

## **Annual Performance Plan for 2023/2024**



**employment & labour**

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>BRICS</b>	Brazil, Russia, India, China and South Africa
<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 Plan
<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 of Management Development
<b>IPAP</b>	Industrial Policy Action Plan
<b>ICT</b>	Information, Communication and Technology
<b>JICA</b>	Japan International Cooperation Agency
<b>JPC</b>	Japan Productivity Centre
<b>LEDET</b>	Limpopo Economic Development, 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 Chief Executive Officer
<b>OHS</b>	Occupational Health and 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

This Annual Performance Plan (APP) 2023/24 sets out Productivity SA's key focus areas as we enter the last year of the Medium-Term Strategic Framework (MTSF) 2019-2024. The current MTSF is being implemented under very challenging circumstances with many industries still reeling from the devastating and lasting impact of the Covid-19 pandemic and power cuts continuing unabated due to challenges faced by the country's electricity public utility and producer of electricity, ESKOM. The inability of ESKOM to supply uninterrupted electricity has resulted in economic regression as South African businesses, particularly SMMEs struggle to cope with the interruptions.

As we present this APP, it is befitting to emphasise that productivity remains a driver to long-term competitiveness and sustained inclusive growth within South Africa and beyond. Furthermore, we understand that low productivity growth leads to Decent Work Deficits, therefore, addressing the productivity and capability challenges facing SMMEs particularly those in the productive sectors is of paramount importance for South Africa's economic growth. We reiterate that without improvements in productivity, there is minimal economic growth if any, be it sustained or inclusive. For the country to counter the effects of low competitive levels, the adequate response would be to create an enabling environment conducive for entrepreneurship and sustainable enterprises. Currently, the productivity of the industrial SMMEs, particularly the manufacturing sector is low, making it impossible for them to play a strategic role as the driver for economic growth. The continued productivity slowdown damages the productive capacities of capital and workers, thereby negatively impacting economic recovery and employment growth.

We go into the 2023/24 financial year cognisant of the fact that the International Monetary Fund (IMF) estimates South Africa's growth to be at 1.4% in 2023, and this is hardly enough to create an enabling environment to reduce the unemployment rate which sits at about 34%. With South Africa's real gross domestic product (GDP) averaging growth of 1% to 1.2% on a quarterly basis, the importance of productivity growth cannot be over-emphasised.

Further challenges were expressed by the Institute of Management Development (IMD) upon its release of the 2022 World Competitiveness Yearbook (WCY). South Africa got a competitive ranking of 60 out of 63 countries which was an improvement from 64<sup>th</sup> position in 2021. However, the fact that Russia is not counted due to the war with the Ukraine, does not make it a convincing improvement and in any event, more drastic improvements are required for a country facing the high levels of unemployment, poverty and inequality that we have. What is more worrying is that, this ranking was lower than Botswana, a new entrant (with a much lower economic activity compared to ours) ranked 59<sup>th</sup>, and the second African country to join the IMD. A country's low competitiveness (according to the IMD definition of competitiveness) reflects a country incapable of managing the totality of its resources and competencies to increase the prosperity of the population. These challenges present us as policy-makers with an opportunity to develop a mix of policies and programmes informed by a desire to increase productivity growth, if we are to create an enabling environment for entrepreneurship and sustainable enterprises.

Despite the poor global competitiveness showing, it is not necessarily Armageddon for South Africa. The 2022 Productivity Statistics Report shows a recovery efficiency as well as a rebound in economic growth post the onset of the Covid 19 pandemic. The Productivity Statistics Report is an annual report by Productivity SA which measures the levels of productivity, or efficiency with which production inputs are used to produce goods and services, in the economy at sector, as well as industry level.

Taking into consideration the performance of South Africa, Productivity SA has 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.

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.

During the 2023/24 financial year, Productivity SA will upscale the Enterprise Development and Support Programme Interventions for SMMEs (both formal and informal) and cooperatives, emboldened by empirical evidence that they are the backbone and productive drivers of economic growth and development. This further motivated by the fact that these enterprises account for over 90% of businesses in the country and a significant contribution to economic growth and are important contributors of more than 70% to job creation. Furthermore, these interventions will assist the country towards its achievement of the NDP target of 11 million jobs by 2030, the majority of which (90%) should be by SMMEs, as well as the ERRP priorities relating to localisation.

We acknowledge that the productivity of South Africa's industrial SMMEs is low and requires urgent attention. Productivity SA further acknowledges that increasing productivity (which is viewed by the ILO constituents as a catalyst for creating decent work, inclusive growth and shared prosperity is fundamental. Therefore, our innovative solutions to support SMMEs and transition some of those operating in the informal sector to the formal economy, should this prove to be the required solution as we also work innovatively utilising a wide array of tools to also improve their performance while remaining in the informal sector, should include productivity, in our pursuit for decent work and dignity for all our people.

During the 2023/24 financial year, we will also continue strengthening our collaboration with other government department in the economic sector and social partners (business, labour, and academia), which is central to giving effect to this National Programme of Action. The policy and programme interventions should include an Integrated Enterprise Development and Support Ecosystem and Strategy to improve the productivity and capability of the Industrial SMMEs. The ILO Productivity Ecosystem for Decent Work Project will be our rallying point. Our partnership with the ILO on this Swiss and Norwegian funded project is growing from strength to strength.

**This will also position us strategically to play a critical role in the envisaged Employment Creation Coordination Committee to be chaired by the Deputy President, which will be tasked with ensuring an Ecosystem that Promotes Sustainable Enterprise Development.**

We will continue building and leveraging our previous successes achieved through the Competitiveness Improvement Services (CIS) and the Business Turnaround and Recovery (BT&R) Programmes to preserve and create jobs. We are proud that over the past three financial years, the CIS Programme continued to provide support to SMMEs in both the formal and informal economy, and achieved 100 % performance. As at December 2022, over 1800 entrepreneurs, workers and managers (both in the formal and informal SMMEs) have been capacitated. Furthermore, 385 Productivity Champions were capacitated on productivity tools and supported 1189 SMMEs through training and competitiveness improvement initiatives. 78 of the enterprises have been supported through the Workplace Challenge programme, funded by the dtic. 64% of the WPC businesses

supported are Black owned businesses. 65% of the businesses have part or full women ownership and 27% of the businesses have part or full Youth Ownerships.

We have also through the BT&R Programme (which is Productivity SA's flagship Programme funded by the Unemployment Insurance Fund (UIF) continued to provide support to enterprises facing economic distress and initiatives aimed at preventing job losses), since the lifting of the suspension of the programme in July 2022, cumulatively supported over 153 companies, saved about 13132 jobs across all sectors, and capacitated over 1446 employees and managers who are members of the Future Forums. Over R 55,4 million has been utilised since 2020. Additional to these, the interventions through the Turnaround Strategies are bearing fruit in that, apart from the jobs saved which is the core focus of the programme, the companies which were assisted have created over 983 jobs and 99% of the companies that joined the programme were sustained and are up and running.

With the progression beginning to pick up in 2022 on the number of people now being employed, the achievement from the BT&R is contributing to push back the scourge of unemployment, poverty and inequality. As a way of promoting sustained, inclusive and sustainable economic growth, the BT&R programme also takes pride in enterprises employing people with disabilities. To date the Programme has a record of sustaining 65 (0.5%) employees with disabilities.

Having noted the aftermath of the COVID-19 pandemic and the continued electricity shortages affecting companies, with prospects for further retrenchments, Productivity SA will accelerate its Enterprise Development and Support Programmes, with a focus on supporting the companies facing economic distress through turnaround strategies to improve their sustainability and return to profitability to preserve and save jobs. Over 80 companies will be supported to preserve and save about 4000 jobs. We have also approached the Department/UIF to (in collaboration with the Labour Activation Programme) fund the Competitiveness Improvement Services Programme, including short-term interventions (kaizen programme) and long-term interventions (Workplace Challenge Programme) to support over 5000 SMEs and cooperatives in the productive sectors to improve their competitiveness and sustainability to preserve and create decent jobs.

The focus of our Enterprise Development and Support Programme interventions will also 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.

Productivity SA will also broaden its reach and relevance as an enabler towards achieving our mandate through strategic partnerships and alliances. We will leverage the enormous progress made in positioning Productivity SA as a strategic partner of choice by continuing to forge meaningful strategic partnerships with numerous entities across Organised Business, Government Departments and Provincial Departments of Economic Developments and Development Agencies. These will assist in pursuing a set of agreed upon objectives and to create the business value that stakeholders and customers are looking for. These partnerships have enabled us to, amongst others, work closely with a number of partners at both Provincial and Local Level (Districts and Metros). The regional projects of note include with the Limpopo Economic Development, Environment and Tourism (LEDET), SEDA



and the Limpopo Economic Development Agency (LEDA), the Western Cape and the KwaZulu-Natal (KZN) Export Competitiveness Programme in partnership with KZN Department of Economic Development, Tourism and Environmental Affairs (EDTEA) and Trade & Investment KZN (TIKZN).

Our partnerships have been central in our growing our visibility, together with our increased social media presence on Twitter (@productivitysa) and LinkedIn and invite all to engage with us actively on these platforms. Our webinars have also been very instrumental in ensuring that South Africans get closer to us, to understand and appreciate our role. All these efforts are consistently yielding great results and have ensured that our AGM in September and our Productivity Awards in October 2022 respectively were over-subscribed in attendance. This is huge progress. Mr. Teboho Thejane at DEL is also to be singled out for always making an effort to attend and cover our events in the departmental communications publication, IDEAL.

However, despite the above achievements, given the low productivity and competitiveness challenges facing South Africa, a lot still has to happen in the coming years as we pursue our mandate. We cannot afford to slow down and to be complacent. We believe that the decision by the DEL's decision to reconfigure the department is a huge move in the right direction for an aligned team effort in fighting unemployment. The imminent transfer of some employment creation related functions (including TAS, TERS, and LAP) as provided for in s7 of the Employment Services Act read together with s5 (d) of the UI Amendment Act together with the requisite funding must be finalised during the 2023/24 financial year, as this will go a long way in anchoring us to do more and providing the our long awaited resourcing for increased impact.

It is to be noted that I write this statement at a time when we as a country have just been hosting the BRICS annual meetings. I am exceedingly proud that the Productivity SA CEO and his team played a leadership and critical role, including contributing to the drafting of the Concept Note for the First BRICS Employment Working Group (EWP); leading the South African delegation on EWP, Priority 1: Building sustainable enterprises through productivity ecosystems for Decent Work in the BRICS countries; delivering the opening remarks on behalf of the South African Delegation; making a presentation on behalf of Productivity SA, which was an input on the first day of conference; and preparing the South African inputs on priority 1, which were tabled on the third day of conference.

The Productivity SA team stressed the required focus of BRICS countries on improving productivity (particularly Labour Productivity and Total Factor Productivity), which is the most important driver of long-term competitiveness and sustained inclusive growth, and innovation. BRICS should leverage the emerging opportunities flowing from the collective global response to these challenges, and proposals on how to deal with the Changing Nature and Future of Work (FoW).

The leadership role we played at the BRICS meetings is a demonstration of how far we have come to being recognised and aligned to the Departmental activities and ensuring team work with the DEL. In this instance, I take this opportunity to thank Mr. Siphon Ndebele, Acting DDG for Industrial Relations and his team for taking the initiative to place productivity at the center of the BRICS activities. Change happens one step at a time, one brick at a time and the saying goes, Rome was not built in one day (but a brick was laid everyday).

In conclusion, I extend my gratitude to my colleagues, on the Board of Productivity SA for the passion, commitment, energy, presentism and visionary leadership, the Parliamentary portfolio Committee under the leadership of Ms. Lindelwa Dunjwa for lifting the game in taking a very active role in the importance of Productivity SA and continuing to seek ways to get us to be at the center of economic transformative efforts, to the Minister of Employment and Labour, Mr. Thulas W. Nxesi for always ensuring that the Deputy Minister, Ms. Boitumelo Moloi is delegated to work closely with us and

ensure continued alignment with the DEL. We thank the DG, Mr. Thobile Lamati and his team for the support, the UIF under the leadership of Mr. Teboho Maruping and the DEL for continued funding. The role played by the dtic continues to be an important one in its consistency.

My biggest thanks goes to the staff of Productivity SA for ensuring that the entity makes a meaningful impact in promoting and enhancing the competitiveness of South Africa and its enterprises. **Without productivity growth, there will be no Decent Work.**



**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 2023/2024.



Ms Lindiwe Lewis: Signature: \_\_\_\_\_  
Head of HRM, Programme 1: Administration- Human Resource Management



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Mr Justice Tshifularo: Signature: \_\_\_\_\_  
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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

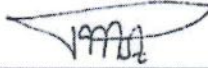
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- Accurately reflects the outcomes and outputs which Productivity SA will endeavor to achieve over the period 2023/2024.

Ms. Lerato Sekgopi: Signature: \_\_\_\_\_  
Acting Senior Finance Manager



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



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Chairman of the Board



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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:

1) <b>The Employment Services Act, No. 4 of 2014</b>	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>
2) <b>The Public Finance Management Act (PFMA), Act No.1 of 1999, as amended</b>	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
3) <b>The Preferential Procurement Policy Framework Act, 2000 (Act No.5 of 2000), as amended</b>	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.
4) <b>The Broad-Based Black Economic Empowerment Act, 2003 and the Codes of Good Practice</b>	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.
5) <b>The Unemployment Insurance Act, 30 of 2001, as amended (UIA)</b>	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
6) <b>Re-Imagining the Industrial Strategy and District Development Model</b>	<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>

	(iii) Targeted Enterprise Development and Support Programmes to improve the productivity of the priority sectors in support of the District Development Model (DDM), targeting the 44 Districts and 8 metros.
7) <b>Contribution to the NDP</b>	<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) <b>Contribution to the MTSF 2019-2024</b>	<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) <b>Contribution to the ERRP</b>	<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) <b>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</b>	<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 2023/24 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 60 out of 63 countries by the IMD in 2022), 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 seven 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. 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 towards the end of the MTSF 2019 – 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), The official unemployment rate decreased by 0,6 of a percentage point to 33,9% in Q2: 2022 compared to Q1: 2022. The working-age population increased by 145 000 or 0,4% in the second quarter of 2022 compared to the first quarter of 2022. Compared to the previous year Q2: 2021, the working-age population increased by 578 000 or 1,5%. The number of employed persons increased by 648 000 to 15,6 million in Q2: 2022, and the number of unemployed persons also increased by 132 000 to 8,0 million compared to Q1: 2022, resulting in an increase of 780 000 (up by 3,4%) in the number of people in the labour force. The number of discouraged work-seekers decreased by 183 000 (down by 4,9%) and the number of people who were not economically active for reasons other than discouragement also decreased by 452 000 (down by 3,3%) between the two quarters, resulting in a net decrease of 635 000 in the not economically active population. Employment gains were observed in the formal sector (up by 420 000), the informal sector (up by 146 000), Private households (up by 52 000) and Agricultural sector (up by 29 000) in Q2: 2022. Compared to Q2:2021, total employment increased by 620 000 persons. The number of unemployed persons increased by 168 000 (or 2,1%), while the number of persons who were not economically active decreased by 211 000 (or 1,3%). Six out of eight industries in Q2: 2022 recorded formal sector employment gains. An increase of 420 000 in the formal sector employment was mainly driven by the Community and social services (235 000), Trade (119 000), Construction (97 000) and Finance (58 000) industries. Manufacturing (88 000) and Transport (38 000) were the only industries that experienced losses in formal sector employment in Q2: 2022 compared to Q1: 2022.

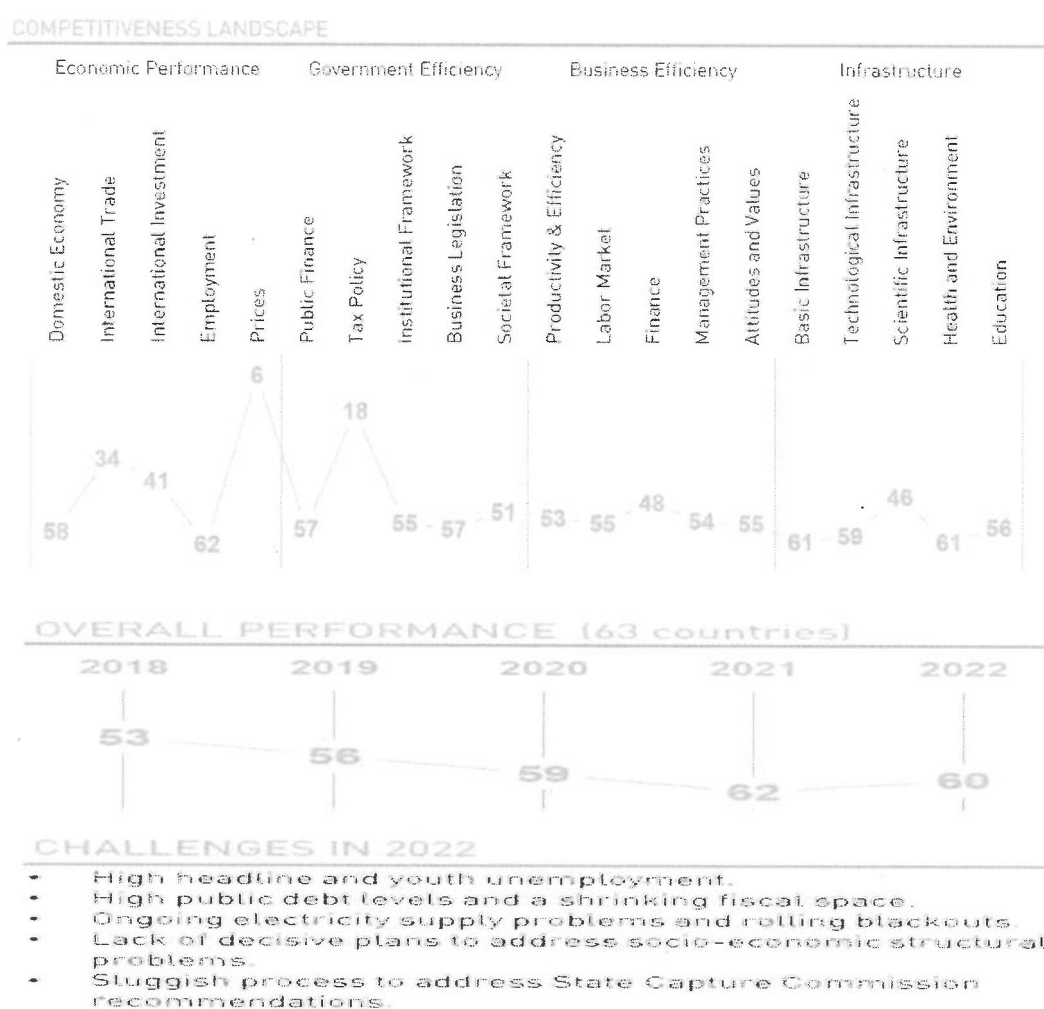
The number of unemployed persons increased by 132 000 in Q2: 2022 following a decrease of 60 000 in the previous quarter. This is the sixth increase in unemployment since the COVID-19 national lockdown. However, it should be noted that from Q3: 2020 to Q1: 2022, the national lockdown



regulations were relaxed, which allowed travelling, while during Q2: 2022 the national state of disaster was terminated. This played a role in people actively looking for work, whereas during Q2: 2020 the country was under hard lockdown that prevented movement.

According to the recently released Productivity Stats Report, October 2022, Labour productivity and Multifactor productivity accelerated in 2021 following a significant decline in growth during 2020 while Capital productivity recorded a deceleration in growth during 2021 after it increased substantially during 2020. This marked a resurgence in creativity in the aftermaths of the COVID-19 pandemic and the associated lockdowns which heralded unprecedented disruption of work and goods and services supply chains.

The competitiveness ranking improved from 62 in 202 to 60 in 2022 out of 63 countries – slight improvement in all the four broad factors (Economic Performance, Government Efficiency, Business Efficiency, and Infrastructure) in competitiveness (IMD WCY, 2022) as illustrated on the diagram below.



According to the SEDA Q3 2021 SMME Update published in March 2022, on the one hand, we have an economy comparable to that of industrialised nations, with over 670 000 sophisticated SMMEs (out of over 2.4 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 1,6 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.

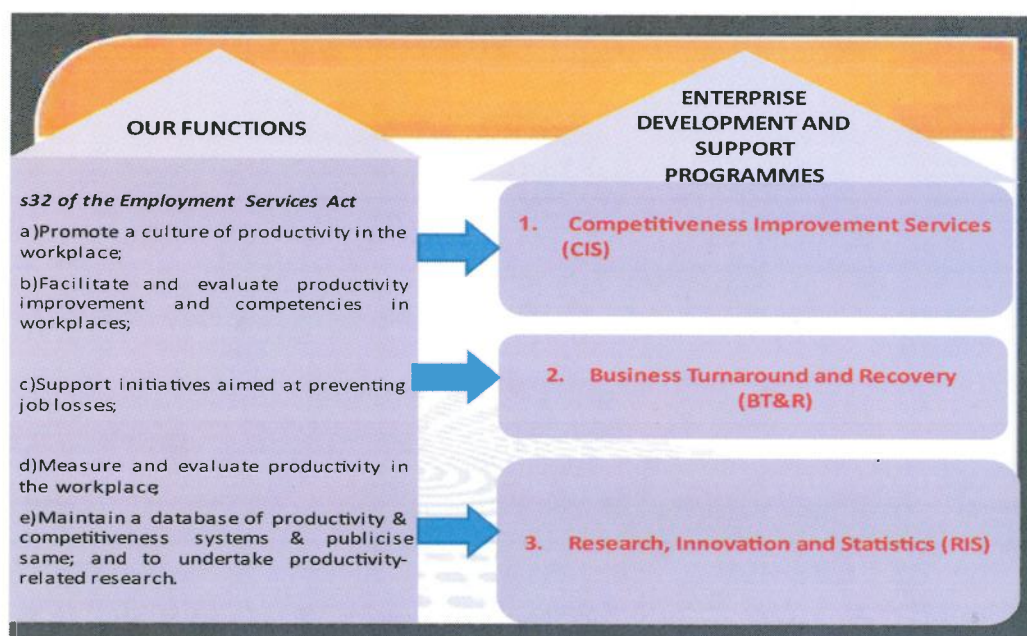
One other disturbing factor is that twenty eight years into our democracy, South Africa still has a dual economy characterised by highest levels of informality and inequality rates in the world, and this is worsened by the COVID-19 crisis. They face numerous legislative compliance challenges and economic 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.

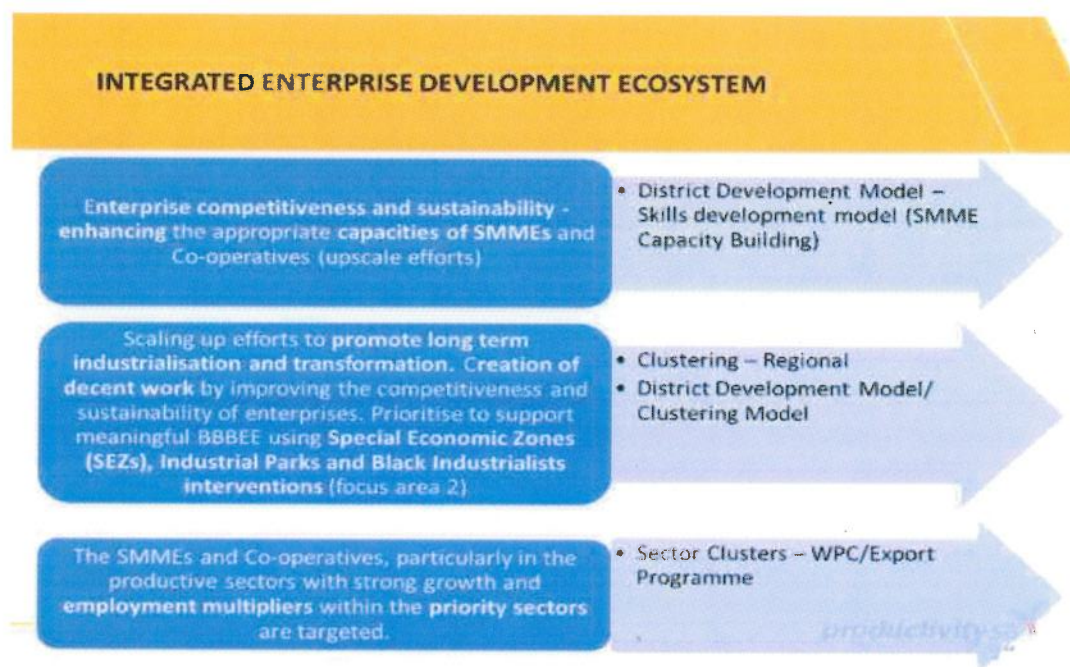
The promulgation of the Employment Services Act, together with the promulgation of the UI Amendment Act, No. 10 of 2016, specifically section 5 (d) which provides for the financing of the retention of contributors in employment and the re-entry of contributors into the labour market and any other scheme 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 2022, a total of R52,890,750 funds utilized 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

<b>S</b>	<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>
<b>W</b>	<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>
<b>O</b>	<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>
<b>T</b>	<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 2023

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	16	14	0	2	13%
Human Resources Management	5	4	0	1	20%
Corporate Relations	8	6	0	2	25%
Competitiveness Improvement Services Head Office	4	2	2	0	0%
Business Turnaround & Recovery Head Office	7	4	2	1	14%
Research, Innovation & Statistics	11	8	0	3	27%
Region 1	19	10	6	3	16%
Region 2	14	6	6	2	14%
Region 3	19	11	8	0	0%
<b>TOTAL:</b>	<b>107</b>	<b>69</b>	<b>24</b>	<b>14</b>	<b>13%</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
	Companies supported to improve their competitiveness and sustainability to preserve and create decent jobs	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
<b>Priority 1:</b> 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
<b>Priority 2:</b> 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 – The programme focusses on creating an enabling environment conducive to entrepreneurship and sustainable enterprises that are capable of creating productive employment and decent work. 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.

- **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

MTEF PERIOD											
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OUTCOME	OUTPUT	OUTPUT INDICATORS	ANNUAL TARGETS						
			AUDITED PERFORMANCE		ESTIMATED PERFORMANCE	MTEF PERIOD			
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Enterprise Competitiveness and Sustainability:</b> To improve productivity for sustained inclusive economic growth and competitiveness. Promote full and productive employment and decent work.	Commencement of planned training interventions to the workforce	<b>4) Percentage of training interventions commenced by 31 March</b>	80%	100%	100%	100%	100% of planned training interventions commenced by 31 March	100% of planned training interventions commenced by 31 March	100% of planned training interventions commenced by 31 March
	SMME and other enterprises supported through Productivity interventions to improve their competitiveness and sustainability	<b>5) Number of SMMEs and other enterprises supported through Competitiveness Improvement Services by 31 March</b>	3686	1440	1546	1252	1252	1252	1252
	Promote the productivity and mind-set and culture in the workplace	<b>6) Number of entrepreneurs, workers and managers capacitated to promote the culture of productivity by 31 March</b>	New indicator	927	2849	2200	2400	2600	2800
		<b>7) Number of Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa by 31 March</b>	345	429	621	323	323	323	323
		<b>8) Number of advocacy and public awareness campaigns to support the productivity movement in South Africa by 31 March</b>	10	10	10	10	10	10	10

OUTCOME	OUTPUTS	OUTPUT INDICATORS	ANNUAL TARGETS							
			AUDITED PERFORMANCE				ESTIMATED PERFORMANCE	MTEF PERIOD		
			2019/2020	2020/21	2021/22	2022/23		2023/24	2024/25	2025/26
Business Turnaround and Recovery processes	Support enterprises facing economic distress and initiatives aimed at preventing job losses	9) Number of jobs saved in companies facing economic distress by 31 March	0	3030	7697	3350	3550	3750	3950	
		10) Number of companies facing economic distress supported through Turn-around Strategies to retain jobs (nurturing) by 31 March	0	25	83	67	71	75	79	
		11) Number of workplace /Future forums members trained and capacitated on productivity improvement solutions by 31 March	0	96	777	201	213	225	237	
Provision of productivity and competitiveness related value-added information	Undertake productivity-related research on priority sectors	12) Number of research reports and publications on priority sectors published and disseminated by 31 March	4	2	1	4	4	4	4	
	Collate productivity related statistics	13) Number of statistical reports on productivity and competitiveness published by 31 March	4	2	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 done on a monthly basis	30 day payment report with corrective measures implemented where applicable done on a monthly basis	30 day payment report with corrective measures implemented where applicable done on a monthly basis	30 day payment report with corrective measures implemented where applicable done on a monthly basis	30 day payment report with corrective measures implemented where applicable done on a monthly basis	30 day payment report with corrective measures implemented where applicable done on a monthly basis
2.	<b>Percentage</b> elimination of Fruitless and Wasteful expenditure by 31 March	10% elimination of fruitless and wasteful expenditure incrementally from baseline of R518,000.00 by 31 March	-	-	-	10% elimination of fruitless and wasteful expenditure incrementally from baseline of R518,000.00 by 31 March
3.	<b>Percentage</b> reduction of external audit outcomes/findings by 31 March	50% reduction of audit outcomes/findings incrementally from 2021/22 baseline by 31 March	-	-	-	50% reduction of audit outcomes/findings incrementally from 2021/22 baseline by 31 March
4.	<b>Percentage</b> of planned training interventions commenced by 31 March	100% of planned training interventions commenced by 31 March	-	-	-	100% of planned training interventions commenced by 31 March
5.	<b>Number of</b> SMMEs and other enterprises supported through Competitiveness Improvement Services by 31 March	1252	250	500	939	1252
6.	<b>Number of</b> entrepreneurs, workers and managers capacitated to promote the culture of productivity by 31 March	2400	480	960	1800	2400

	Output Indicator	Annual Target	Q1	Q2	Q3	Q4
7.	<b>Number of</b> Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa by 31 March	323	65	130	242	323
8.	<b>Number of</b> advocacy and public awareness campaigns to support the productivity movement in South Africa by 31 March	10	2	4	8	10
9.	<b>Number of</b> jobs saved in companies facing economic distress by 31 March	3550	400	1550	2900	3550
10.	<b>Number of</b> companies facing economic distress supported through Turn-around Strategies to retain jobs (nurturing) by 31 March	71	8	31	58	71
11.	<b>Number of</b> workplace /Future forums members trained and capacitated on productivity improvement solutions by 31 March	213	24	93	174	213
12.	<b>Number of</b> research reports and publications on priority sectors published and disseminated by 31 March	4	-	-	-	4
13.	<b>Number of</b> statistical reports on productivity and competitiveness published by 31 March	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 2023/2024 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 advocacy and public awareness campaigns to support the productivity movement in South Africa 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 2023/2024 financial year 3550 jobs to be saved, 71 companies facing economic distress supported through Turn-around Strategies and 213 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 2023/2024 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	Audited outcome	Audited outcome	Approved budget	Medium-term estimate		
					2023/24	2024/25	2025/26
R thousand							
Administration	55, 861	58, 464	55, 033	49, 693	49, 693	53, 803	55, 416
Research, innovation and statistics	9, 499	8, 580	8, 943	11, 198	11, 198	12, 252	12, 797
Business turnaround and Recovery	9	7, 746	110, 735	83, 197	83, 197	55, 069	57, 536
Competitiveness improvement services	22, 166	9, 281	18, 642	29, 280	29, 280	33, 304	34, 900

Statement of financial performance		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Approved budget		Medium-term estimate	
R thousand		2019/20		2020/21		2021/22		2022/23		2023/24		2024/25		2025/26			
<b>Revenue</b>		-		-		-		-		-		-		-		-	
<b>Tax revenue</b>		-		-		-		-		-		-		-		-	
<b>Non-tax revenue</b>		11,139		10,431		10,255		9,369		10,653		9,426		-		-	
Sale of goods and services other than capital assets		10,522		9,782		9,574		8,655		9,907		8,680		-		-	
Sales of goods and services produced by entity		10,522		9,782		9,574		8,655		9,907		8,680		-		-	
of which:																	
Administrative fees		-		-		-		-		-		-		-		-	
Sales by market establishment		10,522		9,782		9,574		8,655		9,907		8,680		-		-	
Other sales		-		-		-		-		-		-		-		-	
Sales of scrap, waste, arms and other used current goods		-		-		-		-		-		-		-		-	
Other non-tax revenue		617		649		681		714		746		746		-		-	
<b>Transfers received</b>		92,515		142,261		183,098		192,114		199,135		207,435		-		-	
<b>Total revenue</b>		103,654		152,692		193,353		201,483		209,788		216,861		-		-	
<b>Expenses</b>																	
<b>Current expenses</b>		103,654		152,692		193,353		201,483		209,788		216,861		-		-	
Compensation of employees		63,064		84,445		72,775		95,084		95,084		95,084		-		-	
Goods and services		39,909		67,565		119,262		105,078		113,317		120,329		-		-	
Depreciation		649		682		1,241		1,241		1,303		1,361		-		-	
Interest, dividends and rent on land		32		-		75		80		84		87		-		-	
<b>Transfers and subsidies</b>		-		-		-		-		-		-		-		-	
<b>Total expenses</b>		103,654		152,692		193,353		201,483		209,788		216,861		-		-	
<b>Surplus/(Deficit)</b>		-		-		-		-		-		-		-		-	
		836		25,074		-		-		-		-		-		-	

## 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 Managers 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
<b>Objectives 1-5</b>	<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 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.



## PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

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

Indicator Title	2. Percentage elimination of Fruitless and Wasteful expenditure by 31 March
Definition	Expenditure incurred in vain and that could have been avoided had reasonable care be taken must be avoided by the entity.
Source of data	Fruitless and Wasteful expenditure register for the year
Method of Calculation /Assessment	Compare current financial year register with previous year register
Means of verification	Analysis of the Fruitless and wasteful expenditure register
Assumptions	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>	Annually
<b>Desired performance</b>	10% of the targeted performance – 10% elimination of Fruitless and Wasteful Expenditure
<b>Indicator Responsibility</b>	CFO and Financial Manager

<b>Indicator Title</b>	<b>3. Percentage reduction of external audit outcomes/findings by 31 March</b>
<b>Definition</b>	The number of reported audit findings as per the signed Productivity SA Management report for the 2021/22 financial year from Nexia SAB&T
<b>Source of data</b>	Final signed Management report from external auditors
<b>Method of Calculation /Assessment</b>	Compare the number of reported audit findings in the 2021/22 report with the current year audit findings in the signed management report from external auditors.
<b>Means of verification</b>	Analysis of reported audit findings
<b>Assumptions</b>	The entity has capacity to reduce reportable audit findings and all capacity constraints have been adhered to and eliminated by the entity.
<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>	Annually
<b>Desired performance</b>	50% reduction of audit outcomes/findings incrementally from 2021/22 baseline
<b>Indicator Responsibility</b>	CFO and Financial Manager



<b>Indicator Title</b>	<b>4. Percentage of planned training interventions commenced by 31 March</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>	Senor Manager: HRM

<b>Indicator Title</b>	<b>5. No. of SMMEs and other enterprises supported through Competitiveness Improvement interventions to improve their competitiveness and sustainability by 31 March</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>6. Number of entrepreneurs, workers and managers capacitated to promote the culture of productivity by 31 March</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 - 2400 entrepreneurs, workers and managers capacitated to promote the culture of productivity
<b>Indicator Responsibility</b>	CIS Executive/Regional Executives

<b>Indicator Title</b>	<b>7. Number of Productivity Champions capacitated to build awareness and promote a stronger culture of productivity in South Africa by 31 March</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>8. Number of advocacy and public awareness campaigns to support the productivity movement by March 2024</b>
<b>Definition</b>	Advocacy and public awareness events that will be held to promote social dialogue, a culture of productivity and competitiveness in the workplace and community as well as supporting and strengthening the productivity movement in South Africa.
<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 advocacy and public awareness campaigns to support the productivity movement is simply a numerical record of number of events held to strengthen the productivity movement.

Means of verification	Event invitations, programmes, Attendance Register
Assumptions	There will be complete research reports and Productivity statistics to launch.
There will be enterprises that have been entered into Regional Productivity Awards to move to the next phase of National Productivity Awards.	
Disaggregation of Beneficiaries (where applicable)	N/a
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (Year to date)
Reporting Cycle	Quarterly
Desired performance	100% of the targeted performance - 10 advocacy and public awareness events hosted

<b>Indicator Title</b>	<b>9. Number of jobs saved in companies facing economic distress by 31 March</b>
<b>Definition</b>	The number of jobs retained within the company as well as the additional jobs created.
<b>Source of data</b>	The BT&R Application Form.
<b>Method of Calculation /Assessment</b>	Count the number of employees recorded in the BT&R Application Form in that reporting period.
<b>Means of verification</b>	The number of employees affected will be listed in the BT&R Application Form.
<b>Assumptions</b>	The number of all the employees will be captured in the BT&R Application Form 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>	The actual targeted achievement of 100% is desirable
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>10. Number of companies facing economic distress and participating in the BT&amp;R Programme by 31 March</b>
<b>Definition</b>	Companies or organizations that are deemed to be in financial and/or operational distress but with the potential to be turned around.
<b>Source of data</b>	The BT&R Application Form and the Nurturing Purchase Order (PO).
<b>Method of Calculation /Assessment</b>	Count the number of the BT&R Application Forms with the Nurturing POs in that reporting period.
<b>Means of verification</b>	The BT&R Application Forms for each company and the Nurturing Purchase Order (PO).
<b>Assumptions</b>	Each company approved in the BT&R Programme will have the BT&R Application Form and the Nurturing PO attached in the profile.
<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>	The actual targeted achievement of 100% is desirable
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>11. Number of Future Forum members trained and capacitated on productivity improvement solutions by 31 March</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 in that reporting period.
<b>Means of verification</b>	Training Attendance Registers with participants who signed the register as proof of attendance.
<b>Assumptions</b>	Participants who attend the Future Forum Capacitation and Productivity Champions training 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>	The actual targeted achievement of 100% is desirable
<b>Indicator Responsibility</b>	Business Turnaround and Recovery Executive Manager

<b>Indicator Title</b>	<b>12. Number of research reports and publications on priority sectors published and disseminated by 31 March</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>	Non-Cumulative
<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>13. Number of statistical reports on productivity and competitiveness by 31 March</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>	Cumulative (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