



in the footsteps ● ● ●

an agency of the
Department of Arts and Culture

PRESENTATION OUTLINE



1. Introduction
2. Mandate, Strategy & Governance
3. Council 180 days assessment
4. Top issues
5. The CEO challenge
6. Organisational design and HR Management
7. Restructuring the organisation
8. Financial Administration
9. Funding/expenditure
10. Summary of audit opinions
11. Capital projects
12. Security Management
13. Heritage Management
14. Public engagement

INTRODUCTION



- The Portfolio Committee (PC) visited the Museum on the 14-15 September 2016.
- The purpose of the visit was to get a progress report on issues that were raised during their oversight visit on 24 November 2014.
- PC also wanted to get progress on Museum facilities.
- DAC visited the Museum on the 27 September 2016 to assist the Museum on an intervention plan to address issues raised by PC.

MANDATE, STRATEGY & GOVERNANCE



- **Mandate :**

- Promote the legacy of Nelson Mandela
- Exercise effective stewardship over the assets and capabilities of the museum

- **Strategy**

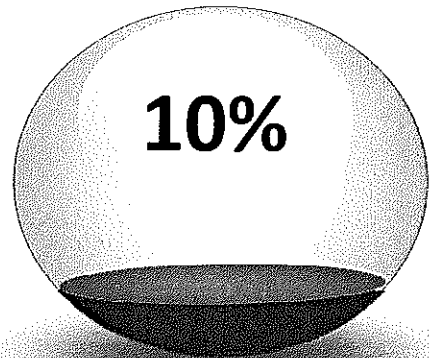
- Change the programming strategy from a living legacy to living the values.
- Emphasis is on how to inspire people build a south Africa and the world of Mandela's dreams and aspirations.

- **Governance**


- Ensure good governance through various structures of the board.

COUNCIL 180 DAYS ASSESSMENT

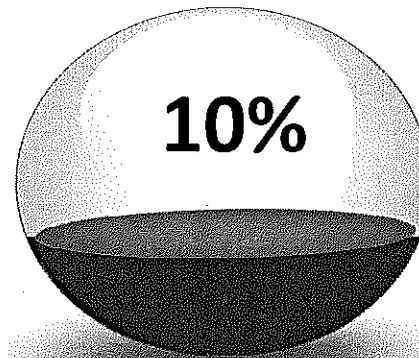
Executive Management Effectiveness



1. Finance function needs attention.
2. HR function needs attention
3. Heritage function strong but needs resourcing
4. Project Management skills non-existent
5. Marketing and events team needs a support

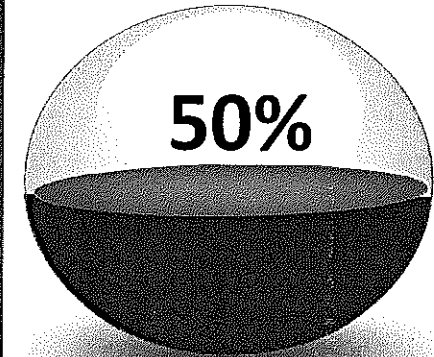


CEO Leadership Effectiveness



1. Inability to deliver on capital projects
2. Inability to meet reporting deadlines
3. A lot of audit findings
4. Not following procedure in dealing with issues
5. Financial misconduct
6. Poor record of delivery.

Council Effectiveness



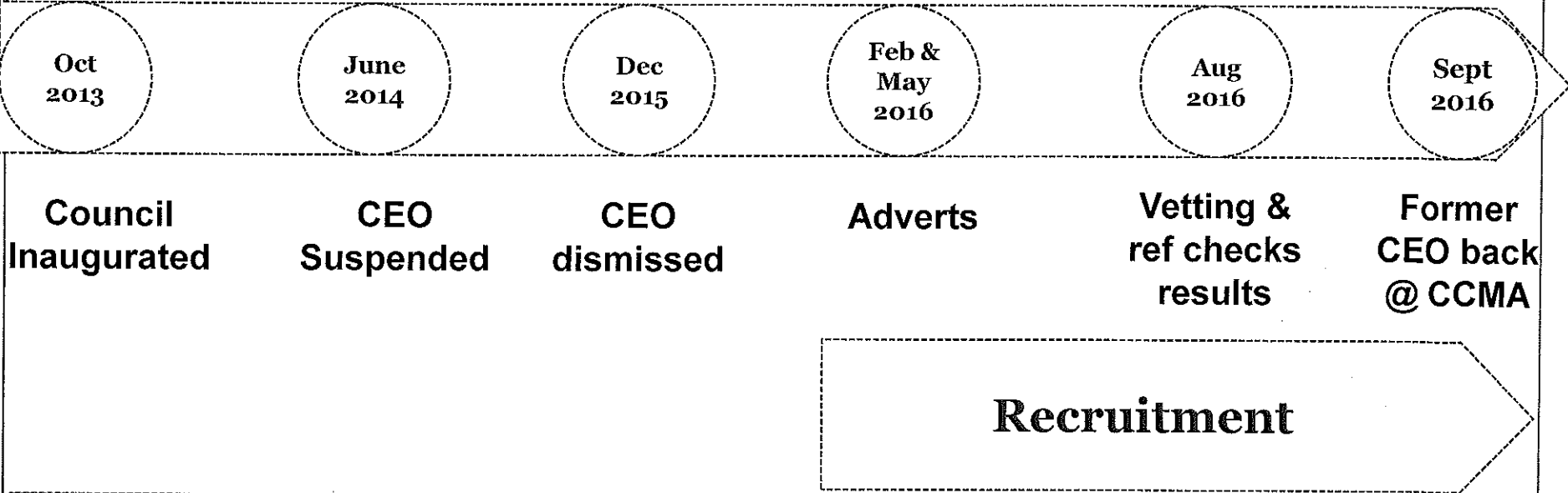
1. Some councilors are as yet to attend their first council meeting.
2. 2 councilors have resigned
3. Skills balance at council , legal skills and community / ngo skills
4. Council support weak

TOP ISSUES



1. **Governance & Leadership** : Council effectiveness
2. **Vision focus and direction** : the council has not set a three strategy which means despite this era being different from the era when Madiba was alive, we are operating as business as usual.
3. **CEO Leadership & capacity** : Limited capacity to manage the institution
4. **Project Management Capacity** : Project Manage Major projects remain in limbo and there is no sense of direction when they will complete, and there is no reporting, this is notwithstanding council offer to help fast-track with DAC and public works.
5. **Executive management capacity** : very limited
6. **Culture and Practices** : Employee engagement needs attention if what we see from the management dynamic could be viewed to represent a bigger organisational dynamic. Main administrative processes are not being followed hence the series of audit findings. Organisational competence to deliver a good administration is at limited.
7. **Lack of accountability** : Performance accountability is non-existent as no one has performance contracts, the organisation's APP shows a number of missed objectives, the work planning is poor and that is also reflected on the council work programme.
8. **Funding the Legacy** : Limited funding of the organisation.

The CEO Challenge



A greater part of our term of office was spent dealing with the matter of poor performing CEO. The difficulty of removing a civil servant has made us more patient in finding the right CEO resource.

ORGANISATIONAL DESIGN & HR MANAGEMENT



- **Staff complement**

- 24 number of employees
- Executive Management incl CEO - 3 (1 vacant post)

- **Job grading**

- 2009 – Job grading done by Avela Consulting, whereby Patterson Grading was recommended.
- 2011 by GMR – This exercise proved that NMM salaries are comparable with similar institutions
- 2016/17 first year for the NMM to negotiate salaries with employees
- Budget based on the guideline provided by National Treasury

- **Staff morale**

- Annual consultation with council.
- Ongoing consultation between management & Staff

RESTRUCTURING OF THE ORGANISATION

- Process started in 2014
- Structure flattened from 45 positions to 26
- Transparent process with staff involvement
- Process facilitated by DAC

Organising for Success

Restructure the organisation to align with new strategy and meet current mandate based on existing resource pools.

Key principles around the restructuring:-

- Reduce number of unfunded positions
- New chapter for the museum
- Reduce the top level
- Place people in relevant divisions
- Fulfilment of the museum mandate

Organising for the future

Rebase the structure and resource base of the Nelson Mandela Museum in order to build and institution that will meet Nelson Mandela stature.

FINANCIAL ADMINISTRATION



- Average funding growth below inflation
 - Reduction in targets
 - Funding for capital expenditure – e.g. motor vehicles
- Slow progress in addressing issues raised by the AG
 - 38% decline in findings affecting the audit report
 - 16% decline in total number of findings included in the management letter
- GRAP 103 exemption approved by the MoF and the Qualification received from the AG
- Continuous consequence management – procurement and contracts management, internal controls, recruitment, etc.

FUNDING/EXPENDITURE

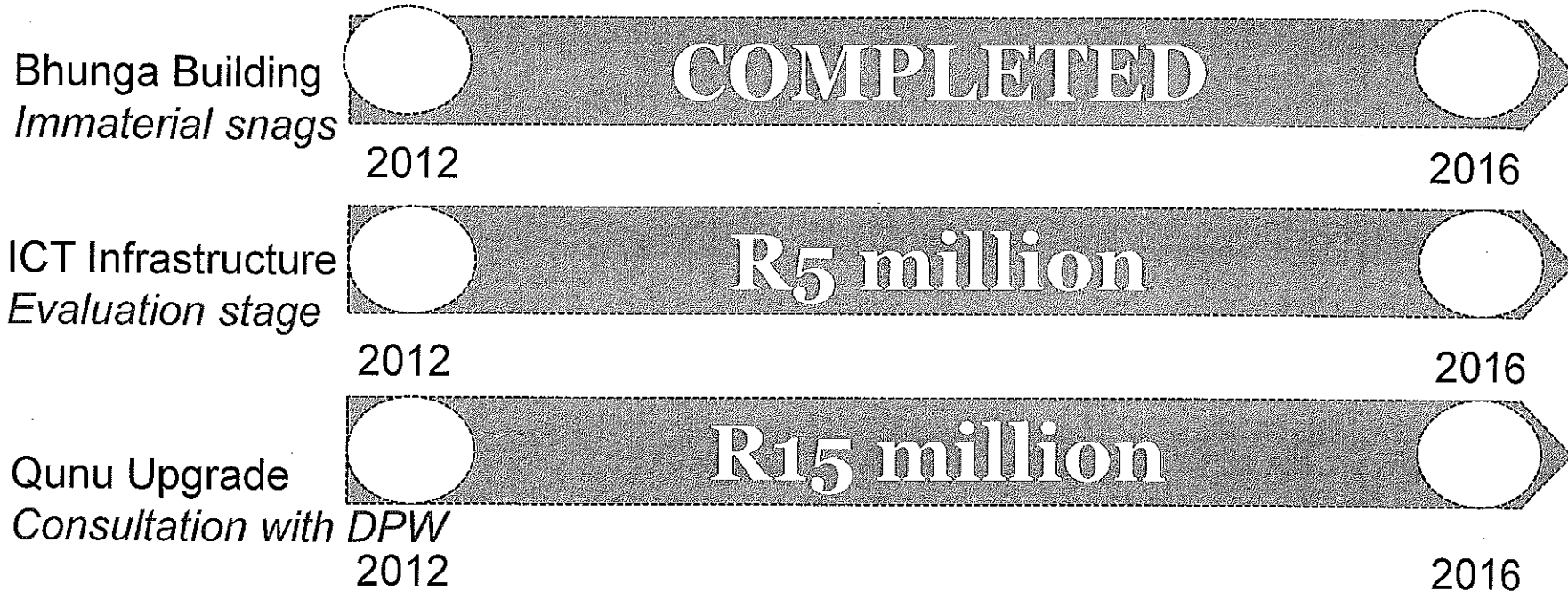


DESCRIPTION	2000/2001	2013/14	2014/15	2015/16
Equitable Share	2 000 000	18 900 000	20 124 000	21 143 000
Conditional Grants	nil	2 200 896	1 471 723	1 898 315
Own Revenue	nil	1 941 482	1 742 710	1 907 264
Total Revenue	2 000 000	23 042 378	23 338 433	24 948 570
Compensation of employees		8 693 055	9 213 338	8 957 477
Goods and Services	2 000 000	12 815 378	14 841 030	13 862 189
Total Expenditure	2 000 000	21 508 433	24 054 368	22 819 666
Net Surplus/(Deficit)	nil	1 533 945	(715 935)	2 128 913
Capital Expenditure	nil	208 124	3 962	2 575 820

SUMMARY OF AUDIT OPINIONS

	2013/14	2014/15	2015/16
Opinion	Qualified	Qualified	Qualified
Heritage assets	N	Y	Y
Unspent conditional grant, staff costs, payables from non-exchange transactions & irregular expenditure	Y	N	N
Matters of emphasis			
1. Restatement of corresponding figures	N	Y	Y
2. Underspending of the conditional grants	N	N	Y
3. Irregular expenditure	N	N	Y
Audit of predetermined objectives	Usefulness Reliability	Unqualified	Unqualified
Findings on compliance with legislation			
1. Annual financial statements, performance report and annual report	Y	Y	Y
2. Expenditure Management (Irregular expenditure)	Y	N	Y
3. Procurement and contract management	Y	N	Y
4. Consequence Management	Y	Y	N
5. Strategic planning & performance mgt, Budgets & Revenue mgt	Y	N	N

CAPITAL PROJECTS



SECURITY MANAGEMENT



- Security services outsourced
- State Security Agency(SSA) conducted threat and risk assessment of the building
- South African Police Services (SAPS) conducted physical security assessment of the building.
- No security incidents reported since re-opening SAPS conducted physical threat
- SSA scheduled to conduct Security Awareness Workshop on the 20th October 2016
- Technical Surveillance Counter Measures excersice will be conducted on the 21 October 2016 and vetting forms returned by employees.

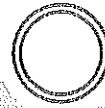
HERITAGE MANAGEMENT



Programming

1. **Seminars, colloquiums, conferences and other forms of conversations** - partnering with institutions of higher learning such as Walter Sisulu University, University of Fort Hare, University of Stellenbosch, Michigan State University, Winchester University, our sister organisations: Nelson Mandela Foundation and Apartheid museum and other museums.
2. **Youth camps** - Winter School Camp, International Youth Camp, Connecting Classrooms, and Artist in Residency Programme and through our partnerships with other institutions such as British Council, Anne Frank house foundation (Lower Saxony – Germany), Department of Education and so forth.
3. **Connecting classrooms** - connects learners from South Africa, Kenya, Zimbabwe, Botswana and United Kingdom through exchange programme between the countries. These programmes are aimed at promoting nation building, social cohesion, patriotism, voluntarism, inclusion, equality for all and respect for others irrespective of race, sex, culture or creed.
4. **Outreach programmes** – exhibiting and distributing material in various provinces such as Eastern Cape, Western Cape, Polokwane, Mpumalanga North West and Northern Cape
5. **Museum collections** - responsible for the documentation of museum artefacts for proper accountability, conservation and sustainable use.
6. **Research** - continuous investigation and analysis of museum collections. Some of the artifacts were donated anonymously.

PUBLIC ENGAGEMENT



1. **Tourism outreach**

- Multimedia roadshows covering the Eastern Cape Region
- Tour excursion partnership with schools

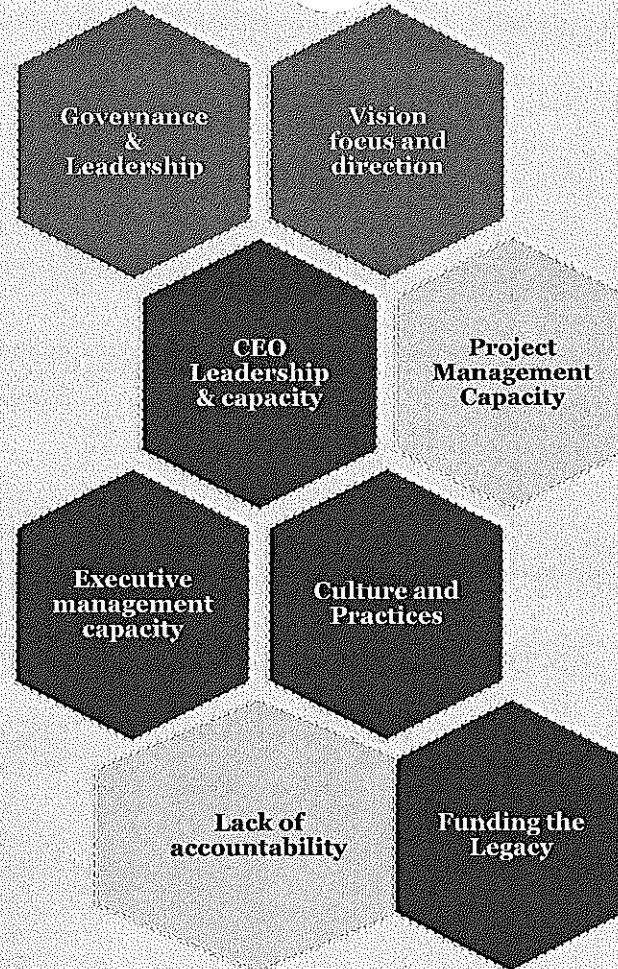
2. **Marketing & Communication**

- Use various national and international tourism platforms to promote Nelson Mandela Museum
- Launched social media marketing platforms

3. **Events & Community Beneficiation**

- Work with various stakeholders to create training and enterprise opportunities for local communities
- Deliver the Nelson Mandela Day, Nelson Mandela Commemoration and Release in collaboration various stakeholders

CONCLUSION



END



Thank you for the
opportunity