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GSP II Reflection Learning Sharing

Public Procurement

Functional Mentorship to Support Supply Chain Management Policies and Standard Operating Procedures

Supply chain management (SCM) and procurement reform is a key priority of the Government of South Africa. There is ample evidence from reports by the Auditor-General of South Africa that the SCM function in municipalities is performing poorly due to organisational, individual, and technological capacity challenges.

To determine where the most significant impact could be made, a comprehensive SCM Review and Analysis research study was completed in each partner municipality to assess their respective organisational and individual capacity and to identify their challenges. Based on the results of this study, action plans were devised to address the challenges in each municipality. Within the broader objectives of the GSP II, the project aims to improve SCM in partner municipalities through organisational and individual capacity development.

Overview

Frequently procurement of goods and services is viewed as an operational rather than a strategic process. Municipalities experience difficulties in undertaking procurement strategically in a way that is optimised for risk mitigation whilst being aligned to municipal service delivery imperatives as well as meeting preferential procurement objectives. The first phase of the Functional Mentorship process focused on the application of the National Treasury Strategic Procurement Framework (SPF) to support the practical application of the guidance and tools provided in the SPF to contribute to achieving value for money and improving service delivery.

The second phase of the Functional Mentorship process focused on strengthening procurement planning processes thereby contributing to the development of responsive procurement plans that are aligned to business needs, budgets, and the market.

Traditional forms of capacity development such as training workshops and instructional learning have been found wanting in respect of individual and organisational performance improvements. Functional Mentorship provides an alternative approach to capacity development characterised by workplace learning, action research, and applied learning. The Functional Mentorship Guide aims to
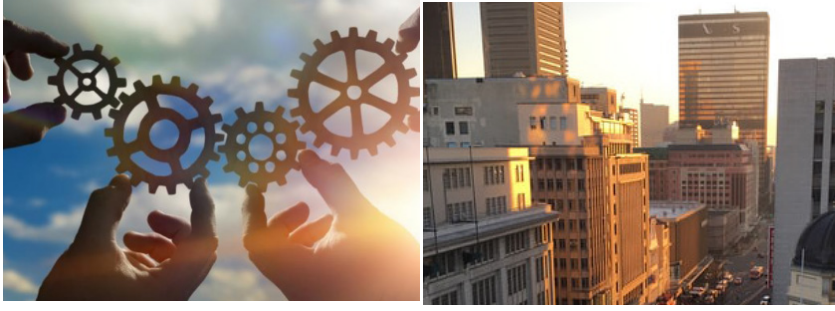
define and support the adoption of a better approach to capacity development and learning.

The Functional Mentorship Guide serves to provide insight into the Functional Mentorship model implemented by GOPA; practical guidance for future implementation of functional mentorship; and observations, lessons learnt, and practical considerations for the successful implementation of Functional Mentorship.

The Functional Mentorship approach provides a practical focus on transforming theoretical concepts into real outcomes, improvements, and outputs. Even though the model has a significant focus on performance and service delivery improvements, the process of achieving these goals will simultaneously result in the development of staff capacitation and skills transfer. The model aims to develop individual capacity and to contribute to an organisation that is stronger, more capable, and self-sufficient to reach the same or better outcomes in the future, once the mentoring process has been concluded.

What was done

The focus of the first phase of this project was to provide strong hands-on functional mentorship to support the SCM system and value chain of each participating municipality to apply the principles of strategic procurement and to achieve preferential procurement objectives on a real-life tender bid lifecycle for a specific commodity.

The project objectives were:

- To provide guidance and advice to implement the strategic procurement framework (SPF).
- To practically support each municipality in applying the principles of the SFP to the procurement process of a commodity, culminating in the successful award.
- To facilitate peer learning amongst the partner municipalities.
- The focus area of the second phase of this project, was to support the SCM team to strengthen procurement planning processes through:
- The review of municipal spending and annual procurement plans.
- The identification of strategic commodities, the development of market analysis, the development of product/service requirements, and the development of appropriate sourcing strategies.

What was achieved

The project resulted in several successes including:

- Participants experienced the benefits of adopting and applying the National Treasury SPF that was shown to be practical, beneficial, and sustainable.
- The value of establishing cross-functional teams was recognised.
- Participants realised the importance of the research, analysis and detailed information that is required to meaningfully inform the bid specifications and sourcing strategies.
- The quality, relevance, and completeness of the ten-der bid documents was improved.
- Procurement planning processes were strengthened, and the quality and relevance of procurement plans improved.
- The iterative nature of the learning process allowed the embedding of good practice into the organisation's systems, policies, processes, templates, behaviour, and culture.
- The process allowed for the demonstration of tangible results to management.
- There was growth and progression amongst all the participants.
- It was overwhelmingly felt by participants that the Functional Mentorship was successful, effective, and beneficial to them and their organisations.

Reflection and Learning

The Functional Mentorship approach provides a great alternative to traditional classroom instructional approaches resulting in relevant learning that has value to both the individual and the organisation. The practical hands-on approach was well received by all participants and enabled real application of knowledge and learning to achieve focused business outcomes.

The Functional Mentorship Guide provides the following amongst others:

- An overview and introduction to mentoring approaches.
- The background and context to the GOPA functional mentorship.
- The GOPA functional mentoring process in detail.
- Lessons learnt including benefits, practical considerations, and reflections.