

2020/24 Strategic Plan and 2019/20 Annual Performance Plan



To: Parliament
Date: 1 July 2019

Strategic Intent

The mandate of SITA as stated in the SITA Act 88 of 1998, as amended by Act 38 of 2002 is as follows :

- to improve service delivery to the public through the provision of information technology, information systems and related services in a maintained information systems security environment to departments and public bodies; and
- to promote the efficiency of departments and public bodies through the use of information technology.

	Vision	"Be the lead ICT agency to enable public sector service delivery"
	Mission	"To render an efficient and value added ICT service to the public sector in a secure, cost-effective and integrated manner, contributing to service delivery and citizen convenience"
	Values	<ul style="list-style-type: none">• Service Excellence• Transparency• Integrity• Fairness• Prudence• Innovation STIFPI

Overview

- The world is currently in the early stages of the Fourth Industrial Revolution (4IR) which brings a fundamental need for SA to move away from the current “silo” government-citizen service delivery landscape across national, provincial, and local government, as well as state-owned enterprises.
- The National Development Plan 2030 emphasizes that the use of digital communications has the ability to change society and is potentially a powerful means of fostering social inclusion.
- The real value of ICT is therefore underpinned by a dynamic and connected information society who needs effective and efficient access to government information and electronic services.
- Digital service delivery requires streamlining and integration of government service delivery processes to provide relevant and faster information and services to the SA information society including its citizens, businesses and industry alike and more efficient government administrative function to improve management and accounting over scarce government resources.

Overview

- The SITA digital transformation strategy is founded on the principle that citizens have the right to have their dignity respected and protected and must receive efficient public service delivery supported by efficient ICT.
- SITA's role is more pertinent since government ability to deliver public services to its information society in particular its citizens is thus dependent on the effective and efficient performance of SITA.
- SITA has been a driving force behind the continued digitisation of public sector has developed the eGovernment strategy SITA has, therefore, launched a focused initiative to address South Africa's developmental challenges through technology that will:
 - ✓ Support achievement of NDP initiatives through ICT;
 - ✓ Re-used SITA resources to deliver services;
 - ✓ Make SITA a National Centre of ICT excellence;
 - ✓ Promote a national culture of digital innovation and;
 - ✓ Collaborate with state institutions to achieve joint outcomes.

Overview

- SITA has implemented the e-Government Portal that serves as a single point of entry to government's electronic services and over 10 000 people are registered on the portal.
- To date, SITA has implemented more than 100 eServices in the respective value chains of government enterprise productivity and government business solutions, demonstrating clear socioeconomic value to the citizens.
- Although SITA has made some strides to improve service delivery through the provision of information technology, there are historical challenges that still need to be addressed such as public service accessibility, government departments internal efficiency and external effectiveness of “end-to-end” service delivery value chains and how any object interacts with the entire government.
- SITA intends to implement strategic programmes that will improve the status core and transform public service.
- SITA will ensure the establishment of an efficient and economic government information infrastructure that promotes economic growth and greater inclusion in our society.

Digital transformation trends that SITA will explore to improve public services and enable citizen convenience



Reference: Forbes. - 2017/06/29/top-6-digital-transformation-trends-in-government

SITA as an enabler in the Digital Transformation Journey...Key strategic streams

Digital Economy

An economy where digital technologies are a primary resource for economic activity and where digital innovation adds value to productive processes, whether for the creation of goods or services.

Digital Transformation

DT is more than just a simple digital solution. It is a fundamental change in the sector as a whole.

Innovation in network structures and digital platforms

Innovation outputs for socio-economic advancements

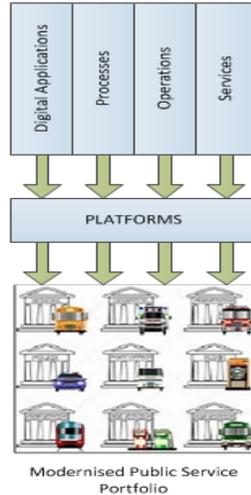
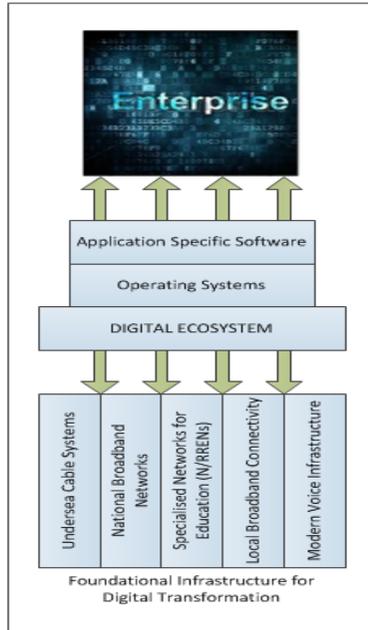
Learning and Human Resource Capacity

Digital leadership, policy and regulatory environment

Foundational Infrastructure is a core component of the Digital Enterprise

Operating Systems has to support many types of computing demands – Application Specific Software

Hardware layer and physical devices connecting to the network layer and thus to the Internet



Build Platforms

Use available platforms to create digital services

Digital Skills



DIGITAL LEADERSHIP

Policy setting and defining rules are two of the most important aspects

POLICY
Leadership of DT can be exercised through making policies that unlock strategic thinking and doing the necessary for advancement.

Direction:
Provide guiding ideas for radical societal change, reduce barriers to change. Government signals the Desire to change – i.e. DT of society and economy.

Funding:
Direct major funding of the national budget towards particular policy choices (e.g. broadband, digital health, digital education, etc.).

Collaboration:
Encourage public-private sector collaboration where fixed and mobile operators, broadcasters and Internet Service Providers. It is also responsible for regulating particular aspects of infrastructure and services.

Limits:
Sets the goals and objectives that Government wishes to achieve and a few broad guidelines on how to get there. However, must remain technology neutral and encourage and open system and Solutions, flexibility and transparency.

REGULATION
Providing “clear rules of the game” for all players by establishing:

- the rules for competition;
- Rules for consumer protection;
- Rules for pricing of services; and
- Rules for universal access to services.

All these rules creates an environment of trust in which the consumers are eager to adopt new services, as risks are minimised (e.g. loss of money or paying for poor service and products)

Electronics Communications Sector Regulator (DTPS):
Responsible for licensing fixed and mobile operators, broadcasters and Internet Service Providers. It is also responsible for regulating particular aspects of competition, pricing, consumer protection and other fixed and mobile markets (general regulators - responsible for rule making in all economic sectors)

Co-jurisdiction:
With increasing governance in markets, we observe concurrent jurisdiction of two or more regulators

SITA Strategic Goals and Outcomes

Goals	Goal Statement	Strategic Outcomes
Goal 1: Optimise government business operations	To improve the existing business models, services, operations, and processes of government by the provision of innovative solutions, technologies, tools, and governance.	Implementation of the strategy will yield the following desired outcomes: <ol style="list-style-type: none"> 1. Increased public value 2. Increased public trust 3. Improved citizen participation 4. Economic development and growth 5. More openness 6. Personalised service delivery 7. Improved dialogue with citizens and business 8. Proactive service delivery
Goal 2: Optimise and transform government services	To collaborate with multiple stakeholders in various business sectors and society in order to create new business models, services, and processes of how government should operate and make it work better for everyone.	
Goal 3: Effective and sustainable industry transformation	To advance the transformation agenda and bridge the digital divide by actively promoting access to ICT; stimulating and supporting growth within the ICT sector; advancing economic and social transformation within the ICT sector; diversifying supply chains; contributing towards the reduction of unemployment and poverty alleviation; and supporting skills development and training initiatives.	
Goal 4: Customer-centricity	To take a customer-centric approach to digital initiatives and evaluate the benefits of doing so. The strategy is aimed at responding to the needs of various stakeholders, namely; the public sector, including all SOEs, as well as the broader consumers of public services.	
Goal 5: Build a digital culture	To build and maintain a corporate culture underpinned by good business ethics that support the transformation process. When transcending the organisational, professional, and cultural boundaries of a digital government, the willingness and capacity to develop new capabilities becomes even more important.	
Goal 6: Effective governance and monitoring	Effective governance and leadership is important for the functioning of any public entity, to ensure that there is clear strategic direction, curbing of mandate drift, an effective and value-driven organisational culture and accountability so that the agency is able to fulfil its vision and mission.	
Goal 7: Financial sustainability	To ensure effective and efficient financial management and to ensure that SITA is able to grow financially and be sustainable in the future.	

APP Alignment to SONA and Shareholder Priorities of a Repurposed



Coloured boxes represent SITA's alignment to SONA and Shareholder priorities. SITA specific objectives and initiatives are represented in dotted boxes with the corresponding colour to reflect linkage.

SITA SONA Priorities	Shareholder Priorities	SITA Strategic Objectives & Annual Target	SITA Initiatives
1. Economic Transformation and Job Creation 	1. Research and development 	<div style="border: 2px dashed red; padding: 5px;"> <p>SO 1: Enhance efficiency of government business processes for improving citizen engagement Target: 5 eGovernment services products deployed</p> </div>	<div style="border: 2px dashed red; padding: 5px;"> <ul style="list-style-type: none"> ▪ Implement eGovernment services as per the National eGovernment strategy and roadmap ▪ Modernise legacy applications ▪ Implement IFMS program ▪ Implement e-Recruitment platform to facilitate access to job opportunities ▪ Develop platforms to enable the development and provision of digital services </div>
2. Education, skills and health 	2. Innovation 	<div style="border: 2px dashed green; padding: 5px;"> <p>SO 2: Transform SITA into customer-centric organisation Target: 95% performance against measured contracted SLA metrics</p> </div>	<div style="border: 2px dashed green; padding: 5px;"> <ul style="list-style-type: none"> ▪ Implement a customer service improvement programme ▪ Capacitate the research and innovation capability and provide though leadership ▪ Establish a Security Operational Centre capability ▪ Implement the Government Private Cloud Ecosystem </div>
3. Consolidating the social wage through reliable and quality basic services 	3. Localisation 	<div style="border: 2px dashed purple; padding: 5px;"> <p>SO 3: Achieve growth in government market share Target: 10% increase in government market share on designated services</p> </div>	<div style="border: 2px dashed purple; padding: 5px;"> <ul style="list-style-type: none"> ▪ Innovate and improve core service lines ▪ Implement a business development programme </div>
4. Spatial integration, human settlements and local government 	4. Cyber-security 	<div style="border: 2px dashed pink; padding: 5px;"> <p>SO 4: Broadband Connectivity Target: 100% SA connect sites connected at bandwidths of 10 Mbps as per the government order</p> </div>	<div style="border: 2px dashed pink; padding: 5px;"> <ul style="list-style-type: none"> ▪ Implement broadband connectivity programmes in line with SA connect vision ▪ Implement the network modernisation programme and build a resilient network to minimise service interruption </div>
5. Social cohesion and safe communities 	5. e-Government 	<div style="border: 2px dashed yellow; padding: 5px;"> <p>SO 5: Drive efficiency and effectiveness of supply chain Target: 50% of tender awards completed within targeted turnaround times</p> </div>	<div style="border: 2px dashed yellow; padding: 5px;"> <ul style="list-style-type: none"> ▪ Implement an effective eCommerce system ▪ Implement fraud and corruption prevention programme ▪ Implement the skills capacitation programme in Supply Chain Management </div>
6. A Capable, ethical and development state 	6. IT service management 	<div style="border: 2px dashed blue; padding: 5px;"> <p>SO 6: Drive ICT economic transformation agenda Target: 40% of ICT acquisition spend through SMME entities</p> </div>	<div style="border: 2px dashed blue; padding: 5px;"> <ul style="list-style-type: none"> ▪ Implement preferential procurement clauses ▪ Implement enterprise and supplier development strategy ▪ Incubate and commercialise open innovation solutions ▪ Place 100 unemployed graduates in an internship programme ▪ Place 65 young people living with disability in a learnership programme ▪ Provide bursaries to qualifying ICT students ▪ Implement the Social Responsibility strategy </div>
7. A better Africa and World 	6. Procurement 		

Strategic Programmes

The strategy is implemented through the following 6 programmes:

 **SERVICE DELIVERY** The purpose of this programme is to provide high-quality IT services to enable government to deliver efficient and convenient services through the use of ICT.

 **INFRASTRUCTURE** The purpose of this programme is to optimise the provision of SITA's IT infrastructure services in order to increase availability, flexibility, scalability, predictability and security.

 **PROCUREMENT** The purpose of this programme is to address all issues relating to delayed procurement turnaround times, operational inefficiencies, removing customer pain points, cost ineffectiveness and transforming the procurement function.

 **INDUSTRY** The purpose of this programme is to advance transformation of the ICT sector and bridge the digital divide through promoting access to ICT, stimulating growth in the economy, diversifying supply chains, contributing towards the reduction of unemployment and poverty alleviation, and supporting skills development and training initiatives.

 **FINANCIAL SUSTAINABILITY** The purpose of this programme is to ensure an effective and efficient financial management and ensure financial growth and sustainability.

 **ORGANISATION, GOVERNANCE & ADMINISTRATION** The purpose of this programme is to build and maintain organisational capability to enable SITA to achieve its strategic imperatives

Programme 1: Service Delivery MTSF targets

The purpose of this programme is to provide high quality IT services to enable government to deliver efficient and convenient services to citizens through the use of ICT and to optimise the provision of SITA's IT infrastructure services in order to increase availability, flexibility, scalability, predictability and security.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium-Term Targets		
		2015-2016	2016-2017	2017-2018		2019-2020	2020-2021	2021-2022
SO 1: Enhance efficiency of government business processes for improving citizen engagement	# of eGovernment services products deployed	24 e-services developed	28 e-services developed	23 e-services deployed	55 e-services deployed	5 eGovernment services products deployed	5 eGovernment services products deployed	5 eGovernment services products deployed
SO 2: Transform SITA into customer-centric organisation	% performance against measured contracted SLA metrics	96% performance against measured contracted SLA metrics	95.6% performance against measured contracted SLA metrics	96.56% performance against measured contracted SLA metrics	96.38% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics
SO 3: Achieve growth in government market share	% increase government market share	-	10.8% increase in government market share on designated services (increase on 2014/2015)	10.7% increase in government market share on designated services (increase on 2016/17 target)	13.3% increase in government market share on designated services (increase on 2016/17 target)	10% increase in government market share on designated services (redefined baseline based on SITA's 2018/19 service portfolio in scope)	10% increase in government market share on designated services (defined baseline based on SITA's 2019/20 service portfolio in scope)	10% increase in government market share on designated services (defined baseline based on SITA's 2020/21 service portfolio in scope)

Programme 1: Service Delivery Quarterly Targets

The purpose of this programme is to provide high quality IT services to enable government to deliver efficient and convenient services to citizens through the use of ICT and to optimise the provision of SITA's IT infrastructure services in order to increase availability, flexibility, scalability, predictability and security.

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
# of eGovernment services products deployed	Quarterly	5 eGovernment services products deployed	1 eGovernment services product deployed	2 eGovernment services products deployed -	4 eGovernment services products deployed	5 eGovernment services products deployed
% performance against measured contracted SLA metrics	Quarterly	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics	95% performance against measured contracted SLA metrics
% increase government market share	Annual	10% increase in government market share on designated services (redefined baseline based on SITA's 2018/19 service portfolio in scope)	-	-	-	10% increase in government market share on designated services (redefined baseline based on SITA's 2018/2019 service portfolio in scope)

Designated services are those services offerings in the SITA service portfolio for a particular financial year. The service portfolio for a financial year is unique due to some services becoming retired while other new services become available

Programme 2: Infrastructure Targets

The purpose of this programme is to optimise the provision of SITA’s IT infrastructure services in order to increase availability, flexibility, scalability, predictability and security.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium- Term Targets		
		2015-2016	2016-2017	2017-2018		2019-2020	2020-2021	2021-2022
SO 4: Broadband Connectivity	% SA connect sites connected at bandwidths of 10 Mbps as per the government order	-	-	276 of SA connect phase 1 sites connected and maintained at bandwidth of 10Mbps	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
%SA connect sites connected at bandwidths of 10 Mbps as per the government order	Quarterly	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order	-	-	-	100% SA connect sites connected at bandwidths of 10 Mbps as per the government order

Programme 3: Procurement Targets

The purpose of this programme is to address all issues relating to procurement turnaround times, operational inefficiencies, removing customer pain points, cost ineffectiveness and transforming the procurement function.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium-Term Targets		
		2015-2016	2016-2017	2017-2018		2019-2020	2020-2021	2021-2022
SO 5: Drive efficiency and effectiveness of supply chain	% of tender awards completed within targeted turnaround times	55% of tender awards completed within the targeted turnaround time	34% of tender awards completed within the targeted turnaround time	28.94% of tender awards completed within the targeted turnaround time	33.9% of tender awards completed within the targeted turnaround time	50% of tender awards completed within targeted turnaround times	60% of tender awards completed within targeted turnaround times	70% of tender awards completed within targeted turnaround times

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
% of tender awards completed within targeted turnaround times	Quarterly	50% of tender awards completed within targeted turnaround times	50% of tender awards completed within targeted turnaround times	50% of tender awards completed within targeted turnaround times	50% of tender awards completed within targeted turnaround times	50% of tender awards completed within targeted turnaround times

Programme 4: Industry Targets

The purpose of this programme is to advance transformation of the ICT sector and bridge the digital divide through promoting access to ICT, stimulating growth in the economy, diversifying supply chains, contributing towards the reduction of unemployment and poverty alleviation, and supporting skills development and training initiatives.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium-Term Targets		
		2015-2017	2016-2017	2017-2018		2019-2020	2019-2020	2021-2022
SO 6: Drive ICT economic transformation agenda	% of ICT acquisition spend through SMME entities	11% of ICT acquisition spend through SMME entities	20.03% of ICT acquisition spend through SMME entities	14.22% of ICT acquisition spend through SMME entities	19.84% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
% of ICT acquisition spend through SMME entities	Quarterly	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities	40% of ICT acquisition spend through SMME entities

Programme 5: Financial Sustainability Targets

The purpose of this programme is to ensure effective and efficient financial management, financial growth and sustainability.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium-Term Targets		
		2015-2016	2016-2017	2017-2018		2019-2020	2020-2021	2021-2022
SO 7: Achieve sound financial management	#EBIT	-	2.75%	R263m	-R48.3m	R130m	R138m	R147m
	% net collection rate	-	-	94%	80%	80% net collection rate	80% net collection rate	80% net collection rate
	#services gross margin	-	18.5%	R1 26m	R968.1m	R1.670bn	R1.770bn	R1.877bn

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
# EBIT	Quarterly	R130m	R0	R10m	R50m	R130m
% Net collection rate	Quarterly	80% net collection rate				
# Services gross margin	Quarterly	R1.670bn	R50m	R100m	R850m	R1.670bn

*There is no targeted figure for EBIT in the first quarter since the organisation will be finalising sign-off of the service level agreements with clients and most of the payments for services rendered would not have been received.

Programme 6: Organisation, Governance and Administration Targets

The purpose of this programme is to optimise the provision of SITA's IT infrastructure services in order to increase availability, flexibility, scalability, predictability and security.

Strategic objectives	Performance indicators	Audited/ Actual Performance			Estimated performance 2018-2019	Medium-Term Targets		
		2015-2016	2016-2017	2017-2018		2019-2020	2020-2021	2021-2022
SO 8: Transform organisational workforce capability	% of employees trained against the workplace skills plan	-	-	-	-	70% of employees trained against the workplace skills plan	70% of employees trained against the workplace skills plan	70% of employees trained against the workplace skills plan

Performance indicators	Reporting period	Annual target 2019-2020	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
% of employees trained against the workplace skills plan	Quarterly	70% of employees trained against the workplace skills plan	Approved workplace skills plan	20% of employees trained against the workplace skills plan	40% of employees trained against the workplace skills plan	70 % of employees trained against the workplace skills plan

Thank You

