



## Annual Performance Plan for 2022/2023



**employment & labour**

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Department:  
Employment and Labour  
REPUBLIC OF SOUTH AFRICA

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## LIST OF ABBREVIATIONS

<b>AGSA</b>	Auditor-General of South Africa
<b>APP</b>	Annual Performance Plan
<b>BBBEE</b>	Broad-Based Black Economic Empowerment
<b>BT&amp;R</b>	Business Turnaround and Recovery
<b>CCMA</b>	Commission for Conciliation, Mediation and Arbitration
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CIS</b>	Competitiveness Improvement Services
<b>DDM</b>	District Development Model
<b>DEL</b>	Department of Employment and Labour
<b>ESD</b>	Enterprise Supplier Development
<b>ERRP</b>	Economic Reconstruction and Recovery Programme
<b>EWS</b>	Early Warning System
<b>4IR</b>	Fourth Industrial Revolution
<b>FoW</b>	Future of Work
<b>ILO</b>	International Labour Organization
<b>IMD</b>	Institute for Management Development
<b>IPAP</b>	Industrial Policy Action Plan
<b>IT</b>	Information Technology
<b>JICA</b>	Japan International Cooperation Agency
<b>JPC</b>	Japan Productivity Centre
<b>LEDET</b>	Limpopo Department of Environment and Tourism
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>MTSF</b>	Medium-Term Strategic Framework
<b>NDP</b>	National Development Plan
<b>NGP</b>	National Growth Path
<b>OCEO</b>	Office of the CEO
<b>OHS</b>	Occupational Health Safety
<b>PFMA</b>	Public Finance Management Act
<b>RIS</b>	Research Innovation and Statistics
<b>SADC</b>	Southern African Development Community
<b>SCM</b>	Supply Chain Management
<b>SCORE</b>	Sustaining Competitive and Responsible Enterprises
<b>SDG</b>	Sustainable Development Goals
<b>SEFA</b>	Small Enterprise Finance Agency
<b>SEZ</b>	Special Economic Zones
<b>SMME</b>	Small Medium and Micro Enterprise
<b>TERS</b>	Temporary Employer Employee Relief Scheme
<b>the dtic</b>	Department of Trade, Industry and Competition
<b>UIA</b>	Unemployment Insurance Act
<b>UIF</b>	Unemployment Insurance Fund
<b>WPC</b>	Workplace Challenge
<b>WCY</b>	World Competitiveness Yearbook

## STATEMENT BY THE CHAIRMAN OF THE BOARD

The Annual Performance Plan (APP) 2022/23 sets out Productivity SA's key focus areas during and post the COVID-19 pandemic (which seems endemic and to be with us for a while), and our contribution to the Medium-Term Strategic Framework (MTSF) 2019-2024 as well as the socio-economic landscape towards 2030, as we implement the Economic Reconstruction and Recovery Plan to achieve the NDP priorities.

In this plan, we target SMMEs and cooperatives, emboldened by empirical evidence that they are the backbone and productive drivers of economic growth and development. They account for the majority of businesses and a significant contribution to economic growth and are important contributors (more than 70%) to job creation. The outbreak of the pandemic and the subsequent lockdowns continue to adversely impact Productivity SA's business model and operating environment.

Productivity SA's continued focus on SMMEs is further motivated by their potential to promote domestic-driven growth of new and existing industries and to strengthen the resilience of the economy in a competitive and challenging environment. Accordingly, SMMEs are crucial to the Future of Work (FoW), not just for employment creation and economic growth, but also to drive innovation and competition in markets. The SMMEs, and mostly informal SMMEs are also more likely to hire from traditionally economically marginalised groups with lower chances of finding employment such as youths, women, older workers, and less-skilled workers. By creating employment opportunities for these marginalised groups, SMMEs have also been credited with democratising the labour market and driving more inclusive economic growth.

Over the next eight years (2020 – 2030), our commitment to leading a productivity driven agenda holistically across sectors and all levels (macro, sector/industry and micro) will be reinforced. This, with the conviction that productivity is a crucial determinant and driver of long-term competitiveness and economic growth, and a vehicle towards prosperity and higher standards of living. Our resolve to promote a culture of productivity and accountability thereof remains, and we call upon government and social partners to join us on this journey. With this collaboration, we can collectively address the productivity and capability gaps of SMMEs, which is more critical than ever before for our underperforming economy. To this end, we are committed to contributing to the development of a comprehensive policy mix, and strategies and programme interventions to contribute to the competitiveness and sustainability of the SMMEs, particularly those operating in the informal economy.

During the 2022/23 financial year and towards 2030, Productivity SA will together with social partners prioritise productivity growth programmes and interventions to improve long-term competitiveness and sustained inclusive growth to raise employment, reduce poverty (including in employment) and inequality. Having noted South Africa's low productivity growth and global competitiveness (ranked 62 out of 64 countries by the IMD in 2021), we commit to collaborating with the Department of Trade, Industry and Competition (**The dtic**) and the Department of Small Business Development (DSBD) and their entities (SEDA, SEFA, IDC, NEF, etc.). The focus in our interventions will be on implementing policies and strategies (including Sector Master Plans, Special Economic Zones, Industrial Parks and District Development Model) to support sectors with long-term prospects; and turnaround strategies and plans to support enterprises and industries hard hit by the cyclical downturn.

Further to this, we remain committed to providing productivity related Research and Statistics as well as world-class system of innovation, which are critical for the country and individual enterprises to anticipate and prepare continuously for the Future of Work (FoW) and to meet the needs of the future economy and society. We believe that, measuring and evaluating productivity and overall

competitiveness of the economy, and disseminating value-added information and statistics is critical for informing evidence-based planning, and the impact of programmes.

We believe that critical interventions (which have proven successful in the most competitive economies) to address the productivity gaps and capabilities of SMMEs and improving their competitiveness and sustainability which we focus on as a nation should include: (a) A mix of policies and programme interventions to create an environment conducive for entrepreneurship and sustainable enterprises, (b) encourage the application of decent and productive workplace practices, (c) address sector-specific challenges through value chain and cluster upgrading which is linked to training and skills development along the value chain. This includes building a Workforce of the Future by encouraging life-long learning; (d) promoting technology and ways of doing business that are environmentally friendly, which interventions should be targeted at and embraced by SMMEs. These should include measures to reduce energy, waste, and water usage by these enterprises; (e) An Integrated Enterprise Development and Support Ecosystem, which integrates government support for formal and informal SMMEs, start-ups and cooperatives. This also requires collaboration of multi-disciplinary partners to rebuild a sustainable economy and tackling inequality, unemployment, and poverty; and (f) Government should be a funder of first resort, including schemes and programme interventions in terms of s5(d) of the UIF amendment Act by the UIF (collective funding by DFAs/DFIs) for SMMEs, and that the funding should be linked to productivity outcomes. The DFAs/DFIs should make funds available (non-financial support) for funding Enterprise Development and Support Programmes for capacitation of the SMMEs funded. The SMMEs should be supported to be competitive and sustainable through a comprehensive suite of support programmes; and that Productivity SA should be enabled to access the loan book of the DFAs/DFIs to assist the funded SMMEs facing economic distress (with a potential to retrench workers) and unable to service their debt (with a potential to default on payments and be liquidated) with business turnaround and recovery strategies when facing economic distress.

These interventions will go a long way in addressing the challenge of a dual economy – which is characterised by the highest levels of informality and inequality rates in the world, which challenge is worsened by the COVID-19 crisis. Although there is a national consensus that SMMEs and mostly informal SMMEs (which represent over 65% of the 2.3 million SMMEs in the country) are providing a huge share of employment and economic growth and, large segments of the population depend on their activity and performance, they are mostly neglected and at risk. Due to this neglect, they face major challenges when it comes to productivity, informal operational processes, quality of work, and working conditions. Their low productivity growth leads to low-income generation, further informality, and poor growth performance. Informal SMMEs are also regularly facing new challenges in terms of cost, quality, delivery, flexibility and human resource development for their survival and growth. These enterprises are relatively stagnant, employing mostly unskilled/semi-skilled workers, struggling to transform their informal operations into established businesses. It is therefore, these enterprises that require our Enterprise Development and Support Programmes the most and urgently. These Programmes, particularly the Workplace Challenge (WPC) Programme, which improves the competitiveness and sustainability of enterprises will be scaled-up to aid South Africa to achieve a productive high-income economy which is globally competitive.

Furthermore, the interventions will enable us to meet our commitments and plans to unlock South Africa's productivity and potential for sustained competitiveness and economic growth as part of our contribution to implement the Economic Reconstruction and Recovery Plan. The priority focus areas linked to Productivity SA's mandate include Priority 2 - Industrialisation and Growing the productive economy: (2.1) Improve efficiencies of local producers; (2.2) Support local manufacturing as well as firms and households in distress; and (2.3) Strengthen SMMEs and Cooperatives on the back of localisation and support for badly affected labour intensive industries; and Priority 5 - Macro-

Economic Interventions and Enablers for Economic Growth: (5.1) End wastage including enhanced productivity, and measurement and evaluation of productivity and overall competitiveness of the economy; (5.2) An Integrated Enterprise Development and Support Ecosystem (government-wide programme in collaboration and partnership with social partners) to create a coherent platform to enhance access and coordination of government support for formal and informal SMMEs, start-ups and cooperatives; and (5.3) Support measures, including Schemes/TERS to transition enterprises and employees as well as the informal enterprises into the formal economy.

Productivity SA appreciates the allocation of over R23.4 million by the Department of Employment and Labour/UIF towards the Business Turnaround and Recovery (BT&R) Programme to support companies facing economic distress. These funds enabled us to rebuild the resources and capability which we lost when the Programme was suspended between 2017 and June 2020 due to lack of funding. As of December 2021, R25,3m was utilised to support companies facing economic distress and contemplating to retrench workers. During the 2021/22 financial year by quarter 3, over 82 companies facing economic distress were supported to design and implement turnaround strategies and plans to preserve jobs (this against an annual target of 191); in the process 7473 jobs were saved (against an annual target of 9550); and through the Programme, we have succeeded in establishing Workplace/Future Forums (which are workplace collaborative committees comprising of management and workers). 693 members of the Workplace/Future Forums were trained and capacitated on productivity improvement solutions (against an annual target of 573).

Despite the achievements articulated above, financial challenges persist, and the Minister was approached for single source funding through the Department and made undertakings in March 2021 to act urgently via the setting up of Task teams which sadly have explicably not been activated a year later. The Minister will be approached again to ensure financial sustainability of the programme. The Board does not wish to see a repeat of the 2017 situation where the programme was suspended due to lack of funds, which suspension will have dire consequences, in particular, as we are receiving a number of requests for participation in the programme. It is for this reason that the Board recommended to the Minister that, Productivity SA should be funded through a single source funding model in line with section 12 of the Employment Services Act, which we reiterate so we can ensure resilience and sustainability.

The reality we are facing due to the diminishing financial resources and budget allocations by government is that Productivity SA continues being underfunded, and these challenges are structural in nature as the funds appropriated by Parliament through the Budget Vote of the DEL barely cover the operational costs. The limited financial resources and infrastructure makes it even more difficult for Productivity SA to provide services and deliver on its mandate equitably in all the nine provinces and to meet the large demand for our Enterprise Development and Support Programmes. What compounds our funding challenges is that the grants from the Unemployment Insurance Fund (UIF) and Department of Trade, Industry and Competition (the dtic) are not guaranteed, particularly following the challenges the country has experienced and continue to have related to the COVID-19 pandemic and some of the protests that had engulfed the country in July 2021. While we understand that everyone must tighten their belts, we reiterate that some parts of the public service delivery such as ours (increasing productivity growth for long-term competitiveness and sustained inclusive growth) cannot be relegated to of lesser importance and should be prioritised for increased funding because we enable the economy to grow. When there are cuts, some cuts are deadly and cut the bone and veins rather than fat. We have explained this to the Minister and the Department, as well as the Portfolio Committee on Employment and Labour and hope that an increased and enhanced appreciation of our mandate will ensure that we have aligned thinking. However, despite these challenges, we have through the Competitiveness Improvement Services Programme continued creating an enabling environment to improve the competitiveness and sustainability of enterprises in

the productive sectors (targeting SMMEs and cooperatives both in the formal and informal economy). The 4–6-month short term kaizen interventions were central to our addressing the challenges faced by companies during Covid-19 and the unrest. During the period April to December 2021, over 290 enterprises were supported through various programme interventions to improve their competitiveness and sustainability; 746 entrepreneurs/workers/managers were trained and capacitated to promote a culture of productivity and accountability thereof; and 177 Productivity Champions were trained and capacitated to build awareness and promote a stronger culture of productivity in South Africa. The objective is to have at least one (1) Champion in each of the 44 Districts and 8 Metros in support of the District Development Model going forward.

Thanks to **the dtic** funding our operations, which funds enabled us to implement special projects which include the Workplace Challenge (WPC) Programme and the ITUKISE Internship Programme (whose phase 2 will be completed by September 2022). As of December 2021, over 77 enterprises joined the WPC Programme and 55 were supported through Kaizen interventions, 306 Productivity Champions were trained. 85% of the businesses supported through the WPC are Black owned, 46% are women owned, and 26% are Youth Owned. Implementation of the ITUKISE Internship Programme which commenced in 2019 is progressing beyond expectation. By April 2021, over 1200 interns were placed and currently there are 370 active interns in the programme and, more than 100 interns have been permanently employed. We believe that, if we scale up the WPC Programme and the ITUKISE Internship Programme, more will be achieved to assist in particular SMMEs and young people who desperately require these interventions.

In conclusion, I would like to take this opportunity to thank all those who continue to make efforts for us to have an enhanced involvement in the rebuilding of the economy of our country as well as the department's continued support. We feel that the understanding of Productivity SA's critical role as per its mandate is slowly being realised -unfortunately time is not on our side and need to expedite delivery. In his opening remarks at the Portfolio Committee on Employment and Labour meeting in February 2022, the Minister highlighted the strategic importance of Productivity SA in relation to its contribution to economic growth and employment creation. This is huge progress, but we humbly request that we find ways to convert rhetoric to action by our collectively acting on the promises we make to our people urgently. Promising to meet and find solutions and failing to have a single meeting a year later does not bode well for us as the designated and mandated employment creators, retainers and economic competitiveness enhancers. We continue to appreciate the fruitful comments and guidance provided, as well as the commitment made by the Portfolio Committee on Employment and Labour to support Productivity SA in promoting a productivity culture in the country, in particular reaching out to the most vulnerable (both in society and SMMEs in the townships and rural areas).

We are experiencing huge growth on social media via our very active awareness programmes, presence and responsiveness, which concomitantly feeds and grows the growth in appreciation of our extremely important role for the creation of decent work, dignity and sustainable enterprises. This is how resilient and sustainable economies are built - we owe it to our people. We must be about impact for the realisation of social justice. We invite you to follow us on the various social media platforms @productivitysa on twitter as well as follow me on @Tzoro1 without hesitating to offer suggestions and feedback that can assist us in leading a productivity driven agenda for long-term competitiveness and sustained inclusive growth for South Africa. We are also building a strong er and stronger presence on LinkedIn. **Let's do this together!!**



**PROF MTHUNZI P. MDWABA**  
**CHAIRMAN OF THE BOARD**


## OFFICIAL SIGN OFF


It is hereby certified that this Annual Performance Plan:

- Was developed by the management of Productivity SA under the guidance of the Board of Productivity SA.
- Takes into account all relevant policies, legislation and other mandates for which Productivity SA is responsible.
- Accurately reflects the outcomes and outputs which Productivity SA will endeavor to achieve over the period 2022/2023.

MsCarolyn Anooplal: Signature:   
Acting Head Programme 1: Administration- Human Resource Management

Dr Nandi Dabula: Signature:   
Executive Manager Programme 1: Administration - Corporate Relations

Ms Amelia Naidoo: Signature:   
Acting Executive Manager Programme 2: Competitiveness Improvement Services

Mr Justice Tshifularo: Signature:   
Executive Manager Programme 3: Business Turnaround and Recovery

Dr Leroi Raputsoane Signature:   
Acting Executive Manager Programme 4: Research, Innovation and Statistics

Ms Mokgadi Mahlakgane: Signature:   
Manager responsible for Planning: Office of the CEO



## OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of Productivity SA under the guidance of the Board of Productivity SA.
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Dr. S Sabela: Signature: \_\_\_\_\_  
Chief Financial Officer



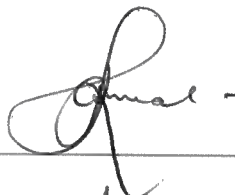
Mr. M Mothiba: Signature: \_\_\_\_\_  
Chief Executive Officer



Prof M Mdwaba: Signature: \_\_\_\_\_  
Chairman of the Board



Mr. T Lamati: Signature: \_\_\_\_\_  
Director General



Ms. BE Moloi: Signature: \_\_\_\_\_  
Deputy Minister



Approved by:

Mr. TW Nxesi, MP Signature: \_\_\_\_\_  
Executive Authority



## PART A: OUR MANDATE

### 1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

Productivity SA is aligned to the following legislations and national policy mandates:

<p><b>1) The Employment Services Act, No. 4 of 2014</b></p>	<p>Productivity South Africa is established in terms of section 31 of the Employment Services Act, No. 4 of 2014 as a juristic person, with the <u>mandate to promote employment growth and productivity, thereby contributing to South Africa's socio-economic development and competitiveness.</u></p>
<p><b>2) The Public Finance Management Act (PFMA), Act No.1 of 1999, as amended</b></p>	<p>The objective of this Act is to regulate financial management in the National Government and Provincial Governments; to ensure that all revenue, expenditure, assets and liabilities of those governments are managed efficiently and effectively; and to provide for the responsibilities of persons entrusted with financial management in those governments and to provide for matters connected therewith. The Board as an Accounting Authority must manage Productivity SA in accordance with section s49 – s62 of the PFMA</p>
<p><b>3) The Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000), as amended</b></p>	<p>In this Act, unless the context indicates otherwise-"acceptable tender" means any tender which, in all respects, complies with the specifications and conditions of tender as set out in the tender document.</p>
<p><b>4) The Broad-Based Black Economic Empowerment Act, 2003 and the Codes of Good Practice</b></p>	<p>This Act establishes a legislative framework for the promotion of Broad-Based Black Economic Empowerment (B-BBEE). It furthermore empowers the Minister to issue codes of good Practice, to publish transformation charters, to establish the Black Economic Empowerment Advisory Council and to provide for matters connected therewith.</p>
<p><b>5) The Unemployment Insurance Act, 30 of 2001, as amended (UIA)</b></p>	<p>The UIA provides for financing of Employment Services (in terms of s12), with section 5 (d) relating to financing of the retention of contributors in employment and the re-entry of contributors into the labour market and any other scheme aimed at vulnerable workers. Financing the Business Turnaround and Recovery Programme will ensure the provision of Turnaround strategies and plans to restructure and improve the productivity and operational efficiency of companies facing economic distress to save jobs or minimise the retrenchment of employees</p>
<p><b>6) Re-Imagining the Industrial Strategy and District Development Model</b></p>	<p>(i) An integrated and aligned Eco-System (including Sector Master Plans, SEZs and Industrial Parks) to address sector-specific challenges through value chain and cluster upgrading which is linked to training and skills development along the value chain.</p> <p>(ii) Build the economic and business linkages (Vertical and Horizontal Integration) between the manufacturing sector and other production and services sectors of the economy.</p> <p>(iii) Targeted Enterprise Development and Support Programmes to improve the productivity of the priority sectors in support of the</p>

	District Development Model (DDM), targeting the 44 Districts and 8 metros.
7) Contribution to the NDP	<p><b>Chapter 3:</b> Target programmes that contribute to sustainable and inclusive growth and development</p> <p><b>Chapter 9:</b> Improving productivity and develop world-class system of innovation</p> <p><b>Chapter 13:</b> Implement programmes that improves efficiency and effectiveness of government</p>
8) Contribution to the MTSF 2019-2024	<p><b>Government Priority 1:</b> A capable, Ethical and Developmental State</p> <p><b>Government Priority 2:</b> Economic Transformation and Job Creation</p>
9) Contribution to the ERRP	<p><b>Priority 1: Industrialisation and Growing the productive economy:</b> (1.1) Improve efficiencies of local producers; (1.2) Support local manufacturing as well as firms and households in distress; and (1.3) Strengthen SMMEs and Cooperatives on the back of localisation and support for badly affected labour intensive industries.</p> <p><b>Priority 2: Macro-Economic Interventions and Enablers for Economic Growth.</b> (2.1) End wastage including enhanced productivity, and measurement and evaluation of productivity and overall competitiveness of the economy; (2.2) An Integrated Enterprise Development and Support Ecosystem (integrate government support) for formal and informal SMMEs, start-ups and cooperatives; and (2.3) Support measures, including Schemes/TERS to transition enterprises and employees as well as the informal into the formal economy.</p>
10) Contribution to the SDGs, Africa Agenda 2063, ILO Centenary Declaration for the FoW, ILO Decent Work Agenda, ILO Decent Work and Productivity, 2021, and Recommendation 204, etc. SADC Declaration on Productivity	<p><b>SDG 8: Decent work and economic growth</b> - Promote development-oriented policies and programmes that support productive activities to achieve full and productive employment and decent work. This should incl. measures to achieve higher levels of productivity growth and long-term competitiveness, including through a focus on high value added and labour-intensive sectors.</p> <p><b>ILO Centenary Declaration for the Future of Work, 2019:</b> Create an enabling environment for entrepreneurship and sustainable enterprises that creates productive employment and decent work.</p> <p><b>ILO Decent Work Agenda for sustainable economic growth</b> to increase productivity growth, reduce the unemployment rate, and improve access to financial services and benefits</p> <p><b>SADC Declaration on Productivity</b> -</p>

## 2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

With the change in the business environment of Productivity SA and its mandate expanded in the Employment Services Act of 2014 to include promoting employment growth and supporting initiatives aimed at preventing job losses, and additional responsibilities conferred to the Entity as per the Presidential Jobs Summit Framework Agreement, 2018, the Entity's Business Model and strategic direction had to be reviewed. This entails adopting frameworks which will improve economic performance, labour market efficiency and management practices to promote full and productive employment and decent work for all. Our Enterprise Development and Support Programmes should into the future be underpinned by the provisions of Article 23 of the Universal Declaration of Human Rights on the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

The Business Model is being implemented in a challenging environment where the world of work is undergoing transformative change driven by technological innovations, demographic shifts, environmental and climate change, and globalisation, as well as persistent inequalities, which have profound impact on the nature and Future of Work (FoW), and on the place and dignity of people in it. The outbreak of the COVID-19 pandemic and the subsequent lockdowns continue to impact on Productivity SA's business model and operating environment. Therefore, Productivity SA should be resourced and capable to be future ready and remain relevant and sustainable. The Entity should have the intellectual and technical capacity and to tap relevant sources of knowledge to meet the expectation of the changing nature and future of work.

## 3. RELEVANT COURT RULINGS

There are no relevant court rulings.

# PART B: OUR STRATEGIC FOCUS

## 1. UPDATED SITUATIONAL ANALYSIS

The Medium-Term Strategic Framework (MTSF) 2019 -2024 has identified seven key priorities that will be the focus of government for the sixth administration. However, Productivity SA will focus on and contribute mainly to the following MTSF Priorities:

- **Priority 1:** A Capable, Ethical and Developmental State
- **Priority 2:** Economic Transformation and Job Creation

Further to the above, with the adoption of the Economic Reconstruction and Recovery Plan in 2020, Productivity SA's focus will be on supporting implementation of the following Priorities, which are specific to our mandate:

**Priority 2 - Industrialisation and Growing the productive economy:** (2.1) Improve efficiencies of local producers; (2.2) Support local manufacturing as well as firms and households in distress; and (2.3) Strengthen SMMEs and Cooperatives on the back of localisation and support for badly affected labour intensive industries; and

**Priority 5- Macro-Economic Interventions and Enablers for Economic Growth:** (5.1) End wastage including enhanced productivity, and measurement and evaluation of productivity and overall

competitiveness of the economy; (5.2) An Integrated Enterprise Development and Support Ecosystem (government-wide programme in collaboration and partnership with social partners) to create a coherent platform to enhance access and coordination of government support for formal and informal SMMEs, start-ups and cooperatives; and (5.3) Support measures, including Schemes/TERS to transition enterprises and employees as well as the informal enterprises into the formal economy.

During the 2022/23 financial year and towards 2030, Productivity SA will together with social partners prioritise productivity growth programmes and interventions to improve long-term competitiveness and sustained inclusive growth to raise employment, reduce poverty (including in employment) and inequality. Having noted South Africa's low productivity growth and global competitiveness (ranked 62 out of 64 countries by the IMD in 2021), we commit to collaborating with the Department of Trade, Industry and Competition (**the dtic**) and the Department of Small Business Development (DSBD) and their entities (SEDA, SEFA, IDC, NEF, etc.). The focus our interventions will be on implementing policies and strategies (including Sector Master Plans, Special Economic Zones, Industrial Parks and District Development Model) to support sectors with long-term prospects; and turnaround strategies and plans to support enterprises and industries hard hit by the cyclical downturn.

The focus our interventions will be on implementing policies and strategies including the Re-imagining Industrial Strategy to improve the productivity of the priority sectors through the Sector Master Plans, Special Economic Zones, Industrial Parks and, in support of the District Development Model (DDM), targeting the 44 Districts and 8 metros; and turnaround strategies and plans to support enterprises and industries hard hit by the cyclical downturn and COVID-19 pandemic.

Further to this, we remain committed to proving productivity related Research and Statistics as well as world-class system of innovation, which are critical for the country and individual enterprises to anticipate and prepare continuously for the Future of Work (FoW) and to meet the needs of the future economy and society. We believe that, measuring and evaluating productivity and overall competitiveness of the economy, and disseminating value-added information and statistics is critical for informing evidence-based planning, and the impact of programmes.

Over the next eight years (2020 – 2030), our commitment to leading a productivity driven agenda holistically across sectors and all levels (macro, sector/industry and micro) will be reinforced. This, with the conviction that productivity is a crucial determinant and driver of long-term competitiveness and economic growth, and a vehicle towards prosperity and higher standards of living. Our resolve to promote a culture of productivity and accountability thereof remains, and we call upon government and social partners to join us on this journey. With this collaboration we can collectively address the productivity and capability gaps of SMMEs, which is more critical than ever before for our underperforming economy. To this end, we are committed to contributing to the development of a comprehensive policy mix, and strategies and programme interventions to contribute to the competitiveness and sustainability of the SMMEs, particularly those operating in the informal economy.

South Africa's SMMEs are facing a contracting economy and additional shocks from COVID-19 are putting further pressure on their operations. The Lockdown measures have caused revenues in many SMMEs to fall and the majority report that they are cutting back on business spending and scaling down operations to survive. Because of the SMMEs' critical role in job creation and growth, creating a conducive environment for their competitiveness and sustainability during and beyond this period of economic turbulence is important for economic recovery.

It is no coincidence that, we are recommending that funds be re-allocated and channeled towards a government-wide Integrated Enterprise Development and Support Programme targeting SMMEs. This

is on the backdrop of our further recommendation that, Government should be a funder of first resort for enterprises (funding by SEFA, IDC and other DFAs), and that funding should be linked to productivity outcomes. This will release funds, including those from the Development Funding Agencies to support SMMEs. The country should utilise the capability of Productivity SA as a labour market institution, to harness with urgency and diligence the productivity capability of South Africa to improve our competitiveness and sustainable growth to address the most persistent structural economic inequities that have existed for too long in post-Apartheid South Africa.

As we continue planning for the MTSF 201– 2024 and towards 2030, we have an opportunity as a country to track the competitiveness and performance of our country in the Global Competitiveness Index and, together with social partners, identify the main challenges and barriers to growth facing our economy. This will afford us an opportunity to identify areas of improvement and areas where our economy is lagging. Furthermore, this will afford us an opportunity for benchmarking and identifying priorities, thereby allowing for the design and implementation of more forward-looking policies that balance market, state, and community to make economies more competitive, productive and prosperous.

Alongside the policy and strategic interventions to improve performance of the core productive sectors of our economy and other programmes, training and educating the workforce of the future, it is also critical that Productivity SA is developed to become a world-class centre in the national system of productivity and innovation, including establishing better links between industry and higher education.

## 2. EXTERNAL ENVIRONMENT ANALYSIS

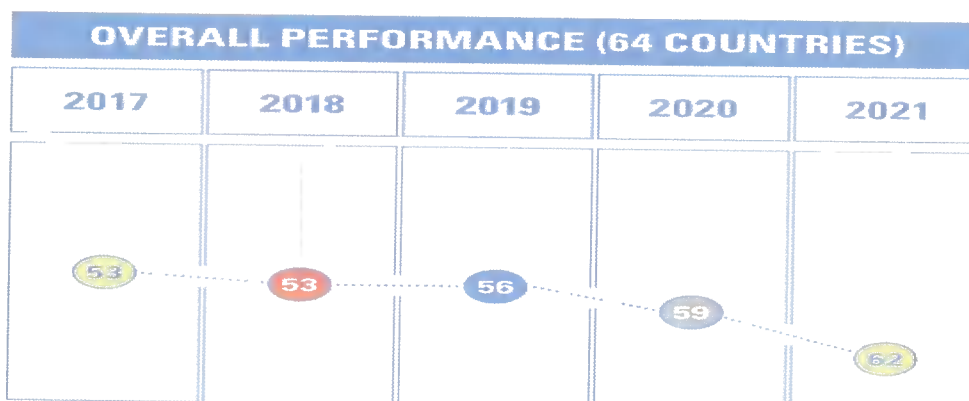
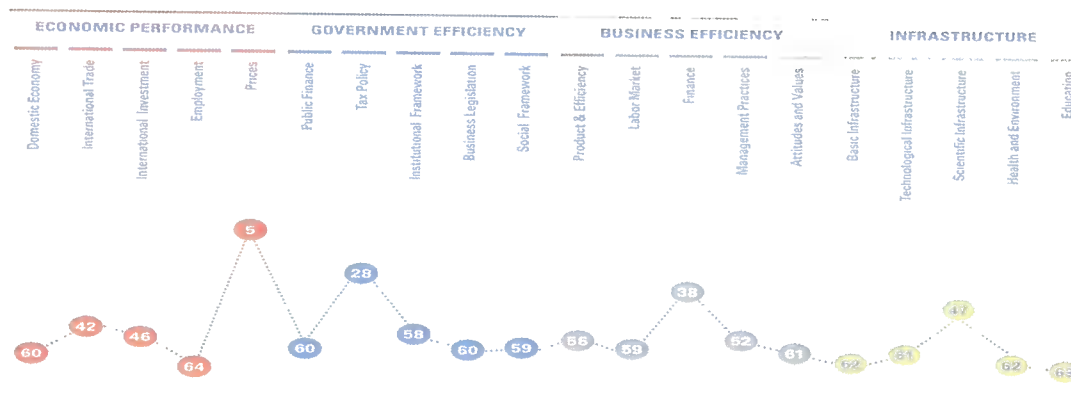
The COVID-19 pandemic has had the effect of worsening the triple challenges of unemployment, poverty and inequality facing South Africa. The pandemic has resulted in widespread job losses and collapse in production. According to the Stats SA Quarterly Labour Force Survey (QLFS), Quarter 3: 2021, the unemployment rate rose to 34,9%, reaching the highest jobless rate on record since 2008, as the number of unemployed people increased to an all-time high of 7,6 million. The unemployment rate according to the expanded definition of unemployment increased by 2,2 percentage points to 46,6% in quarter 3 2021 compared to quarter 2 2021. The results show that the number of employed persons decreased by 660 000 to 14,3 million in the third quarter of 2021, and the number of unemployed persons also decreased by 183 000 to 7,6 million compared to the second quarter of 2021, resulting in a decrease of 842 000 (-3,7%) in the number of people in the labour force. Formal sector employment decreased by 571 000 (-5,6%); Informal sector employment increased by 9 000 (0,3%); Private households decreased by 65 000 (-5,4%), and employment in Agriculture decreased by 32 000 (-3,8%). Employment decreased in all industries, except Finance where employment increased by 138 000 (6,1%). The industries which lost the most jobs were Trade sector (-309 000), Community and social services (-210 000) and Construction (-65 000). Compared to quarter 4 2019, employment overall contracted by 2,8%.

There was a slow increase in economic activity during Q3: 2021, with the majority of the businesses reporting that they are still trying to recover, and some recognise that they would not fully recover from the impact of the pandemic. According to the QLFS, Q3:2021 employment losses were observed across all industries except for Finance. It is reported that, of the 14,3 million persons who were employed in Q3: 2021, four out of every five persons (85,2%) were expected to work during the national lockdown by the companies/organisations they work for.

Total number of liquidations increased by 46.2% in the second quarter of 2021 compared with the second quarter of 2020, and an increase of 30.7% was recorded in the first six months of 2021 compared with the first six months of 2020 (Stats SA, 2021). The finance, insurance, real estate and business services sector was the hardest hit, accounting for 32% of all liquidations to date (Stats SA, 2021).

According to the recently released Productivity Stats Report, October 2021, South Africa recorded a significant decline in Labour productivity and Multifactor productivity, while Capital productivity accelerated sharply in the same period. This marked fall in creativity amid the COVID-19 pandemic and the associated lockdowns which heralded unprecedented disruption of work and goods and services supply chains.

The competitiveness ranking declined from 59 in 2020 to 62 in 2021 out of 64 countries – regression in all the four broad factors (Economic Performance, Government Efficiency, Business Efficiency, and Infrastructure) in competitiveness (IMD WCY, 2021) as illustrated on the diagram below.



### CHALLENGES IN 2021

- Deteriorating headline and youth unemployment.
- Rising public debt levels amid a shrinking fiscal space.
- Lack of decisive plans to revive the struggling economy.
- Ongoing electricity supply problems and rolling blackouts.
- Slow vaccination rates to fast track the post COVID-19 recovery.

On the one hand, we have an economy comparable to that of industrialised nations, with over 700 000 sophisticated SMMEs (out of over 2.3 million in the economy) supported by world-class infrastructure and a sophisticated financial system. This economy is highly productive with a sizeable (and growing) middle class, and is reasonably well diversified, with a range of key strategic sectors

which are horizontally and vertically integrated among themselves. It has features of a more educated and highly skilled workforce, with a huge concentration of wealth and predominantly white owned.

On another hand, we have an informal economy characterised by an almost over 1,5 million informal SMMEs in the country, operating mainly in the rural Provinces and about 34% Black-owned. The informal SMMEs are relatively stagnant, employ mostly unskilled/semi-skilled workers, and struggle to transform their informal operations into established businesses, thus limiting their potential to create jobs and make a meaningful economic contribution.

One other disturbing factor is that twenty seven years into our democracy, South Africa still has a dual economy characterised by highest levels of informality and inequality rates in the world, and this is worsened by the COVID-19 crisis. They face numerous legislative compliance challenges and economic constraints for their survival and growth, and new challenges in terms of cost, quality, delivery, flexibility, human resource development, barriers to transactions and markets, raising capital and trading. For millions of workers, informality means a lack of social protection, rights at work and decent working conditions, as well as significant uncertainty about their income and livelihood. These enterprises shall never be competitive and sustainable without a deliberate intervention through Enterprise Development and Support Programmes.

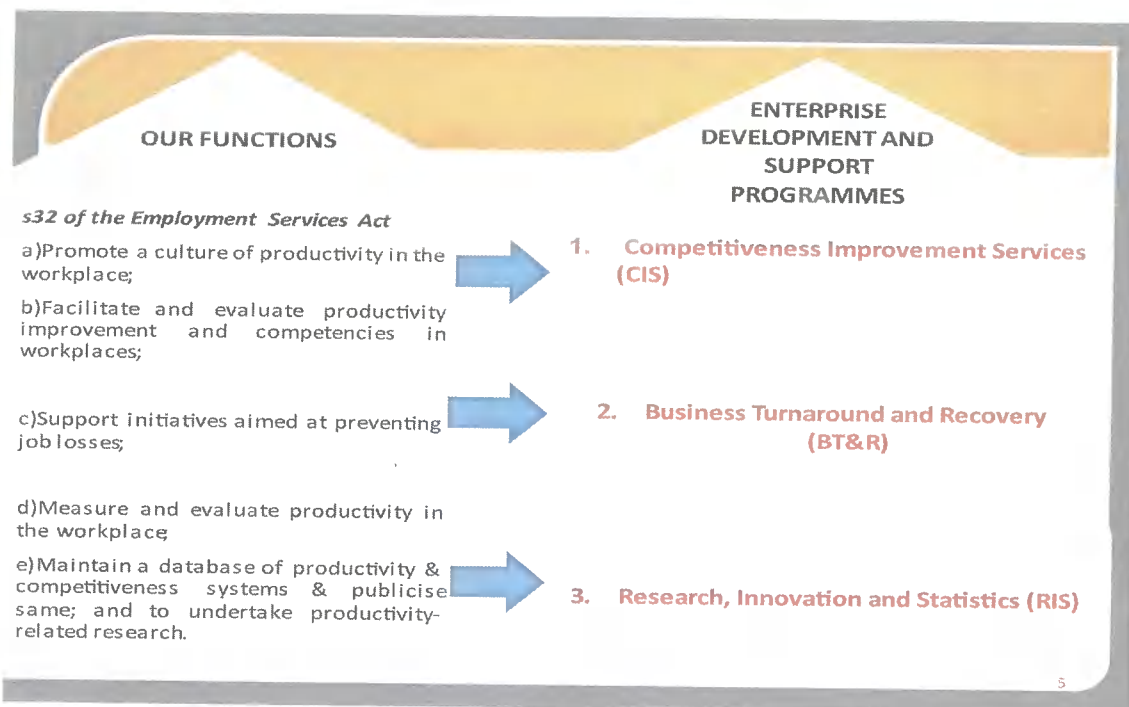
**IMPACT STATEMENT: To promote full and productive employment and decent work for all.**

During the MTSF 2019 – 2024 we will accelerate our enterprise competitiveness enhancement and job retentions programmes and interventions with a focus on improving the productivity and competitiveness of SMMEs in the economic sectors that have the greatest potential to grow and create jobs, with a bias towards township and rural economies. Our Enterprise Support Programmes will support implementation of the NDP and the Reimagined Industrial Strategy to promote long term industrialisation and transformation of the economy and to ensure that South Africa achieve a high-income economy. Despite the challenges brought by COVID-19 we have through the Competitiveness Improvement Services Programme continued creating an enabling environment to improve the competitiveness and sustainability of enterprises in the productive sectors (targeting SMMEs and cooperatives both in the formal and informal economy).

### 3. INTERNAL ENVIRONMENT ANALYSIS

Productivity SA is a schedule 3A Public Entity of the Department of Employment and Labour established in terms of section 31 of the Employment Services Act, No. 4 of 2014. The Entity carries the responsibility to fulfil an economic or social **mandate** of government, which is to promote employment growth and productivity thereby contributing to South Africa's socio-economic development and competitiveness.





The reconfiguration of the Department of Labour to include **employment** as part of its mandate (Dept. of Employment and Labour) puts Productivity SA in a strategic position to lead a productivity and competitiveness driven inclusive and sustainable growth and development agenda for the country. The Employment Services Act, particularly section 2 (1) read together with sections 7, 31 and 32 presents a holistic approach towards unlocking the potential of productivity of the country by addressing productivity and competitiveness challenges at all levels – national, sector and enterprise levels.

The promulgation of the Employment Services Act, together with the promulgation of the UI Amendment Act, No. 10 of 2016, specifically section 5 (d) which provides for the financing of the retention of contributors in employment and the re-entry of contributors into the labour market and any other scheme aimed at vulnerable workers gives credence to section 7 of the Act which provides for the creation of employment schemes such as the Temporary Employer / Employee Scheme (TERS), Turnaround Strategies (TAS), Training of the Unemployed (TOU) and Enterprise Development (ED) with a focus on SMMEs. These developments were enhanced by the adoption of the Presidential Jobs Summit Framework Agreement in 2018 (with a focus on: (i) protecting jobs, (ii) informal sector support, and (iii) inclusive growth interventions).

The allocation of funds in June 2020 for implementation of turnaround strategies by the Department went a long way to enabling Productivity SA to deliver on its mandate as outlined in section 32 of the Employment Services Act, and objectives of the Presidential Jobs Summit Framework Agreement to save jobs and create conditions conducive for job retention and creation. These funds enabled us to rebuild the resources and capability which we lost when the Programme was suspended between 2017 and June 2020 due to lack of funding. As of December 2021, R25,3m was utilised to support companies facing economic distress and contemplating to retrench workers. These interventions seek to inspire enterprises to be more vigilant about issues relating to job retention to mitigate on-time performance/productivity decline that increases the likelihood of job losses. The programme is intended to provide non-financial assistance to different organizations and companies to increase productivity, profitability and service as well as save and retain jobs.

Our Enterprise Development and Support Programmes particularly the Workplace Challenge (WPC) Programme, which improves the competitiveness and sustainability of enterprises will be scaled-up to aid South Africa to achieve a productive high-income economy which is globally competitive. Furthermore, our Enterprise Development and Support Programmes will enable us to meet our commitments and plans to unlock South Africa's productivity and potential for sustained competitiveness and economic growth as part of our contribution to implement the Economic Reconstruction and Recovery Plan. The priority focus areas linked to Productivity SA's mandate include: Priority 2 - Industrialisation and Growing the productive economy: (2.1) Improve efficiencies of local producers; (2.2) Support local manufacturing as well as firms and households in distress; and (2.3) Strengthen SMMEs and Cooperatives on the back of localisation and support for badly affected labour intensive industries; and Priority 5- Macro-Economic Interventions and Enablers for Economic Growth: (5.1) End wastage including enhanced productivity, and measurement and evaluation of productivity and overall competitiveness of the economy; (5.2) An Integrated Enterprise Development and Support Ecosystem (government-wide programme in collaboration and partnership with social partners) to create a coherent platform to enhance access and coordination of government support for formal and informal SMMEs, start-ups and cooperatives; and (5.3) Support measures, including Schemes/TERS to transition enterprises and employees as well as the informal enterprises into the formal economy.



The 'Productivity SA Way of Doing Business' is a framework which has been created to offer integrative solutions. The framework answers the question: 'How do we go about when we provide productivity and competitiveness improvement solutions to enhance the productive capacity and operational efficiency of enterprises throughout the lifecycle of such enterprises'. The standardised approach describes the way in which our Practitioners work within the productivity and operational efficiency environment, in order to carry out tasks. Best practice is the description of the best way of working based on the situation in hand.

As a national public entity, Productivity SA services the entire country, however, its footprint is only limited to three (3) Provinces, which are reorganised into Regional Offices: Region 1- Midrand which is the head office and also servicing Gauteng, North West and Limpopo; Regions 3 - Durban servicing Kwa-Zulu Natal, the Eastern Cape and Mpumalanga; and Region 2 - Cape Town servicing the Western Cape, Northern Cape and Free State. The Entity is Governed by a Tripartite Board appointed in terms of section 33 of the Act, consisting of 7 Members - Chairperson and six members (4 drawn from NEDLAC - 2 representing Organised Labour and 2 Organised Business, and 2 members representing the Government).

The funding challenges faced by Productivity SA are structural in nature and the funds appropriated by Parliament through the budget vote of the Department barely cover the operational costs. What compounds this challenge is that the grants from the UIF and **the dtic** are not guaranteed. The limited financial resources and infrastructure makes it difficult for us to provide services and deliver on our mandate equitably in all the provinces and to meet the large demand for our Enterprise Support Programmes. These challenges are further compounded by the increasing demand for our services (Enterprise Competitiveness and Sustainability and Job Preservation) which we are not able to meet due to funding challenges. We further lack the resources and capability to provide productivity and competitiveness related value-added information and statistics, best practices and systems through research activities and databases. Therefore, there is urgency for increased capacity and footprint to adequately respond to the increased demand for our services and to equitably service the entire country. Ideally, Productivity SA should be funded through a single source funding model in line with section 12 of the Employment Services Act.

## SWOT Analysis

S	<ul style="list-style-type: none"> <li>Improved Accounting System/ SAP Business One</li> <li>Improved IT Infrastructure</li> <li>Experienced staff with good institutional memory</li> <li>Unqualified Audit reports</li> <li>Relevant- BT &amp;R- ability to respond to current issues- prevention of retrenchments and job losses</li> </ul>
W	<ul style="list-style-type: none"> <li>Antiquated systems which is time consuming</li> <li>Inadequate digitisation/E-Commerce capabilities</li> <li>Inadequate resources (financial and human)</li> <li>Lack of CRM tool- data analytics will help us understand customers better and deliver based on their behaviour and communicate with them effectively.</li> <li>Productivity SA brand awareness still low</li> </ul>
O	<ul style="list-style-type: none"> <li>Increased utilisation of technology based services (e.g. e-Learning) to increase HR service delivery</li> <li>Leverage on the strategic partnerships from different sectors e.g. business chambers</li> <li>Focus on savings and efficiencies using technology.</li> <li>Strengthening/Embedding the use of SAP Business One</li> <li>Integration of Finance and HR systems</li> <li>Revenue generation ability through BT&amp;R Financial Assessments</li> </ul>
T	<ul style="list-style-type: none"> <li>Reliance on BT&amp;R for sustainability</li> <li>Lack of dedicated procurement department/contract management</li> <li>Reputational risk for non-compliance with POPI Act</li> <li>Due to lack of training budget, staff not in touch with the rapidly changing market environment- no upskilling of staff</li> <li>Poor performance under the hybrid work environment (Organisational &amp; Employee performance)</li> </ul>

## Staff Establishment as at February 2022

SUB-PROGRAMMES	APPROVED ESTABLISHMENT	POSTS FILLED (PERM)	POSTS FILLED (FIXED-TERM)	NUMBER OF VACANCIES	VACANCY RATE
Office of the CEO	4	4	0	0	0%
Office of the CFO	17	16	0	1	6%
Human Resources Management	5	3	1	1	20%
Corporate Relations	8	6	0	2	25%
Competitiveness Improvement Services Head Office	4	2	1	1	25%
Business Turnaround & Recovery Head Office	7	4	3	0	0%
Research, Innovation & Statistics	11	8	0	3	27%
Region 1	20	12	5	3	15%
Region 2	15	8	6	1	7%
Region 3	16	10	5	1	6%
<b>TOTAL:</b>	<b>107</b>	<b>73</b>	<b>21</b>	<b>13</b>	<b>12%</b>

## PART C: MEASURING OUR PERFORMANCE

### 1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

Productivity SA will align itself with the mandate of the Department of Employment and Labour by contributing mainly to the following Medium-Term Strategic Framework (MTSF) Priorities:

#### MTSF 2019 -2024: PRIORITY 2: ECONOMIC TRANSFORMATION AND JOB CREATION

DEL INTERVENTION	PRODUCTIVITY SA CONTRIBUTION TO THE MTSF PRIORITIES	KEY PERFORMANCE INDICATORS PLANNED TO ACHIEVE MTSF	5-YEAR TARGETS
Support the creation of jobs through Job Summit Commitments and the Economic Reconstruction and Recovery Plan, in particular the Mass Employment Stimulus	Jobs created (and retained) per year through Job Summit initiatives.	Number of jobs saved in companies facing economic distress	28900
		Number of companies facing economic distress supported through Turn-around Strategies to retain jobs (nurturing)	578
		Number of workplace /Future forums members trained and capacitated on productivity improvement solutions	1734
		Number of SMMEs and other enterprises supported through Competitiveness Improvement Services	8108
		Number of entrepreneurs, workers and managers capacitated to promote the culture of productivity	7878
		Number of Productivity Champions capacitated to build awareness and promote a stronger culture of productivity	1615
	Advocacy and public awareness to promote a culture of productivity and competitiveness	Number of productivity awards and regional milestone workshops hosted	50

### 1.1 The Strategic Objectives of Productivity SA

To deliver on its mandate Productivity SA revised its strategic objectives in line the Employment Services Act, No. 4 of 2014 and developed the following programmes and strategic objectives:

GOVERNMENT PRIORITY	STRATEGIC OBJECTIVES	PROGRAMMES
Priority 1: A Capable, Ethical and Developmental State	<b>Strategic objective 1</b> - Strengthen the institutional capacity of Productivity SA to deliver on its mandate and be financially sustainable	<b>Programme 1:</b> Administration / Corporate Services
Priority 2: Economic Transformation and Job Creation	<b>Strategic objective 2 – Enterprise Competitiveness and Sustainability:</b> To improve productivity for sustained inclusive economic growth and competitiveness.	<b>Programme 2:</b> Competitiveness Improvement Services
	<b>Strategic objective 3 – Jobs preservation:</b> To support enterprises facing economic distress and initiatives aimed at preventing job losses	<b>Programme 3:</b> Business Turnaround and Recovery
	<b>Strategic objective 4 – Evidence-based planning, monitoring and evaluation:</b> Generation and dissemination of productivity related research and statistics	<b>Programme 4:</b> Research, Innovation and Statistics
	<b>Strategic objective 5 – Productivity Culture and Accountability:</b> To promote a culture of productivity and competitiveness in the workplace and community life	<b>Programme 1 &amp; 2</b>

### 1.2 The Programmes of Productivity SA

- Programme 1:** Administration/Corporate Services: (Office of CEO, Office of CFO, Human Resources Management, Corporate Relations)  
Purpose of the programme – Strengthen the institutional capacity of Productivity SA to deliver on its mandate and be financially sustainable.  
**Sub-Programme and purpose:** The programme consist of the following sub-programmes:
  - Office of the CEO** provides strategic leadership to ensure that the mandate is achieved.
  - Office of the CFO** renders effective and efficient financial management, IT, and facilities administrative support for the Entity.
  - Human Resource Management:** Render effective and efficient human resources management related services to the entity.
  - Corporate Relations:** drive the productivity movement by promoting a culture of productivity in the workplace and in society in general.

- **Programme 2: Competitiveness Improvement Services**

Purpose of the Programme – (i) The programme focusses on **enterprise competitiveness and sustainability**, including **enhancing** the appropriate **capacities of SMMEs** and Co-operatives to adopt world-class productivity enhancement best practices, focusing on products, processes and people; (ii) **contributing to the creation of decent work** by improving the competitiveness and sustainability of enterprises. (iii) Furthermore, CIS supports South Africa's strategic objectives in scaling up efforts to **promote long term industrialisation and transformation** of the economy and to achieve a productive high-income economy which is globally competitive; (iv) The SMMEs and Co-operatives, particularly in the productive sectors with strong growth and **employment multipliers** within the **priority sectors** are targeted; (v) prioritises the participation of **historically disadvantaged people** and regions in the economy and thereby support meaningful BBBEE using instruments such as **Special Economic Zones (SEZs), Industrial Parks and Black Industrialists interventions**.

- **Programme 3: Business Turnaround and Recovery**

Purpose of the Programme: The programme focusses on supporting initiatives aimed at preventing job losses as well as providing for turn-around strategies to companies facing economic distress (financial or operational difficulties) which may result in an employer contemplating the dismissal of employees based on its operational requirements. The outcome of these interventions is to lessen the social and economic impact on individuals, companies, regions and the national economy.

- **Programme 4: Research, Innovation and Statistics**

Purpose of the Programme: The programme aims to measure and evaluate productivity in the workplace and overall competitiveness of the economy; develop and maintain databases and best practice productivity and competitiveness system, and Business Model Innovation including Products and Services Innovation to improve quality and access to services; and undertake Productivity related Research and Statistics and publicise same.

## 2. OUTCOMES, OUTPUTS, PERFORMANCE INDICATORS AND TARGETS

OUTCOME	OUTPUT	OUTPUT INDICATORS	ANNUAL TARGETS						
			AUDITED PERFORMANCE			ESTIMATED PERFORMANCE	MTEF PERIOD		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Measures taken to eliminate wasteful and fruitless expenditure	Monitor compliance to 30 day payment requirement	1) <b>Monitoring report</b> with corrective measures applicable per annum where	100%	100%	100%	100%	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable
			New indicator	New indicator	10%	10%	100% elimination of wasteful and fruitless expenditure incrementally from baseline of R518,000.00	100% elimination of wasteful and fruitless expenditure incrementally from baseline of R518,000.00	100% elimination of wasteful and fruitless expenditure incrementally from baseline of R518,000.00
			49%	80%	100%	100%	100%	100%	100%
	Elimination of Fruitless and Wasteful expenditure detected per financial year, reported to the Accounting Officer	2) <b>Percentage elimination</b> of Fruitless and Wasteful expenditure per annum							
	Commencement of planned training interventions to capacitate the workforce	3) <b>Percentage</b> of planned training interventions commenced per annum							



OUTCOME	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS							
			AUDITED PERFORMANCE			ESTIMATED PERFORMANCE		MTEF PERIOD		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
<b>Enterprise Competitiveness and Sustainability:</b> To improve productivity for sustained inclusive economic growth and competitiveness. Promote full and productive employment and decent work.	SMME and other enterprises supported through Productivity interventions to improve their competitiveness and sustainability	<b>4) Number of</b> SMMEs and other enterprises supported through Competitiveness Improvement Services by 31 <sup>st</sup> March each year	5588	3686	1440	1252	1252	1252		
			217	new indicator	927	2000	2200	2400	2600	
	Promote the productivity and competitiveness mind-set and culture in the workplace	<b>5) Number of</b> entrepreneurs, workers and managers capacitated to promote the culture of productivity by 31 <sup>st</sup> March each year	217	345	429	323	323	323	323	
			10	10	10	10	10	10	10	
			<b>6) Number of</b> Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa by 31 <sup>st</sup> March each year	217	345	429	323	323	323	323
				10	10	10	10	10	10	10
				10	10	10	10	10	10	10
		<b>7) Number of</b> productivity awards and regional milestone workshops hosted by 31 <sup>st</sup> March each year	10	10	10	10	10	10	10	

OUTCOME	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS						
			AUDITED PERFORMANCE			ESTIMATED PERFORMANCE	MTEF PERIOD		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Business Turnaround and Recovery processes	Support enterprises facing economic distress and initiatives aimed at preventing job losses	8) Number of jobs saved in companies facing economic distress every year	0	0	3030	9550	3350	3550	3750
		9) Number of companies facing economic distress supported through Turn-around Strategies to retain jobs (nurturing) per annum	0	0	25	191	67	71	75
		10) Number of workplace /Future forums members trained and capacitated on productivity improvement solutions per annum	0	0	96	573	201	213	225
Provision of productivity and competitiveness related value-added information	Undertake productivity-related research on priority sectors	11) Number of research reports and publications on priority sectors published and disseminated by 31st March each year	2	4	2	2	4	4	4
	Collate productivity related statistics	12) Number of statistical reports on productivity and competitiveness published by 31 <sup>st</sup> March each year	1	4	2	2	2	2	2

### 3. OUTPUT INDICATORS, ANNUAL AND QUARTERLY TARGETS

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
1. <b>Monitoring report</b> with corrective measures where applicable	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable	30 day payment report with corrective measures implemented where applicable
2. <b>Percentage elimination</b> of Fruitless and Wasteful expenditure per annum	100% elimination of wasteful and fruitless expenditure incrementally from baseline of R518,000.00	-	-	-	100% elimination of wasteful and fruitless expenditure incrementally from baseline of R518,000.00
3. <b>Percentage of planned training interventions</b> commenced per annum	100%	-	-	-	100%
4. <b>Number of SMMEs</b> and other enterprises supported through Competitiveness Improvement Services by 31 <sup>st</sup> March each year	1252	250	500	939	1252
5. <b>Number of entrepreneurs, workers and managers</b> capacitated to promote the culture of productivity by 31 <sup>st</sup> March each year	2200	440	880	1650	2200
6. <b>Number of Productivity Champions</b> capacitated to build awareness and promote a stronger culture of productivity in South Africa by 31 <sup>st</sup> March each year	323	65	129	243	323

	Output Indicator	Annual Target	Q1	Q2	Q3	Q4
7.	Number of productivity awards and regional milestone workshops hosted by 31st March each year	10	2	5	8	10
8.	Number of jobs saved in companies facing economic distress every year	3350	400	1450	2750	3350
9.	Number of companies facing economic distress supported through Turn-around Strategies to retain jobs (nurturing) per annum	67	8	29	55	67
10.	Number of workplace /Future forums members trained and capacitated on productivity improvement solutions per annum	201	24	87	165	201
11.	Number of research reports and publications on priority sectors published and disseminated by 31st March each year	4	-	-	-	4
12.	Number of statistical reports on productivity and competitiveness published by 31st March each year	2	1	-	-	1

#### 4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

- a) **The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the Institution's mandate including, where applicable, priorities in relation to women, youth and people with disabilities:**

Productivity SA Business Model and Enterprise Support Programmes was re-designed and structured to ensure sustained productivity growth and long-term competitiveness of our economy, focusing on strategic sectors of the economy - higher value add segments of the value chain towards achieving a productive high-income economy. Therefore, our strategic and programme interventions should focus on contributing to the NDP Goals, specifically on chapters 3 - targeting programmes that contribute to sustainable and inclusive growth and development; Chapter 9 - developing world-class centers and programmes in the national system of innovation, training and development; and Chapter 13 - implement programmes that improves efficiency and effectiveness of government.

The SMMEs supported through our Enterprise Support Programmes will be capacitated to adopt world-class productivity enhancement best practices focusing on products, processes and people. SMMEs are targeted because they have tremendous potential to make an impact on the SDGs through the employment they generate, the business practices they choose to adopt, the sectors in which they operate and their impact on innovation and diversification in the economy.

- b) **A description of planned performance in reaction to the programme outputs:**

Output: To Enhance the Competitiveness and Sustainability of Enterprises

The **Competitiveness Improvement Services (CIS) Programme** gives effect to s32 read together with s2 (1) (g) of the Act, to: (a) promote a culture of productivity in the workplace; (b) develop relevant productivity competencies; (c) facilitate and evaluate productivity and competitiveness in the workplace, at sector level and national level; and (d) to measure and evaluate productivity in the workplace.

The CIS Programme focus on enterprise competitiveness and sustainability, including enhancing the appropriate capacities of SMMEs and Co-operatives to adopt world-class productivity enhancement best practices, focusing on products, processes and people. The programme focusses on contributing to the creation of decent work by improving the competitiveness and sustainability of enterprises. Furthermore, the interventions will enable us to meet our commitments and plans to unlock South Africa's productivity and potential for sustained competitiveness and economic growth as part of our contribution to implement the Economic Reconstruction and Recovery Plan.

The SMMEs and Co-operatives, particularly in the productive sectors with strong growth and employment multipliers within the priority sectors are targeted. Enterprises supported through the programme are capacitated to adopt world-class productivity enhancement best practices focusing on products, processes and people. CIS prioritises the participation of historically disadvantaged people and regions in the economy and thereby support meaningful BBBEE using instruments such as Special Economic Zones (SEZs), Industrial Parks and Black Industrialists interventions.

The main focus is on: (a) creating an environment conducive to sustainable enterprises; (b) encouraging the application of decent and productive workplace practices; (c) addressing sector-specific challenges through value-chain and cluster interventions, which is linked to training and skills development along the value chain; and (d) using technology and conduct business in ways that are environmentally friendly. Further to the above, the programme provides enterprise productivity and operational efficiency enhancement and training programmes and solutions, including Business Performance Improvement (BPI), Early Warning Systems (EWS) and Business Start-ups, and also promote a productivity culture and mind-set as well as driving accountability for productivity performance across sectors (national, sector and enterprise level) and segments of society.

During 2022/2023 financial year 3452 SMMEs, Cooperatives and entrepreneurs from both the formal and informal sectors should be capacitated to improve productivity and business efficiency; 323 Productivity Champions will be capacitated to build awareness and promote a stronger culture of productivity in South Africa, and 10 productivity awards and regional milestone workshops have been planned to achieve in reaction to the programme output.

#### Output: Job Preservation

The **Business Turnaround and Recovery Programme** gives effect to s32 read together with ss 2 (1) (e), and 7 of the Act. The programme focusses on supporting initiatives aimed at preventing job losses as well as providing for turn-around strategies to companies facing economic distress (financial or operational difficulties) which may result in an employer contemplating the dismissal of employees based on its operational requirements. The outcome of these interventions is to lessen the social and economic impact on individuals, companies, regions and the national economy.

The interventions focus on (a) Implementing turn-around strategies and plans to restructure and improve the productivity and operational efficiency of the organization; and (b) Facilitating the establishment of Enterprise-Based Productivity Forums (Future Forums) to promote dialogue on Productivity Improvement Strategies as well as (c) training of members thereof. During 2022/2023 financial year 3350 jobs to be saved, 67 companies facing economic distress supported through Turn-around Strategies and 201 workplace /Future forums trained and capacitated.

#### Output: Provision of productivity and competitiveness related value-added information

The Research, Innovation and Statistics Programme gives effect to s32 (d) to measure and evaluate productivity in the workplace and overall competitiveness of the economy; (e) to develop and maintain databases and best practice productivity and competitiveness system, and Business Model Innovation including Products and Services Innovation to improve quality and access to services; and (f) undertake Productivity related Research and Statistics and publicise same.

The programme is responsible for developing and monitoring implementation of the Productivity and Competitiveness Policy and Framework to promoting a productivity culture and mind-set as well as driving accountability for productivity performance across sectors (national, sector and enterprise level) and segments of society. During 2022/2023 financial year 4 research reports and publications on priority sectors will be published and disseminated and 2 statistical reports on productivity and competitiveness published.

## 5. PROGRAMME RESOURCE CONSIDERATIONS

Table: Budget Allocation for programmes

	Audited outcome 2018/19	Audited outcome 2019/20	Audited outcome 2020/21	Approved budget 2021/22	Medium-term estimate		
					2022/23	2023/24	2024/25
R thousand							
Administration	53,914	55,861	58,699	59,042	61,090	62,877	62,877
Research, innovation and statistics	8,683	9,499	12,593	9,769	10,073	10,234	10,234
Business turnaround and recovery	1,099	9	44,000	110,845	117,495	122,783	122,783
Competitiveness improvement services	24,071	22,166	37,400	18,642	19,560	20,070	20,070
<b>Total expense</b>	<b>87,767</b>	<b>87,535</b>	<b>152,692</b>	<b>198,298</b>	<b>208,218</b>	<b>215,964</b>	<b>215,964</b>

Table A.3 PE No

Statement of financial performance		Audited outcome		Audited outcome	Audited outcome	Approved budget	Medium-term estimate					
		2018/19	2019/20				2020/21	2021/22	2022/23	2023/24	2024/25	
R thousand												
Revenue												
Tax revenue												
Non-tax revenue		10,477	11,370	10,431	15,200	16,104	16,828	16,829				
Sale of goods and services other than capital assets		10,002	9,965	9,782	14,519	15,390	16,083	16,083				
Sales of goods and services produced by entity		10,002	9,965	9,782	14,519	15,390	16,083	16,083				
of which:												
Administrative fees												
Sales by market establishment		10,002	9,965	9,782	14,519	15,390	16,083	16,083				
Other sales												
Sales of scrap, waste, arms and other used current goods												
Other non-tax revenue		475	1,405	649	681	714	746	746				
Transfers received												
Total revenue		77,506	77,001	142,261	183,098	192,114	199,136					
Expenses		87,983	88,371	152,692	198,298	208,218	215,964	16,829				
Current expenses		83,929	87,535	152,692	198,298	208,218	215,964	215,964				
Compensation of employees		60,757	62,484	84,445	88,822	93,249	97,445	97,445				
Goods and services		22,433	24,370	67,565	108,160	113,648	117,132	117,132				
Depreciation		617	649	682	1,241	1,241	1,303	1,303				
interest, dividends and rent on land		122	32		75	80	84	84				
Transfers and subsidies		3,838										
Total expenses		87,767	87,535	152,692	198,298	208,218	215,964	215,964				
Surplus/(Deficit)			836									



## 6. UPDATED KEY RISKS AND MITIGATED UPDATED

Strategic Objective	Risk name	Mitigating Action Plans
Objectives 1-5	<b>1. COVID-19 RISK:</b> Cyber Security	1. Assessment to be conducted for cyber security 2. Upgrades to be done for IT infrastructure (IT Refresh)
Objectives 1-5	<b>2. COVID-19 RISK:</b> Inadequate digitisation/E-Commerce capabilities	1. Digitisation strategy to be developed. 2. Finalisation of the ICT Refresh 3. Assessment to be conducted
Objectives 1-5	<b>3. COVID-19 RISK:</b> Inability to respond to increased demand for services	1. Increase capacity to respond to increased demand for service.
Objectives 1-5	<b>4. COVID-19 RISK:</b> Performance management under the new dispensation (Organisational & Employee)	1. Review/update management performance policies 2. Review the potential for using Kanban tools in performance management 3. Conduct training and change management for managers
Objectives 1-5	<b>5. COVID-19 RISK:</b> Compromised Health & Safety in the workplace	1. Conduct training and awareness sessions on to improve health and safety measures 2. Improve compliance measures
Objectives 1-5	<b>6. Inadequate Revenue</b>	1. Momentum has picked up on the revenue generating projects 2. Commitment from Executive Manager to generate additional Revenue. 3. Re-negotiate office building lease agreement. 4. The Chairman of the Board together with the Director General of the Department of Employment and Labour are working on plans to fully fund the entity.
Objectives 1-5	<b>7. Reputation risk</b>	1. Conduct training and awareness sessions on governance prescripts 2. Upgrading & integrating the finance system with the HR system to provide for regular audit trails 3. Strengthen the governance structures to improve monitoring and evaluation.

<b>Objectives</b> <b>1-5</b>	<b>8. Fraud and Corruption</b>	1. Upgrading & integrating the finance system with the HR system to provide for regular audit trails 2. Upgrading & integrating the finance system with the HR system to provide for regular audit trails reports. 3. Strengthen and expand the role of the Bid and Adjudication committee. 4. Host quarterly awareness workshops on Ethical behaviour, PFMA and Treasury Guidelines. 5. Promote a "no-tolerance" attitude on fraud related matter by means of internal communication and website.
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## PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

<b>Indicator Title</b>	<b>1. Monitoring report with corrective measures where applicable per annum</b>
<b>Definition</b>	Small Medium Enterprises must be paid within a period of 30 days from receipt of statement. SMMEs are defined as enterprises whose annual turnover is less than R10m.
<b>Source of data</b>	Creditors age analysis print out
<b>Method of Calculation /Assessment</b>	Compare invoice date to payment date
<b>Means of verification</b>	Analysis of Creditors age analysis
<b>Assumptions</b>	The entity has available funding to settle liabilities as they become due and payable.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Non-Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance - 30 day payment report with corrective measures implemented where applicable
<b>Indicator Responsibility</b>	CFO and Financial Manager

<b>Indicator Title</b>	<b>2. Percentage elimination of Fruitless and Wasteful expenditure per annum</b>
<b>Definition</b>	Expenditure incurred in vain and that could have been avoided had reasonable care be taken must be avoided by the entity.
<b>Source of data</b>	Fruitless and Wasteful expenditure register for the year
<b>Method of Calculation /Assessment</b>	Compare current financial year register with previous year register
<b>Means of verification</b>	Analysis of the Fruitless and wasteful expenditure register
<b>Assumptions</b>	The entity has available funding to settle liabilities as they become due and payable.
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable
<b>Calculation Type</b>	Cumulative
<b>Reporting Cycle</b>	Annually
<b>Desired performance</b>	100% of the targeted performance – 100% elimination of Fruitless and Wasteful Expenditure
<b>Indicator Responsibility</b>	CFO and Financial Manager

<b>Indicator Title</b>	<b>3. Percentage of planned training interventions commenced to capacitate the workforce</b>
<b>Definition</b>	To commence with 100% of planned interventions
<b>Source of data</b>	Training Plan and training documentation
<b>Method of Calculation /Assessment</b>	Quantitative - Number of training interventions commenced as a percentage of the total number of planned training interventions
<b>Means of verification</b>	Workplace Skills Plan, plus any combination of the following: Individual Development Plans, Attendance Registers, Invoices/Quotes, Proof of payment (Remittance Advice), On-the-job training form, EFT Requisition form, Training evaluation form, Proof of registration for course/qualification/workshop, E-learning progress reports, Acceptance letter, Financial Assistance Application form/Agreement,

<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Planned training interventions may be replaced by other interventions due to changes of the business requirements.</li> <li>Training planned for terminated employees will be removed from the training plan, however if they have already been completed, they will count towards the implementation of the training plan.</li> <li>Additional training will also be considered depending on the business requirements.</li> <li>Internal training and on-the-job training may replace external courses</li> <li>Planned training for an employee may be replaced by scheduled training for another employee for a different course based on the business requirements</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>Target for Women (55% of Training Plan)</li> <li>Target for Youth (n/a)</li> <li>Target for People with Disabilities (n/a/)</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>Reflect on contribution to spatial transformation priorities (n/a)</li> <li>Reflect on the spatial impact area (n/a)</li> </ul>
<b>Calculation Type</b>	Cumulative (Year- End)
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	100% of the targeted performance - 100% planned training interventions commenced to capacitate the workforce
<b>Indicator Responsibility</b>	Executive Manager: HRM

<b>Indicator Title</b>	<b>4. No. of SMMEs and other enterprises supported through Competitiveness Improvement interventions to improve their competitiveness and sustainability.</b>
<b>Definition</b>	Number of Enterprises (Companies, SMMEs and Cooperatives) assisted through CIS productivity interventions including Training or, Productivity awareness, or WPC, or Export Programme or Enterprise development projects, or Kaizen Projects or any other productivity improvement projects.
<b>Source of data</b>	Signed Contracts or Proposals or Agreements or Project reports or training/workshop attendance registers or webinar/electronic source documents including screenshots or online registration forms/attendance registers or course evaluation forms, or ID numbers for entrepreneurs in the informal sector.
<b>Method of Calculation /Assessment</b>	Quantitative data – reported Year to date Count the number of enterprises supported through any CIS intervention.

<b>Means of verification</b>	Quantitative calculations - Number of Enterprises (Companies, SMMEs and Cooperatives) assisted through CIS productivity interventions including Training or, Productivity awareness, or WPC, or Export Programme or Enterprise development projects, or Kaizen Projects or any other productivity improvement projects. ID numbers may be used for entrepreneurs without registered companies
<b>Assumptions</b>	Be flexible with the application of the solutions in order to adapt to the unique needs of SMME's encountered. Ensure that productivity aspects are covered in each programme. Accommodate Covid-19 impact on contact sessions as information will be sourced manually and electronically
<b>Disaggregation of Beneficiaries (where applicable)</b>	Sub-report on women, youth and people with disabilities
<b>Spatial Transformation (where applicable)</b>	Productivity SA is willing to be a strategic partner in delivering productivity solutions and developing the capability for spatial transformation and envisaging a desired future for all its beneficiaries. Special focus will be given towards assistance to Black Industrialists in Special Economic Zones
<b>Calculation Type</b>	Cumulative (year to date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance - 1252 SMMEs and other enterprises supported through Competitiveness Improvement interventions to improve their competitiveness and sustainability
<b>Indicator Responsibility</b>	CIS Executive/Regional Executives

<b>Indicator Title</b>	<b>5. Number of entrepreneurs, workers and managers capacitated to promote the culture of productivity</b>
<b>Definition</b>	Number of people trained i.e. Entrepreneurs and Intrapreneurs that includes workers, and managers trained on productivity awareness or productivity concepts or productivity tools.
<b>Source of data</b>	Attendance registers or other electronic source documents such as screenshots, or online registration forms/attendance registers or course evaluation forms, or Training reports.
<b>Method of Calculation /Assessment</b>	Accumulative Quantitative data – Year to date reporting. Number of people attending the training/workshops i.e. Entrepreneurs or workers or Managers counted using name and Surname in both formal (registered businesses) or informal sector (not registered businesses).

<b>Means of verification</b>	Quantitative calculations: Attendance Registers; Attendance reports
<b>Assumptions</b>	Be flexible with delivery mechanisms in order to adapt to the unique needs of entrepreneurs or, workers or Managers encountered. Accommodate Covid-19 impact on contact sessions as information will be sourced manually and electronically
<b>Disaggregation of Beneficiaries (where applicable)</b>	Sub-report on women, youth and people with disabilities
<b>Spatial Transformation (where applicable)</b>	Productivity SA is willing to be a strategic partner in delivering productivity solutions and developing the capability for spatial transformation and envisaging a desired future for all its beneficiaries. Special focus will be given towards assistance to Black Industrialists in Special Economic Zones
<b>Calculation Type</b>	Cumulative (year to date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	The 100% actual performance - 2200 entrepreneurs, workers and managers capacitated to promote the culture of productivity
<b>Indicator Responsibility</b>	CIS Executive/Regional Executives

<b>Indicator Title</b>	<b>6. Number of Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa</b>
<b>Definition</b>	Number of Productivity champions trained on productivity tools or Kaizen tools.
<b>Source of data</b>	Training reports; attendance register; electronic source documents: screenshots; online registration forms/attendance registers, and course evaluation forms Training reports, attendance reports for online sessions
<b>Method of Calculation /Assessment</b>	Accumulative Quantitative data i.e. year to date reporting on the number of people trained as Productivity Champions.
<b>Means of verification</b>	Attendance Registers; electronic Attendance reports; 1 pager verification coaching/training reports
<b>Assumptions</b>	Be flexible with the application of the solutions in order to adapt to the unique needs of entrepreneurs encountered. Accommodate Covid-19 impact on contact sessions as information will be sourced manually and electronically
<b>Disaggregation of Beneficiaries (where applicable)</b>	Sub-report women, youth and people with disabilities

<b>Spatial Transformation (where applicable)</b>	Productivity SA is willing to be a strategic partner in delivering productivity solutions and developing the capability for spatial transformation and envisaging a desired future for all its beneficiaries. Special focus will be given towards assistance to Black Industrialists in Special Economic Zones
<b>Calculation Type</b>	Cumulative (year to date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	The 100% actual performance – 323 Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa
<b>Indicator Responsibility</b>	CIS/Regional Executives

<b>Indicator Title</b>	<b>7. Number of productivity awards and regional milestone workshops hosted</b>
<b>Definition</b>	Events that will be held to promote social dialogue and a culture of productivity and competitiveness in the workplace and community as well as recognising enterprises that have made significant progress in improving productivity in their respective environments
<b>Source of data</b>	The source of data is an environmental scan to source companies to participate in the awards
<b>Method of Calculation /Assessment</b>	Quantitative - The number of productivity awards and regional milestone events is simply a numerical record of number of productivity awards and regional milestone workshops held
<b>Means of verification</b>	Attendance Register, Awards Invitations
<b>Assumptions</b>	SMMEs that have benefitted from all our programmes will be entered
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/a
<b>Spatial Transformation (where applicable)</b>	Award entries are drawn from metropolitan, urban and rural areas
<b>Calculation Type</b>	Cumulative (Year to date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance - 10 productivity awards and regional milestone workshops hosted
<b>Indicator Responsibility</b>	Executive Manager: Corporate Relations

<b>Indicator Title</b>	<b>8. Number of jobs saved in companies facing economic distress</b>
<b>Definition</b>	The number of jobs retained within the company as well as the additional jobs created.
<b>Source of data</b>	Nurturing Application Form supported by the Acceptance Letter for that reporting period.
<b>Method of Calculation /Assessment</b>	Count the recorded number of employees in the Nurturing Application form for that reporting period.
<b>Means of verification</b>	BT&R Employee Information Template.
<b>Assumptions</b>	The names of all the employees with jobs saved will be captured in the BT&R Employee Information Template as declared by the company.
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Cumulative (Year-to-Date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance – 3350 jobs saved
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>9. Number of companies facing economic distress and participating in the BT&amp;R Programme</b>
<b>Definition</b>	Companies or organizations who are deemed to be in financial and/or operational distress but with the potential to be turned around.
<b>Source of data</b>	Agreement Signed - Acceptance Letter
<b>Method of Calculation /Assessment</b>	Count the number of Acceptance Letters signed in that reported period.
<b>Means of verification</b>	Acceptance Letter.
<b>Assumptions</b>	All the companies that participate in the BT&R Programme will go through the Nurturing process, when accepted into the programme the Acceptance Letter will be signed.
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Cumulative (Year-to-Date)



<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance – 67 companies facing economic distress and participating in the BT&R Programme
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>10. Number of Future Forum members trained and capacitated on productivity improvement solutions</b>
<b>Definition</b>	Future Forum members are empowered to contribute meaningfully with a clear understanding of the business operations and what will make the company sustainable and profitable. The trainings ensure the Productivity Champions assist with the turnaround and productivity improvement projects in the work environment.
<b>Source of data</b>	Future Forum Capacitation Training Attendance Registers. Productivity Champions Training Attendance Registers.
<b>Method of Calculation /Assessment</b>	Count the number of participants who signed the Future Forum Capacitation and Productivity Champions Training Attendance Registers.
<b>Means of verification</b>	Training Attendance Registers with participants who signed the register as proof of attendance.
<b>Assumptions</b>	All Future Forum and Productivity Champions members who attend all the trainings will sign the training attendance register as proof of attendance.
<b>Disaggregation of Beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation (where applicable)</b>	n/a
<b>Calculation Type</b>	Cumulative (Year-to-Date)
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	100% of the targeted performance - 201 Future Forum members trained and capacitated on productivity improvement solutions
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>11. Number of research reports and publications on priority sectors published and disseminated</b>
<b>Definition</b>	Two research reports produced and disseminated in the selected sectors
<b>Source of data</b>	Statistical reports (Productivity statics report, STATSA, Reserve Bank) and Publications
<b>Method of Calculation /Assessment</b>	Quantitative - Number of Reports
<b>Means of verification</b>	Published report confirming the ISBN
<b>Assumptions</b>	Adequate resource allocation and access to relevant publication databases
<b>Disaggregation of Beneficiaries (where applicable)</b>	According to Research Agenda priorities
<b>Spatial Transformation (where applicable)</b>	According to Research Agenda priorities
<b>Calculation Type</b>	Cumulative (Year- End)
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	100% achievement of 4 Research reports
<b>Indicator Responsibility</b>	Executive Manager: Research, Innovation and Statistics

<b>Indicator Title</b>	<b>12. Number of statistical reports on productivity and competitiveness</b>
<b>Definition</b>	Produce annual productivity statistics report and Institute for Management Development (IMD) Competitiveness Yearbook
<b>Source of data</b>	Statistics SA and SA Reserve Bank, IMD Survey, World Bank, IMS
<b>Method of Calculation /Assessment</b>	Number of Reports
<b>Means of verification</b>	Hardcopy Report
<b>Assumptions</b>	Data available (incl IMD Survey completed), Resources available
<b>Disaggregation of Beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation (where applicable)</b>	Not applicable

<b>Calculation Type</b>	Accumulative (Year- End)
<b>Reporting Cycle</b>	Annual
<b>Desired performance</b>	100% achievement of 2 Statistical reports
<b>Indicator Responsibility</b>	Executive Manager: Research, Innovation and Statistics