Namibia announced the commencement of the design process of the Transformation of Economic and Social Empowerment Framework (TESEF) (Angula, 2007). TESEF represents the Namibian government's empowerment strategy to redress the socio-economic exclusion of historically disadvantaged Namibians (HDNs) in post-independence era (Angula, 2007).

### **1.3 BROAD-BASED BLACK ECONOMIC EMPOWERMENT: OVERVIEW**

In view of these historical dynamic and disparities (highlighted in 1.2.1 above), the BBBEE policy formulation process emerged through extensive consultation and contributions by the Black Economic Empowerment Commission (BEEC), the Black Business Working Groups, the Black Business Council, the National Economic and Development Labour Council (NEDLAC) comprising, among others, various government departments, labour unions and civil society stakeholders. This process laid the basis for the 2003 BBBEE strategy document and consequently its legislative framework.<sup>6</sup> The BBBEE Act 53 of 2003 – enacted in 2004 – outlined through its Preamble that apartheid rule entrenched the exclusion of black people from the mainstream economy because of their race, that this socio-economic divide still exists in post-apartheid South Africa, and that, unless measures are taken to enhance the effective participation of South Africa's majority in the economy, the future stability and prosperity of the economy may be jeopardised to the disadvantage of all South Africans, regardless of race. The BBBEE strategy document states that the policy represents an all-encompassing and consistent socio-economic course of action 'that directly contributes to the economic transformation of South Africa' and creates a significant augmentation in the number of black people who control, own and manage South Africa's economy, as well as significant reductions in income disparities (BBBEE, 2003:12). Therefore, the

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<sup>6</sup> This paragraph has been collaboratively sourced from South Africa's Economic Transformation: A Strategy for Broad Based Black Economic Empowerment (2003:5); BBBEE Act 53 of 2003; and NEDLAC <http://www.nedlac.org.za/home.asp>, accessed 3 March 2008.

BBBEE process encompasses facets of employment equity, enterprise development, human resource development, and preferential procurement, in addition to control, ownership and investment of enterprises and economic resources (BBBEE, 2003:12). The BBBEE Act applies 'black people' as a generic term to 'Africans, Coloureds and Indians', and broad-based black economic empowerment 'means the economic empowerment of all black people, including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies'.

#### **1.4 PROBLEM STATEMENT**

A recent study conducted on the state of BBBEE in South Africa indicates a staggering 72.8 per cent non-compliance with the objectives of the BBBEE Act among private sector organisations.<sup>7</sup> After three years of legislative BBBEE implementation, these figures indicate that the attainment of the policy's objectives has been hamstrung. Nonetheless in consideration of the essence of the BBBEE policy, it is evident that its intended outcomes extend further than private sector compliance with the BBBEE scorecard, although this is the strategy's core implementative tool.<sup>8</sup> This is an all-encompassing and consistent socio-economic course of action that aspires towards the constitutional ideal of equality through a significant reduction in income disparities and the socio-economic upliftment of previously disadvantaged groups. It is therefore crucial that the policy should be monitored consistently against its set objectives and anticipated outcomes in order to inform the implementation and/or re-design of the policy.<sup>9</sup>

There exists an evident dichotomy between the BBBEE policy and the draft TESEF, these policies aspire toward similar objectives of, among others, enhancing ownership and control among previously disadvantaged groups in the private sector, promoting skills and small to medium enterprise (SME) development, enhancing black

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<sup>7</sup> President Mbeki meets with Black Business Working Group [online], <http://www.thepresidency.gov.za/>, accessed 10 November 2007.

<sup>8</sup> As interpreted and deduced from South Africa's Economic Transformation: A Strategy for Broad-Based Black Economic Empowerment (2003).

<sup>9</sup> As deduced from the Broad Based Black Economic Empowerment Strategy Document (2003).

entrepreneurial access to financial services, and applying 'preferential procurement' by the state and its organs in order 'to spread empowerment across the private economy'.<sup>10</sup>

Londt (2005:163) pronounces that it is seldom that a nation has the opportunity of learning from the pitfalls of policies adopted by other nations. In light of the above, the problem being investigated in this study is that there is very little evidence in Broad Based Black Economic Empowerment (BBBEE) policy and legislative documentation of a coherent monitoring and evaluation (M&E) framework inclusive of a set of indicators that can measure BBBEE progress against its set objectives and anticipated outcomes. The Namibian Government has recently embarked on the formulation of an empowerment strategy similar to the BBBEE policy: the Transformation of Economic and Social Empowerment Framework (TESEF). Through an investigation on the state of an M&E framework for BBBEE and South Africa's good experiences regarding the development of a Government-wide (including all sectors) coherent M&E system a number of lessons of experience can be drawn for the anticipated implementation and M&E framework of TESEF and the establishment of a Government-wide M&E system in Namibia.

## **1.5 RESEARCH OBJECTIVES**

This primary objective of this study is to explore the state of the monitoring and evaluation framework for the BBBEE policy in South Africa in order to extract lessons for Namibia. The secondary objectives are to:

- Ascertain the types of indicators and anticipated outcomes developed by the South African government for the purpose of assessing the performance of BBBEE against its set objectives and anticipated outcomes.

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<sup>10</sup> Comparison of TESEF and BBBEE strategy objectives collaboratively sourced and interpreted from Decti Namibia (2007) TESEF Draft Document and Butler (2007:1).

- Explore the applicability of the deduced set of indicators in relation to the BBBEE policy objectives and anticipated outcomes, through which probable indicators for application may be suggested.
- Draw lessons of experience from South Africa's Government-wide M&E system and the findings of this study to inform the M&E framework of the anticipated TESEF and the establishment of a government wide M&E system in Namibia.

## 1.6 SIGNIFICANCE OF THE STUDY

Governance is acknowledged to be the foremost challenge facing developing nations in meeting their own and global developmental objectives.<sup>11</sup> Monitoring and evaluation has emerged as a requirement for governance and as a development process (Hague, 2001). The South African government has acknowledged that becoming more effective is its foremost challenge, declaring that M&E can help the public sector in assessing its progress and identifying elements contributing to its service delivery results. The post apartheid South African government faces various strategic concerns, chief among which is the challenge of augmenting effectiveness in order to attain 'a greater developmental impact'. M&E represents a significant way of increasing effectiveness. As outlined earlier, the South African government has pronounced BBBEE a principal area of concern. Therefore the consistent and effective monitoring and evaluation of this important policy is vital, and a study that investigates the policy's M&E framework is a salient part of this process. Moreover, as articulated earlier by Londt (2005:163) it is important for a nation to learn from the experience of a policy/ies adopted by another nation/s. This study's focus on the M&E framework of the BBBEE policy and the broader Government-wide M&E Framework established in South Africa will provide lessons inclusive of best practices and potential shortcomings from the South African experience for Namibia.

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<sup>11</sup> As articulated through the Global Monitoring Report Millennium Development Goals: Strengthening Mutual Accountability, Aid, Trade, and Governance (2006).

Furthermore, the scientific enquiry on BBBEE M&E is relatively new with limited contributions from amongst others the BBBEE Progress Baseline Report (2007) commissioned by the Presidency, the Department of Trade and Industry (DTI) and the Presidential Black Business Working Group.<sup>12</sup> This study's investigation on BBBEE M&E will thus extend knowledge in this field of enquiry and as a result of the limited exploration on TESEF M&E and M&E in Namibia the study's findings aspire to bring to the fore ground-breaking knowledge in this arena.

## **1.7 LITERATURE REVIEW**

Relevant sources have been drawn for this research to deduce reliable and valid findings. The theoretical framework drawn for this study revolves around the fields of inquiry in: monitoring and evaluation, policy evaluation, indicators, public policy and empowerment.

Hague (2001) and the South African Policy Framework for Government-wide Monitoring and Evaluation (PFGWME) (2007) demarcate the elements of M&E as inputs, activities, outputs, outcomes and impacts. The PFGWME also presents the principles of sound and effective M&E. Kusek and Rist (2004) highlight the emergence of M&E as a core element of governance, the authors also outline the major facets of M&E and present the trajectory of M&E from the traditional implementation-focused M&E to results-based M&E. Kusek and Rist (2004) also set out a comprehensive and unique ten-step model for building a results-based M&E system.

Gosling and Edwards (1995) submit that indicators are determined by policy objectives and priorities, the authors also outline the important elements to consider in the selection of key indicators. Maclaren (1996) and Cloete (2005) outline that a single indicator is inadequate in measuring multi-dimensional concepts such as empowerment or development. Therefore a set of key indicators would be required that is limited to those

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<sup>12</sup> Presidency, DTI and Presidential Black Business Working Group, BBBEE Progress Baseline Report (2007)

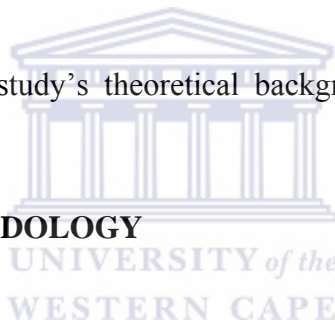
that provide useful information. Cloete (2005) further provides a criteria that indicators should comply with in order to maximise their effectiveness.

Within the theoretical framework of public policy, Cloete, Wissink and De Coning (2006), and Dunn, Parsons<sup>13</sup> and Ratsogi (1992) provide a definition and the tenets of a public policy; the components of policy studies; and the policy making process. Literature on policy levels, types and instruments is also surveyed.

As BBBEE and TESEF are both policies that revolve around empowerment, this study surveys literature on empowerment through the lenses of, among others, Friedmann (1992), who postulates that policies within mainstream economic conventions foster the exclusion of the majority.

For a full exposition of this study's theoretical background the reader is referred to Chapter 2 and 3.

## **1.8 RESEARCH METHODOLOGY**



According to Brynard and Hanekom (1997:28)

Research methodology, or methods of collecting data, necessitates a reflection on the planning, structuring and execution of the research in order to comply with the demands of truth, objectivity and validity. Hence, research methodology focuses on the process of research and the decisions which the researcher has to take to execute the research project.

This study complies with the above compound definition and the principles of research for the deduction of reliable, valid and objective findings. The research method applied in this study falls within the framework of qualitative research.

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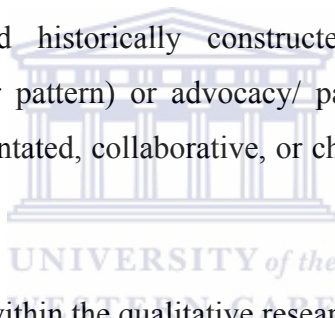
<sup>13</sup> Dunn and Parsons in Cloete, Wissink and De Coning (2006)



### **1.8.1 Qualitative Research**

This study applies a qualitative methodology as it is an investigation into the M&E framework of the BBEE phenomena, premised on the viewpoint that lessons from this exploration can be drawn for the M&E framework of TESEF. Qualitative methodology thus refers to research that generates descriptive data (Brynard & Hanekom, 1997:29). The premise of qualitative research is vested in the inquiry of phenomena; here the inquirer's viewpoint is the point of departure (Brynard & Hanekom, 1997:29). Thus, it centers on the real-life experience of people (Brynard & Hanekom, 1997:29). Furthermore,

A qualitative approach is one in which the inquirer often makes knowledgeable claims based primarily on constructivist perspectives (i.e. meanings socially and historically constructed, with an intent of developing a theory or pattern) or advocacy/ participatory perspectives (i.e. political, issue orientated, collaborative, or change orientated) or both (Creswell, 2003:18).



Therefore, this study fits well within the qualitative research framework.

### **1.8.2 Research type**

The type of research applied for this study is applied, descriptive and evaluative research.

‘Applied research’ refers to the type of research in which the findings can be applied to solve an immediate problem. Here the selection of the research problem is based on the practical value the research would bear in a particular situation (Brynard & Hanekom, 1997:5). The findings of this study present an assessment of the M&E framework for BBEE and leads to recommendations that can be applied to address the research problem. This study therefore fits well within the ambit of applied research.

‘Descriptive research’ involves the examination of population samples. Leedy in Brynard & Hanekom (1997:6) states:



... select from the mass of humanity a well-chosen few, and these observe with insight, and they will tell you more than all the multitudes together. This is the way we must learn: by sampling judiciously, by looking intently with the inward eye, then from these few that you behold, tell us what you see to be truth.

This type of research focuses on information acquired through observation. Concisely, descriptive research is a researcher's observation portrayed in words, and on which his or her findings are devised. For the deduction of this study's fieldwork results, the views of a selected sample of key individuals of authority for M&E in Namibia and BBBEE M&E were drawn, and the observations were fed into the fieldwork results and findings of this study.

This research undertakes an exploration and assessment (judgment) of the M&E framework of the BBBEE policy. It can therefore be seen as 'evaluation research' which according to Brynard & Hanekom, (1997:6) refers to a judgment of the merit or worth of developmental programmes, policy analysis, products, and organisations.

### **1.8.3 Participants**

'The idea behind qualitative research is to purposefully select participants ... that will best help the researcher understand the problem and the research question' (Creswell, 2003:185). Therefore, participants who best suited the objectives of this study were selected. Participants were drawn from selected organisations in the private and public sector in South Africa and Namibia. The aim was to select 'a sample that will be representative of the population about which the research aims to draw conclusion'. Furthermore, it was preferable that the population be divided and demarcated into clearly defined subpopulations or strata (Brynard and Hanekom, 1997:44). For the purposes of this study, the following respondents within the strategic apex of the following organisations were selected:

- The Director-General (DG) of the Namibian National Planning Commission (NPC), Honourable. Prof. Peter Katjavivi: is the head of the NPC tasked with the formulation and implementation of the country's national development plan

inclusive of various policies and programmes and the monitoring, reporting and evaluation thereof.

- The Chief Director of BBBEE in the Department of Trade and Industry, Ms Nomonde Mesatywa: The DTI is a key stakeholder in the design and implantation of BBBEE in South Africa.
- The Chief Director of Provincial Monitoring, Evaluation and Review, Office of the Premier of the Western Cape, Ms Zeneet Ishmail: This office spearheads the Province's M&E framework. The Western Cape Province makes the second highest contribution to the national GDP, it is therefore of benefit to this study to derive the M&E of BBBEE in the province.
- The Research and Advisory Manager of Empowerdex, Mr Steven Hawes: Empowerdex is a leading BBBEE research and accreditation agency.

#### **1.8.4 Instrumentation**

This study will apply two key instruments: interviews and documentary analysis. Brynard and Hanekom (1997:39) postulate that the validity and reliability of data-measuring instruments are essential to scientific research. The authors further set out content validity, criterion-related validity, construct validity, face validity and external validity as the criteria developed to assess the validity of the instruments. The documentary analysis and interviews applied in this study have been measured against the above criteria to ensure their validity. Furthermore, the reliability of each instrument in this study is measured against its ability to generate the same data at a later stage under similar conditions (test-retest) as outlined by Brynard and Hanekom (1997:40).

#### **1.8.5 Data Collection**

The researcher 'looks for the involvement of the participants in the data collection and seeks to build rapport and credibility with the individuals in the study' (Creswell, 2003:181). This principle guided the process of data collection for this study. Interviewing is a very useful technique of sourcing valuable information; more specifically, 'it is a device for tapping the experience of those who have actively

participated in the process of public administration’ (Brynard & Hanekom 1997:32). Interviews were geared towards deriving the input of participants at strategic apex level in relevant organisations in South Africa and Namibia.

According to Creswell (2003:186), the method of interviewing gives the interviewer control over the questions he/she asks, and allows the participant to bring in historical information. Unstructured and open-ended questions were applied in the interviews in this study to create an avenue through which participants could voice their subjective viewpoints. Approximately four interviews were conducted with the above highlighted participants. Of these interviews, two were face to face (Prof. Peter Katjavivi and Ms Zeneet Ishmail) and two via electronic mail (Mr. Steven Hawes and Ms Nomonde Mesatywa). Interviews were conducted individually and in a private setting at the convenience of the participant. To decode information from an accurate transcription of the interview, a tape recorder was employed for face to face interviews and data from responses on the electronically sent questionnaire deducted. Furthermore, documentary analysis will be applied to relevant theoretical frameworks, policy documents, previously gathered and captured survey data and legislations.

The above fieldwork has adhered to the principle of quality assurance: ‘keeping track of your fieldwork ... by keeping a record of the main decisions and events during the fieldwork process, you construct a historical record of the whole process to which you can return later if necessary’ (Mouton, 2001:107).

## **1.9 DELIMITATION OF STUDY**

This study is demarcated to an investigation on the M&E framework for the BBBEE policy and South Africa’s Government-wide M&E framework. Focus is further narrowed down to an exploration of South Africa’s indicators for measuring BBBEE progress towards its objectives and anticipated outcomes. For the purposes of this study the state of M&E in Namibia and the latest developments in the formulation of the TESEF is also investigated. This study derives the input and viewpoints of the: Director-General of National Planning Commission of Namibia; Chief Director of BBBEE in the DTI; Chief

Director of Provincial Monitoring, Evaluation and Review and the Research and Advisory Manager of Empowerdex. The fieldwork undertaken is further conceived within an analysis of relevant policy documentation, literature and legislation.

## **1.10 COMPOSITION OF THE STUDY**

The thesis is unpacked in the following six chapters:

Chapter 1 comprises the introduction, background, research problem, research objectives, significance of the study, literature review, research methodology and delimitation of the study.

Chapter 2 provides a theoretical perspective on monitoring and evaluation, and particular focus is placed on results-based M&E and the steps involved in building a results-based M&E system are presented. The explanatory frameworks on indicators, selecting key indicators, and an indicator compliance criterion for maximising success in policy assessment are outlined. The concept of empowerment is also discussed at the end of this chapter.

Chapter 3 presents the policy and legislative context of the study. This chapter begins with the explanatory frameworks of public policy. It then presents a comprehensive overview of the BBBEE policy document and the BBBEE Act 53 of 2003.

Chapter 4 presents the fieldwork results as drawn from BBBEE policy documentation and legislation, the Western Cape Provincial Government Chief Director of M&E, and a BBBEE expert.

Chapter 5 outlines the findings of this research study. Chapter 6 puts forth the recommendations and conclusions of this research.

## CHAPTER 2

### THEORETICAL PERSPECTIVE ON MONITORING AND EVALUATION

#### 2.1 INTRODUCTION

Before this chapter engages with the theoretical frameworks of monitoring and evaluation (M&E) it is necessary that the concept of M&E should be dissected into its constituent parts. Therefore the chapter commences with outlining the literature on monitoring, in particular policy monitoring, after which literature on evaluation will be surveyed. This chapter will also present a core element of effective M&E: indicators inclusive of the criteria for indicator selection and development. Although the study's focal area is M&E (the concept that underpins both the BBBEE policy and the TESEF), empowerment and its literature will be presented in this chapter.

#### 2.2 MONITORING

Gosling and Edwards (1995:12) submit that monitoring refers to the continuous and systematic collating and examining of data about the progress of an exercise such as a project, programme or public policy over time. It is an instrument applied to identify strengths and shortfalls in an exercise and to present those responsible for the exercise with enough 'information to make the right decisions at the right time' in order to advance its quality. Information about the exercise or programme, project or public policy and about the outside milieu should be collated and examined continuously.<sup>14</sup> The South African Policy Framework for the Government-wide Monitoring and Evaluation System (GWM&E) outlines that monitoring 'involves collecting, analysing, and

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<sup>14</sup> This paragraph has been sourced from Gosling and Edwards's (1995:12) comprehensive literature on monitoring.

reporting data on inputs, activities, outputs, outcomes and impacts as well as external factors, in a way that supports effective management.<sup>15</sup>

Gosling and Edwards (1995:12) state that the outcomes of the monitoring process can be transferred directly into the planning process, through which any necessary modifications can be formulated. Monitoring makes certain that the exercise remains on track by inspecting to see that actions are implemented, progress toward objectives is measured, problems are identified as they emerge, strengths are identified that can be built upon, and there is adaptation to altering conditions.<sup>16</sup> Monitoring therefore seeks to present the strategic apex and other stakeholders with regular responses on the advancement in implementation and outcomes as well as early signals of challenges that need to be addressed. By and large it reports on real performance against set objectives.<sup>17</sup> Monitoring can thus be seen as ‘the key to good planning. If monitoring systems work well, evaluation is necessary less often; and when it is needed, it is much easier to carry out’ (Gosling & Edwards 1995:12).

### **2.3 EVALUATION**

The concept of evaluation has been awarded an array of definitions by numerous authors. According to Sharitz (in Cloete et al. 2006:247), evaluation ascertains the significance of an action for the aims of decision making. Howlett and Ramesh (in Cloete et al. 2006:247) submit that policy evaluation generally refers to the exercise of exploring a public policy in action, the resources being put to use and the goals being served.

Cloete et al (2006:247) state that although the focus and processes may vary from case to case, the fundamental elements of evaluation remain the same. Therefore in arriving at a working definition of evaluation or assessment for the purpose of this study, Cloete et

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<sup>15</sup> As sourced from the Policy Framework for Government Wide Monitoring and Evaluation System, <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>, accessed 2 March 2008.

<sup>16</sup> This paragraph has been sourced from Gosling and Edwards’s (1995:12) comprehensive literature on monitoring.

<sup>17</sup> The concise aim of monitoring has sourced from the Policy Framework for GWM&E, <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>, accessed 2 March 2008.

al.'s (2006:247) definition of evaluation points out that 'in its ideal form, policy evaluation or assessment should be viewed as a judging process to compare explicit and implicit objectives with real or projected outcomes or results or impacts.'

Systematic policy planning, design and implementation in order to advance the value of a policy's results will be of no benefit if it is not evaluated against its intended objectives, those attained and missed. Therefore, evaluation is necessary in establishing whether a policy, project or programme should continue, discontinue, be limited in certain aspects; or expanded (Cloete et al, 2006:248). The reasons that necessitate the evaluation process are more specifically and briefly highlighted below.

### **2.3.1 Rationale for evaluation**

Cloete et al. (2006:248) set out various reasons that policy assessments or evaluations are conducted. These include:

- Measuring the development towards the attainment of policy goals
- Learning lessons from the project or programme for the purpose of future policy review, reformulation or implementation strategies
- Examining the feasibility of a hypothesis, principle, strategy, proposal, model or explanatory framework
- The provision of political or fiscal accountability
- To better advocate a cause
- For public relations purposes

In many events these reasons are not explicitly outlined, particularly amid political sensitivities or veiled personal objectives. In these scenarios, analysts have to examine carefully to attempt to ascertain the real goals of these evaluations (Cloete et al, 2006:248). In establishing a holistic perspective of the need for evaluation within the policy process, the benefits of evaluation cannot be ignored.

### 2.3.2 Benefits of evaluation

Valadez and Bamberger<sup>18</sup> briefly state that a well planned and carried out impact assessment can generate the following practical benefits:

- Accurately measure the nature and degree of the expected impacts to assist planners identify the projects that will probably generate the best return on investment.
- Illustrate that the changes observed were not due to the project, but the result of external factors. This will assist in avoiding resource investment in projects that are unlikely to generate the preferred outcomes.
- Assess the aspects that contribute to project impact and therefore assist planners to enhance project design.
- Identify those groups that are marginalised from certain kinds of projects and hence propose particular actions to promote these groups' participation.
- Project the time period during which the impacts are likely to transpire and thus increase the accuracy of the project analysis processes.

The benefits of evaluation are realised and transpire accordingly from a range of types of evaluation to be outlined in the following subsection.

### 2.3.3 Types of evaluations

Different types of evaluation can be conducted. These types of assessments or evaluation can be differentiated according to certain criteria. These criteria involve the stage of the policy process to which the evaluation is applied in line with the focal of the exercise; the

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<sup>18</sup> Cited in Cloete et al., 2006:248



scope of the assessment; and the time-frame of the programme or project being evaluated.<sup>19</sup>

### *Stages and foci*

#### *Planning or design stage*

What is termed a formative, prospective or ex-ante evaluation is often necessary in the infancy stage of the policy design process in order to conduct a formal assessment of the viability of the policy options that can be selected. This entails outlining the foreseeable costs, benefits, constraints and, on the whole, the foreseeable impacts that these policies may bear on the policy issue, in order to ascertain which strategy to take.

#### *Implementation stage*

This involves a continuous or 'process performance evaluation'. During the implementation of a policy, programme or project, there is a need to monitor the implementation process in order to keep abreast of the spending programme; the advancement towards goals; the time frame; and the quantity and value of results. The monitoring of the policy implementation process is conducted through project management approaches. This form of evaluation focuses mainly on the 'effectiveness, efficiency and levels of public participation in the implementation process.'

#### *After completion*

In the post completion stage of the policy, programme or project, evaluations are undertaken to assess either the advancement towards the attainment of policy goals, if these goals can be attained, or the overall outcomes of the policy. These outcomes consist of any progressive or negating changes to the state of affairs prior to the policy implementation. After the changes have been identified, it is vital to ascertain what led to

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<sup>19</sup> Unless otherwise stated, this preceding paragraph and the subsequent literature on the stages of the policy process, time frame and scope have been sourced from Cloete et al (2006:250-253), as the authors provide comprehensive literature on the criteria that distinguish types of applicable evaluations.

the changes, as they may not necessarily have been caused by the specific policy. These changes may have been the result of other policies or advancements outside the policy maker's power. Evaluation techniques used to attain these results consist of a range of methods for data gathering and analysis. These methods include focus groups, observation, open-ended interviews, ethnographic analysis, message or forms analysis, expert judgment, and equipment trial. Evaluation at this stage is also referred to as summative evaluation, which is the process of assessing the value of a programme at the conclusion of its actions. Hence, 'the focus is on the outcome'.<sup>20</sup>

### *Time frame*

Assessing tangible quantitative results is relatively simpler over a short time frame, for example the number of schools built, the intake of students in higher education institutions or the number of students graduated. However, the more impalpable or qualitative the outcome or the impact to be gauged, the more arduous it is to do, particularly over a short time frame, for example the enhanced quality of life of a population segment or the sustainability of affirmative action policies. In these scenarios, evaluations need to be conducted over a longer time frame with the application of policy indicators to provide 'approximations of the values' required. For this purpose there is no objective definition to demarcate between 'short-, medium-, and long-term periods'.

### *Scope*

Evaluations can be formulated merely for one policy sector for example the economic impact of ASGISA (Accelerated and Shared Growth for South Africa); the social impact of the anti-abortion policy; or the socio-development impact of the BBBEE policy in South Africa. Evaluations can also be formulated to 'focus on the integrated assessment' of a number of policy sectors at the same time, for example the integrated impact of the

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<sup>20</sup> As sourced from <http://www.sil.org/linguaLinks/literacy/ReferenceMaterials/GlossaryOfLiteracyTerms/WhatIsSummativeEvaluation.htm>, accessed 3 March 2008.

BBBEE policy in the private sector. This evaluation will, among others, analyse the policy's impact on the size of the private sector, and its influence on investment, economic growth and redistribution. In fact, current tendencies are 'towards integrated, balanced or cumulative impact' evaluations in 'different policy sectors'.

The above section on policy evaluation now guides us to the focal concept of this study, that is, monitoring and evaluation, which will be explored in the next section.

## **2.4 MONITORING AND EVALUATION**

In encapsulating the definitions of monitoring and evaluation in juxtaposition, Kusek and Rist (2004:13) articulate that while monitoring provides information on the progress of a policy at any point or over time in relation to its particular targets and outcomes and thus descriptive in purpose. Evaluation provides substantiation as to why outcomes and targets have not been or are not being attained, it is concerned with the issues of cause and effect. It is apparent that monitoring is complemented by evaluation, as 'good evaluative information clarifies the realities and trends noted with the monitoring system'.<sup>21</sup> Rotsagi (1992:55) nonetheless professes that:

Problems do not remain static. They change over time. They may improve, worsen, or undergo variation in quantum. Policies aimed at resolving them cannot be meaningfully formulated, implemented and reviewed unless one is able to keep track of and assess the changing situations. It is therefore essential to periodically monitor and evaluate a problem's state and course.<sup>22</sup>

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<sup>21</sup> Kusek and Rist (2004:13) in this paragraph presents a concise juxtaposition of the definitions of the terms 'monitoring' and 'evaluation' as interpreted in this paragraph.

<sup>22</sup> This opening quotation alluding to the salience of monitoring and evaluation has been derived from Rotsagi (1992:55)

Before this theoretical backdrop further outlines the explanatory frameworks of monitoring and evaluation (M&E), it suffices to briefly clarify the elements around which M&E is centred: inputs, activities, outputs, outcomes and impacts.<sup>23</sup>

- Inputs involve all the assets that add to the production of service delivery products. These include human resources, finance, and equipment.
- Activities are the actions that apply various inputs to produce the required result.
- Outputs are ‘the final products, goods and services produced for delivery’; they can be seen as the ‘immediate product or completion of administrative’ action.
- Outcomes are the medium-term results for particular beneficiaries that ensue from the attainment of specific outputs. They should be clearly linked to the organisation’s planned goals and objectives as outlined in its strategy. Outcomes are further categorised as ‘immediate or direct outcomes and intermediate outcomes’. Concisely, outcomes are the desired and required changes along the journey towards ‘intended ultimate development goals’.
- Impacts are the results of attaining particular outcomes, such as job creation and reducing poverty.

In recent times, governments worldwide have been grappling with external and internal pressures for ‘improvements and reforms in public management’. The alignment of these pressures on governments with organisations calling for greater stakeholder accountability has caused a global paradigm shift in public sector management. The public sector is increasingly being tasked or requested to illustrate results, as stakeholders are more than ever before concerned with actual outcomes and no longer exclusively concerned or interested in activities and outputs. The latter approach is the traditional implementation-focused M&E system built on assessing compliance, with a focus on inputs mobilisation, the carrying out and completion of agreed-upon activities, and the delivery of sought outputs. This approach aims to evaluate how well a policy, project or

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<sup>23</sup> These elements of M&E have been sourced collaboratively from Hague (2001:1) Policy Framework for the Government-wide Monitoring and Evaluation System. [Online] Available <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>, Accessed 2 March 2008.

programme is being implemented and ties this to a specific component of responsibility. The approach, however, fails to give those at the strategic apex (decision makers) and relevant stakeholders a comprehensive view of the policy or programme's achievements and shortfalls. In covering a closer inspection of the traditional implementation-based M&E and reiterating its fundamental focus on inputs, activities and outputs, a number of key elements of this approach resonate, as:

- It describes the problem or circumstance prior to the action.
- It 'benchmarks for activities and immediate outputs'.
- It collates information on 'inputs, activities, and immediate outputs'.
- It methodically reports on the supply of inputs.
- It methodically reports on the generation of outputs.
- It links directly to a distinct action.

The shift from the above approach, which focuses on 'Did they do it?', to a focus on providing feedback on real outcomes and objectives of public sector actions: a results-based M&E system is widely acknowledged. Within this shift, the questions and concerns now raised by external and internal stakeholders to governments the world over is: Have policies, programmes, and projects led to the desired results and outcomes? How do we know we are on the right track? How do we know if there are problems along the way? How can we correct them at any given point? How do we measure progress? How can we tell success from failure? It is evident that the performance of government has become a worldwide phenomenon, in terms of a shift from the traditional implementation-focused M&E to results-based M&E.<sup>24</sup>

#### **2.4.1 Results-based monitoring and evaluation**

The function of all development action is to advance some aspect of the social or economic human condition of a designated group of people. The results-based approach

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<sup>24</sup> This outline, covering the new challenges in public sector management and the shift from implementation-focused M&E to results-based M&E, is interpreted from Kusek and Rist's (2004:1–3,15–17) comprehensive literature on the subject.

to M&E stresses the economic or social progress that any project, programme or policy is aimed at; the focus is on ‘downstream results’.

### FIGURE 1: RESULTS BASED MANAGEMENT APPROACH TO MONITORING AND EVALUATION

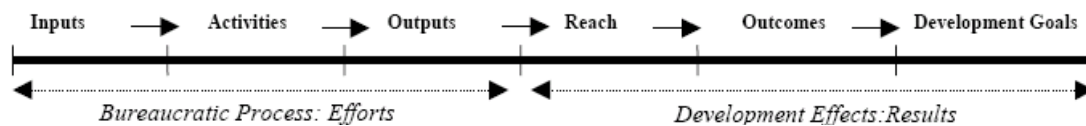


Figure 1: Hauge (2001) A results-based management approach to M&E

The concept of ‘reach’ (figure 1) provides a measure of the way in which government actions meet the needs of the intended group of people, and is generally articulated in terms of ‘relative coverage’, access to and utilisation of services, programmes or facilities. This notion also incorporates the extent to which the intended beneficiaries are satisfied with the services and outputs. While management consistently requires data about the administrative particulars around their locale of responsibility (inputs, activities and outputs), the demonstration of bureaucratic progress is not as such an indication of the final results that are to be attained. It is thus critical that they keep focused on the translation of their actions into ‘actual service delivery and progress with the outcomes that society expects’. Measuring change and establishing quantifiable targets at the reach and outcomes phase can assist in bridging the gap between bureaucratic activity and the tracking of advancements toward long-term or ultimate development objectives. Should M&E focus solely on intentions and actions, there is no assurance that the information collated will guide management towards bringing about real change. M&E must thus extend beyond past tracking expenditure, bureaucratic actions and administrative compliance to improvements with real results on the ground.<sup>25</sup>

<sup>25</sup> The above outline is an interpretation of Hauge’s (2001:1) comprehensive literature outlining that good M&E reaches beyond the bureaucratic process to downstream results and outcomes.

Results-based monitoring can be seen as a continual course of collating and examining data to assess the implementation of a programme or policy against its anticipated outcomes. Furthermore results-based monitoring is vested in several key elements<sup>26</sup>:

- Baseline information to illustrate the challenge or circumstance before the action
- Indicators for outcomes
- Information collated on the outputs and the manner in which and whether they add toward the attainment of outcomes
- Extra focus on stakeholder perceptions of change
- Methodical reporting with added quantitative and qualitative data on progress toward anticipated outcomes
- Data capture on the achievement of or pitfalls in the corporative plan in attaining anticipated outcomes.

The applications for results-based M&E are growing as the need for accountability and provable results has increased. Furthermore, results-based M&E has been effectively formulated and applied to monitor and evaluate at all levels of government (local, regional and national) and in all spheres (project, programme and policy). Whether looked at in relation to levels of administrative intricacies (project, programme and policy) or geographically, the uses of M&E are apparent, though they need not be the same. A working M&E system provides a continuous flow of data that is of use both externally and internally. The internal use comes into effect as the data from the M&E system is applied as a vital management instrument for the public sector manager in attaining outcomes and meeting set targets. Information on advancements, shortcomings, and performance are all important to a decision maker aiming to attain results. Similarly, the information from an M&E system is of salience to those outside government, who are expecting outcomes, desiring evident impacts from public sector action, and eager to establish trust in a public sector that is striving to improve the life of its citizens. Basically, the M&E system assists ‘in thinking about and clarifying goals and objectives’. Unlike the implementation-based

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<sup>26</sup> This paragraph and the subsequent outlined key elements of results-based monitoring is interpreted from Kusek and Rist (2004:17)

approach, results-based M&E places focus on attaining outcomes salient to the organisation and its external and internal stakeholders. One of the significant benefits of an effective or good M&E system is that it is also a source of ‘knowledge capital’, enabling the public sector to build up a knowledge base of the types of policies that are ‘successful, and, more generally, what works, what does not and why’. Another significant benefit of a good M&E system is that it paints a clearer picture for both internal and external stakeholders on the status of a policy (accountability and transparency). The ability to show positive results can assist in consolidating greater political support. In the light of the acknowledged benefits of a good M&E system, why are these systems not part of the normal business practices of government agencies, stakeholders, leaders, and borrowers? An evident rationale emerges in answering this question, which is that those who formulate M&E systems regularly neglect the intricacies of the country, public sector, or sectoral context. More importantly, the needs of the beneficiaries are often too inadequately understood by those willing to embark on the process of building an M&E system. Here a minute focus is placed on political, cultural and organisational factors. The ten-step model (Kusek and Rist 2004) provides comprehensive specifications on how to construct, maintain and sustain an M&E system. It is also in contrast to other approaches as it encompasses ‘a unique readiness assessment’ (to be discussed in the next section)<sup>27</sup>.

#### **2.4.2 Building a results-based M&E system<sup>28</sup>**

The readiness assessment represents the first step in building a results-based M&E system. Basically, the readiness assessment is a diagnostic instrument that can be applied to ascertain whether the requisites for building such a system are in place. It provides a guiding framework for establishing a country’s ‘ability and willingness to adopt and move forward with a results-based M&E system’. The readiness assessment comprises three main elements or parts:

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<sup>27</sup> The above section has been sourced from the comprehensive literature by Kusek and Rist (2004:17-23)

<sup>28</sup> The section on building a results-based M&E system has been sourced from the comprehensive Kusek and Rist (2004:39-160) ten step model to building a results-based M&E system.



- *Incentives and demands for designing and building a results-based M&E system:* It is imperative to ascertain whether incentives are present (political, institutional, or personal) before devising and building a results-based M&E system. Key questions to be posed for such determination include: What is driving the requirement for establishing an M&E system (legislative frameworks, donor requirements, citizen insistence, or political or public sector reform? Who will benefit from the system? Who will not benefit from establishing the system?
- *Roles and responsibilities and existing structures for assessing performance of government:* These enable one to determine the roles and responsibilities and structures present or available to ‘monitor and evaluate development goals’. Key questions here include: Is there a political agenda behind the information generated? Who generates the information in the country at national and regional government level? What are the functions of core and adjacent or line ministries in assessing performance? What are the locales in government where data is used (planning, legislation, resource allocation, budget preparation and fiscal management)?
- *Capacity building requirements for a results-based M&E system:* The country’s current capacity to monitor and evaluate is reviewed through the lenses of managerial and technical skills, existence and quality of data systems, available technology, financial resources and institutional experience. This assessment is imperative as it investigates the current stumbling blocks to establishing an M&E system.

With the assumption that a country is in the position to embark on establishing a results-based M&E system, the next step would be to select and reach consensus on the outcomes (derived from objectives) to monitor and evaluate. Establishing outcomes is a vital part of a results-based M&E system. The key questions posed here are: What are the strategic priorities? What are the desired outcomes or results?

How can one ascertain whether desired outcomes have been attained? After establishing reachable and ‘well-defined outcomes’, the next step is the selection of key indicators to monitor the outcomes. As shall be discussed in more detail in the section on indicators, ‘indicators are the quantitative and qualitative variables that provide a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of an organization against the stated outcome’.<sup>29</sup> Indicators should be established for all stages of the results-based M&E system. Thus indicators are required for monitoring progress with regard to inputs, activities, outputs, outcomes, and goals. Here indicators are developed through the translation of outcomes into indicators or performance indicators.

Once key performance indicators have been selected, the next step is to establish baseline data to ascertain the current position (status quo) in relation to the aspired outcome. It is crucial that decision makers assess the current situation before setting policy targets or projecting performance. The baseline represents the initial measurement of an indicator. ‘It sets the current condition against which future change can be tracked’.<sup>30</sup>

The next step after establishing the baseline is to establish results targets outlining what can be attained in a specific time toward arriving at the outcome. The selected performance targets represent the anticipated and desired level of policy results. The performance targets are founded on outcomes, indicators, and baselines. This step marks the conclusion of the performance-based framework.

Once the performance-based framework has been established, the next step focuses on applying the data to monitor results. This information will present evidence on

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<sup>29</sup> Kusek and Rist (2004:65)

<sup>30</sup> Kusek and Rist (2004:80)

performance and provide warnings for any changes required for a given policy. The need to review the management of implementation and results now becomes relevant.

After the selection of targets and the completion of the performance-based framework, the next step involves applying the data to monitor for results. At this point implementation monitoring (inputs, activities and outputs) and results monitoring (outcomes, goal or impacts) are both applied

Evaluation represents the next step in building the results-based M&E system. Thus far, the preceding steps have highlighted that the monitoring system provides continuous data on the ‘direction of change, the pace of change, and the magnitude of change’<sup>31</sup> and even identifies unanticipated change, all of which are critical in gauging whether policies are moving in the intended direction. Nonetheless, this data would be devoid of evidence on how the changes are coming about, only that they are or are not happening. Monitoring data cannot address the shortfalls and strengths in the formulation of the policy. Therefore to address these and other pertinent questions relating to the production of desired results, ‘evaluation information is needed’.

The next step entails reporting findings. This is a crucial step in the results-based M&E system, and its fundamental role is to ‘inform the appropriate audiences about the findings and conclusion resulting from the collection, analysis, and interpretation of evaluation information’<sup>32</sup>. The performance information as sourced from both monitoring and evaluation is applied as an instrument for management.

The next step entails applying or using the findings, which is the main purpose of establishing a results-based M&E system. The M&E system seeks not to merely produce continuous results-based information, but to channel information to the right users at the right time, so that feedback on performance can be applied to better

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<sup>31</sup> Kusek and Rist (2004:113)

<sup>32</sup> Worthen, Sanders, and Fitzpatrick (1997) in Kusek and Rist (2004:130)

administer the public sector. Once the efficient way of reporting the findings has been established the next step is to use the findings that stem from the results-based M&E system. The application of findings so as to advance public sector performance is the main function of the results-based M&E system.

The last step in the model is sustaining the results-based M&E system. This step is very important as the M&E system should be recognised as a long-term endeavour and not an episodic one. Nevertheless, due consideration needs to be given to a few key factors to build the sustainability of the M&E system: demand (the system needs to be used or else will not be sustainable); clear roles and responsibilities (people and organisations involved with performance information must have clearly defined roles and organisational and political demarcations of power need to be drawn); the production of trustworthy and credible information; and accountability (no section of 'government should be exempt from accountability to stakeholders'<sup>33</sup>).

With a view on the presented Kusek and Rist (2004) model, due consideration should also be awarded to the acknowledgement that targets present certain risks, as they among others promote a limiting ('reductionist') approach to multifaceted problems, the distortion of resource allotment and a bias in favour of quantitative indicators at the expense of qualitative indicators<sup>34</sup>. An example cited in the literature is that of health targets taken from the experience of developed nations where these targets are set primarily on the decrease of waiting lists thus encouraging medical practitioners to favour and treat less urgent and uncomplicated cases at the expense and neglect of more urgent cases<sup>35</sup>.

While the steps of establishing a results-based M&E system have been articulated in this section, M&E should incorporate a key set of principles to be outlined in the following section.

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<sup>33</sup> Kusek and Rist (2004:153)

<sup>34</sup> Maxwell (2003:12) provides a caution on the risks associated with the 'new development framework' underpinned by results based M&E.

<sup>35</sup> Outlined by Chapman (2002) cited in Maxwell (2003:12)

### 2.4.3 Principles of monitoring and evaluation

The South African Policy Framework for the Government-wide Monitoring and Evaluation System (PFGWMES) comprehensively and concisely outlines the principles of M&E. These principles establish that M&E should:<sup>36</sup>

- *Contribute to improved governance.* This should take place through transparency, where findings are available to the public (unless there is a compelling rationale for non-disclosure); accountability, where the ‘use of resources is open to public scrutiny’; participation, providing for input from previously disadvantaged people; and inclusivity, where traditionally barred interests are represented.
- *Be rights based.* A rights-based culture is advanced and embedded by its incorporation in the value system for all M&E processes.
- *Be development oriented nationally, institutionally and locally.* This principle outlines a pro-poor approach encompassing considerations of the causes of poverty as well as its consequences and dynamics; a service delivery and performance element with variables illustrating institutional performance and the analyses and review of service delivery from which links are outlined and responsive strategies are designed; a fostering of knowledge and learning in individuals and institutions; human resource management, ensuring that the knowledge required for strategic human resource deployment is accessible and that the skills needed for effective M&E are available, nurtured and retained; the probable impacts of M&E interventions are well thought out and considered in plans; and their real outcomes are tracked and analysed methodically and consistently.
- *Be undertaken ethically and with integrity.* This principle postulates the promotion of confidentiality, respect and fair reporting.
- *Be utilisation oriented.* M&E results should meet expectations, the recommendations should be recorded, their implementation followed up, and an ‘accessible central repository of evaluation reports and indicators ... maintained’.

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<sup>36</sup> Principles outlined in the (PFGMES) (2007:3).

- *Be methodologically sound.* Common indicators and data collection methods are applied where relevant to enhance data quality and to permit trend analysis. Findings are founded on methodical evidence and analysis, and triangulation is applied to enhance the credibility of findings.
- *Be operationally effective.* As an incorporated part of public management, ‘M&E is routine and regularized’, with its scale reflectant of its scope, meticulously managed for effective on-time delivery, cost effective and built upon robust systems that are not reliant on chance or individuals.

M&E and its process are multidimensional and involve an array of aspects, as outlined above. Focus shall now be drawn to an element of M&E, namely impacts, in particular the concept of social impact assessments.

#### **2.4.4 Social impact assessment**

Within the monitoring and evaluation process, ‘impact’ can be seen as the outcome of attaining specific results, for example the reduction of poverty and job creation. Impacts illustrate how communities and target groups have been influenced by a given programme or project.<sup>37</sup> In addition, a social impact can be viewed as the significant enhancement or worsening of people’s wellbeing or a major adjustment in any facet of public concern. This approach to policy evaluation postulates that development should be sustainable and people-centred. Therefore it is crucial that policies create feasible and ‘sustainable social systems within which integrated human development’ can occur efficiently over an extended period.<sup>38</sup>

Current impact assessment methodology ensued ‘from environmental studies in the 1970s as environmental impact assessment (EIA)’. It began with the aim of ascertaining the impact of development and pollution on the natural environment. Subsequently the foci

<sup>37</sup> As sourced from the Policy Framework for GWM&E, [www.thepresidency.gov.za](http://www.thepresidency.gov.za), accessed 2 March 2008.

<sup>38</sup> Unless otherwise state this paragraph and the subsequent section below on socio impact assessment has been sourced from a hybrid of literature in Cloete et al (2006:250,260) and Rabel and Valdez (1996:59-64).

of these evaluations widened to encompass the impact of policy choices and actions on society and the economy, henceforth the emergence of social impact assessment (SIA).<sup>39</sup> More specifically, the new field of SIA arose out of the necessity to utilise social science knowledge to forecast the social consequence of environmental changes by development projects subject to the USA National Environmental Policy Act of 1969 and the Canadian Environmental Assessment and Review Process (EARP) of 1973 (Rabel and Valdez, 1996:62).

Social impact assessment has emerged as a component of policy evaluation and project planning and also as a segment of environmental impact assessment, owing to the acknowledgement that social concerns must be incorporated together with, and even in place of exclusively economic criteria in the decision and evaluation process (Rabel and Valdez, 1996:64). 'SIA now increasingly carries equal weight with both economic and environmental impact assessment in decisions to change policy' (Rabel and Valdez, 1996:64). Suffice it to add that the intangible nature of social impacts necessitates the application of indicators for the purpose of measuring among others such impact.

## 2.5 INDICATORS

An indicator is a measuring tool that is applied to provide a tangible, quantifiable, although indirect value to an otherwise unquantifiable, intangible concept.<sup>40</sup> It can also be seen as a pre-set 'signal that a specific point in a process' has been attained.<sup>41</sup> An indicator thus provides an approximated value or indication of what is being searched for. It is a more tangible, although not directly operational replacement for an intangible notion.<sup>42</sup> It is imperative to note that 'indicators are simplifications of complex phenomena'. The term 'indicators' should thus be looked at descriptively in that it presents an 'indication' of the state of affairs or challenges faced.<sup>43</sup> There are both

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<sup>40</sup> Comprehensive definition of an indicator as sourced from Cloete et al. (2006:260)

<sup>41</sup> As sourced from the Policy Framework for GWM&E, [www.thepresidency.gov.za](http://www.thepresidency.gov.za), accessed 2 March 2008.

<sup>42</sup> Cloete (2005:5) provides a concise explanation of the concept of indicators.

<sup>43</sup> Unless indicated otherwise, the preceding literature has been sourced from Maclaren (1996:184)



subjective and objective indicators. Subjective indicators consists of the perceptions of those affected by the policy action, for example the internal perceptions of a previously disadvantaged group towards their inclusion in the ‘mainstream economy’, whereas objective indicators include those impacts that can be quantified directly, for example the level of income of a particular group.<sup>44</sup>

It is vital to establish means of measuring that progress is being attained. Therefore, once clear objectives have been determined, the subsequent step is to ‘establish a set of indicators, or ways of measuring (indicating) that progress is being achieved’. A set of indicators needs to be established from the onset of an action or policy as part of an evaluation, since the collation of data regarding indicators – which is an element of the monitoring process – has to be integrated into the way the policy is formulated or designed. The indicators that are determined should also be objectively verifiable. In that, they should satisfy the requisite ‘that two independent observers would come to the same conclusion regarding the status of [achievement] and the results could be communicated in an unambiguous way to a non-observer’<sup>45</sup>. Every indicator also needs a ‘means of verification’ which illustrates how the required data will be collated. Two key questions should be posed in identifying indicators and means of verification: What things would make us feel we are making progress? How could we find out if these things are happening? Key indicators will in part be ascertained by the objectives and the key policy questions or priorities to be addressed by the action or policy.<sup>46</sup> Gosling and Edwards (1995:74–75) outline certain elements that are important in the selection of key indicators to be applied in monitoring:

- The information will illustrate whether or not objectives are being attained.
- The priority problems for the contrasting groups targeted by the action or policy are identified.
- The information is obtainable and can be collated accurately to make certain that the data is ‘up to date, accurate and relevant’.

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<sup>44</sup> Literature on objective and subjective indicators sourced from Cloete et al. (2006:260).

<sup>45</sup> Gosling and Edwards (1995:58)

<sup>46</sup> Unless otherwise stated, the above section on indicators has been sourced from the comprehensive literature in Gosling and Edwards (1995:58;74)



- The data will be used, which in turn depends on human resource capacity, ‘decision-making structure and planning procedures’.

Furthermore, selected indicators for monitoring, review and/or evaluation should be limited to those that furnish useful information. Otherwise the data will be viewed as a burden and as information that is incorrect. It is thus useful to choose a limited number of key indicators, while giving due consideration to Maclaren’s (1996:184) pronouncement that a single indicator will rarely provide a complete portrayal, and it is usually of benefit to apply a broad range of indicators to illustrate the contrasting facets of a state of affairs.<sup>47</sup> This gives credence to the notion that ‘an indicator...does not have a life of its own’. It is inextricably entwined with the more intangible or theoretical notion that it has been formulated to illuminate. Moreover, single indicators cannot measure multi-faceted concepts such as development, inflation, quality of life, consumer price index, poverty and so forth. These concepts require an assortment of indicators in the shape of ‘composite indices, leading to social accounting’.<sup>48</sup>

Policy indicators are helpful instruments in the assessment process, but should be used prudently to avoid criticism linked to quantificationism or normative partialities. Nonetheless, should indicators comply with the criteria below, their success in policy assessment will be maximised<sup>49</sup>:

- The indicator should be explicit, clear, uncomplicated and easy to comprehend and explain.
- It should illuminate the key feature or facet that is the focus of the analysis.
- It should be quantitatively or qualitatively measurable.
- It should be broadly acknowledged as a ‘scientifically valid indication of what it is supposed to measure’.

<sup>47</sup> As collaboratively sourced from Maclaren (1996:184) and Cloete (2005:5)

<sup>48</sup> This preceding paragraph on the need for a combination of indicators so as to measure multi-dimensional concepts is sourced from Cloete (2005:5)

<sup>49</sup> This preceding paragraph and bulleted criteria with which indicators should comply to maximise their success for policy evaluation purposes is sourced from Carlin & Weinstein (1998), Moffatt, Hanley & Wilson (2001) SA DEAT (2003), SA DPLG (2001) and Carley (1981) as cited in Cloete (2005:5-6).

- Adequate past, present and future information of a sufficient quality to use the indicator should ideally be present or be preparedly available in a cost-efficient manner.
- The information should be comparable to other information in different larger or smaller geographical locales.
- It should be internationally comparable.
- Different kinds of indicators should be applied as required to illuminate facets of ‘resource inputs, conversion processes, product outputs and impacts/outcomes in separate policy sectors or integrated across policy sectors’.
- Dynamic indicators are more useful than static ones.
- Multi-dimensional indicators are more useful than uni-dimensional ones.
- ‘Isolated indicators, indices or accounting systems are all valid measuring instruments, but need to be applied correctly in the correct context and for the correct purpose.’
- Stakeholder participation is a criterion in the development of indicators.
- The developed indicator set should outline metadata information, clearly stating the ‘quality of the data, its sensitivity, uncertainty, variability, accuracy and error margins’.

The major types of indicators that can be applied to analyse policy impacts in diverse sectors are<sup>50</sup>:

- *Demographic impact indicators.* These indicators are subjectively perceived or objective changes in population: size (bigger or smaller by a certain percentage); distribution (by region: metropolitan, urban, rural, central or peripheral); composition (age, gender, race, culture, language, profession etc). For the purpose of analysing demographic impacts, census data, projections, forecasts, polls and estimates are applied.

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<sup>50</sup> This paragraph and the major types of indicators outlined have been sourced from Cloete et al. (2006:260-262)

- *Social impact indicators.* These indicators are subjectively perceived or objective changes in individual and community profiles, status, values, institutions and behaviour patterns, including personal development levels, conflict, cohesion, networks, mobilisation, participation, mobility, stability, family life, youth development, crime, and so forth.
- *Organisational and technological impact indicators.* These indicators are subjectively perceived or objective changes in administrative agency size, budget, composition, scope of functions, services and facilities, distribution, accessibility, quality, quantity, effectiveness, efficiency, technology, and so forth.
- *Financial/economic impact indicators.* Financial and economic impact indicators are subjectively perceived or objective changes in income and expenditure patterns, taxation, economic growth and decline, inflation, exchange rates, type of economic activity and inactivity, employment, production and consumption patterns, living cost, productivity, and so forth.

It is also important to note there exists a range of predesigned indicator frameworks created autonomously for an organisation, country, programme, policy or sectoral context. Designed by international development institutions to track development goals, these indicator frameworks include the<sup>51</sup>:

- The Millennium Development Goals (MDGs)
- United Nations Development Programme's (UNDP) Sustainable Human Development Goals
- The World Bank's Rural Development Handbook
- The International Monetary Fund's (IMF) Financial Soundness Indicators

These indicators do bear some advantages; among others, they can be 'aggregated across similar programs ... and policies' and they cut the cost of establishing multiple

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<sup>51</sup> This paragraph on predesigned indicators and the example of such indicator framework below sourced from Kusek and Rist (2004:72)

measurement systems. However, there are limitations to these indicators as they usually fail to address ‘country specific goals’; are usually seen as forced (top-down); fail to advance key stakeholder ownership and participation; and ‘can lead to the adoption of multiple competing indicators’.<sup>52</sup>

Although the explanatory frameworks of monitoring, policy evaluation, monitoring and evaluation, social impact assessments, and indicators bear significant relevance to this study, it is imperative that the ideology that underpins the BBBEE policy and the proposed TESEF strategy, namely empowerment, should be discussed.

## **2.6 EMPOWERMENT**

Empowerment seeks to transform current or prevailing national policies through the politics of an all-encompassing democracy, suitable economic growth, equity and sustainability (Khosa, 2001). Friedman<sup>53</sup> evaluates the theoretical foundation of empowerment by distinguishing between psychological, social and political empowerment.

- Physiological empowerment is about a person’s sense of potency, largely due to ‘successful action in social and political domains’. An augmented sense of personal strength will bear positive results on a household’s effort to amplify its political and social power (Khosa, 2001:4).
- Political empowerment refers to the ‘access of individuals and household members’ to decision-making processes, especially those that affect their own future (Khosa, 2001:3). Political power is not limited merely to the power to vote; it extends to the power of collective action and the power of expression (Friedman, 1992:33).

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<sup>52</sup> Kusek and Rist on the pros and cons of predesigned indicators (2004:72)

<sup>53</sup> Cited in Khosa (2001)

- Social empowerment refers to access to certain fundamentals of household reproduction, such as a sufficient and sustaining living space, skills and information, social organisation and networks, instruments of labour and livelihood, and financial resources. Therefore, poverty can be viewed as a 'state of disempowerment, as poor households' are short of the social power to transform and improve the circumstance of their lives (Khosa, 2001:3).

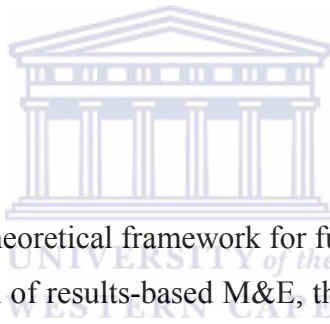
Should an alternative development path promote the social empowerment of the poor, it should also promote their political empowerment (Friedmann, 1992:7). Moreover, alternative development entails a process of political and social empowerment whose long-term goal is to re-balance the arrangements of power within society through making state action more accountable, amplifying the powers of civil society in its own administration, and making the private sector more socially responsible. Alternative development insists on the authority of politics in the safeguarding of the interests of disempowered sectors (Friedman, 1992:31). Whether held as factual or not the state continues to be a key actor in the empowerment of poor people, it may nonetheless be required to become more responsive to the needs of poor people and be more accountable to them. However, suffice it to say that without the state's cooperation, the circumstances of the poor cannot be considerably improved (Friedman, 1992:7). Furthermore, should socio-economic development represent anything at all, it should represent an explicit improvement in the state of 'life and livelihood of ordinary people' (Friedman, 1992:9). There exists no fundamental rationale or ethic for large groups of people being methodologically excluded from development or, even worse, should become unconsciously the victims of other people's progress. People possess an equal and basic right to improve their livelihood and conditions of life (Friedman, 1992:9).

It is acknowledged, however, that recent decisive alterations in the system of capitalism have resulted in the exclusion of a large fraction of the world's poor from meaningful participation in economic and political domains (Khosa, 2001). It is the very essence of technological and economic advancements that excludes the majority from its potential benefits (Friedman, 1992:9). 'The question of development cannot be left exclusively to

those for whom the *summum bonum* is found in the market relations and growth maximization ... the human and environmental costs of economic growth must be considered' (Friedman, 1992:9). And since only a small segment of the world's population participate in the accumulation of capital, and while the majority's participation is marginal, Friedman (in Khosa 2001:4-5) proposes that empowerment should seek to:

... humanize a system that has shut them out, and to accomplish this through forms of everyday resistance and political struggle that insists on the rights of the excluded population as human beings, as citizens, and as persons intent on realizing their loving and creative powers within. Its central objective is their inclusion in a restructured system that does not make them redundant.

## 2.7 CONCLUSION



Emerging from this chapter's theoretical framework for further application in this study is the outcomes-focused approach of results-based M&E, the ten steps of building an M&E system, and the principles that should guide M&E. Furthermore, the means of indicator verification and the elements for selecting key indicators are applicable to this study. Lastly, Friedmann's (1992) pronouncements on the important role of the state in the empowerment of its people will bear relevance in the findings of this research.

## **CHAPTER 3**

### **POLICY AND LEGISLATIVE CONTEXT**

#### **3.1 INTRODUCTION**

This chapter commences by outlining the theoretical framework of public policy, including policy levels, types and instruments. This chapter will then outline the BBBEE policy as articulated in the BBBEE policy document of 2003. The BBBEE legislation will be unpacked, in particular the policy objectives as articulated in the BBBEE Act 53 of 2003. The indicator frameworks that have been explored through this study will be presented, namely the South African Development Indicators (SADI) 2008, the Compendium of Indicators for the Provincial Growth and Development Strategy (CIPGDS) of the Western Cape, and the Millennium Development Goal (MDG) Indicators.

#### **3.2 PUBLIC POLICY**

Rostogi (1992:10) states that ‘policies are reason-based guides to decisions and actions. They impart purpose and direction to efforts at problem-solving and goal-seeking. In the absence of well-thought-out policies, organisational objectives or institutional goals cannot be pursued in an intelligent manner’.

Cloete et al. (2006:3) define a policy as ‘a statement of intent’. A policy spells out the fundamental principles to be pursued in achieving particular objectives (Cloete et al., 2006:3). Concisely put, a public policy is an officially expressed objective that the legislator aims to pursue with society or a particular group within society.<sup>54</sup> Suffice it to

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<sup>54</sup> Hanekom’s definition of public policy as cited in Cloete et al. (2006:14).

state that a public policy is determined by societal values and is generally embodied in the administration of applicable programmes or projects (Cloete et al., 2006:3).

The broad concept of policy has been largely acknowledged for years, with a definite focus on policy ensuing from academic disciplines such as policy sciences and policy studies. The field has been dominated by a focus on methodical policy analysis, particularly throughout the 1980s. Patton and Sawiki state that policy analysis can be viewed as the splitting-up of a policy problem into its constituent fractions, comprehending them, 'and developing solutions'.<sup>55</sup> Nevertheless, the term 'policy studies' is usually applied to signify an explanatory or descriptive set of issues, generally entailing studies of policy content, policy processes, policy outputs and evaluation studies. The term 'policy analysis' is usually utilised for prescriptive actions or knowledge in, instead of knowledge of, the policy process, such as information for policy making, evaluation studies, process advocacy and policy advocacy. The term 'policy sciences' is applied by some authors synonymously with policy analysis (prescriptive) and by others to incorporate both policy analysis and policy studies. In general, the term 'policy studies' is most often used 'for descriptive accounts; and policy analysis for prescriptive exercises, with policy sciences as an umbrella term'. Concisely, policy studies incorporate the following elements<sup>56</sup>:

- Studies of policy content where focus is laid on the explanatory nature of the genesis, purposes and functioning of particular policies such as social services, education and housing
- Studies of policy outputs which are focused on the creation and putting forth of indicators and outcomes of policy outputs
- Evaluation studies which are focused on the arena of evaluating how effectively the outcomes of policies have attained policy goals

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<sup>55</sup> The above paragraph has been sourced from the comprehensive literature in Cloete et al. (2006:4).

<sup>56</sup> This paragraph stated otherwise and the subsequent elements of policy studies in point form have been sourced from Cloete et al. (2006:6–7).



Even though this study is focused primarily on the latter two fields incorporated in policy studies (above), it is not devoid of focus on policy content and thus incorporates all three elements of policy studies. The next section will cover the policy-making process.

### **3.2.1 Policy-making process**

Policy making can be seen as the preceding activity to the publication of an objective.<sup>57</sup> Hugwood and Gunn state that the policy-making process involves many sub-processes and may extend over a considerable period of time. The aims or purposes underlying a policy are usually identifiable at a relatively early stage in the process, but these may change over time and, in some cases, may be defined only retrospectively.<sup>58</sup> Hanekom says that all public policies 'are future orientated'; frequently geared at the development of the broad welfare of society rather than a societal sect; and occur within the structure of legally established public organs such as 'legislatures or governmental departments' (Cloete and Wissink 2000:26). This developing propensity of policy is also exemplified by Wildavsky, who postulates that public policies are not undying truths, but rather propositions subject to modification and to the formulation of new and better policies until such point that these prove inadequate (Cloete and Wissink, 2000:26). The explanatory frameworks of policy and policy formulation have also been linked with political paradigms, in which political principles play a critical role (Cloete and Wissink, 2000:26). In South Africa, the policy-making processes of the mid 1990s have necessitated the elements of participation and public options, thus entailing empowerment, direct representation and active decision making. If development is described as the capability to formulate rational choices, the participatory element of the policy-making exercise is undoubtedly of principal significance (Cloete and Wissink, 2000:27).

Various explanatory frameworks have been devised to elucidate the 'policy-making process': the classical theory, the liberal democratic theory and the elite theory<sup>59</sup>:

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<sup>57</sup> Hanekom, as cited in Cloete et al. (2006:14).

<sup>58</sup> As cited in Cloete et al. (2006:15).

<sup>59</sup> The three theories have been sourced from Cloete and Wissink (200:26-27).

- *Classical theory*: It emphasises that preference should be awarded to the different interests and concerns of government. This theory is also known as institutional theory (Cloete & Wissink, 2000:26).
- *Liberal democratic theory*: Here the political party assumes the position of principal authority in the policy-making process. The purported rationale is that ‘as the party represents the individual voter, it is thus superior to interest groups’.
- *Elite theory*: Concisely, this refers to a large group of people led by a small group of elite.
- *Systems theory*: It focuses on the contributions of the interconnected authorities to policy making. Hanekom points out that in practice a combination of these theories is found. In fact, to some degree all these theories are encompassed in policy making and in systems theory.

### 3.2.2 Policy levels, policy types and policy instruments<sup>60</sup>

Current paradigm shifts concerning development management and institutional development management have cast new light on our knowledge of particular policy issues. An example can be seen in the submissions of various authors on the subject of policy levels and policy types. Gladden (1964:72–74), Cloete (1981:71–77) and Barber (1983:59–60)<sup>61</sup>, state that public policy can be scrutinised on the foundation of levels such as executive, administrative and political. Types of policy are also frequently observed in terms of three main groupings of actors on the policy arena: private sector policy; non-governmental-type policy; and public policy. In public policy, further policy types can be pointed out, such as political policy pertaining to a political party and/or legislative policies; executive policy pertaining to cabinet resolutions or ‘implementation

<sup>60</sup> The succeeding literature on policy levels, types and instruments has been sourced from Cloete et al.’s (2006:18–19) comprehensive literature on the subject.

<sup>61</sup> Gladden (1964), Cloete (1981), Barber (1983) cited in Cloete et al. (2006:18-19)

policies’ as ascertained by political officials in collaboration with ‘high-ranking public officials’; and administrative policy pertaining to various factors of a policy such as the revenue and expenditure of a certain government ministry as expressed through, among others, memoranda, statements, and departmental circulars. An additional categorisation of public policies is resource related. This approach differentiates between symbolic policies such as nation-building initiatives or programmes; extractive policies such as taxes; redistributive or allocative policies such as education, housing, and social grants; and regulatory policies (traffic, regulations and standards).

These categorisations of public policy are usually conceptualised as distinct ‘policy instruments’. Policy instruments are thus distinct ‘approaches addressing perceived policy issues or problems in society’. Certain policy instruments are regarded as strong, for example where compliance to legislation can be enforced through bodies of the state such as the courts, the police or the defence force. While policies that are reliant on persuasion in order to be implemented (such as speeches by political officials and press statements) may be considered weak policy instruments, if they are not regarded as legitimate ‘or they cannot be enforced directly or indirectly’, they will be disregarded or deliberately defied by their intended audiences. Within democratic policy milieus, public policies do not always have to be ‘directly enforceable’ if a majority ‘elected democratic and responsive government exists’ that bears a high degree of authority and legitimacy in the view and minds of its citizens. This type of voluntary compliance with public policy signifies a stable and highly developed policy system. However, not every public policy can depend on ‘voluntary compliance’, particularly if such policy limits or undoes existing benefits or rights, and is viewed by some groups as favouring particular people or interests over others. ‘Clear benefits resulting from compliance with a policy as well as effective enforceability and sanctions or penalties linked to non-compliance with a policy are therefore important attributes of good public policies, and enhance the success potential of such policies.’

The BBBEE policy that forms the unit of analysis of this study will be examined through the lenses of its policy and legislative frameworks in the following section.

### **3.3 BROAD-BASED BLACK ECONOMIC EMPOWERMENT POLICY AND LEGISLATIVE FRAMEWORK**

The BBBEE strategy document, released in 2003, led to the 2004 enactment of the BBBEE Act 53 of 2003. The document spells out a list of objectives against which the successful implementation of the policy is to be evaluated<sup>62</sup>:

- A significant growth in the number of black people who have control and ownership of existing and new enterprises
- A significant growth in the number of black people who have control and ownership of existing and new enterprises within the areas of main concern in the economy as identified in the government's microeconomic reform strategy
- A substantial increase in the amount of new black enterprises, black-engendered enterprises and black-empowered enterprises
- A substantial increase in the number of black people in executive and senior management of enterprises
- An increase in the share of ownership and management of economic actions within communities and broad-based corporations (employee trusts, trade unions, 'and other collective enterprises) and co-operatives'
- 'Accelerated and shared economic growth'
- An increase in the income levels of black people and a decrease in income disparities between and within race groups
- Increased land and other productive resource ownership, enhanced access to infrastructure, increased skills acquisition, and increased involvement in productive economic actions in low-developed locales, which include the 13

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<sup>62</sup> This paragraph and subsequent outline of BBBEE policy objectives has been sourced from South Africa's Economic Transformation: A Strategy for Broad Based Black Economic Empowerment (2003:5).

nodal areas identified and outlined in the Integrated Sustainable Rural Development Programme and the Urban Renewal Programme.

Against the backdrop of these BBBEE strategy objectives, the BBBEE Act outlines in section 2(a)–(g) that: ‘The objectives of this Act are to facilitate broad-based black economic empowerment by

- promoting economic transformation in order to enable meaningful participation of black people in the economy;
- achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises;
- increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training
- increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training;
- promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity;
- empowering rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills; and
- promoting access to finance for black economic empowerment.’

In the implementation of BBBEE objectives the policy instruments applied are discussed in the next section.

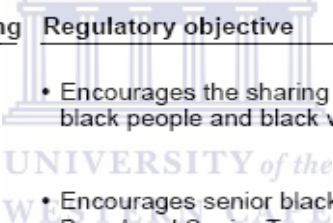
### **3.3.1 Broad-Based Economic Empowerment Policy instruments**

The policy and/or legislative objectives mentioned in the previous section are translated into seven pillars upon which the BBBEE strategy is to be realised: ownership;

management; employment equity; skills development; preferential procurement; enterprise development; and socio-economic development. The BBBEE Codes of Good Practice are built on these pillars and provide a standard framework for the measurement of broad-based BEE across all sectors of the economy... the intention of the Codes of Good Practice is therefore to level the playing field for all entities operating within the South African economy by providing clear and comprehensive criteria for the measurement of broad-based BEE.<sup>63</sup>

The measurement of BBBEE is conducted within the scope of a generic scorecard, summarised in figure 2.

**FIGURE 2: SUMMARY OF THE DEPARTMENT OF TRADE AND INDUSTRY GENERIC SCORECARD**



DTI BEE scorecard		Weighting	Regulatory objective
Direct empowerment	Equity ownership	20%	• Encourages the sharing of equity and voting rights with black people and black women
	Management	10%	• Encourages senior black decision making at Executive Board and Senior Top management levels
Employment equity	Employment equity	15%	• Encourages companies to identify and recruit black people at professional, middle and lower management positions
	Skills development	15%	• Encourages companies to develop black talent through spending on skills development and learnerships
Indirect empowerment	Preferential procurement	20%	• Measures the extent to which enterprises procure from BEE compliant companies. Encourages spend on Small and Micro-enterprises and Black owned companies
	Enterprise development	15%	• Encourages development or expansion of black small, medium enterprises
Residual	Socio-economic	5%	• Encourages initiatives intended to directly provide black people who are natural persons with means of generating income for themselves

As sourced from [http://bee.sabinet.co.za/codes/summary\\_of\\_the\\_final\\_codes.pdf](http://bee.sabinet.co.za/codes/summary_of_the_final_codes.pdf), accessed 12 March 2008

<sup>63</sup> As sourced from <http://www.dti.gov.za/bee/Inside.pdf>

The generic scorecard consists of seven principles, measured out of a total score of 100 points, and applicable to<sup>64</sup>:

- Large enterprises that are defined by the codes as businesses with a total annual turnover of R35 million or more
- Qualifying small enterprises (QSE) that are defined by the scorecard as businesses with a total annual turnover of between R5 million and R35 million
- Exempted small and micro enterprises (ESMEs) that are defined by the codes as businesses with a total annual turnover of less than R5 million. 'ESMEs enjoy a deemed BEE recognition of a Level 4 contributor and those, which are either 50%, owned by black people or 50% owned by black women are promoted to a Level 3 contributor' as per chart (figure 3).

**FIGURE 3: BEE PROCUREMENT RECOGNITION LEVELS**

<b>BEE Status</b>	<b>Qualification</b>	<b>BEE procurement recognition level</b>
Level One Contributor	≥100 points on the Generic Scorecard	135%
Level Two Contributor	≥85 but <100 points on the Generic Scorecard	125%
Level Three Contributor	≥75 but <85 points on the Generic Scorecard	110%
Level Four Contributor	≥65 but <75 points on the Generic Scorecard	100%
Level Five Contributor	≥55 but <65 points on the Generic Scorecard	80%
Level Six Contributor	≥45 but <55 points on the Generic Scorecard	60%
Level Seven Contributor	≥40 but <45 points on the Generic Scorecard	50%
Level Eight Contributor	≥30 but <40 on the Generic Scorecard	10%
Non Compliant Contributor	<30 on Generic Scorecard	0%

As sourced from DTI <http://www.dti.gov.za/bee/Inside.pdf>, accessed 12 March 2008

<sup>64</sup> As deduced through Department of Trade and Industry (DTI) [online], <http://www.dti.gov.za/bee/Inside.pdf>, accessed 3 March 2008.



In accordance with section 10 of the BBBEE Act, the Codes of Good Practice are binding on all state and public entities. Furthermore, these organs are compelled by such law to apply the codes when venturing into decisions affecting procurement; licensing and concessions; public private partnerships; and the sale of state-owned entities. Therefore by logical deduction of the above, private sector corporations must apply the codes in order to interact with state and public entities for the purposes of tendering for business; entering into public private partnerships; applying for licenses and concessions and procuring state-owned assets<sup>65</sup>. Furthermore, the legislation promotes the application of the Codes of Good Practice to interactions between private sector corporations for, among other reasons, preferential procurement will encroach ‘on most private sector enterprises throughout the chain of supply’.<sup>66</sup>

### **3.4 INDICATOR FRAMEWORKS**

In drawing from available indicator frameworks (international pre-designed, transversal national and regional indicators) for the purposes of this study, the following indicator frameworks were derived: MDGs, the 2008 SADI, and CIPDGS of the Western Cape.

#### **3.4.1 Millennium Development Goals Indicators**

The Millennium Development Goals (MDGs), adopted by 189 United Nation member states at the Millennium Summit in 2000, proposed an eight-goal action-plan to attain universal development imperatives.<sup>67</sup> The eight MDGs, ranging from reducing extreme poverty by 50% to the provision of universal primary education by 2015, represent the

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<sup>65</sup> The above paragraph is sourced from Department of Trade and Industry [online], <http://www.dti.gov.za/bee/Inside.pdf>, accessed 3 March 2008.

<sup>66</sup> As sourced from Department of Trade and Industry [online], <http://www.dti.gov.za/bee/Inside.pdf>, accessed 3 March 2008.

<sup>67</sup> As sourced from [http://en.wikipedia.org/wiki/Millennium\\_Development\\_Goals](http://en.wikipedia.org/wiki/Millennium_Development_Goals) Accessed on 6 March 2008.



plan adopted by all the world's nations and the world's foremost development organisations 'to meet the needs of the world's poorest'.<sup>68</sup>

To assist in monitoring the advancement on this commitment, a team of experts chose relevant indicators to be applied in evaluating the progress over the 1990–2015 time frame, when targets are expected to be achieved.<sup>69</sup>

### **3.4.2 South African Development Indicators**

In South Africa's Ten Year Review, completed toward the end of the first ten years of its democratic dispensation, the government emphasised the need for the enhanced monitoring and evaluation of the implementation of its programmes. Cabinet accepted and/or endorsed a set of key development indicators based on international good practices adapted to the South African environment and the Ten Year Review's human development indicators. The indicators set out the framework to outline the aggregate data on human development to provide verifiable pointers to the development of the South African society<sup>70</sup>.

### **3.4.3 Compendium of Indicators for the Provincial Growth and Development Strategy of the Western Cape**

The CIPGDS for the Western Cape outlines the path taken in developing a 'compendium of indicators for the Provincial Growth and Development Strategy' (PGDS). The document states that a results-based M&E approach has been applied in developing the indicators for the PGDS.<sup>71</sup>

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<sup>68</sup> For a full exposition of MDGs indicators and source of this paragraph see <http://mdgs.un.org/unsd/mdg/default.aspx>, accessed 7 March 2008.

<sup>69</sup> Paragraph and figure 3 sourced from <http://mdgs.un.org/unsd/mdg/default.aspx>, accessed 7 March 2008.

<sup>70</sup> This section has been sourced from RSA (2007). Development Indicators Mid-Term Review. [Online]. Available <http://www.info.gov.za/otherdocs/2007/developmentindicator/index.html>. Accessed 12 March 2008. For a full exposition of the latest South African Development indicators see RSA (2008). Development Indicators. [Online]. Available [http://www.thepresidency.gov.za/learning/me/indicators2008/development\\_indicators.pdf](http://www.thepresidency.gov.za/learning/me/indicators2008/development_indicators.pdf) Accessed 15 September 2008.

<sup>71</sup> RSA. (2008). Lead Intervention Project Database. Department of the Premier: Western Cape, unpublished document

### 3.5 CONCLUSION

This chapter has outlined the policy and legislative frameworks of BBBEE as elaborated through the objectives of BBBEE encapsulated in the BBBEE Act 53 of 2003 and the BBBEE strategy document. The policy instruments applied in the implementation of BBBEE have been outlined. At the end of the chapter the indicator frameworks (MDGs, SADI and CIPGDS) drawn for the purpose of this research are briefly discussed.



## **CHAPTER 4**

### **FIELDWORK RESULTS**

#### **4.1 INTRODUCTION**

This chapter will present the fieldwork results of this study. Six key factors will be discussed. The first factor provides a perspective on South Africa's Government-wide Monitoring and Evaluation (GWM&E) system. The second relates to ascertaining the South African government's M&E framework for the BBBEE policy. The third involves the collation of indicators developed to monitor and evaluate the policy against its set objectives. The fourth factor pertains to ascertaining the prioritised objectives and the expected outcomes of the BBBEE policy. The fifth factor draws on a perspective on the state of M&E in Namibia. The sixth factor draws on ascertaining the M&E framework for TESEF. For this purpose, the fieldwork results have relied on the documentary analysis of relevant legislation and policy documents and input from the Chief Director of BBBEE in the Department of Trade and Industry of South Africa, the Director-General of the National Planning Commission of Namibia in the Office of the President, and the Chief Directorate in the Western Cape Department of the Premier, Provincial Monitoring, Evaluation and Review.

#### **4.2 PERSPECTIVE ON SOUTH AFRICA'S GOVERNMENT-WIDE MONITORING AND EVALUATION SYSTEM**

The Policy Framework for Government-wide Monitoring and Evaluation System (PFGWMES) was published in 2007 by the Presidency of the Republic of South Africa. This document represents the principal policy framework for M&E in the South African Government and is applicable to all organs in the three spheres of government: national, provincial and local. The document submits that its formulation and the development of a

Government-wide M&E system has been realized in response to government's mission to become more effective. The PFGWMES nonetheless submits the reality that<sup>72</sup>:

Monitoring and evaluation is, however, extremely complex, multidisciplinary and skill intensive. Government-wide monitoring and evaluation even more so, since it requires detailed knowledge both across and within sectors, and interactions between planning, budgeting and implementation. The picture is complicated even further when the machinery of government is decentralized, with powers and functions being distributed across three spheres of government. It is precisely this complicated intergovernmental structure with diffused powers and functions which requires strong M&E systems to promote coordination and prevent fragmentation.

The overarching GWM&E system seeks to provide an integrated, inclusive 'framework of M&E principles, practices and standards' to be applied throughout Government, and operating as a top-level information system which draws from the constituent systems in the framework to produce valuable M&E outputs for its users. The GWM&E system is planned to facilitate an explicit chain of activities 'based on critical reflection and managerial action in response' to an examination of the interactions between the deployment of inputs, the production of service delivery outputs and their related outcomes and impacts<sup>73</sup>.

The GWM&E system is developed to generate the following outputs<sup>74</sup>:

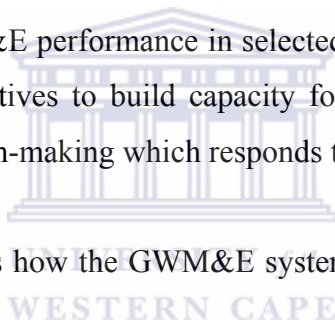
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<sup>72</sup> The opening paragraph in this section and the direct quote has been sourced from the Policy Framework for the Government-wide Monitoring and Evaluation System. [Online] Available <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>. Accessed 2 March 2008.

<sup>73</sup> The above paragraph has been sourced from the Policy Framework for the Government-wide Monitoring and Evaluation System. [Online] Available <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>. Accessed March 2008.

<sup>74</sup> Outputs of GWM&E system sourced from the Policy Framework for the Government-wide Monitoring and Evaluation System. [Online] Available <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>, Accessed 2 March 2008.

- ‘Improved quality of performance information and analysis at programme level within departments and municipalities (inputs, outputs and outcomes);
- Improved monitoring and evaluation of outcomes and impact across the whole of government through, [for example] Government Programme of Action bi monthly Report [and] Annual Country Progress Report based on the national Indicator;
- Sectoral and thematic evaluation reports;
- Improved monitoring and evaluation of provincial outcomes and impact in relation to Provincial Growth and Development Plans;
- Projects to improve M&E performance in selected institutions across government capacity building initiatives to build capacity for M&E and foster a culture of governance and decision-making which responds to M&E findings’

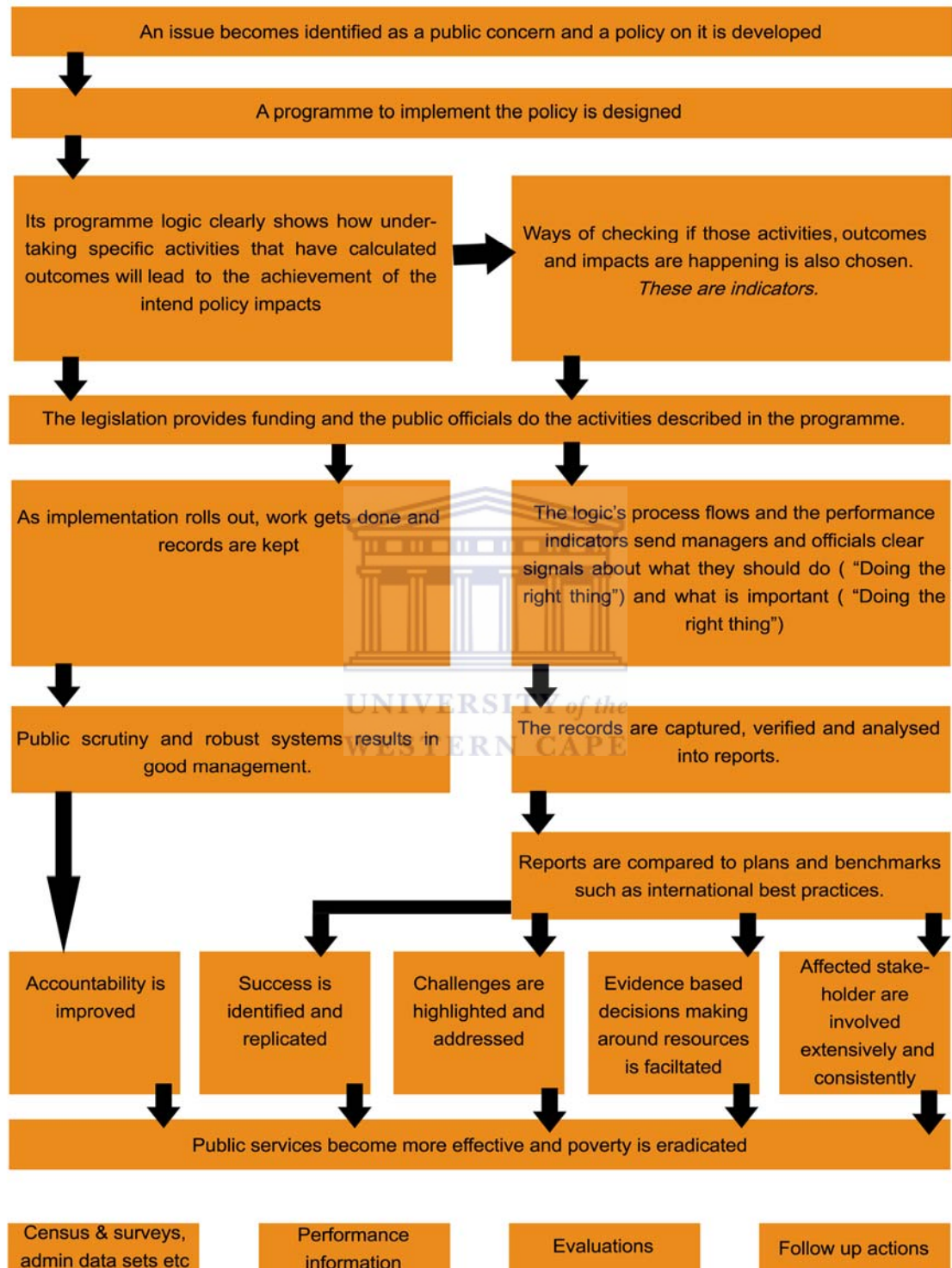


The flowchart below illustrates how the GWM&E system should contribute to attaining its anticipated outcomes<sup>75</sup>.

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<sup>75</sup> The GWM&E flowchart diagram and the section that follows outlining roles & responsibilities as contained in the PFGWME is sourced from the Policy Framework for the Government-wide Monitoring and Evaluation System. [Online] Available <http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf>, Accessed 2 March 2008.

**FIGURE 4: FLOWCHART ON HOW THE GWM&E INTENDED OUTCOMES SHOULD BE ACHIEVED**



As sourced from the Policy Framework on Government-wide Monitoring and Evaluation System (2007:6)

Also important to note is that the PFGWME system outlines the roles and responsibilities of officials within organs of government under the GWM&E framework such as: legislators and councillors, executive authorities, accounting officers and authorities, programme and line managers, and designated M&E units. The involvement of various key organs in the rolling out of the GWM&E is also highlighted within the policy document these organs include amongst others: The Presidency (overall oversight of GWM&E system), National Treasury, Statistics South Africa (STATSA) and the Public Administration Leadership and Management Academy<sup>76</sup> (PALAMA) tasked with capacity building in public sector. In addition, the South African Monitoring and Evaluation Association (SAMEA) established in November 2005 serves to make a meaningful contribution to the discourse on M&E in South Africa and plays an important role in the roll-out of the GWM&E system<sup>77</sup>.

The next sub-section will briefly expand on the earlier outlined (Chapter 3) indicator framework namely, the South Africa Development Indicators (SADI) which represents an important instrument in the GWM&E system.

#### **4.2.1 South Africa Development Indicators**

As mentioned in the preceding chapter the development of South Africa's Development Indicators responded to the need for the improved M&E of the implementation of government policies and programmes. Released for the first time in 2007 by the 'Policy Coordination and Advisory Services (PCAS) in The Presidency, working with the Clusters of Directors-General and government departments....the Mid-term Review: Development Indicators (2007) publication' and the subsequent 2008 Development Indicators publication highlight the advancement in the establishment of the GWM&E system. While advancing effective planning and implementation the publication of the set of key development indicators is also intended to encourage public scrutiny and discourse

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<sup>76</sup> PALAMA formerly known and articulated in the Policy Framework for the Government-wide M&E System as the South African Management Development Institute (SAMDI) has been mandated as the 'training arm' of government to professionalise, build capacity and support career advancement in the Public Service. As sourced from [www.samdi.gov.za](http://www.samdi.gov.za), Accessed 20 March 2009 and [www.thepresidency.gov.za/learning/reference/policy/part1.pdf](http://www.thepresidency.gov.za/learning/reference/policy/part1.pdf), Accessed 2 March 2008

<sup>77</sup> As sourced from <http://www.samea.org.za>, Accessed 20<sup>th</sup> December 2008



in terms of progress made by the country towards ‘a better life for all’. The comprehensive and concise set of key development indicators have been clustered into ten broad themes as follows<sup>78</sup>:

- economic growth and transformation
- employment
- poverty and inequality
- household and community assets
- health
- education
- social cohesion
- safety and security
- international relations
- good governance

The above fieldwork results have attempted to draw the broader framework within which the M&E framework for BBBEE would be embedded. The next section concisely unpacks the fieldwork results on the M&E framework for the BBBEE Policy.

#### **4.3 THE MONITORING AND EVALUATION FRAMEWORK FOR BBBEE**

Through the methods of documentary analysis, including an extensive review of literature, published and unpublished documentation in the domain of the South African public sector, there appears to be very little evidence of an M&E framework for BBBEE in South Africa. This deduction is substantiated by the Chief Director of BBBEE in the South African Department of Trade and Industry and collaborated by the Chief Directorate in the Western Cape Department of the Premier, Provincial Monitoring, Evaluation and Review, thus providing credence to the conclusion that there is currently

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<sup>78</sup> This sub-section on the South African Development Indicators including the cluster bullet points is sourced from RSA (2008). Development Indicators. [Online]. Available [http://www.thepresidency.gov.za/learning/me/indicators2008/development\\_indicators.pdf](http://www.thepresidency.gov.za/learning/me/indicators2008/development_indicators.pdf), Accessed 20<sup>th</sup> December 2008



(May 2009) no comprehensive M&E framework for the BBBEE Act in South Africa. As derived from the Chief Directorate of BBBEE in DTI in line with the BBBEE Act 53 of 2003 the President is to establish a BEE Advisory Council whose responsibility is to amongst others M&E the progress of BBBEE toward its objectives, anticipated outcomes and impact. The Chief Directorate further submits that since the gazetting of the BBBEE Codes of Good Practice government's focus has been on establishing the institutional mechanisms for BBBEE, however, the BEE Advisory Council is to date (May 2009) not yet operational thus no M&E framework including a comprehensive set of indicators to measure BBBEE progress has been put in effect.

Also important to note is that in accordance with the BBBEE Act 53 of 2003, Section 9 Codes of Good Practice, Subsection 1(c) and (d), it is evident that the act limits the measurement of BBBEE progress to the seven pillars or measurements outlined in the generic scorecard (figure 2), namely ownership; management; employment equity; skills development; preferential procurement; enterprise development; and socio-economic development. This limitation arises because these measurements are applicable merely to the progress of BBBEE in private and public sector entities, and thus do not address the socio-economic developmental outcomes of the policy on society.

#### **4.4 INDICATORS FOR THE M&E OF BBBEE**

In the absence of a comprehensive M&E framework for BBBEE, this study has deducted various indicators to measure BBBEE against its set objectives and anticipated outcomes from the SADI 2008, and the CIPGDS of the Western Cape (submitted to this study by the Office of the Chief Directorate in the Western Cape Department of the Premier, Provincial Monitoring, Evaluation and Review). No indicators that are directly applicable to BBBEE could be derived from the MDG indicators. The indicators derived from the CIPGDS<sup>79</sup> and SADI<sup>80</sup> publications are:

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<sup>79</sup> RSA. (2008). Lead Intervention Project Database. Department of the Premier: Western Cape, unpublished documentation

<sup>80</sup> RSA (2008). Development Indicators. [Online]. Available [http://www.thepresidency.gov.za/learning/me/indicators2008/development\\_indicators.pdf](http://www.thepresidency.gov.za/learning/me/indicators2008/development_indicators.pdf)

- Percentage of total BEE transactions
- BEE as percentage of all merger and acquisition transactions
- Percentage of black ownership of companies
- Percentage of land owned by blacks
- Hectares of land restored to previously disadvantaged individuals
- Percentage of top management by race and gender
- Percentage of top and senior managers who are black

#### **4.5 BBBEE PRIORITISED OBJECTIVES AND ANTICIPATED OUTCOMES**

According to Hague's (2001) interpretation and the South African Policy Framework for GWM&E System (2007:2) it suffices to deduce that the policy objectives of BBBEE presented in the 2003 BBBEE strategy document<sup>81</sup> could be analysed as possible policy outcomes. In substantiating this deduction the earlier articulations by Hague (2001) and the South African Policy Framework GWM&E System (2007:2) state that a policy's outcome/s portray the desired and required changes toward the journey to the intended ultimate development goals. The 'BBBEE policy objectives', as listed in the BBBEE Strategy Document (2003) below, fit well within the ambit of this interpretation of an outcome.<sup>82</sup>

- 'A substantial increase in the number of black people who have ownership and control of existing and new enterprises
- A substantial increase in the number of black people who have ownership and control of existing and new enterprises in the priority sectors of the economy that government has identified in its Microeconomic Reform Strategy<sup>83</sup>

<sup>81</sup> South Africa's Economic Transformation: A Strategy for Broad Based Black Economic Empowerment (2003:5).

<sup>82</sup> The bulleted BBBEE policy objectives below are sourced from South Africa's Economic Transformation: A Strategy for Broad Based Black Economic Empowerment (2003:5).

<sup>83</sup> These sectors include agriculture and agro-processing, mining, minerals and metals beneficiation, clothing and textiles, automobiles and components, aerospace, information and communication technology sector, chemicals, cultural industries including media, film, music and crafts, as well as high value-added services.

- A significant increase in the number of new black enterprises, black-empowered enterprises and black-engendered enterprises
- A significant increase in number of black people in executive and senior management of enterprises
- An increasing proportion of the ownership and management of economic activities vested in community and broad-based enterprises (such as trade unions, employee trusts, and other collective enterprises) and co-operatives
- Increased ownership of land and other productive assets, improved access to infrastructure, increased acquisition of skills, and increased participation in productive economic activities in under-developed areas, including the 13 nodal areas identified in the Urban Renewal Programme and the Integrated Sustainable Rural Development Programme
- Accelerated and shared economic growth
- Increased income levels of black people and a reduction of income inequalities between and within race groups'

#### **4.6 PERSPECTIVE ON THE STATE OF MONITORING AND EVALUATION IN NAMIBIA<sup>84</sup>**

Namibia's long-term developmental framework is mapped out in Namibia's Vision 2030 document outlining the country's overarching goal to be an industrialised and prosperous nation by 2030. The five year National Development Plans (NDPs) represent the core instruments applied in translating the 'Vision into action and make progress towards realising the Vision 2030'. The latest NDP, NDP3 (2007/08 -2011/12) varies from its predecessors, NDP1 (1995/96 – 2005/06) and NDP2 (2001/02 – 2005/06) in various ways. Amongst these differences are that it is:

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<sup>84</sup> This entire section on: Perspective on the state of M&E in Namibia has been sourced from the Office of the President. (2007). National Development Plan III and the viewpoint of the Director General of the NPC who submits that the institutionalisation of a dedicated MRE unit in the office of the NPC Secretariat is underway as of May 2009.

- Directly based on the 8 broad goals of Vision 2030 through 8 Key Result Areas (KRAs) each linked to a specific goal of Vision 2030, furthermore each KRA is allocated to a Thematic Working Group (TWG) made up of government officials, representatives of civic, private sector and international development partner organisations;
- Developed through the Integrated Results Based Management (IRBM) Approach focused on ‘development results’;
- Outlines ‘implementation arrangements and puts in place a Monitoring, Reporting and Evaluation arrangements to continuously monitor and report on progress in achieving targeted results’.

The eight KRAs are: competitive economy; infrastructure; productive utilisation of natural resources and environmental sustainability; productive and competitive human resource institutions; knowledge based economy and technology driven nation; quality of life; equality and social welfare, peace, security and political stability; and regional and international stability.

Namibia’s experience with NDP2 (2001/02 – 2005/06) has revealed that the plan’s ‘implementation monitoring, reporting and evaluation were weak, incomplete and irregular because there was no regular/continuous, consistent and reliable system to carry out the performance monitoring, reporting and evaluation tasks’. Therefore, decision making at various levels was very arduous because of a lack of sufficient, well-timed and dependable information on programme implementation (inclusive of their policy elements) from the implementation organs and the ‘results (outcomes and impacts) achieved’. This bore various shortfalls (including a lack of sufficient information to evaluate accomplishments, challenges and lessons learned) within the final review reports of the NDP2 prepared by the various responsible organs and submitted to the National Planning Commission Secretariat (NPCS). The NDP3 (2007/08 – 2011/12) outlines that in avoidance of the NDP2 experience of weak monitoring, reporting and evaluation, a

‘Monitoring, Reporting and Evaluation (MRE) system is being put in place’ to constantly monitor, report on progress and the evaluation of outcomes and impacts of NDP3 programmes. For the first time in the trajectory of the Namibian NDPs, NDP3 will observe a particular focus ‘on reviewing and strengthening the existing MRE using the IRBM approach to become a results-based MRE system’. The planning of the NDP3 puts forth a methodical monitoring of progress at all levels in an integrated manner incorporating results matrices and programme implementation plans for each programme (Programme Results Matrix), sub-sector goal (Sub-Sector Results Matrix) and NDP3 (KRA Results Matrix) goal, these consist of baselines, indicators and targets at programme, sub-sector and national NDP3 goal levels to assess the results and impacts. Evaluations will also be conducted on all three levels. The first level, the programme (implementation level) will be the task of implementing organs. The second level entails evaluation of two or more interconnected programmes in a sub-sector and/or region, which will be the duty of the sub-sector coordinating organ (office/ministry/agency) and/or Regional Council. The third level entails ‘evaluations of the implementation of the NDP3 as a whole, which will be the responsibility of the NPCCS’. The NDP3 further submits that a dedicated unit within the NPCCS will facilitate the MRE process in collaboration with coordinating offices, ministries and agencies, Regional Councils and other stakeholders. A directorate of M&E will be established in the NPC during NDP3 and a committee has been set up to develop a new M&E policy. The MRE process facilitated by the dedicated unit will be managed by the NPCCS in collaboration with the Office of the Prime Minister and the Ministry of Finance.

The next section will discuss the extent of development of an M&E framework for TESEF as deduced through the fieldwork conducted in this study.

#### 4.7 MONITORING AND EVALUATION FRAMEWORK FOR TESEF<sup>85</sup>

The extent to which a comprehensive M&E framework to measure TESEF's progress toward its objectives and anticipated outcomes is outlined in the TESEF Draft Strategy Document (April 2008) is very limited. The TESEF Draft Strategy Document limits discussion of TESEF M&E to the measurement of progress within enterprises through the application of the Wealth Creation Scorecard (WCS). The WCS instrument measures progress within enterprises against six equally weighted pillars namely: ownership, management, procurement, affirmative action, enterprise development and corporate social development. The strategy document does however stipulate that the envisaged TESEF Bill to be introduced to Parliament will 'establish an enabling framework for the promotion of TESEF in Namibia' and through this legislation the appointment and establishment of a TESEF Governing Body (TGB) by the President will be anticipated. The document further outlines that it will be the responsibility of the TGB to monitor and evaluate TESEF's progress as well as to amongst others oversee the implementation of TESEF.

Although there is very little evidence of an M&E framework for TESEF to date (May 2009), there are quite a number of potential indicators to measure TESEF progress towards its objectives and anticipated outcomes available within NDP3 goals and sub-sectors under their respective KRAs and sub KRAs these have been extracted and encapsulated in table 1 below. These indicators have been derived in consideration of TESEFs objectives as per TESEF Draft Strategy Document which are:

- 'To bring about social justice through the integration of historically disadvantaged Namibians (HDNs) into mainstream economy by substantially increasing the number of HDNs in positions of ownership and control in existing and new enterprise

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<sup>85</sup> This section on: M&E framework of TESEF has been compiled through an examination of TESEF Draft Strategy Document (2008). The subsequent Table 1: potential indicators for the M&E of TESEF have been sourced from the Office of the President. (2007). National Development Plan III

- To shrink income disparities by raising the income-generating capacity of HDNs through employment creation whether by means of appropriate educational and or skills development programmes or the creation of a conducive environment, which stimulates innovative business opportunities
- The promotion of economic growth through the unfettered participation of deprived Namibians including women and the disabled in the productive sector of the economy, especially in respect of ownership, and executive and senior management positions in existing and new entities
- The stimulation of an entrepreneurial enabling environment to cultivate business talents and attitudes among particularly the previously disadvantaged, in the service, industrial and trade sector of the economy
- Decentralise industrial and trade opportunities, which are currently concentrated in urban areas to promote and encourage rural development and growth.'



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**TABLE 1: POTENTIAL INDICATORS FOR THE MONITORING AND EVALUATION OF TESEF**

**TABLE 1.1 KRA: Competitive Economy**

**Sub-KRA: Macro-Economy**

<b>ND3 Goal</b>	<b>Indicator</b>
Equality in income distribution	<ul style="list-style-type: none"> <li>• Ratio of rural per capita income to urban</li> <li>• Labour Force participation in rural areas</li> </ul>
Increased and sustainable economic growth (sub-sector: financial services)	<p><b>Banking Industry</b></p> <ul style="list-style-type: none"> <li>• [%] ownership by previously disadvantaged measured at holding company level</li> <li>• [%] of formerly disadvantaged in management of commercial banks at: Board level; Senior management level; Middle management level</li> <li>• Proportion of bank payroll spent on improving skills of formerly disadvantaged in banking services</li> <li>• Amount of loans to SMEs owned by formerly disadvantaged</li> </ul> <p><b>Insurance Industry</b></p> <ul style="list-style-type: none"> <li>• ownership by previously disadvantaged measured at holding company level</li> <li>• [%] of formerly disadvantaged in management of insurance companies at: Board level; Senior management level; Middle management level</li> </ul> <p><b>Pension Funds and Medical Aid Schemes</b></p> <ul style="list-style-type: none"> <li>• [%] of formerly disadvantaged in management of pension funds at: Board level; Senior management level; Middle management level</li> </ul> <p><b>Asset Management</b></p> <ul style="list-style-type: none"> <li>• [%] of formerly disadvantaged in management of asset management funds at: Board level; Senior management level; Middle management level</li> </ul> <p><b>Unit Trusts</b></p> <ul style="list-style-type: none"> <li>• [%] ownership by previously disadvantaged measured at holding company level</li> <li>• [%] of formerly disadvantaged in management of asset management funds at: Board level; Senior management level; Middle management level</li> </ul>



Increased smart partnerships and private sector development (Sub-sector: Smart partnerships)	<ul style="list-style-type: none"> <li>No. of Public Private Partnerships</li> </ul>
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As sourced from National Development Plan III (2007)

**TABLE 1.2: KRA - Productive utilisation of natural resources and environmental sustainability**  
**Sub-KRA - Sustainable utilisation of natural resources**

NDP3 Goal	Indicator
Optimal and sustainable utilisation of natural resources (Sub-sector: <b>Land</b> )	<ul style="list-style-type: none"> <li>No. of previously disadvantaged landless Namibians resettled on freehold land</li> </ul>
Optimal and sustainable utilisation of natural resources (Sub-sector: <b>Mining</b> )	<ul style="list-style-type: none"> <li>No. of SMEs with Namibian Ownership in mining sub-sector</li> <li>Share of Namibian equity/BEE in mining</li> </ul>

As sourced from National Development Plan III (2007)

**TABLE 1.3: KRA – Equality and social welfare**

NDP3 Goal	Indicator
Reduced inequality and social welfare (Sub-sector: Disability)	<ul style="list-style-type: none"> <li>Proportion of people with disabilities fully participating in socio-economic and political life</li> </ul>

As sourced from National Development Plan III (2007)

## 4.8 CONCLUSION

The above fieldwork results have painted a clearer picture of the current state of BBBEE and TESEF M&E in South Africa and Namibia respectively. In addition to this the broader national M&E frameworks that encompass both BBBEE and TESEF M&E have been presented. When zoning into the South African experience it is evident that although there is an advanced GWM&E system there is no comprehensive M&E framework for the BBBEE policy at present (May 2009). The results have also illustrated that the indicators to measure BBBEE progress are currently scattered within national and provincial indicator frameworks. These indicators have been presented above but whether these as a set of indicators to measure BBBEE against its objectives and anticipated outcomes are adequate will be addressed in the study's findings. Similarly, potential indicators to measure the anticipated TESEF's progress are scattered across various Key Result Areas (KRAs) contained in the NDP3. Furthermore, it is evident that the

prioritised objectives and anticipated outcomes of BBBEE have not been explicitly spelled out in published documentation on the policy. Nevertheless, through the application of the literature on M&E, in particular policy outcomes, presented in this study, the research results have deduced that stipulated policy objectives of BBBEE within the policy's strategy document can be interpreted as possible anticipated outcomes of BBBEE.

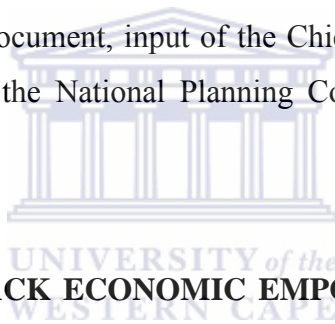


## **CHAPTER 5**

### **RESEARCH FINDINGS**

#### **5.1 INTRODUCTION**

This chapter will present the research findings of this study. These findings have been derived through the application of the theoretical frameworks to the analysis of BBBEE policy documentation and legislation, the National Development Plan of Namibia, the TESEF Final Draft Strategy Document, input of the Chief Directorate of BBBEE in the DTI, the Director General of the National Planning Commission of Namibia and the study's fieldwork results.



#### **5.2 BROAD-BASED BLACK ECONOMIC EMPOWERMENT AS A PUBLIC POLICY IN SOUTH AFRICA.**

The South African BBBEE Policy seeks to address the societal imbalances of the past by socio-economically uplifting previously disadvantaged groups.<sup>86</sup> Therefore, the BBBEE Policy is indeed a public policy and fits well within its facets as stated by Hanekom (in Cloete and Wissink 2000:26) earlier that all public policies are 'future orientated', geared to the development of the broad welfare of society rather than a societal sect, and occur within the structure of legally established public organs such as legislatures. Furthermore, as a public policy, the current BBBEE strategy cannot be viewed as an eternal reality because it too is subject to Cloete and Wissink's (2000:26) earlier postulations that public policies are not undying truths, but are propositions that are subject to modification and to the formulation of new and better policies, until such point that these prove inadequate.

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<sup>86</sup> As referred to in South Africa's Economic Transformation: A Strategy for Broad Based Black Economic Empowerment (2003:6).

It thus suffices to assume that the BBBEE will undergo various changes and even eventually evolve into a re-formulated policy.

Cloete et al. (2006:19) submitted earlier that within democratic policy environments, public policies do not always have to be 'directly enforceable' if a majority 'elected democratic and responsive government exists' that bears a high level of authority and legitimacy in the view and minds of its citizens. The parameters of this study do not include an investigation into the responsiveness of the South African government to its citizens, but can safely submit that the BBBEE policy has been formulated and enacted as legislation within a democratic environment under the majority African National Congress- (ANC-) led government. However, there are various challenges related to compliance with the BBBEE legislation, as indicated in this study's research problem which indicates a 72.8 per cent non-compliance with the objectives of the BBBEE Act among private sector corporations.<sup>87</sup> Cloete et al. (2006:19) nonetheless postulate that not every public policy can depend on voluntary compliance, particularly if such policy limits or undoes existing benefits or rights and is viewed by some groups as favouring particular persons or interests. And therefore clear benefits resulting from compliance with a policy, as well as effective enforceability and sanctions or penalties linked to non-compliance with a policy, are therefore important attributes of good public policies, and enhance the success potential of such policies.<sup>88</sup> In view of the level of non-compliance, an area for further research may be the effectiveness of the BBBEE Policy's enforceability for compliance. In addition, could the lack of a comprehensive M&E framework to measure BBBEE progress be contributing to the level of BBBEE non-compliance?

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<sup>87</sup> President Mbeki meets with Black Business Working Group [online], <http://www.thepresidency.gov.za/>, accessed 10 November 2007.

<sup>88</sup> Cloete et al. (2006:19).

### **5.3 BROAD-BASED BLACK ECONOMIC EMPOWERMENT POLICY MONITORING AND EVALUATION FRAMEWORK.**

It is indicated throughout the theoretical framework of this study that monitoring and evaluation is gaining momentum worldwide as a core tool in reforming public sector management.<sup>89</sup> At the same time, and as outlined earlier, governance is recognised as the principal challenge facing developing nations in meeting their developmental objectives.<sup>90</sup> M&E has clearly emerged as a requisite for effective governance and as part of the developmental process.<sup>91</sup> In view of the South African government's foremost objective to become more effective in attaining 'a greater developmental impact'; the absence of a comprehensive M&E framework inclusive of appropriate indicators to measure government's performance key area of concern, BBBEE, indicates a major setback to government's developmental mission.

Furthermore, the absence of comprehensive and explicit anticipated outcomes for BBBEE policy illustrates a void in the results-based M&E approach, as articulated earlier by Kusek and Rist (2004) and Hague (2001), thus resonating an approach characteristic of the traditional or implementation-focused M&E system with a narrow focus on inputs, activities and outputs. Needless to say, this approach distances those responsible for the effective implementation of the BBBEE policy from the view of the intended end results (developmental goals). Thus the absence of clearly articulated BBBEE outcomes within the policy makes this challenge even more arduous, and deepens the void between the actions of those tasked with the effective implementation of the policy and the developmental outcomes or results that society expects from the policy.<sup>92</sup>

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<sup>89</sup> Kusek & Rist (2004).

<sup>90</sup> As articulated through the Global Monitoring Report Millennium Development Goals: Strengthening Mutual Accountability, Aid, Trade, and Governance (2006).

<sup>91</sup> Hague (2001).

<sup>92</sup> Hague (2001:1) stated in the theoretical framework that it is critical that those tasked with implementation keep focus on the translation of their actions into 'actual ... progress with the outcomes that society expects'. Measuring change and establishing quantifiable targets in the reach and outcomes phase can assist in bridging the gap between bureaucratic activity on the one end and the tracking of advancements toward long-term or ultimate development objectives on the other end.

Nonetheless amidst the above BBBEE M&E experience, it is deducted that South Africa has had good experiences in establishing a government wide monitoring and evaluation system, the lessons of which will be unpacked later.

#### **5.4 BROAD-BASED BLACK ECONOMIC EMPOWERMENT INDICATORS.**

Gosling and Edwards (1995:58; 74) stated earlier that once explicit objectives have been set within the policy-making process, the next step should be to ‘establish a set of indicators, or ways of measuring [indicating] that progress is being achieved.’ Hence a set of indicators needs to be established from the onset of the policy design as part of an evaluation, since the collation of data regarding indicators – which is an element of the monitoring process – has to be integrated into the way the policy is formulated or designed.<sup>93</sup> This study has nonetheless shown that the ‘indicators to measure broad-based black economic empowerment’ referred to in the act serve the purpose of measuring BBBEE within private and public sector entities, as highlighted in the fieldwork results earlier. The indicators to measure BBBEE progress and impact on the development of society are not explicitly articulated in the BBBEE policy document and legislation. It is evident that indicators designed to measure BBBEE progress towards policy objectives can be extracted from national and provincial transversal indicator frameworks of government publications such as SADI (2008), and the CIPGDS of the Western Cape. Among the research questions and objectives of this study is to determine the suitability of the indicators that measure BBBEE progress towards policy objectives and anticipated outcomes. As presented in the fieldwork results above, these derived indicators are:

- Percentage of total BEE transactions
- BEE as percentage of all merger and acquisition transactions
- Percentage of black ownership of companies
- Percentage of land owned by blacks
- Hectares of land restored to previously disadvantaged individuals
- Percentage of top management by race and gender

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<sup>93</sup> As extracted from Gosling and Edwards (1995:58;74)

- Percentage of top and senior managers who are black

It is concurred that the established set of indicators should provide a clear picture of the state of affairs regarding the progress towards reaching the outcomes of a policy action. As articulated by Gosling and Edwards (1995:74) it is important that this set of indicators is able to illustrate whether or not objectives are being attained. The deduced set of indicators above is in contravention of Gosling and Edwards' (1995:74) statement, and because it does not capture the full picture of BBBEE, this set of indicators fails to address a number of the objectives stipulated in the BBBEE Act. The objectives that are not addressed are:

- Empowering rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills
- Increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training
- Promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity
- Increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training
- Promoting access to finance for black economic empowerment

## **5.5 LESSONS FOR DEVELOPMENT OF TESEF INDICATORS**

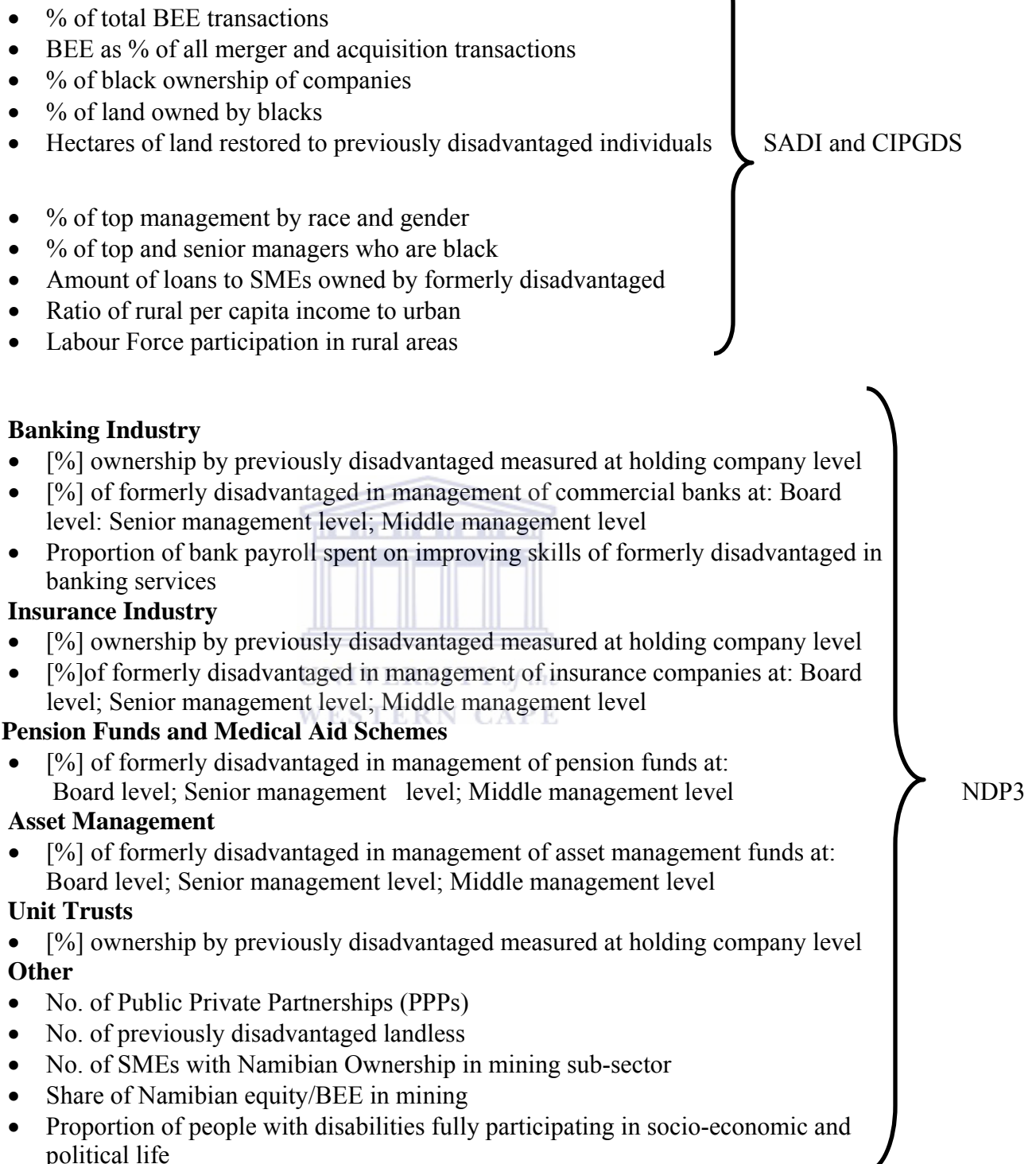
Gosling and Edwards (1995:58) submit earlier that it is vital to establish means of measuring that progress is being attained. The authors further state earlier that once clear objectives have been determined, the subsequent step is to 'establish a set of indicators, or ways of measuring (indicating) that progress is being achieved'. A set of indicators needs to be established from the onset of an action or policy as part of an evaluation,

since the collation of data regarding indicators – which is an element of the monitoring process – has to be integrated into the way the policy is formulated or designed (Gosling and Edwards, 1995:58). The BBBEE policy document does not encompass a set of indicators to measure BBBEE towards its objectives and anticipated outcomes. Similarly, the TESEF final draft strategy document also bears no indicators to measure progress. As derived through the conducted fieldwork the putting into effect of an M&E framework with a set of indicators to measure BBBEE progress will be the responsibility of the Black Economic Empowerment (BEE) Advisory Council which has to date (May 2009) 5 years post BBBEE legislative implementation not yet been established. In concurrence with Gosling and Edwards (1995:58) upon conclusion of TESEF objectives and outcomes a set of indicators should be established to measure the policy's progress.

Through this study's fieldwork results a number of potential indicators to measure TESEF progress in line with the policy's objectives stipulated earlier can be drawn from the: South African Development Indicator (SADI) framework; Compendium of Indicators for the Provincial Growth and Development Strategy of the Western Cape (CIPGDS) framework; and National Development Plan of Namibia (NDP3). These earlier extracted indicators and their respective sources are encapsulated in figure 5 below.



**FIGURE 5: POTENTIAL INDICATORS FOR TESEF**



## **5.6 LESSONS FROM SOUTH AFRICA'S MONITORING AND EVALUATION SYSTEM**

Various lessons can be drawn from South Africa's experience in establishing a government wide M&E system. As outlined earlier in the South African Government's effort to become more effective a Government-wide Monitoring and Evaluation (GWM&E) system was developed. A principal lesson in this development was the formulation of the Policy Framework for the GWM&E (PFGWME) system mapping out among others the entire functioning of the GWM&E system applicable to all organs in the three spheres of government: national, provincial and local. Furthermore, through the PFGWME clear roles and responsibilities of each stakeholder such as: legislators and councilors, executive authorities, accounting officers, programme and line managers, and designated M&E units have been spelled out. This is in line with Kusek and Rist (2001) model presented earlier stating that clearly defined roles and responsibilities within the M&E system forms a critical part of sustaining the M&E system.

Another notable lesson derived through the PFGWME presented earlier is the development of an outline of how the GWM&E system shall attain its outcomes, highlighting the sequence of events and actions from phase one (the development of a policy) to the end result ('public services become more effective and poverty is eradicated'). This process is illustrated in the flowchart diagram presented earlier titled 'how the GWM&E intended outcomes should be achieved'. The flowchart diagram clearly identifies actions to be taken at each phase while at the same time emphasising an impetus on the focus on outcomes and intended impacts. More specifically, it outlines that once a policy is developed and the programme to implement the policy is designed 'its programme logic clearly shows how undertaking specific activities that have calculated outcomes will lead to the achievement of the intended policy impacts'. This approach fits well into the results-based management approach to M&E and concurs with Hague's (2001:1) earlier pronouncements stating that while management consistently requires data about administrative particulars around their area of responsibility (inputs, activities and outputs), the demonstration of bureaucratic progress is not as such an

indication of the final results that are to be achieved. It is therefore imperative that they keep focused on the translation of their actions into ‘actual service delivery and progress with the outcomes that society expects’ (Hague, 2001:1).

The development of the earlier presented South African Development Indicators (SADI) a comprehensive set of key development indicators grouped within various development clusters for the concise tracking of government’s performance and public scrutiny draws yet another important lesson from the South African GWM&E system. The set of transversal indicators represents a useful instrument in government wide M&E and as the SADI is published and accessible to the public a key factor in sustaining the M&E system as outlined in the Kusek and Rist (2004) model (sustaining the M&E system) is addressed. This factor as articulated earlier by Kusek and Rist (2004) is demand: the system needs to be used or else it will not be sustainable therefore, the publication of a key set of development indicators puts the system to use by both internal (government units and officials) and external (public and donors) stakeholders aiming to track the performance across specific, various or all development clusters.

Kusek and Rist’s (2004) earlier outlined model explicitly puts forth that a country’s capacity in terms of amongst others M&E managerial and technical skills and institutional experience forms the foundation upon which a national or government wide M&E system is built. The Policy Framework for South African M&E articulates the imperative role that the Public Administration Leadership and Management Academy (PALAMA) has to play in the capacity building of public sector officials. Furthermore the establishment of the South African Monitoring and Evaluation Association (SAMEA) in November 2005 also plays a supportive role in fulfilling amongst others capacity development requirements for the GWM&E system, as SAMEA aims to develop M&E as an important tool for empowerment and accountability in South Africa<sup>94</sup>. These support structures are an important lesson for the establishment, effective functioning and sustainability of a government wide M&E system.

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<sup>94</sup> <http://www.samea.org.za/>

## 5.7 CONCLUSION

In redressing the socio-economic imbalances of apartheid, BBBEE is indeed a public policy geared at the development of the South African society. However, in the absence of a comprehensive M&E framework for BBBEE, the progress of the implementation of the BBBEE policy towards its objectives and anticipated outcomes cannot be drawn. It is imperative that the anticipated TESEF in Namibia avoid the above shortfall and therefore upon conclusion of TESEF objectives and anticipated outcomes the development of an M&E framework inclusive of a set of indicators to measure TESEF progress should be undertaken. Although no comprehensive BBBEE M&E framework has been put into effect to date (May 2009) a number of important lessons of experience from the South African GWM&E system can be drawn for the establishment of a government wide M&E system in Namibia.



## **CHAPTER 6**

### **RECOMMENDATIONS AND CONCLUSION**

#### **6.1 INTRODUCTION**

The purpose of this section is to make recommendations as drawn from this research. The recommendations suggest that a results-based M&E approach and system is imperative for the attainment of developmental objectives. In addition, the recommendations propose that objective performance measurements should be part of policy formulation, including appropriate indicators to assess performance and/or progress towards objectives. Emerging through the research is that five years post BBBEE legislative implementation an M&E framework for this important policy has not been put to effect to date (May 2009). This marks an important lesson for the anticipated TESEF; it is imperative that upon the conclusion of TESEF objectives and anticipated outcomes an M&E Framework is integrated into the policy design and/or implementation. Furthermore, as part of this study's recommendations, the potential for indicator development for the M&E of BBBEE is explored. The proposed indicators have been developed through addressing the inadequately addressed BBBEE policy objectives (highlighted in Chapter 5), the translation of BBBEE outcomes and the viewpoints of a BBBEE expert.<sup>95</sup>

A number of lessons from the South African experience in establishing a government wide M&E system have been drawn through this research and forms a key part of the study's recommendations for the establishment and institutionalisation of a government wide M&E system in Namibia. This chapter will conclude by encapsulating the themes that have emerged from this study.

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<sup>95</sup> BBBEE Research Manager at Empowerdex: leading South African BBBEE research and verification agency.

## **6.2. A MONITORING AND EVALUATION FRAMEWORK FOR THE BBBEE POLICY**

Legislated in the third term of the new South African government, the BBBEE policy is a programme of the South African government, aimed at contributing directly to the economic transformation of South Africa.<sup>96</sup> Earlier pronouncements outline that the government faces certain strategic concerns, the chief among which is the challenge of augmenting effectiveness, in order to attain ‘a greater developmental impact’.<sup>97</sup> Putting into effect an M&E framework for the BBBEE policy should indeed be an imperative of government. As highlighted in the South African Policy Framework for GWM&E (2007:5), stipulating M&E is a significant way of increasing the effectiveness of government strategies and programmes. Furthermore, in light of the staggering rate of BBBEE non-compliance (72.8%) among corporations, the potential benefits of an effective results-based M&E system should be reiterated and given due consideration. Such a system enables the public sector to build up a knowledge base of ‘what works, what does not and why’. Another benefit is that an effective M&E system will paint a clearer picture for both internal and external stakeholders (the public at large) on the status of BBBEE in South Africa and its progress.<sup>98</sup>

## **6.3 APPROPRIATE PERFORMANCE MEASUREMENTS FOR BBBEE POLICY**

Indicators are critical in the assessment process. It is thus crucial that an appropriate and suitable set of indicators is established for the effective M&E of the BBBEE policy. As outlined in the findings of this study, the current set of indicators that measure BBBEE progress towards its objectives fail to comply with the given criteria of indicator selection in the literature.<sup>99</sup> As part of this study’s recommendations, the potential for indicator

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<sup>96</sup> As sourced from BBBEE, Act 53, 2004.

<sup>97</sup> As sourced from the Policy Framework for GWM&E, [www.thepresidency.gov.za](http://www.thepresidency.gov.za), accessed 2 March 2008.

<sup>98</sup> Kusek and Rist (2004:20)

<sup>99</sup> Gosling and Edwards (2001) and Kusek and Rist (2004) outline various criteria for indicator selection.

development is explored, and a set of indicators of BBBEE progress towards objectives and anticipated outcomes is proposed in the table 2 below. These potential quantitative and objectively verifiable indicators have been developed to address the objectives of BBBEE Act (outlined in the research findings) not adequately addressed by the indicators contained in the SADI and the CIPGDS indicator frameworks. The potential outcomes of BBBEE (outlined in table 2) have been derived from the BBBEE Strategy Document.

Unless drawn from the SADI framework (two indicators below) the suggested indicators in table 2 have been developed through addressing the above stipulated policy objectives, the translation of BBBEE outcomes and from the input of Empowerdex's BBBEE Research and Advisory Manager. The literature on indicators and indicator development by Gosling and Edwards (2001), Maclaren (1996), and Kusek and Rist (2004) formed the backdrop of the above indicator development methodology.



**TABLE 2: POTENTIAL INDICATORS FOR BBBEE**

<b>BBBEE Objectives</b>	<b>Potential Outcomes</b>	<b>Potential Indicators</b>
Empowering rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills	Increased ownership of land and other productive assets, improved access to infrastructure, increased acquisition of skills, and increased participation in productive economic activities in under-developed areas including the 13 nodal areas identified in the Urban Renewal Programme and the Integrated Sustainable Rural Development Programme	<ul style="list-style-type: none"> <li>• % land owned by blacks</li> <li>• Hectares of land restored to previously disadvantaged individuals ( indicator sourced from SADI)</li> <li>• % blacks per skills level</li> <li>• % black managed economic initiatives in under-developed areas</li> <li>• % black owned economic initiatives in under-developed areas</li> </ul>
Increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training	An increasing proportion of the ownership and management of economic activities vested in community and broad-based enterprises (such as trade unions, employee trusts, and other collective enterprises) and co-operatives	<ul style="list-style-type: none"> <li>• % community-based economic activities</li> <li>• %community ownership of collective enterprises</li> </ul>
Promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity	A significant increase in investment programmes for broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity	<ul style="list-style-type: none"> <li>• % BEE investment programmes</li> </ul>
Increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training	A substantial increase in the number of black women who have ownership and control of existing and new enterprises, access to economic activities and skills training	<ul style="list-style-type: none"> <li>• % ownership of companies by black women</li> <li>• % total spend of companies on skills training for black women</li> <li>• % of top management by race and gender</li> </ul>
Promoting access to finance for black economic empowerment	A significant increase in finance for black economic empowerment	<ul style="list-style-type: none"> <li>• Total BEE finance</li> <li>• % total BEE Transactions</li> <li>• BEE as % of all merger and acquisition (indicator sourced from SADI)</li> </ul>



#### **6.4 LESSONS FOR A RESULTS-BASED MONITORING AND EVALUATION FRAMEWORK FOR NAMIBIA AND TESEF.**

Friedmann (1992:7) stated earlier that whether held as factual or not the state continues to be a key actor in the empowerment of poor people, it may nonetheless be required to become more responsive to the needs of poor people and be more accountable to them. He further asserted that without the state's cooperation, the circumstances of the poor cannot be considerably improved. As a key tool in public sector management and reform, and as a requisite for good governance, the developmental benefit of a results-based monitoring and evaluation system cannot be over-emphasised and has been explicitly demonstrated through this research.

The Namibian Government through the NDP3 (2007/08 -2011/12) outlined earlier that the monitoring, reporting and evaluation (MRE) systems that existed during the NDP2 (2001/02 – 2005/06) were weak, incomplete and irregular. This was due to the fact that there was no regular/continuous, consistent and reliable system to carry out the performance MRE tasks<sup>100</sup>. The NDP3 consequently submits that it will observe a particular focus 'on reviewing and strengthening the existing MRE using the IRBM approach to become a results-based MRE system'. MRE shall occur across the earlier mentioned Key Result Areas (KRAs) on programme, sub-sector and overall NDP3 levels facilitated by the National Planning Commission Secretariat (NPCS) in collaboration with coordinating offices, ministries and agencies, regional councils and other stakeholders. For this purpose a dedicated unit for the MRE is to be established (still under establishment during the time of writing) within the NPCS. With all institutional arrangements for the implementation of a national MRE system planned within the NDP3 and aligned towards the results-based M&E approach. It is important that the Namibian Government pays close attention to the experience of the South African Government in establishing a Government-wide Monitoring and Evaluation system.

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<sup>100</sup> National Development Plan 3 (2007/08 – 2011/12), Office of the President, National Planning Commission

In anticipation of the M&E policy in Namibia reference should be made to the South African Policy Framework for Government-wide Monitoring and Evaluation (PFGWME) system which as demonstrated earlier commits to a results-based M&E system. The PFGWME outlines the entire functioning of the Government Wide M&E system and renders it applicable to all organs in the three spheres of the South African Government. The policy framework also defines and outlines clear roles and responsibilities of each stakeholder within the government wide M&E system. Furthermore, the PFGWME outlines clear outputs and outcomes of the system. And presents the earlier illustrated flowchart for the attainment of the GWM&E intended outcomes: sequencing events from phase one (the development of a policy) to the end result ('public services become more effective and poverty is eradicated'). In concurrence with the earlier presented literature in Hague (2001:1) the above approach (outcomes and impact focus) keeps the focus of management and responsible officials on the translation of their actions into 'actual service delivery and progress with the outcomes that society expects' (Hague, 2001:1).

The South African Government's development of the earlier presented South African Development Indicators (SADI) a comprehensive set of key development indicators grouped within various development clusters for the tracking of government's performance and public scrutiny presents a good example of an effective instrument in advancing a government wide M&E system. The set of published indicators provides both internal (officials and government departments) and external stakeholders (public and donors) a comprehensive view of governments performance over a given period. This instrument further puts the GWM&E system to consistent use and addresses an important element in sustaining an M&E system as outlined earlier in Kusek and Rist's (2004) model, which is 'demand': attained through the use of the system.

The South African experience also demonstrates the need to facilitate for a core element of an effective government wide M&E, human capacity. The literature in this study has outlined the importance of human capacity linked to managerial and technical skills and institutional experience in establishing and sustaining a government wide M&E system. The establishment of capacity building institutions such as the Public Administration

Leadership and Management Academy (PALAMA) (capacity building of public sector officials) and the South African Monitoring and Evaluation Association (SAMEA) serve as amongst others key support structures to ensure necessary capacity for the effective functioning and sustainability of the government wide M&E system.

While good lessons of experience and practice have been drawn from the South African GWM&E system, the fact that an M&E framework to measure BBBEE progress has not yet been put into effect five years post the passing of the BBBEE Act should be a lesson learnt and experience avoided by TESEF in Namibia. Just as the BBBEE legislation stipulates the establishment of a BEE Advisory Council to amongst other monitor and evaluate and report on BBBEE progress, the TESEF Draft Strategy Document also submits as outlined earlier intentions for the envisaged TESEF Bill to be introduced to Parliament to call for the appointment and establishment of a TESEF Governing Body (TGB) by the President. The responsibility of the TGB will be to amongst others monitor and evaluate TESEF's progress. Therefore, in avoidance of the South African experience with BBBEE M&E it is imperative that the M&E framework to measure TESEF progress against its objectives and anticipated outcomes is established and encompassed within the final design of the TESEF Policy and put into effect upon legislative implementation of the TESEF policy in Namibia.

## **6.5 CONCLUSION**

There exists an undeniable paradigm shift in public sector management calling for public sector reform toward increased accountability and the attainment of development results through instruments such as results-based M&E. This presents a new phenomenon especially in the developing world. In light of this, amongst others, this study has recognised that before lenses are placed on the M&E framework of a specific policy such as TESEF (Namibia) or BBBEE (South Africa), it is imperative that the broader national or government wide M&E framework is examined as this forms the superstructure within which any policy's M&E framework is to be harvested. Through this research's exploration of the South African Government-wide M&E system it is evident that

effective M&E of a national policy such as TESEF across its programmes and sectors, from local to regional and national levels requires systematic and robust M&E systems across all three spheres for the efficient measurement of the policy's progress towards its objectives and anticipated outcomes as well as impacts. In anticipation of the TESEF and the institutionalisation of a government wide M&E system in Namibia the lessons derived from South Africa's GWM&E system revealed in this study should be awarded due consideration. More specifically, the not in effect M&E framework for the BBBEE Policy 5 years post its legislative implementation coupled with the high rate of non-compliance with the BBBEE Act amongst South African enterprises as eluded earlier should serve as a circumstance to avoid for the formulators and implementers of the TESEF. The study emphasises that the development of an M&E framework inclusive of a set of appropriate indicators to measure TESEF progress be embarked upon at the conclusion the policy's objectives and anticipated outcomes.

This exploration commenced with the hypothesis that although there is very little evidence of an M&E framework for BBBEE, such a framework may be in effect however, not published and various lessons could be drawn from this framework for the development of TESEF's M&E framework. However, as derived through the fieldwork of this study the BBBEE M&E framework is currently (May 2009) still awaiting the establishment of the BEE Advisory Council before it is developed or put into effect. This result has nonetheless directed this research into exploring amongst others, the potential for indicator development for BBBEE resulting in the suggested potential indicators presented in the recommendations of this study.

Results-based M&E can be acknowledged as a progressive tool for the attainment of development results. The mission of many developing nations and developmental states in Africa is to among others increase their effectiveness in addressing societal needs and the pertinent challenges of amongst others poverty, inequality, economic growth and accountability. In an era that has seen the birth of initiatives such as the New Partnership for African Development (NEPAD) and the African Peer Review Mechanism (APRM) it is imperative that the foundations laid and mission set by these initiatives progressively

exploit the instrument of result-based M&E. Focus should be placed on the institutionalisation of M&E nationally and the collaboration among dedicated M&E units across African nations for the harnessing of ideas and sharing of experiences.



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## 8. APPENDICES

### **APPENDIX A** **QUESTIONNAIRE / INTERVIEW SCHEDULE**

#### **TOPIC: The monitoring and evaluation framework for the Broad Based Black Economic Policy in South Africa and lessons of experience for Namibia.**

Facilitated by Okasute A. Kasuto in consultation with Prof. Christo de Coning for Masters Thesis at the University of the Western Cape.

Mr O.A Kasuto: Contact No. 072 632 0906

Email address: jkasuto@uwc.ac.za/jkasuto@monasa.org

Prof. de Coning: Contact No. (021) 959 3825

Cell No. 082 463 7866

Email address cdeconing@uwc.ac.za



**SEPTEMBER 2008**

#### **GENERAL**

This questionnaire has been developed for the purposes of ascertaining the South African Government's monitoring and evaluation (M&E) framework for the Broad Based Black Economic Empowerment Policy (BBBEE). The questionnaire seeks to: gather the set of indicators developed by the South African government for the purposes of BBBEE Policy M&E against its set objectives; ascertain the prioritised objectives and expected outcomes of the BBBEE Policy; and to gauge the international indicator framework applied for the M&E framework of this policy and further suggested indicators for inclusion into this framework. The results of this study will be applied to draw conclusions and recommendations on the suitability of the existing set of BBBEE Policy indicators. Responses will be consolidated and research findings will be presented in an aggregated fashion. The questionnaire covers two dimensions for the purpose of the practical guide, namely:

- BBBEE Monitoring & Evaluation Framework
- Indicators for BBBEE Policy

DEPARTMENT AND FUNCTIONAL AREA: **DEPARTMENT OF THE PREMIER,  
WESTERN CAPE PROVINCIAL ADMINISTRATION, CHIEF DIRECTORATE:  
PROVINCIAL MONITORING, EVALUATION & REVIEW**

NAME OF RESPONDENT: **Ms ZEENAT ISHMAIL**

POSITION IN THE DEPARTMENT/ UNIT: **CHIEF DIRECTOR**

**DATE OF COMPLETION OF QUESTIONNAIRE:**

20	0	8	0	9		
Year			Month		Day	

#### **SECTION A: BBBEE MONITORING AND EVALUATION FRAMEWORK**

**Question 1:** Are you aware of a government published monitoring and evaluation framework for the BBBEE Policy, inclusive of set indicators?

Y	N
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**Question 1b:** If yes, has this framework been developed in line with the M&E principles as set out in the South African Policy Framework for the Government-wide Monitoring & Evaluation System?

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**Question 3:** Even if not published yet, what are the prioritised BBBEE objectives and anticipated outcomes, in your view?

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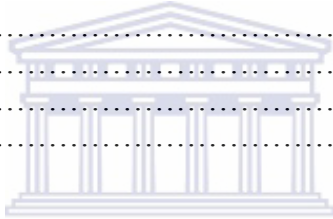
**Question 4:** Are there any other M&E frameworks available for BBBEE Policy?

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**SECTION B: BBBEE POLICY INDICATORS**

**Question 5:** Are you aware of any BBBEE indicators in use, if so may you please provide information on these?

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**Question 6:** Have the above indicators been developed in accordance with the BBBEE Policy objectives as set out in the BBBEE ACT No 53, 2003 Section 2 (a ) to (g), please explain?

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**Question 7:** What further indicators do you think should be included?

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**Question 8:** Is there currently a monitoring system in place tracking results in terms of progress towards BBBEE Policy objectives, if so, may you please provide further information?

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**Question 9:** Are you aware of any specialist in the field of BBBEE Indicators that may be contacted, can you provide any reference?

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**Question 10:** Is there any further information on BBBEE Indicators that you would like to comment on?

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THANK YOU FOR YOUR PARTICIPATION!

## **APPENDIX B**

### **QUESTIONNAIRE / INTERVIEW SCHEDULE**

#### **The monitoring and evaluation framework for the Broad Based Black Economic Empowerment Policy in South Africa and lessons of experience for Namibia.**

Facilitated by Okasute Jason Kasuto in consultation with Prof. Christo de Coning for Masters Thesis at the University of the Western Cape.

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Prof. de Coning: Contact No. (021) 959 3825

Cell No. 082 463 7866

Email address cdeconing@uwc.ac.za



**SEPTEMBER 2008**

#### **GENERAL:**

This questionnaire has been developed for the purposes of gauging the suitability of the set of indicators developed by the South African government for the purposes of monitoring and evaluating the BBBEE Policy against its set objectives and anticipated outcomes. The results of this study will be applied to draw conclusions and recommendations on the suitability of the existing set of BBBEE Policy indicators and to propose further indicators that may be included the M&E framework of the BBBEE Policy so as to draw lessons for the M&E Framework of the Transformation and Economic and Social Empowerment Framework (TESEF) in Namibia. Responses will be consolidated and research findings will be presented in an aggregated fashion. The questionnaire covers one dimension for the purpose of the practical guide, namely:

- Set Indicators for BBBEE Policy

NAME OF CORPORATION: **EMPOWERDEX (Pty) Ltd**

NAME OF RESPONDENT : **STEVEN HAWES**

POSITION IN THE DEPARTMENT/ UNIT: **PROJECT MANAGER: RESEARCH**

DATE OF COMPLETION OF QUESTIONNAIRE:

20	0	8	0	8		
Year			Month		Day	

## SECTION A: SET BBBEE POLICY INDICATORS

Below are a set of indicators that relate to BBBEE legislative objectives as sourced from: The Presidency of the Republic of South Africa Development Indicators (2008) and the Compendium of Indicators for the Provincial Growth and Development Strategy of the Western Cape.

- % total BEE Transactions
- BEE as % of all merger and acquisition transactions
- % black ownership of companies
- % land owned by blacks
- Hectares of land restored to previously disadvantaged individuals
- % of top management by race and gender
- % of top and senior managers who are black

**Question 1:** In your view, does the above set of indicators serve the purpose of effectively measuring progress made towards the objectives of BBBEE in South Africa.

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**Question 1b:** What would you say are the strengths and/or weaknesses of these indicators?

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**Question 2:** Do you have any recommendations of further indicators that can be added to the above set of indicators for the purpose of appropriately measuring progress made towards the objectives set in the BBBEE Act, 53 of 2003?

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THANK YOU FOR YOUR PARTICIPATION!





## APPENDIX C

### QUESTIONNAIRE / INTERVIEW SCHEDULE

#### **TOPIC: The monitoring and evaluation framework for the Broad Based Black Economic Policy in South Africa and lessons of experience for Namibia.**

Facilitated by Okasute A. Kasuto in consultation with Prof. Christo de Coning for Masters Thesis at the University of the Western Cape.

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Cell No. +27 82 463 7866

Email address cdeconing@uwc.ac.za



**MARCH 2009**

#### **GENERAL**

This questionnaire has been developed for the purposes of ascertaining the status of a Government-Wide (including all sectors) monitoring and evaluation (M&E) system in Namibia, the questionnaire further aims to determine the M&E framework developed for the anticipated Transformation of Economic and Social Empowerment Framework (TESEF) in Namibia. More specifically this questionnaire seeks to: determine the status of an established and institutionalised M&E system nationally and or sectorally ( within government departments) in Namibia; ascertain the transversal set of indicators currently in use to measure black economic empowerment in Namibia, determine the set of indicators developed to measure the anticipated TESEF against its set objectives and desired outcomes. The results of this study will be applied to draw conclusions and recommendations on lessons that can be derived for the anticipated implementation and M&E framework of TESEF in Namibia. Responses will be consolidated and research findings will be presented in an aggregated fashion. The questionnaire covers two dimensions for the purpose of the practical guide, namely:

- Government-wide Monitoring & Evaluation Framework
- Indicators for black economic empowerment and TESEF

DEPARTMENT AND FUNCTIONAL AREA: **NATIONAL PLANNING  
COMMISSION OF NAMIBIA**

NAME OF RESPONDENT: **HON. PROF. P. H. KATJAVIVI**

POSITION IN THE DEPARTMENT/ UNIT: **DIRECTOR-GENERAL**

**DATE OF COMPLETION OF QUESTIONNAIRE:**

20	0	8	0	9		
Year			Month		Day	

**SECTION A: GOVERNMENT- WIDE MONITORING AND EVALUATION  
FRAMEWORK/SYSTEM**

**Question 1:** Are you aware of a government-wide monitoring and evaluation framework in Namibia?

Y	N
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**Question 1b:** If yes, what is the status of this M&E framework vis-à-vis its publication, application and institutionalisation?

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**Question 1c:** If not established yet, what is the status of M&E in the Namibian public sector i.e what level has M&E been established and used?

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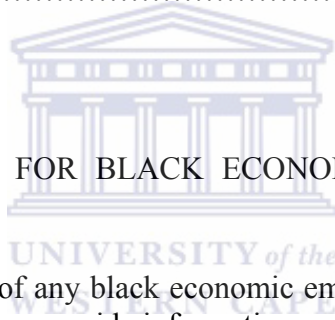
**Question 2:** Has an M&E framework been developed for the anticipated TESEF?

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**Question 2b:** If yes, could you please furnish this publication or draft document?

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**SECTION B: INDICATORS FOR BLACK ECONOMIC EMPOWERMENT AND TESEF**



**Question 5:** Are you aware of any black economic empowerment indicators in use, if so can you please provide information on these?

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**Question 6:** Have indicators been established to measure the anticipated TESEF against its drafted set objectives and desired outcomes?

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**Question 7:** What further indicators do you think should be included?

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THANK YOU FOR YOUR PARTICIPATION!



## APPENDIX D

### QUESTIONNAIRE / INTERVIEW SCHEDULE

#### **TOPIC: The monitoring and evaluation framework for the Broad Based Black Economic Policy in South Africa and lessons of experience for Namibia.**

Facilitated by Okasute A. Kasuto in consultation with Prof. Christo de Coning for Masters Thesis at the University of the Western Cape.

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Prof. de Coning: Contact No. (021) 959 3825

Cell No. 082 463 7866

Email address cdeconing@uwc.ac.za



**MARCH 2009**

#### **GENERAL**

This questionnaire has been developed for the purposes of deriving the South African Government's monitoring and evaluation (M&E) framework for the Broad Based Black Economic Empowerment Policy (BBBEE) inclusive of the set of indicators to measure the policy's progress against set objectives and anticipated outcomes. Responses will be consolidated and research findings will be presented in an aggregated fashion. The questionnaire covers one dimension for the purpose of the practical guide, namely:

- M&E framework for BBBEE

DEPARTMENT AND FUNCTIONAL AREA: **SOUTH AFRICAN DEPARTMENT OF  
TRADE AND INDUSTRY**

NAME OF RESPONDENT: **MS NOMONDE MESATWYA**

POSITION IN THE DEPARTMENT/ UNIT: **CHIEF DIRECTOR OF BBBEE**

**DATE OF COMPLETION OF QUESTIONNAIRE:**

20	0	8	0	9		
Year			Month		Day	

**SECTION A: MONITORING AND EVALUATION FRAMEWORK FOR BBBEE**

**Question 1:** Are you aware of an M&E framework for BBBEE?

Y	N
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**Question 1b:** If yes, what is the status of this M&E framework vis-à-vis its publication, and application?

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**THANK YOU FOR YOUR PARTICIPATION!**