CHAPTER FIVE

ANALYSIS OF THE PROGRESS OF E-GOVERNMENT INITIATIVES AT THE

GOVERNMENT EMPLOYEES PENSION FUND

5.1   INTRODUCTION

The study on e-government, the case of the Government Employees Pension Fund of South Africa, is predicated upon determining whether the advent of information and communications technologies can improve the delivery of services to clients. The approach adopted throughout the thesis tries to link the traditional theories and practices of Public Administration to the electronic means of Public Administration, namely, e-government. This fore-going idea, which will be explored during the course of this chapter, is novel.

The thesis has probed the levels of access to telephony as the first step in determining levels of accessibility to information and communications technologies for the clients of government in general. The assumption is that a lack of access to information and communications technologies would have a negative impact on clients' ability to make use of any electronic services that may be on offer by government. E-government should serve to enhance access to government services and not act as a wedge that will drive the citizen as client, away.

The thesis has further progressed with an assessment of relevant theoretical analyses attached to Public Administration on the one hand and e-administration on the other. In this regard the thesis has concentrated on a number of the important issues relating to traditional Public Administrative models as opposed to the electronic models of Public Administration as encapsulated by the broad definition of e-government.

The thesis has throughout been drawn back to the case of the Government Employees Pension Fund. The Government Employees Pension Fund presents an appropriate case study, especially since it serves clients from all walks of South African life and more so since the Government Employees Pension Fund is attempting to provide services to clients more effectively through employing electronic means.

As the previous chapter had introduced the theories of Public Administration, this chapter applies the said theories of Public Administration to the Government Employees Pension Fund of South Africa. This chapter will therefore assess the current link between the Government Employees Pension Fund and its clients. The concept and principle of seamless government are integral to the development of an electronic system that will enhance effective and efficient service delivery. The assumption is that e-government is a form of e-administration, hence theoretical aspects such as interoperability, seamlessness and digital divide.

The contribution on customer relationship management explores the Government Employees Pension Fund's attempts to deliver services effectively, efficiently and proficiently. This brings to the fore the additional access points that the Government Employees Pension Fund has provided to its clients as part of the e-government initiative to offer the quality of service that is expected. The Government Employees Pension Fund has a human element in that the human resources represent the face of the organisation. In this respect the Government Employees Pension Fund has had to train and retrain its staff to enable them to use the new information and communications technology system so as to ensure optimal delivery.

As the changes in administrative processes occur a number of other changes will, of necessity, take place concurrently. There needs to be a paradigm shift in the mind-sets of individual workers, just as there needs to be a realignment of human resources capacity – de-skilling, re-skilling, multi-skilling – in order to conform to the dynamicism in the process of electronic (e-government) service delivery.

5.2   A THEORETICAL ASSESSMENT OF THE PUBLIC ADMINISTRATIVE AND ELECTRONIC SYSTEMS OF THE GOVERNMENT EMPLOYEES PENSION FUND
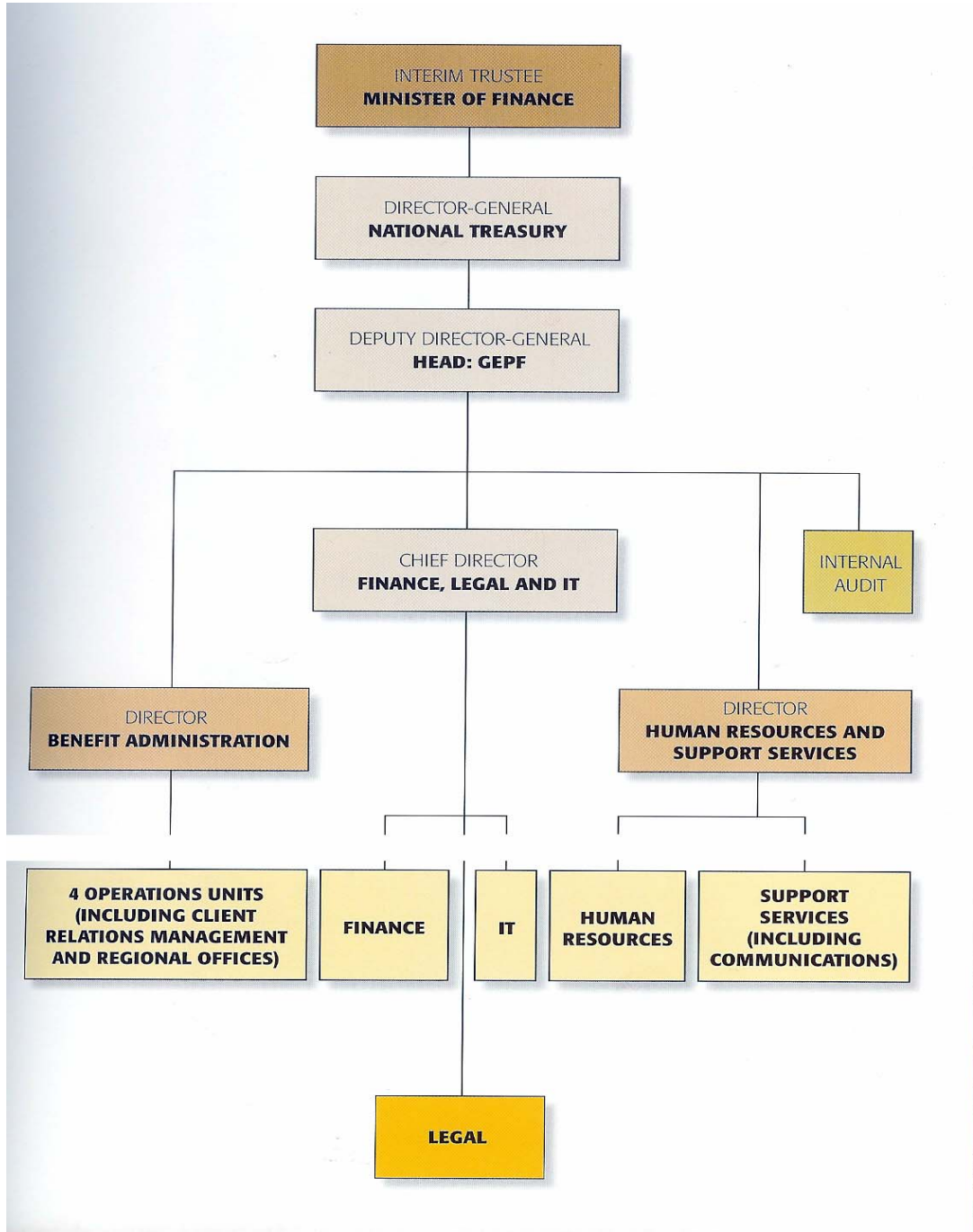
Whilst Chapter Four of the thesis has provided a comprehensive background to and analysis of the initiation of the e-government process at the Government

Employees Pension Fund, the following analysis provides insight to the administrative system within the Government Employees Pension Fund prior to the implementation of a fully-operational e-government system. A cursory analysis of the administrative and management structures of the Government Employees Pension Fund reveals the characteristics of a typical bureaucracy as espoused by traditional theorists such as Max Weber, Henry Ford and Frederick Taylor (Breiner, 1996:32). The rigid, rules-based regimen of the Government Employees Pension Fund with its highly entrenched hierarchical complexion is the realisation of the typical early twentieth century Management and Administrative theories.

5.2.1 The Bureaucratic Nature of the Government Employees Pension Fund

The Government Employees Pension Fund displays the elements of a classical bureaucracy. The Government Employees Pension Fund has a hierarchical structure that lends itself to a highly compartmentalised approach to conducting the business of administering pensions for former South African civil servants and their dependants. Figure 5.1 illustrates the highly structured and compartmentalised nature of the hierarchy of the Government Employees Pension Fund.

FIGURE 5.1: ORGANISATIONAL STRUCTURE OF THE GOVERNMENT EMPLOYEES PENSION FUND (as at 31 March 2002)

Source: GEPF Annual Report, 2002

The Government Employees Pension Fund has its own law and set of rules in terms of which it operates. The rules can be broken down into two sub-divisions, as it were. The first being the formal rules in terms of which pension payments are effected and the second being the rules that are applicable to the conduct of the employees of the Government Employees Pension Fund (**Government Employees Pension Law**, 1996 (Proclamation 21 of 1996)). Bureaucrats, to re-iterate a statement by Breiner (1996:32), have no control over the rules and written procedures that they implement. The principle of bureaucrats not having control over the rules that they implement holds true for the Government Employees Pension Fund. The formal Rules of the Government Employees Pension Fund form the basis in terms of which payments are made to clients, thereby leaving no room for discretion. Why certain formulae are used at the Government Employees Pension Fund and how they are derived at are not the domain of the bureaucrats. The bureaucrat interprets, implements and ensures that the administrative process is completed within a prescribed period.

Bureaucracies are impersonal by nature. Depending on their size, bureaucracies are dualistically impersonal, that is, toward their staff (internally) and towards their clients (externally). The Government Employees Pension Fund displays a close resemblance to the principles espoused in Max Weber's theory on Ideal Types. The Government Employees Pension Fund displays a formal division of labour, with the tasks being assigned to any one individual becoming the official duties of that individual. The actions of the individuals within the Government Employees

Pension Fund are separate but complementary. One individual may, for example, perform a purely administrative function such as calculating a pension benefit whilst another may be expected to confirm and yet another will be expected to perform the payment. These actions are specialised and limited to one individual (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004).

5.2.2   Ford's Theory on Management as Manifested in the Government Employees Pension Fund

Ford's Theory of Management is based on the concept of the assembly line that is geared toward ensuring mass production. The assembly line concept was taken a bit further with the advent of the conveyor belt (Breiner, 1996). The concept of the assembly line as propounded by Ford eradicates the need for the worker to move to the work. The work, instead, moves to the worker with the express aim of making production faster and more efficient (Breiner, 1996).

Given that the Government Employees Pension Fund uses hard, paper-based files, applications for withdrawal from the Government Employees Pension Fund (for a number of possible reasons such as death, retirement, resignation, incapacity, illness, inter alia) are received and processed accordingly. Only once hard copies of such withdrawal applications are received, will the actual administrative process be initiated (Interview, Manager of Operations Section of

the Government Employees Pension Fund, 29 April 2004). The file first goes to the preparations section of the relevant Operations Unit. Here the contents of the file are checked to ensure that the correct documents and information are available for the actual administrative process to take its course. From the preparation section the documents physically move to the section where the members' details are updated (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004). This section checks, for example, whether a member's marital status has changed or whether name changes have occurred without the Government Employees Pension Fund having been notified sooner. The file then moves to the payment section where the details are entered into the system which calculates the amount of money to be paid, generates a payment and generates correspondence to the beneficiary (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004). An employee performs one task and passes the file to the next employee so that the next task can be completed. This process is followed until the whole cycle is complete. The resultant effect is that uni-skilled specialists are created. This fore-going situation does not allow for any creativity beyond what is within the employee's area of expertise, hence Linden's (1994:28) assertion that Fordism, given its tendency toward fragmented roles for individuals, contributes to the de-skilling of the worker. When workers become specialists as opposed to generalists, they tend to be limited to the function that they perform. A case in point is when one particular specialist is absent from work, that another cannot readily step into

the functionality to perform the duty. Production consequently slows down as a direct result of the strict separation of duties.

5.2.3   Organisation Structure of the Government Employees Pension Fund

McMillan (2002), citing several writers, views organisation structure as the pattern of relationships between roles in an organisation and its different parts. Another definition offered is that organisation structure is the elements, visible and invisible, that bring together all the aspects of an organisation's activities so that functions and activities are synergised into a dynamic entity for a specific purpose (McMillan, 2002).

In an analysis on the importance of organisation structure, McMillan (2002) concludes that if an organisation is to achieve optimum performance, then its structure must match the rate of change in its environments. If the structure of an organisation and its many environments are not in synergy with its core purposes, then it is unlikely for the organisation to be successful. McMillan (2002) makes the point that all too often organisation structure is overlooked as being not important enough to warrant time, effort and resources.

Mabey, Salaman and Storey (in McMillan, 2002) tend toward the de-structured form of an organisation since this kind of organisation displays high performance, creates knowledge, empowers, is boundryless and is process-based. The de-

structured organisation form seeks to transform the rigid and cumbersome nature of the traditional organisation (McMillan, 2002). The following comparative table (Figure 5.2) presents various elements of the traditional versus the de-structured organisation type.

FIGURE 5.2: Design Principles for Organisation Success

OLD SUCCESS FACTORS (Traditional)	NEW SUCCESS FACTORS (De-structured)
Size	Speed
Role clarity	Flexibility
Specialisation	Integration
Control	Innovation

Source: McMillan, 2002

The current organisation structure of the Government Employees Pension Fund as approved, dates back to around 1992 (Le Roux, Government Employees Pension Fund Management Workshop, 30 April 2004). This organisation structure has not formerly adapted to the pressures of change that have necessitated the inception of a Call Centre, an Internal Audit Section, a Secretariat as well as an Operations Support Services Section in the Government Employees Pension Fund (Le Roux, Government Employees Pension Fund Management Workshop, 30 April 2004).

The Call Centre and the Internal Audit Section, for example, have come about as a result of unforeseen pressure on the Government Employees Pension Fund. The Call Centre, for example, came about as a result of the need for clients to be able to access information about their pensions without having to distract the production units from processing such pensions. The Call Centre is one of the sections that to date still does not appear on the formalised, approved organisation structure of the Government Employees Pension Fund, despite it providing a vital electronic service to clients (Interview, Manager Human Resources of the Government Employees Pension Fund, 29 April 2004).

The approved organisation structure of the Government Employees Pension Fund is too hierarchical and lends itself to the perception that too much responsibility is vested in too few senior managers. A particular area of responsibility, for example Communications, which also does not appear on the formal approved organisation structure of the Government Employees Pension Fund, is allocated to the Human Resources Manager simply because the current organisation structure does not allow for the appointment of a suitably qualified individual (Interview, Manager Human Resources of the Government Employees Pension Fund, 29 April 2004).

A further complication which is not directly linked to organisation structure, but is as important, is the absence of a fully-fledged Board of Trustees. Since the establishment of the Government Employees Pension Fund the Minister of Finance has been acting as the Interim Board of Trustees. This situation is

untenable simply because of the limited channels of communication between the Government Employees Pension Fund and the office of the Minister of Finance. Initiatives are, however, afoot to ensure the appointment of a full Board of Trustees to oversee the governance of the Government Employees Pension Fund. It is envisaged that, once the fully-representative Board of Trustees is in place, there will be an improvement in the time it takes to expedite all-important matters such as the organisation structure (Interview, Manager, Actuarial Services: Government Employees Pension Fund, 29 April 2004).

It could be argued that if a new organisation structure were in place at the Government Employees Pension Fund that it would improve efficiencies by having suitably qualified specialists in the portfolios. Similarly, specialists and dedicated individuals will be more focussed than is currently the case. Because no new organisation structure is in place at the Government Employees Pension Fund, the current senior management is thinly spread, so much so that even the Head of the Government Employees Pension Fund is directly involved in the line management functionalities to the detriment of strategic planning. A lack of effective strategic planning, in its turn, results in haphazard decision-making and inconsistencies (Interview, Manager Human Resources of the Government Employees Pension Fund, 29 April 2004).

The current organisation structure of the Government Employees Pension Fund lends itself to a disjointed, silo mentality. Whilst one administrative action

complements another, silo mentality advocates fragmented processing. Marcus (2003) notes that silo mentality is an impediment to organisational preparedness. Silo thinking refers to a perspective that is insular, parochial and isolationist (Marcus, 2003). Fragmented administrative processes in their turn are not conducive to cordial staff relations nor are they conducive to effective electronic service delivery. Further to the fore-going, silo thinking advocates negative competition between what should be complementary sections. This negative competition often results in policy provisions being interpreted and implemented differently across the sections of the Government Employees Pension Fund with the resultant negative effects for clients and for service delivery. Pressman and Wildavsky (Jenkins, 1978:212) assert that there are a multiplicity of participants and a multiplicity of perspectives that converge in the policy implementation process. Pressman and Wildavsky (Jenkins, 1978:212) further assert that these converging factors delay and most likely stifle administrative efforts. Public policy implementation can require a wide variety of actions ranging from the issuing of directives to disbursing funds and enforcing decisions (Edwards, 1978:293). Jenkins (1978:205) defines policy implementation broadly as the interaction between ends and means, that is, actioning programmes and activities to achieve objectives. Furthermore, policy implementation is often considered to be a once-off event within organisations. This presupposes that no further changes will occur in the organisation's operational structures. An organisation's operational structures could change given that demands may be placed on them by both, internal and

external factors, one of which is an organisation's ability to interoperate with other organisations.
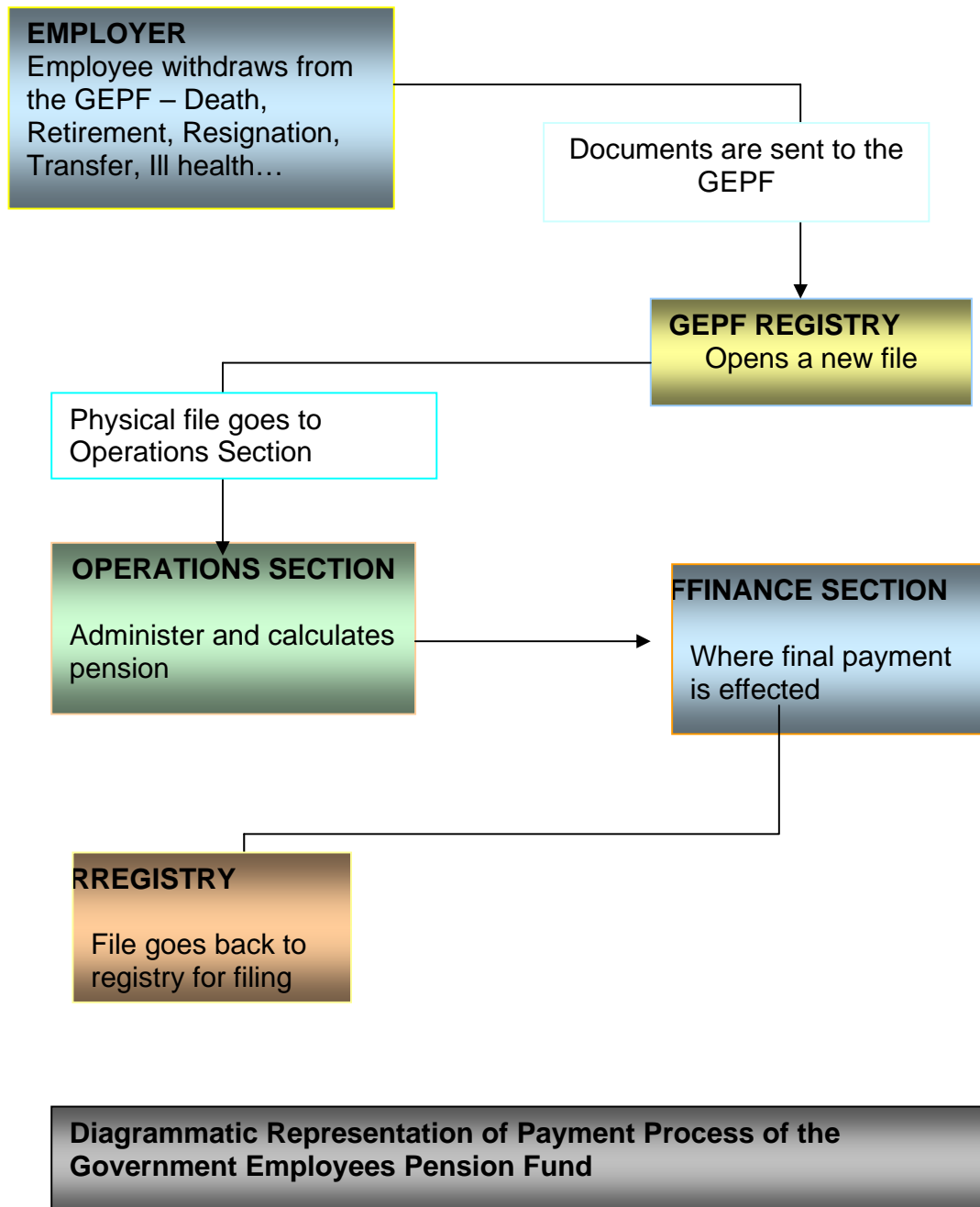
5.2.4   Interoperability Between the Government Employees Pension Fund and the Employer Departments

The employer departments in South Africa constitute all the government departments where civil servants are employed - national, provincial and local. It is compulsory for civil servants who are in the full-time employ of a government department to contribute 7.5% of their salary to the Government Employees Pension Fund, which in its turn administers the Fund in accordance with set rules and regulations (**Government Employees Pension Law**, 1996 (Proclamation 21 of 1996)). It is therefore imperative that there are open channels of communications between the employer departments and the Government Employees Pension Fund.

The process of withdrawing one's interests (benefits) from the Government Employees Pension Fund is largely still conducted manually. The employer triggers the process by completing the requisite forms and dispatches them to the Government Employees Pension Fund where they go through a process of verification and administration to finalisation (Interview, Senior Manager of Operations: Government Employees Pension Fund, 31 May 2004). The process is by its very nature slow, cumbersome and riddled with loopholes which could leave

the Government Employees Pension Fund vulnerable to fraud. The Government Employees Pension Fund has many hard files in its possession that cannot be processed because of discrepancies between the information supplied by the employer department and the information that the Government Employees Pension Fund has on its system (Interview, Senior Manager of Operations: Government Employees Pension Fund, 31 May 2004). This leads to delays in the administration process and to delays in the resultant payment process. Refer to Figure 5.3 for a simplified representation of the manual payment (administrative) process that the Government Employees Pension Fund follows.

FIGURE 5.3:

EMPLOYER
Employee withdraws from the GEPF – Death, Retirement, Resignation, Transfer, Ill health…

Documents are sent to the GEPF

GEPF REGISTRY
Opens a new file

Physical file goes to Operations Section

OPERATIONS SECTION
Administer and calculates pension

FFINANCE SECTION
Where final payment is effected

RREGISTRY
File goes back to registry for filing

Diagrammatic Representation of Payment Process of the Government Employees Pension Fund

Source: Adapted by H. Fisher, 2004

The Government Employees Pension Fund is considering ways of improving the path and accuracy of the information that it receives so as to expedite payments to clients. One way of improving the flow of information from the employer departments to the Government Employees Pension Fund is to develop electronic processes that allow for requests for the withdrawal from the Government Employees Pension Fund to be submitted electronically. For such information to be submitted electronically, there needs to be compatible electronic links throughout government. Worthington-Smith (ed.) (2001) confirms that integrating the internal processes of the various government departments could prove to be a daunting task. Apart from the technical changes that are required for the integration of technological and administrative systems, public officials need to display the necessary willingness and commitment to the process. Whilst a number of government departments would be able to submit information to the Government Employees Pension Fund electronically, others would not be able to do so.

The challenge for the Government Employees Pension Fund therefore lies not in upgrading its own information and communications systems, but rather in how to ensure that those technologies are compatible with the same of other government departments. The challenge furthermore lies in finding solutions to systems that are not compatible or interoperable. A further challenge is to enhance human resources capacity to be able to deal with the demands that electronic information and communications media will pose. All of these challenges (and others which will be explored in more detail) are the foundation on which the concept of seamless

interaction between government departments is premised. Seamless interaction between government departments is a prerequisite for improved service delivery to clients. Part of providing seamless interaction is to ensure that the gap between those who have access to information and communications technologies and those who do not have such access is reduced.

Interoperability of systems between government departments is therefore an important concept in the development of an e-government system. The Government Employees Pension Fund, given the new Comprehensive Pension Fund Administration Support System (COMPASS) and the workflow software, has to be electronically linked to the employer departments, especially for the submission of withdrawal (from the Fund) instructions from the employer departments on behalf of their employees. The CivPen pensions administration software programme is not compatible with many of the new technological developments hence the decision to implement a new electronic programme (Interview, Manager AST - Information and Communication Technology, 5 July 2004). The electronic submission of documents to the Government Employees Pension Fund will enhance the speed, accuracy and efficiency with which documents are submitted. This enhanced efficiency will improve the services that are provided to the clients of the Government Employees Pension Fund. Some functions of the new system will also be available to employer departments, pensioners and members via the Internet. Such electronic access to clients via the Internet aims to reduce the number of queries and requests that must be

processed by the users and the Call Centre. Access to the Government Employees Pension Fund's electronic system will be controlled and the external users will be strictly limited to specific functions and data.

A case in point is the funeral benefit structure that the Government Employees Pension Fund offers its clients. A funeral benefit needs, by its very nature, to be paid rather promptly in order for beneficiaries to plan and execute funerals for their deceased loved-ones. The current procedure for claiming funeral benefits is largely paper-based. The relevant forms are completed after which they are submitted - by facsimile, courier or mail - to the Government Employees Pension Fund, for processing and payment. There are cases where claimants do not have access to any of the media - facsimile, courier or mail - in order to lodge the claim, hence delays will occur. The Government Employees Pension Fund can make payments in one of two ways. Payment can be made directly into the beneficiary's bank account or payment can be made through the national network of post offices (Interview, Administrative Assistant: Funeral Benefits Section, Government Employees Pension Fund, 15 June 2004). Ironically the direct electronic bank transfer is a lengthier process than the post office payment since additional forms need to be submitted and since there are only two electronic payment runs per week. Once an electronic bank transfer has been effected, it takes approximately three working days for the monies to reflect in the beneficiary's bank account, this after the administrative process has taken place. A post office payment can

happen within a period of forty-eight hours from the time that the documents have been received by the Government Employees Pension Fund.

As the fore-going case reflects, the paper-based procedure seems to display a number of inherent flaws. Physical documents – application forms, bank detail forms, death certificates, marriage certificates, inter alia – are submitted to the Government Employees Pension Fund in order for an administrative process to be initiated. During the course of the administrative process, the documents are handled by a host of administrators. The documents could get misplaced or the documents could be soiled, given the high number of withdrawals from the Fund applications that come in to the offices of the Government Employees Pension Fund. The misplacement and damage of documents invariably results in the client's pension benefits not being paid timeously. This situation places an additional administrative burden on the Government Employees Pension Fund, since it has to request for duplicate documents from the employer. Clients also suffer since they may be losing out on investment opportunities, on the one hand, and they go through the psychological trauma of not having a source of income during the period that they are waiting for their monies to be paid to them, on the other.

An electronic interface between government (employer) departments and the Government Employees Pension Fund will go a long way to resolving the administrative bottlenecks that occur as a result of the paper-based administrative

process. The implementation of the new Comprehensive Pension Fund Administration System Support (COMPASS) will create electronic interfaces between employer departments, the banks and the Government Employees Pension Fund. Electronic interfaces would result in the client departments being able to submit electronic documents to the Government Employees Pension Fund. It is envisaged that such electronic submission of forms can improve the accuracy of the calculation of payments and the turn-around time for the payment of pensions.

A case in point is the electronic link that the Government Employees Pension Fund has with the Department of Home Affairs (Government Employees Pension Fund, Annual Report, 2002-2003). This link was established in order to verify the authenticity of identity documents and for verifying the life status of pensioners. This electronic link with the Department of Home Affairs allows the Government Employees Pension Fund users to access the system electronically in order to determine whether a pensioner is still alive and therefore qualifying for continued pension payments. This electronic link with the Department of Home Affairs affords the Government Employees Pension Fund the opportunity to proactively suspend payments upon the death of a pensioner therefore mitigating the risk attached to overpayments (Government Employees Pension Fund, Annual Report, 2002-2003).

The concept of teleforms, that is, transcribing all high volume, paper-based forms that the Government Employees Pension Fund uses into electronic format, will also enhance service delivery (Government Employees Pension Fund, Customisation and Implementation Plan, 2001). The concept of the teleform, which has protected fields to ensure information security, will provide a further dimension in enhanced electronic service delivery. Teleforms also provide that certain compulsory fields be filled out before they can be despatched electronically to the Government Employees Pension Fund for processing. The teleforms would generally be the forms that come from the employer departments in order for the Government Employees Pension Fund to initiate an electronic administrative process. The electronic forms were designed to contain the same fields as the paper forms. This reduces the learning curve that employees have to undergo, thereby further expediting electronic service delivery.

Annuitants or pensioners need to annually submit a life certificate that is attested to by a commissioner of oaths that verifies the continued existence of an annuitant (pensioner) of the Government Employees Pension Fund. The introduction of the life certificate verification system serves as a mechanism to ensure that pensioners are still alive, hence preventing continued payments to deceased pensioners and preventing fraudulent payments. The Government Employees Pension Fund despatches an average of 23 500 life certificates per month to its approximately 250 000 annuitants or pensioners (Government Employees Pension Fund: Executive Information System, October 2002 – March 2004). Once a life certificate

is received it is scanned, that is, transformed into an electronic image, indexed against the pension number of the pensioner and the pension is activated for a further 12 months. The physical document is bar-coded and despatched to an external vendor for filing (Government Employees Pension Fund, User Manual: Introduction to Workflow, March 2004). What is important is that the Government Employees Pension Fund has an electronic image of the life certificate for reference purposes. The life certificate is one of the documents that, if accessed in the electronic format on the web site of the Government Employees Pension Fund, could expedite the submission and related administrative processes.

In addition to the life certificate, pensioners and members of the Government Employees Pension Fund could submit address changes on a teleform. These teleforms have been made available to clients on the Government Employees Pension Fund's web site. Other products and services that could be made available include the electronic web calculator to assist contributing members of the Government Employees Pension Fund to calculate their benefits, online applications for membership cards and online requests for tax certificates. The problem of verifying electronic signatures could, however, pose a security risk for both the Government Employees Pension Fund and the client. The matter of risk management and electronic security will be addressed later in the chapter.

5.2.5   The Digital Divide Between the Government Employees Pension Fund and Employer (Government) Departments

The success of any e-government system is dependent upon whether government departments have access to computers, whether people have been trained to use computers and, indeed, whether people believe that computers can improve the speed and accuracy of the administrative processes. The digital divide, that is the gap between those who have access to information and communications technology and those who do not, is cause for concern within the public sector in South Africa. The Government Employees Pension Fund, with all its good intentions to improve service delivery by upgrading its information and communications systems, will not necessarily improve service delivery if the digital divide between itself and the employer departments proves to be insurmountable.

The advantages for the Government Employees Pension Fund if the digital divide between itself and employer departments can be narrowed is an e-government process in which government delivers services in a manner which citizens had not experienced before. E-government improves communications between the respective line departments. The automation of routine tasks and the integration of services would generally improve workflow and productivity in government in general and specifically in the Government Employees Pension Fund.

Automation of services would also realise increased and improved service volumes as well as quality. Government's increased connectivity would allow for more citizens to interact with national, provincial, local, regional, continental and other governments further afield. Greater volumes of information will be shared more quickly and more efficiently in the event of such connectivity (Worthington-Smith (ed), 2001). One of the further benefits from this is that there would be less duplication.

Before the benefits of e-government can be realised a number of challenges need to be met decisively. The first of these challenges relates to financial resources. Worthington-Smith (ed) (2001) notes that finding the budget to establish and/or integrate information and communications technology systems and to make them available to the public, is extremely difficult especially in the face of other, seemingly more pressing social needs such as health care, the delivery of water and education, to mention but a few.

Worthington-Smith (ed) (2001) proffers that there is an acute shortage of information and communications technology skills in South Africa. Given this shortage, it is difficult for government with its structured salary packages to compete with the private sector to retain such skills. The South African Government further has to contend with internationally attractive packages for the highly skilled and marketable information and communications technology professionals. It is furthermore difficult for government to reach the public.

Worthington-Smith (ed) (2001) identifies two reasons for government's inability to reach the public, the first of which relates to the low level of literacy in South Africa. South Africa is still trying to come to terms with illiteracy whilst at the same time trying to inculcate a reasonable level of computer literacy. It is virtually impossible to attain any level of success as far as e-government is concerned, given the low levels of illiteracy on the one hand and computer illiteracy on the other. The only way to stem computer illiteracy is to ensure that people have access to computers. Hodge and Miller (1997:2) indicate to a clear distinction between the information and communications technology have and have-nots. Hodge and Miller (1997:2) seem to think that the gap between those that have access to information and communications technology and those who do not is becoming more pronounced, that is, the digital divide is widening.

The low level of access of staff to computers in the public sector needs to be addressed as a matter of urgency if the government is serious about delivering services electronically. Proactive efforts need to be made to train government officials to utilise the new technologies that will be made available to them. Limited access to computer technology and the lack of ability to effectively use such technology in the public sector poses challenges for the South African Government's ability to deliver an effective e-government service.

5.3   COMPREHENSIVE PENSION ADMINISTRATION SYSTEM SOFTWARE (COMPASS) SUPPORT – LOCALLY AND ABROAD

The Comprehensive Pension Administration System Software (COMPASS) is supplied by an American-based company, FDP Sungard. At the time of purchasing the Comprehensive Pension Administration System Software (COMPASS), FDP Sungard agreed that extra investment in the support infrastructure would be forthcoming (Interview, Manager AST - Information and Communication Technology, 5 July 2004). One mechanism that was mooted at the time was the establishment of a South African Comprehensive Pension System Software (COMPASS) user forum to ensure that the South African user community jointly funds customisations that are peculiar to the South African environment. This proposal has yet to be realised (Interview, Manager AST - Information and Communication Technology, 5 July 2004).

There seems to be a perception that Sungard does not provide sufficient support to its Comprehensive Pension Administration System Software (COMPASS) clients in South Africa. Sanlam, for example, noted that Sungard does not always consider the needs or requirements of South African clients (Government Employees Pension Fund, January 2004). Old Mutual seems to have had more success with the Comprehensive Pension Administration System Software (COMPASS) since it interacts with United Kingdom-based companies where it has business interests (Government Employees Pension Fund, January 2004). The South African office

of Sungard is not adequately equipped to support its clients since it does not have the requisite skills and knowledge. The ability of the local office to train users to use the software effectively is consequently compromised. This lack of infrastructural and back-up support for the Comprehensive Pension Administration System Software (COMPASS) obliged South African clients to make direct contact with support offices in the United States at much higher costs (Interview, Manager AST - Information and Communication Technology, 5 July 2004). This lack of interest to expand the support base seemingly stems from the inability of the expansion of the client base of the Comprehensive Pension Administration System Software (COMPASS) in South Africa. Furthermore, South African companies have developed in-house skills so that the software could be supported, modified and maintained cost effectively, efficiently and timeously (Interview, Manager AST - Information and Communication Technology, 5 July 2004).

One of the options put forward as a solution was that a South African software house takes ownership of the software and starts supporting South African business. Both Sanlam and Old Mutual re-iterated that South African companies have to join forces via the user group to ensure that companies did not pay for system developments that have already been requested (Interview, Manager AST - Information and Communication Technology, 5 July 2004). It therefore seems that the implementation of the Comprehensive Pension Administration System Software (COMPASS), despite being a complex process, is exacerbated by a lack of support. This could be due to the fact that the software is complex and is not

flexible enough to handle the range of South African specific requirements related to pensions benefit types, taxation and other related components. This fore-going principle of the lack of support for systems purchased abroad is typical of what Heeks (2002) refers to as the 'if it works for us (that is, western countries), it will work for you' syndrome as far as information and communications technologies are concerned. Heeks (2002) further states that the concept of the west does not only refer to a location, it also refers to a mindset, hence the belief that what has worked elsewhere (in the west), should also work in Africa. The perception that one can take a successful electronic system and transplant it elsewhere does not consider the context in which the system is to be transplanted. Heeks (2002) confirms that the west, as the custodians of intellectual property, can easily withdraw their involvement in information and communications technology projects, thereby leaving such projects destitute. The implication of such withdrawal of support for the western countries may not be that dire, but for the recipient countries the implications are almost always far-reaching. It is therefore important that human resources requirements related to e-government be developed so as to create the necessary capacity for e-government success. Given the dynamism involved in the development and growth of new information and communications technologies, the universal challenge is to ensure that employees are equally dynamic in updating their skills, individually and collectively.

A human resources development strategy requires a mix of processes, policies, training and development and structures. In short, a human resources

development strategy should be an integrated process. Facilitating the processes, establishing the training and development initiatives and designing the structures are reasonably uncomplicated. True success will, however, only be achieved if the fore-going initiatives are aligned with the organisation's goals and values and are implemented in an integrated, sustainable manner that will improve the electronic relationship between the customer by improving the levels of services.

5.4   AN ANALYSIS OF CUSTOMER RELATIONSHIP MANAGEMENT AT THE GOVERNMENT EMPLOYEES PENSION FUND

The reference to customer relationship management (CRM) aims to provide an analysis on the value that customer relationship management solutions could add to an organisation. Customer relationship management systems, be they operational (manual), electronic and/or mobile, provide significant opportunities to enhance service delivery in both the private and the public sectors. An explanation of what customer relationship management entails and how its implementation could improve service delivery ensues. In so doing, it is necessary to define the concept of client, a term more readily used in the private sector business environment.

Batho Pele (People First) is the official customer relationship management programme of the South African Government. The Batho Pele programme is an attempt by the South African Government to expunge any intransigence that may

exist amongst public servants. The concept and practice of Batho Pele will be explored and assessed in relation to the Government Employees Pension Fund. The Government Employees Pension Fund of South Africa provides a good case for the implementation of a customer relationship management model. The model for a customer relationship management system will, whilst considering the integration of the front and back office systems, be employed as a tool to provide new service offerings, such as investment advice, to Government Employees Pension Fund clients. Furthermore, given that the Government Employees Pension Fund is attempting to implement new technologies in an effort to deliver improved services, electronic and mobile customer relationship management are vital. The relationship between the implementation of the new information and communications technologies at the Government Employees Pension Fund and a customer relationship management model will be considered.

Customer relationship management models lend themselves to seamless operations especially since they connect logistics, manufacturing and accountability. Customer relationship management solutions connect demand internally with operations and externally with clients. A customer relationship management solution serves as a vital tool to keep updated information on clients, revenue and resources. An integrated customer relationship management solution helps institutions to add value for their clients.

Updated information will also allow the Call Centre agent to provide accurate, real time information to the client. The Call Centre needs to be able to provide the latest information relating to an enquiry. Many pensioners are not computer literate and many pensioners simply do not have access to computers, let alone access to e-mail facilities. In the event that information and communications technology is not accessible, the client of the Government Employees Pension Fund can access information via the Call Centre. It is therefore imperative that workflow systems are engineered in such a fashion that a client is able to access information and services via various access or touch points and that a record of such interaction can be accessed by any of the staff members to be able to provide instant, accurate feedback to clients.

It is envisaged that an interactive web page will allow clients to effect address changes, inter alia, by using their pension numbers as access codes. Other online services would include the dissemination of information – frequently asked questions, formulae in terms of which amounts payable are determined and a web calculator, where clients can determine their own benefits.

Customer relationship management is about people. People are at the centre of the business that the Government Employees Pension Fund offers. The people that are involved are the service providers as well as the client. It is therefore prudent to put people at the centre of the processes that dictate service provision. The South African Government's customer relationship management programme of Batho Pele provides impetus to the process of placing people at the centre.

5.4.1   The Relationship between the Citizen and Government

Customer relationship management is a strategy – implementable electronically or manually – to learn more about customers' needs and behaviours in an effort to provide a more comprehensive and effective service offering (Deck, 2004). Fielding (2004) draws a link between e-government and customer relationship management programmes to indicate that such a co-existence has as its goal to manage and disseminate information more prudently to enhance service delivery. Humphreys (2002:13) postulates that over the past twenty years there has been a steadily growing entrenchment of the idea of consumerism in the public sector and that governments have increasingly resorted to customer research, communications, public relations and marketing.

The hypothesis that there exists a client relationship between citizens and government is unique (Deloitte Research, 2000). Unlike with services and goods offered by the private sector, where several vendors can offer the same good or service, the customer satisfaction index and the pricing levels are determinants as to whether the client will use his or her spending power. If citizens, however, want to access the services offered by government, they have no choice but to go to the government agency that offers the service. E-government offers the opportunity for government to be more responsive to the needs of clients (Deloitte Research, 2000). E-government systems by themselves are, however, not enough because of the limited access to the Internet by customers. Customer relationship

management ensures that there are additional channels of access to services for the customer. Customer relationship management ensures that there is an integrated continuum of service provision between the front- and back-office environments (Hewson Group Report, March 2002).

The nature of the clients of the Government Employees Pension Fund is such that they also need to be informed about the new systems and the new service offerings that are available to them. Without this approach to tagging the clients along, as it were, the gap between the systems that the Government Employees Pension Fund is developing (for the clients' benefit), will widen. To mitigate the widening of the gap between the Government Employees Pension Fund and its clients, there needs to be an extensive process of education and orientation. The Government Employees Pension Fund needs to establish a critical mass of clients that are prepared to engage it on a regular basis in order to ensure that there is constant feedback on the levels of service delivery.

The idea of a relationship between the citizen as client and the government is made clear when the African National Congress-led Government in South Africa proclaimed the slogan of a People's Contract as its manifesto during the 2004 general election (Government Communication and Information System, 2004). The idea of government entering into a contract with its citizens is not unique, since it dates back to the philosophies of Plato, Hobbes, Locke and Rousseau (Bullock (ed.) 1988:783). Bullock (ed.)(1988:783) espouses that there is an unwritten

contract between members of society to behave with reciprocal responsibility in their relationship under the governance of the state. Bullock (ed.)(1988:783) further postulates that people could change the state if it did not adhere to its part of the contract. The contract that the African National Congress-led Government entered into when it received an overwhelming mandate during the 2004 general election was one that portended to extend the delivery of services to those people who may not have access to such services.

The Government Employees Pension Fund is in the unique position of being the largest pension fund in South Africa (Government Employees Pension Fund, Annual Report, 2003-2004). It is also the only pension fund in South Africa that administers pensions on behalf of civil servants. The Government Employees Pension Fund therefore has a constant source of contributing members. It is a condition of service that civil servants should contribute to the Government Employees Pension Fund (**Government Employees Pension Law**, 1996 (Proclamation 21 of 1996)). It is in this fore-going context that the Government Employees Pension Fund does not necessarily have to market itself and its product offerings to attract clients. The Government Employees Pension Fund also does not have to compete on the basis of private sector principles to attract new and additional clients. Given this scenario, it is extremely easy for the Government Employees Pension Fund to become intransigent to the needs of the clients. The client has no other option but to return to the Fund for administrative support.

The Government Employees Pension Fund is furthermore in the invidious position that not many civil servants are aware that they are contributing to the Fund. There is another category of civil servants who are aware that they are contributing, but they do not necessarily know at what levels, they do not necessarily know what their benefits are and they do not necessarily know how to access the benefits. This ostensible lack of interest makes it difficult for the Government Employees Pension Fund to have constant dialogue with its contributing members. Contributing members and/or beneficiaries begin to show interest - the extent of which is often limited to financial benefits – when they need to extract benefits from the Fund as a result of retirement, death, illness or dismissal. It is also such that contributing members, from the time of the initial contribution to the time of retirement, often transfer from one government department to another or may move from one physical address to another without informing the Government Employees Pension Fund of such changes. A female member may furthermore have altered her status and name due to marriage, a member may have experienced a divorce or there may be additional beneficiaries in the form of children, all of which may not have been communicated to the Government Employees Pension Fund (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004).

The customer relationship management processes at the Government Employees Pension Fund are consequently all the more important in that the programme should be pro-active in attempting to foster continual interaction with the client. The

Government Employees Pension Fund needs to foster such interaction based on the principles of the Batho Pele (People First) programme of the South African Government. Without an integrated approach to service delivery and customer relationship management, the Government Employees Pension Fund will not succeed in its efforts to provide constantly high levels of service.

5.4.2 Batho Pele: The Customer Relationship Management Programme Of The Public Sector In South Africa

The discussion on customer relationship management would not be complete without considering the South African Government's attempt to implement the Batho Pele (People First) programme. The main tenets of the Batho Pele programme hinge on effective service delivery. The principle of Batho Pele is premised on the idea that government has clients that need to be assisted in a client-centred approach to service delivery. Worthington-Smith (2003:217) notes that the each citizen (client) has to interact with government departments on an array of administrative issues between birth and death - birth, education, marriage, social benefits, tax, property, health, to mention but a few. The structures and procedures of government and government departments are overwhelming to the best of citizens.

The notion of Batho Pele was first mooted in 1997 (Department of Public Service and Administration, 2003). Batho Pele is a Government initiative to get South African civil servants to be service oriented, to strive for excellence and to

continually strive to improve service levels to clients. The Batho Pele programme espouses eight principles – consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money (Department of Public Service and Administration, 2003). Whilst the eight principles of Batho Pele are noble, their implementation in public service departments has proven to be difficult. Because of the relatively low levels of success of the Batho Pele programme since its initial inception, it was deemed necessary to revitalise the programme. The four pillars of the Batho Pele revitalisation strategy – the strategy developed to intensify the Batho Pele campaign, especially in back-office operations of government – are more applicable to the Government Employees Pension Fund. The four pillars of the revitalisation strategy are re-engineering and improving the back-office operations of government, re-engineering and improving the front-office operations of government, internal communications and external communications (Department of Public Service and Administration, 2003). The Government Employees Pension Fund has established a number of channels for interaction with clients. These channels of communication include electronic means (by means of the web site), direct contact in the walk-in centres, remote telephonic contact and written interaction by means of the newsletters. All these channels of communications, however, seem quite remote to staff members who operate in the back-office environment of the Government Employees Pension Fund. Because there is no or little direct contact between back-office staff and the client, back-office staff tend to become intransigent to the needs of their front-office colleagues and consequently

toward the client. It is, however, such that front-office staff depend on the efficiency of the back-office staff to be able to provide an effective service to the client. Effective channels of communications are therefore paramount to efficient service delivery.
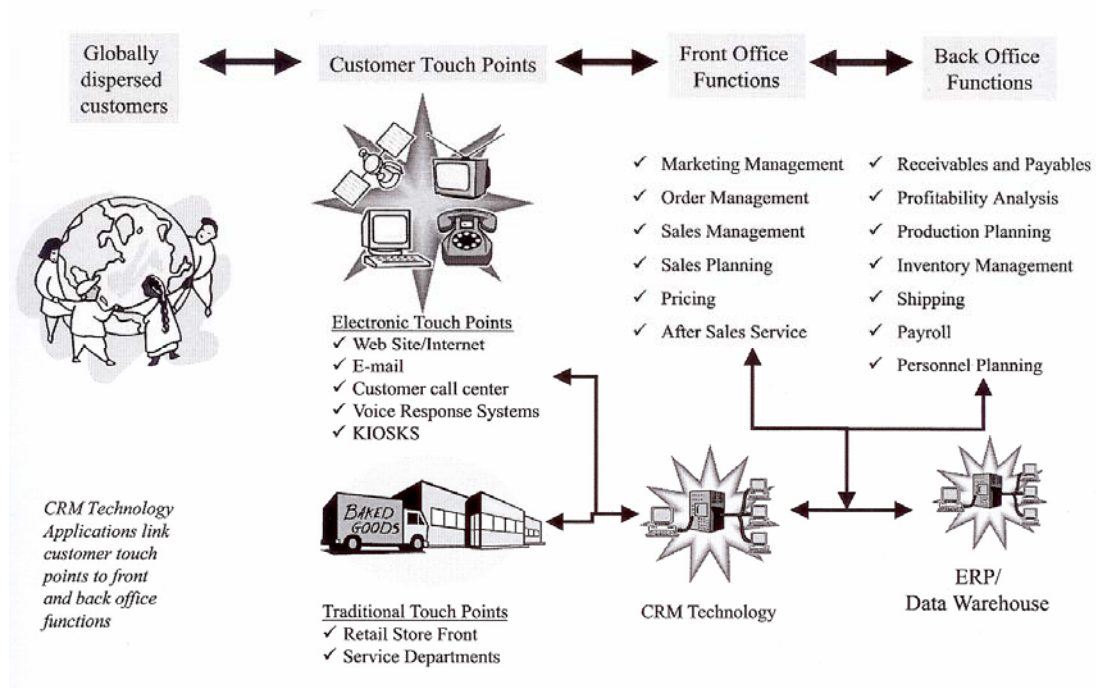
The Batho Pele programme further seeks to engender a professional, career-oriented ethic amongst public servants. Fraser-Moleketi (2004) notes that the adoption of an ethical, constructive and problem-solving approach to working life is important. The professional ethic, underscored by human resources development strategies for public servants, has to have as its goal the prioritisation of clients and their needs. Human resources development will not only provide staff with the knowledge of the Government Employees Pension Fund to enable them to provide a professional and self-assured service, it will also provide staff with the necessary sensitivities to deal with clients and the expertise to use the tools to enhance the points of access to the Government Employees Pension Fund.

5.4.3   Nodes of Access to the Government Employees Pension Fund

The Government Employees Pension Fund, as part of its drive to promote multiple points of access for clients, has developed a customer relationship management strategy that ensures access for all clients irrespective of their disposition. Chen and Popovich (2003) point to the fact that customer relationship management is about people, processes and technology. Technology facilitates the processes that

exist between the points of access or touch points in the organisation. Chen and Popovich (2003) further point to the fact that customer relationship management is not just about information and communications technology, it is instead an integrated customer-driven and cross-functional process that maximises relationships and is not limited to one part of the organisation. Figure 5.4 provides a graphic depiction of the cross-functional processes that are required to maximise interactive relationships with clients. As has been intimated, the back-office staff of the Government Employees Pension Fund do not necessarily subscribe to the notion of customer relationship management because of their lack of direct interaction with the client.

FIGURE 5.4: Customer Relationship Management Technology: The Link Between Customer Touch Points

Source: Chen and Popovich, 2003

Customer relationship management applications are not always successful in their implementation in organisations. Customer relationship management, especially if information and communications technology is the enabler, could be expensive. A failed customer relationship management project could result in dissatisfied clients, loss of employee confidence and loss of time and effort (Chen and Popovich, 2003). If the vast majority in the organisation do not embrace the implementation of customer relationship management strategies then they are virtually guaranteed to fail. Customer relationship management strategies often require organisational re-alignment, staff training and other extensive effort that could cost the company greatly in terms of financial and other resources (Newell, 2003:65-67).

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The Government Employees Pension Fund established a customer relationship management strategy with a view to ensuring that clients are kept abreast of developments. There may be new product offerings such as funeral benefits, there may be procedural changes especially those pertaining to risk management and there may be information pertaining to, for example, pensions increases that need to be disseminated. If the client is kept informed about developments at the Government Employees Pension Fund, then it releases the operations staff to concentrate on administrative matters. Consequently, the Government Employees Pension Fund established a Client Relationship Management Section in September 2002 (Government Employees Pension Fund, Annual Report, 2001-2002). The establishment of a Client Relationship Management Section at the Government Employees Pension Fund in September 2002 is probably both an indictment and a vindication. An indictment because a Customer Relationship Management Section was established at such a late stage in the history of the Fund and a vindication in the sense that it was indeed deemed necessary to establish it. The Customer Relationship Management Section of the Government Employees Pension Fund comprises the Call Centre, the Walk-in Centres (one at the head office and the others at the satellite locations of Bisho, Polokwane and Mmabatho) and the Switchboard (Government Employees Pension Fund, Annual Report, 2001-2002). These points of access to service or touch points can be delineated along the lines of electronic and what could be described as walk-in service and yet other that could be described as written correspondence.

a. **The Call Centre**

The concept of a Call Centre for government departments imply that people who access the services offered by government by this means, are indeed the clients of government. The first of the electronic touch points of the Government Employees Pension Fund is the Call Centre. At the time of its establishment, the Call Centre comprised of 12 agents. All the agents at the Call Centre were transferred from the Operations Sections of the Government Employees Pension Fund (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004). At the time of the establishment of the Call Centre of the Government Employees Pension Fund, it was generally viewed as being an add-on. There were no integrated systems and the Call Centre was essentially not given the necessary resources to make it operate optimally. Furthermore, the concept of a Call Centre for a government department is relatively new. As the Call Centre's business activities and knowledge of its existence expanded, further agents were recruited from within the Government Employees Pension Fund. The reason for the internal recruitment was that it would take time to train outside people on the complex rules and benefit structures of the Government Employees Pension Fund (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004).

The project to replace the Government Employees Pension Fund's legacy-based information technology system with a new, state-of-the-art pension administration system, Project Pekwa, had a profound effect on the client services environment.

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The systems infrastructure in the Call Centre was upgraded in order for them to be integrated into the broader Government Employees Pension Fund operations. The dissemination of information is the key result area of the Call Centre. With the new integrated system, the Call Centre is able to generate a workflow enquiry electronically that is dealt with and responded to electronically (Government Employees Pension Fund, 2002). The previous paper-based approach of generating enquiries was fraught with inefficiencies and flaws. The inefficiencies of the old paper-based system relate to a document physically having to be carried to the operations section that deals with the case. The paper could get lost and there would be no record of the enquiry, thus prompting additional phone calls from the client (Government Employees Pension Fund, 2002).

Whilst it is prudent to answer and deal with a call to the Call Centre at the initial point of contact, there are calls that are more complex in nature. The Call Centre of the Government Employees Pension Fund has established a team of individuals who investigate the more complex cases and who then make a follow-up call to the client. This follow-up team – the Action Group - ensures that the agent does not spend too much time on one telephone call, thereby ensuring that service to clients is timeous and accurate (Interview, Administrator: Government Employees Pension Fund, 6 September 2004).

The Government Employees Pension Fund has a toll-free telephone number that can be used by all members and pensioners to access services. The toll-free
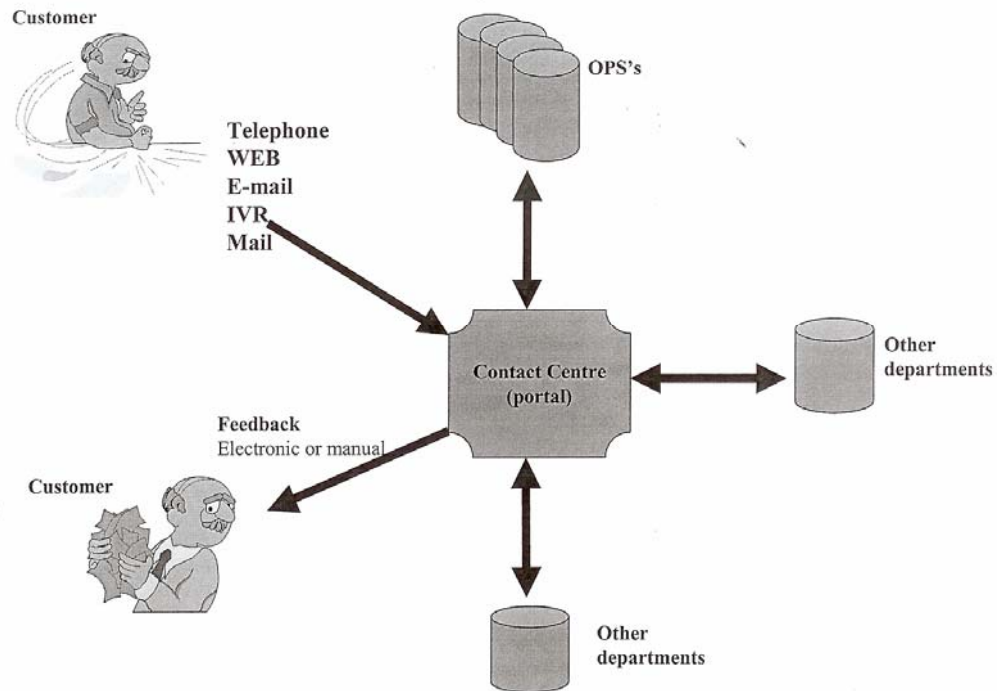
number is a further effort by the Government Employees Pension Fund to provide additional electronic points of access to clients (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004). The toll-free number ensures that those clients who do not have access to telephones in their homes or who cannot afford a long-distance call, can still access the services of the Government Employees Pension Fund.

Improved efficiency in the Call Centre of the Government Employees Pension Fund has resulted in the operations sections having to answer fewer calls thus improving operational efficiencies. The fact that the staff who are involved in the operations can actually concentrate on what they are supposed to, is important for service delivery. The Call Centre furthermore has a standing policy not to transfer calls to the operations sections. This policy is in congruence with the idea of limiting the time spent on the telephone by operational staff (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004).

As has been alluded to in this thesis, information security plays a vital role in an effort to protect the integrity of the Government Employees Pension Fund and in attempting to protect the clients. E-government information security has been a constant source of concern for the Government Employees Pension Fund. The Government Employees Pension Fund therefore has to ensure that the person conducting the telephonic transaction is indeed the member or pensioner. Information security is not always a simple matter when telephonic conversations are involved. Sometimes the Call Centre agent has to use his or her discretion to

conduct a transaction. Often a pensioner may be indisposed to conduct a telephonic discussion but needs some assistance from the Government Employees Pension Fund, in which case it is extremely difficult not to provide such assistance if a spouse or family member makes the call. In order to protect the integrity of the Government Employees Pension Fund, its information and its clients from possible fraudulent activities, a voice logger was installed. The voice logger is an instrument that records all the conversations that are conducted between the Call Centre agent and the client. This recording is kept in a safe environment and it could be used in the case of any dispute or discrepancy. The voice logger is also used as a tool for staff development and training (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004). Trainers and staff can, for example, listen to selected calls as examples of what to do and what not to do. Electronic devices such as the voice logger consequently enhance the effort to improve e-service delivery at the Government Employees Pension Fund. Whilst the idea of a Call Centre in a government department may seem rather novel, it entrenches the idea of the citizen as a customer. The idea of clients of government goes beyond the concept of the Call Centre. Switchboards provide an added point of access or touch point for clients of the Government Employees Pension Fund (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004).

FIGURE 5.5: Points of Access for Clients of the Government Employees Pension Fund

Adapted from a Presentation on Contact Centres, Raucsh, 2003

b.   Switchboard Links

The Switchboard of the Government Employees Pension Fund has been developed in such a manner that it integrates with the Call Centre and the rest of the Government Employees Pension Fund. If a client calls the Government Employees Pension Fund via the switchboard, the call can automatically be routed, upon the choice exercised by the client as guided by the tele-prompt, to the section where assistance will be provided.

Another innovation is the interactive voice response facility that the Government Employees Pension Fund has linked to its telephone enquiry facility. The interactive voice response facility allows the Government Employees Pension Fund to provide continued service even if there is nobody to answer a call. The client, in the event that the Call Centre or the switchboard is closed, can leave a message (Interview, Manager of the Call Centre of the Government Employees Pension Fund, 3 September 2004). The Government Employees Pension Fund could return the call at the earliest convenience. This electronic interactive voice response facility allows the Government Employees Pension Fund to provide services to clients beyond normal office hours. The Walk-in Centres of the Government Employees Pension Fund are, however, bound by normal office hours (Interview, Senior Switchboard Operator, Government Employees Pension Fund, 3 September 2004).

c.   The Walk-In Centre

The Walk-in Centre and the regional offices of the Government Employees Pension Fund provide a similar service with the difference being that the regional offices are remote while the Walk-in Centre is situated on the site of the main administrative offices. The Walk-in Centre and the regional offices are at the front-end of the Government Employees Pension Fund's service delivery apparatus. The Walk-in Centre and regional offices provide services directly to clients. They are one-stop offices where documentation can be submitted, where transactions

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are performed and where immediate feedback can be provided to the client (Interview, Senior Manager – Client Services, Government Employees Pension Fund, 23 September 2004). The Walk-in Centre and the regional offices are electronically linked to the back-office systems of the Government Employees Pension Fund hence providing the capability of real-time transactions. The remote sites of the Government Employees Pension Fund provide a link between the provincial departments and the head office. The remote sites are often used for field contact with clients in the remote areas (Interview, Senior Manager – Client Services, Government Employees Pension Fund, 23 September 2004). The regional offices provide individual and corporate clients the opportunity to interact directly with the Government Employees Pension Fund without them having to travel the vast distance to the Pretoria-based head office of the Fund. The regional offices are linked to the head office on a wide area network system that provides real time assistance to clients who may need services.

At an administrative level, the Walk-in Centre and remote regional offices are at a disadvantage when it comes to scanning and indexing of documentation. These contact centres do not have the capability of generating a workflow system enquiry. All documents from these centres have to be transferred to the Scanning and Indexing Section at the head office where the necessary workflow processes are initiated (Interview, Senior Manager – Client Services, Government Employees Pension Fund, 23 September 2004). This practise leaves the Government Employees Pension Fund vulnerable in the sense that documentation can be

misplaced in the process. If documents are scanned as they are brought in to these contact points, the electronic image is immediately ready for processing. The tracing number in the form of a barcode is immediately appended to the original document which makes it easier to track. Even if the original document does go astray, the scanned image provides enough grounds for the administrative process to be continued to the satisfaction of the client (Interview, Manager in the Walk-in Centre: Government Employees Pension Fund, 3 September 2004).

Walk-in Centre and regional office staff are quite unique in that they are multi-skilled. Given that the Walk-in Centre is on the premises of the Government Employees Pension Fund, it is resourced in a manner that allows it to respond to enquiries pertaining to all the sections. These enquiries include tax, life certificate, civil pension, special pension and medical queries. Although multi-skilling of agents has taken place, there are still specialists in the various fields who can deal with the more complicated enquiries pertaining to a specific area (Interview, Manager in the Walk-in Centre: Government Employees Pension Fund, 3 September 2004).

Client advisers in the Walk-in Centre and the regional offices are provided with practical training on how to deal with customers. Given that the Walk-in Centre and the regional offices interact with clients at the coalface and given that the Government Employees Pension Fund pays people's pensions - people's livelihoods – it is important that they be trained to deal with clients sympathetically

and indeed empathetically (Interview, Manager in the Walk-in Centre: Government Employees Pension Fund, 3 September 2004).

The Government Employees Pension Fund has four Walk-in Centres - three remote sites and one at its head office - that need to be assessed in terms of service delivery. The services provided at these Walk-in Centres will be assessed with regard to electronic service delivery (Government Employees Pension Fund, Annual Report, 2001-2002).

There are currently two divergent views with regard to the remote or regional offices. The one view is that the remote offices should be closed down and that all the relevant administrative support should be coordinated from the head office in Pretoria. The second view is that regional offices should be expanded to other areas of the country. The expansion of the regional offices to other areas of the country will take services to the people. E-government systems will be used to link the remote site to the head office. An alternative to providing services to provinces where there is no regional office is to place a trained Government Employees Pension Fund employee in the government department to assist with the normal administrative functions of the Fund (Le Roux, Government Employees Pension Fund Management Workshop, 30 April 2004).

d.   Web-site access to the Government Employees Pension Fund

The most likely point of access for a client in an e-government environment is the use of Internet technology. The Government Employees Pension Fund has clients in very many countries across the world and the application of Internet technology can only enhance communications channels with such clients.

The web site of the Government Employees Pension Fund is currently static. The site provides information to clients. The information relates to the rules of the Government Employees Pension Fund, the **Government Employees Pension Law**, Members' Booklet, annual reports, newsletters, frequently asked questions and answers to these (Government Employees Pension Fund Web Site, Online, 1 September 2004). The average number of hits per day during weekdays on the Government Employees Pension Fund's website are 6172 and 893 during weekends – averaging out at 4663 hits per day. These fore-going figures do not represent significant progress in the use of Internet technology to access the Government Employees Pension Fund, but it does indicate a significant enough access to enhance service delivery initiatives (Government Employees Pension Fund, Management Information System Report, 2004).

An interactive web site would allow clients of the Government Employees Pension Fund to access more service offerings. Amongst these could be change of address details, banking details and general member and pensioner details update. The

government departments, as clients of the Government Employees Pension Fund, can also access the web site to request quotations and admit new members. The Government Employees Pension Fund has appointed two individuals to deal with e-mailed enquiries. The Government Employees Pension Fund receives approximately 1500 e-mailed enquiries per month. The nature of these enquiries range from address changes to updating personal information to complaints and compliments. Interesting to note is that approximately 40% of the clients who interact with the Government Employees Pension Fund by means of e-mail are pensioners (Interview, Administrator: Government Employees Pension Fund, 6 September 2004). This indicates that a high number of pensioners are embracing the technologies that allow them to access the Government Employees Pension Fund via the electronic means. The total number of approximately 1500 e-mailed enquiries, whilst small in relation to the total number of pensioners and contributing members, still represents a significant shift in the manner in which pensions are being administered.

e.   Operations Support Services

The Operations Support Services Section of the Government Employees Pension Fund provides back-up support to the rest of the organisation. Those clients who choose not to access the Government Employees Pension Fund through any of the electronic nodes on offer normally do so in the more traditional manner - that of mailing documents to the Fund. All the clients of the Government Employees

Pension Fund, however, have to mail documents to the Fund for administrative purposes. The core function of the Operations Support Services Section is to ensure that all documents are converted into electronic images by means of scanning them (Government Employees Pension Fund, Annual Report, 2001-2002). The documents are then electronically routed to indexers who check their authenticity. Once this process has been finalised, an electronic workflow process is initiated. The indexer has to determine which electronic workflow process to initiate. This is dependent on the nature of the document and the required administrative process that should be completed.

This relatively new section at the Government Employees Pension Fund is a clear step away from the traditional, hard file-based approach to disseminating and distributing work to the operations sections. The electronic mechanisms - scanning, indexing and workflow - while not customer-facing, are developed to improve service delivery in terms of improved turn-around times and accuracy of calculations.

f.   Other Points of Access to the Government Employees Pension Fund

One form of electronic document that comes into the Government Employees Pension Fund is the facsimile (facsimile). Facsimiles come into the offices of the Government Employees Pension Fund at various points. This results in a lack of coordination of the official documents entering the Government Employees

Pension Fund (Interview, Manager AST - Information and Communication Technology, 5 July 2004). These documents are, in many cases, not traceable since they are faxed to machines that are not necessarily situated in the sections where the administrative process is to be initiated. The standalone facsimile machines therefore provide disjointed levels of service. The Government Employees Pension Fund has, however, implemented a Rightfax (facsimile to personal computer) facility for selected users. The Government Employees Pension Fund has set itself a goal to channel all incoming facsimiles into the electronic workflow system. This initiative was seen as a manner to channel all facsimiles into the system without them having to be transcribed into hard format thus reducing risks.

When the facsimile utility is fully operational it is envisaged that documents received in this manner would automatically be entered into the workflow system as electronic data. There are, however, those faxed documents that are unacceptable to the Government Employees Pension Fund since it essentially becomes a copy of a certified copy of a document. Even though the copy may be certified as per the requirement, a facsimile is essentially viewed as being a copy of the certified copy (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004).

Conventional mail still continues to be the pre-eminent form of submitting documents to the Government Employees Pension Fund. The documents received

in this format are scanned and converted into electronic images for processing. It is nevertheless time-consuming and labour intensive to open, prepare – unfold, remove staples, place in order – and scan the documents (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004).

The Government Employees Pension Fund also tries to make contact with clients by going out to their residences. Presentations are prepared electronically and presented to clients as the case may be. The Government Employees Pension Fund presenters use information and communications technologies to disseminate information to clients (Interview, Manager of Operations Section of the Government Employees Pension Fund, 29 April 2004).

g.   **Promotion of Access to Information Office**

The Government Employees Pension Fund, in line with the South African Constitutional principle of access to information, set about implementing legislation in the form of the **Promotion of Access to Information Act**, 2000 (Act 2 of 2000). The purpose of this legislation is to address Section 32 (2) the **Constitution**, 1996, which provides that any person has a right to gain access to information held by a public or private body. There are, however, some exclusions most notably those related to state security.

One of the main requirements specified in the **Promotion of Access to Information Act,** 2000 (Act 2 of 2000) is the compilation of an information manual that provides guidelines on the types and categories of information that is available. The information manual of the Government Employees Pension Fund is available on the web site in Zulu, Xhosa, Afrikaans, Northern Sotho and English (Government Employees Pension Fund Web Site, Online, 1 September 2004).

The significance of the pre-conditions of the **Promotion of Access to Information Act**, 2000 (Act 2 of 2000) appearing on the web site of the Government Employees Pension Fund, allows clients to view them and to submit requests in electronic format. This is just one further example of how the Government Employees Pension Fund is trying to harness the power of information and communications technology to provide services to clients. The fact that the manual is published in five different languages attests to the Government Employees Pension Fund's commitment to providing services in as many languages as possible.

h.   Language Policy of the Government Employees Pension Fund

The Government Employees Pension Fund does not have a formal language policy but in order to develop an effective customer relationship management programme, language needs to be integral. Historically the Government Employees Pension Fund has recorded language preference statistics on the then two official languages - English and Afrikaans – of South Africa (Interview, Senior

Manager: Management Information Systems, Government Employees Pension Fund, 2 February 2005). At the point of amalgamation of the disparate pension funds into the Government Employees Pension Fund, the Fund acquired clients of all walks of life and from all persuasions. The founding provisions of the **Constitution**, 1996 guarantees the official status of 11 languages and it further notes that the Pan South African Language Board will be established to ensure compliance with the afore-mentioned Constitutional principles. To ensure that the Government Employees Pension Fund provides a customer service in the preferred language of a client, the contact centres have the capability to provide verbal responses in the language of choice of the client (Interview, Manager in the Walk-in Centre: Government Employees Pension Fund, 3 September 2004).

One concern is that the new e-government system, that is, the Comprehensive Pension Administration System Software (COMPASS) and workflow, in the Government Employees Pension Fund are in English only. Given that the Government Employees Pension Fund serves customers from all the official language groupings in South Africa, it needs to develop the capacity to respond to clients in the language of their choice, whether written or verbal. The Government Employees Pension Fund is collaborating with the Pan South African Language Board to develop procedures on how to communicate with clients in as many languages as are possible.

i.   Customer Relationship Management for the Future

Mobile customer relationship management (mCRM) is mooted to be the next step in the process of implementing customer relationship management solutions (De Waal, 2002). Whilst the implementation of mobile solutions may still be some way off, it is seen as the answer to staying in touch with the employee who is constantly on the move. The Government Employees Pension Fund will do well to be able to transmit messages by means of a short message service (SMS) to clients of the Fund.

The concept of the 'smart building' needs to be explored. The 'smart building' concept proffers that the demands of urban development necessitate that ecological factors, economic constraints and the possibility of modern warfare be taken into consideration. The development of a 'smart building' for the Government Employees Pension Fund, and for other government departments could provide an interesting challenge in bringing together the disciplines related to environmental safety and protection, e-government, Public Administration, Economics, Law, amongst others, in an effort to establish environmentally-friendly, safe working environments. This fore-going is an ideal scenario, therefore much work still needs to be done to determine the feasibility and practicalities around the concept of smart buildings in the South African e-government paradigm.

A further idea that could present some challenges in developing a vibrant e-government culture in South Africa is that of telecommuting. With the advent of e-government, the office has become mobile. Telecommuters are essentially involved in projects that require them to be out of the office. The notion of telecommuting challenges the traditional concept of the 'office', since the 'office' now becomes a secure connection rather than a single location. Other practical issues involved in telecommuting is its space-saving quality, its tendency to allow the government department to move closer to where the services are needed and its ability to ensure the employment of people with disabilities, ensuring that those who have physical disabilities do not have to travel (Worthington-Smith (ed) (2001). The Government Employees Pension Fund, as with all South African government departments, still has some way to go before such levels of maturity in both infrastructure and individual discipline are concerned.

j.   E-Procurement

The impact of information and communications technologies in the public sector is also profound in the way in which governments procure goods and services. This fore-going includes building government-to-citizen/client/consumer (G2C), government-to-business (G2B) and government-to-government (G2G) links. Governments should also strive to exploit business-to-business (B2B) links in order to benefit itself and its clients. One way in which synergised technological and administrative systems can be beneficial to government departments, is through a

centralised system of e-procurement. Von Hoffman (1999:6) notes that e-citizens are e-consumers that are going on-line to order what they need for quick delivery. Citizens also expect quick and efficient delivery from legislators and government officials.

In the case of the e-procurement of goods and services by government, it is government that becomes the e-consumer. If service providers can provide procured services faster and in an efficient manner, then government should be able to provide services to its clients more efficiently. Worthington-Smith (ed) (2001:39-43) postulates that e-procurement sets out to achieve two main objectives. They are:

- to maximise buying power to reduce the price of supplies; and
- to reduce the clerical workload through automation, thereby reducing transaction costs (Worthington-Smith (ed), 2001:39-43).

One of the most important components of e-procurement is the creation of an electronic catalogue (Worthington-Smith (ed), 2001:39-43; 48-49). The electronic catalogue is a list of preferred suppliers and what they have on offer. In the case of Sasol, 4000 suppliers had to be incorporated into the electronic catalogue with the task proving to be labour intensive (Worthington-Smith (ed), 2001:49). In the case of Sasol the electronic catalogue contains pre-negotiated prices, precise descriptions, specifications as well as a photograph of the item (Worthington-Smith (ed), 2001:49).

An e-procurement market is a closed market. The parameters of the e-suppliers will be delineated by business requirements; hence the closed nature of the market is not necessarily a negative aspect. In the e-procurement process ordering, verification of purchase, checking the status of the order, paying for the order and analysing ordering trends can be done on-line. In so doing, e-procurement cuts down on the workload related to paper processes. E-procurement allows processing costs to be reduced and the order can be processed quickly and efficiently (Worthington-Smith (ed.), 2001:40). Other advantages of e-procurement include volume leverage, easier control and planning thereby reducing unnecessary high levels of stock (Worthington-Smith (ed.), 2001:40-41). E-procurement is about re-engineering internal processes and the processes that exist between the customer and the client.

An e-procurement approach could enhance the procurement of goods and services, such as, air tickets, furniture, building upgrades and maintenance. An e-government model should be able to enhance procurement systems so that goods and services can be delivered quickly with a view to expediting service delivery to clients. E-procurement models for government are to a large extent non-existent. The e-procurement process includes that e-invoices be submitted and the resultant e-payments are made.

The Government Employees Pension Fund currently procures its computer hardware through direct purchase. The contention is that this may not be the best

procurement model, given that computer hardware becomes obsolete rather rapidly. The suggestion is that the procurement and maintenance of the computer hardware should be outsourced given that it is not the core business of the Government Employees Pension Fund. The hardware should then be rented, hence the Government Employees Pension Fund will be able to hold a service provider accountable for the provision of the latest technology and its constant maintenance. No research has been conducted on the cost effectiveness of outright purchasing of computer hardware as opposed to the rental model.

One of the more pressing concerns with regard to e-procurement revolves around online security. These security concerns include concerns around electronic and digital signatures, the protection of intellectual property rights, copyrights and trademarks, the privacy of communications and the protection of personal and/or business information (**Green Paper on E-commerce**, November 2001).

5.5.   CONCLUSION

A thesis on e-government would be lacking if it did not present discussions on Public Administration. This chapter has presented analysis on the traditional Public and Management Administrative theories of Henry Ford and Frederick Taylor. The analysis of the theories of Fordism and Bureaucratic Management is not unique. What is, however, unique is the attempt to apply the said theories to the Government Employees Pension Fund. A further contribution is the analysis of e-

administration in an applied manner. The theories, principles and concepts related to e-government and e-administration are not unique. In their applied form they, however, adopt a new thrust.

The chapter also deals with an assessment of the e-government initiatives embarked upon by the Government Employees Pension Fund. The structures and operational, legacy-based administrative model of the Government Employees Pension Fund are introduced and analysed. As an extension of the efforts of this chapter to document the attempts of the Government Employees Pension Fund toward achieving its service delivery goals, is the assessment of the additional points of access that have been created for clients. Service delivery, and by extension its sustainability, is indeed about clients being able to access the services in a satisfactory manner. The Government Employees Pension Fund has created such access nodes, a number of which are not traditionally associated with government departments, but without which a government department cannot operate optimally in the current business environment. In this fore-going regard, the chapter assesses the attempts by the Government Employees Pension Fund to develop a customer relationship management approach to assisting citizens as the clients of government. The customer relationship management model develops a strategy that incorporates the Batho Pele (People First) approach of the South African Government to service delivery. The concept of a Call Centre for a government department is relatively new in South Africa. The development and integration of the Call Centre of the Government Employees Pension Fund into the

e-government strategy is pivotal to providing services to clients. Web-site access also seems to be on the increase since more and more clients are accessing the services of the Government Employees Pension Fund via this means. Web-site access is the most likely point of access to services in an e-government environment.

A further aim of the chapter is to provide analysis of the initiatives around customer relationship management in the Government Employees Pension Fund. Definitions of customer relationship management are offered in an effort to situate the concept and practice within the macrocosmic South African context and within the microcosmic Government Employees Pension Fund context. The customer relationship management strategy of Batho Pele (People First), as espoused by the South African Government, is assessed in the chapter. The analysis around customer relationship management considers the link between the citizen as client and government, the provider of services.

Additional analysis on customer relationship management provided in this chapter relates to how the Government Employees Pension Fund has implemented a strategy that emphasises multi-nodal access to services for clients. The multi-nodal access to services offered by the Government Employees Pension Fund takes cognisance of the ability of clients to use electronic systems, the availability of electronic systems and knowledge of benefit structures of the Government Employees Pension Fund. The nodes of access or touch points of the Government

Employees Pension Fund are identified and analysed in terms of their levels of effectiveness to service delivery. The assessment of the touch points of the Government Employees Pension Fund emphasises an integrated approach to services being offered by the Government Employees Pension Fund.

The language of interaction between clients and the Government Employees Pension Fund is important since clients are able to access information in their language of choice. The matter of promotion of access to information by clients of the Government Employees Pension Fund is key to providing services. Further to this, it is important that the clients are aware and able to utilise the new information and communications technologies that are intended to benefit them. It is therefore equally important that the Government Employees Pension Fund develops an integrated human resources model to upgrade the skills levels of its staff to be able to cope with the significant changes in the working environment.

Having assessed the components of an integrated approach to systems development and having applied the findings to the case of the Government Employees Pension Fund, it is imperative to start drawing conclusions and identifying additional opportunities for research. Chapter Six of the thesis is the dénouement where the arguments proffered during the course of the thesis will be drawn together.

CHAPTER SIX

CONCLUSIONS, OBSERVATIONS AND RECOMMENDATIONS

6.1   INTRODUCTION

The initial problem that was posed was whether the implementation of information and communications technologies - e-government systems – can improve service delivery to citizens, the clients of government. The research is premised on a belief that the implementation of an e-government system improves responsiveness, accessibility, success and efficiencies. The thesis is based on an assessment of the case of the Government Employees Pension Fund of South Africa.

The contribution of the research points to whether electronic service delivery (e-government) is a useful tool to implement in the quest to provide efficient, successful services to clients. Since e-government in South Africa is in its relative infancy, this thesis is an attempt to document its development and indeed to add value to how the Government Employees Pension Fund delivers services to its clients.

This study on e-government has therefore set out to build on the work that has already been done on the concept and the efforts around defining the role that e-government solutions can play in service delivery. This study has applied the

principles of e-government to the Government Employees Pension Fund in an effort to determine whether e-government - that is, electronic service delivery - can improve the efficiency, accuracy and accessibility of services to clients. The example used in the applied approach to the study makes it unique. Never before has there been written about the Government Employees Pension Fund in regard to documenting its attempt at implementing an e-governmental approach to service delivery. What follows is a brief summary and conclusions of the chapters of the thesis.

6.2   CHAPTER SUMMARIES AND CONCLUSIONS

Chapter One provides general background to the irreversible demands and challenges that the advent of information and communications technologies makes. The chapter presents an assessment of information and communications technologies from a global to African to a national, South African level and provides some valuable insight into the current positioning of South Africa's attempt to achieve successful e-government. The challenges highlight how governments should harness the power of information and communications technologies to improve service delivery offerings to their clients.

Chapter Two provides insight into the methodological approach that was to be followed in pursuit of the finalisation of the objectives of the thesis. To this end, Chapter Two entrenches the concept of e-administration as it relates to e-

government. Chapter Two briefly expounds on the approach to the research on e-government in South Africa by exploring the case of the Government Employees Pension Fund. Research methods, most notably that of the case study, are analysed during the course of Chapter Two. The typical sources employed during the course of the case study methodology are explored in terms of their effectiveness. The chapter finally presents how the data are to be assimilated and presented.

Chapter Three furnishes an overview of the literature and, in so doing, conducts an assessment of general accessibility to telecommunications in South Africa. Accessibility to telecommunications and, by implication, accessibility to information and communications technologies, is critical to the successful implementation of an e-government regime. Chapter Three has shown that there are vast disparities in access to information and communications technology in South Africa. The disparities are not only evident at individual, household levels, but also at sectoral levels.

An assessment of the accessibility to information and communications technologies at a sectoral level in South Africa revealed that the financial sector has the highest personal computer accessibility rate of 74%, while the public sector displayed the lowest personal computer accessibility rate of 7%. The personal computer accessibility rate and the rate of access to the Internet in private households were found to be showing a steady increase. During the course of

Chapter Three, it was revealed that the rate of access to the Internet in private households was reaching saturation point, whilst corporate and academic entities in South Africa were showing similar retardation in the rate of access.

A brief assessment of e-government initiatives in South Africa was conducted in Chapter Three to determine whether there are concerted attempts to use information and communications technologies to advance public service delivery. The Department of Public Service and Administration is the government department that is tasked to drive the process of e-government in South Africa. The Department of Public Service and Administration established a lead agency, the State Information Technology Agency, in order to drive the e-government process in South Africa. The State Information Technology Agency's approach to e-government in South Africa is based on what it refers to as the Information Technology House of Values. The Information Technology House of Values is premised on four pillars – interoperability, economies of scale, the elimination of duplication and information security.

Chapter Three also briefly presents and discusses the typical stages in the development and implementation of an e-government system. The stages of implementation typically range from the conceptual, complemented by an incremental process, to full integration, that is, once all systems are fully operational and clients can access and conduct business transactions electronically.

A thesis on e-administration would not be complete without having provided a brief theoretical grounding of the traditional theories of Public Administration, Public Management and Bureaucracy. To this end, Chapter Three provides a brief analysis of Taylor's theory of Scientific Management and Ford's assembly line (mass production) theories. The analysis reveals that Taylor and Ford's theories are geared towards increasing the levels of production of individual workers. The worker becomes a unit of production whose success is measured in terms of pre-determined levels of output. Weber's theory of Bureaucratic Management is based on hierarchy, authority and control.

Chapter Four submits a comprehensive introduction to the Government Employees Pension Fund and its core business activities. Chapter Four furthermore introduces the electronic administrative system, the Comprehensive Pension Fund Administration Support System (COMPASS), which is being implemented by the Government Employees Pension Fund. The aim of the theoretical analysis is to draw a thread from the traditional models of Public Administration through to the electronic models (e-government) and then to analyse the case of the Government Employees Pension Fund accordingly.

An assessment of the legacy-based administrative model revealed that the initial introduction of computers (information technology) to the Government Employees Pension Fund was essentially viewed as an add-on rather than as a tool of transformation. The introduction of the CivPen electronic administration system to

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the Government Employees Pension Fund revolutionised the manner in which pensions were being administered, since the functionaries had to be given personal computers to perform their duties. The implementation of the Comprehensive Pension Fund Administration Support System (COMPASS), along with workflow document management and teleforms (electronic documents) at the Government Employees Pension Fund, are important innovations as far as e-government and service delivery are concerned.

Chapter Four also analyses the e-government-related concepts of workflow (document management), seamlessness and paperlessness. These afore-mentioned concepts collaborate to form a complete, integrated system that enhances administrative efficiencies and links internal and external clients into an integrated e-government system. The selfsame chapter analyses the e-government-related concepts of risk and the concomitant approach to risk management as they pertain to electronic service delivery in the Government Employees Pension Fund. The risks presented by e-government regimes, for example, computer viruses and having a critical mass of users of the system, are important. Risks internal to the Government Employees Pension Fund include resistance to change and a paucity of an adequately-trained human resources component.

Chapter Four proceeds to highlight the inadequacies of the comparisons especially since the Government Employees Pension Fund has no equal in South Africa in

terms of magnitude, products and niche. The chapter proceeds to compare the e-service delivery initiatives by Old Mutual and Sanlam, South African insurance companies that have implemented the same software, the Comprehensive Pension Administration System Software (COMPASS) that the Government Employees Pension Fund has, in their effort to improve service delivery. The comparison between the Government Employees Pension Fund, the Compensation Commissioner and South African Airways concentrates on another aspect of e-service delivery, namely, electronic workflow and document management. The final part of the chapter compares the Government Employees Pension Fund's e-service delivery to retired civil servants with the e-service delivery initiatives to older people by the Government of the United Kingdom. The comparison analyses the challenges of access to electronic means, the physiological challenges faced by older people, computer illiteracy and the costs involved in accessing services electronically.

Each of the institutions being compared adopted different strategies as far as human resources availability for the information and communications technology projects were concerned. The conclusion that can be drawn from the analysis on human resources requirements is that the human resources that are needed for any information and communications technology project need to be deployed without reserve in order to ensure success.

Chapter Five provides comprehensive analyses on the applied aspects relating to Public Management and Administration and electronic administration in the Government Employees Pension Fund. The previous chapter introduced and discussed relevant theoretical aspects, whereas Chapter Five presents an applied approach with regard to the selfsame theories. A thesis on e-government would be lacking if it did not present discussions on Public Administration. The analysis of the theories of Fordism and Bureaucratic Management is not unique. What is, however, unique is the attempt to apply the said theories to the Government Employees Pension Fund. A further contribution is the analysis of e-administration in an applied manner. The theories, principles and concepts related to e-government and e-administration are not unique. In their applied form they, however, adopt a new thrust.

Chapter Five assesses the attempts by the Government Employees Pension Fund to develop a customer relationship management approach to assisting citizens as the clients of government. The customer relationship management model develops a strategy that incorporates the Batho Pele (People First) approach of the South African Government to service delivery. Given that the concept of a Call Centre for a government department is relatively new in South Africa, the development and integration of the Call Centre of the Government Employees Pension Fund into the e-government strategy is pivotal to providing services to clients. Web-site access also seems to be on the increase since more and more clients are accessing the

services of the Government Employees Pension Fund via this means. The web-site is a prominent point of access to services in an e-government environment.

A further aim of Chapter Five is to provide analysis of the initiatives around customer relationship management in the Government Employees Pension Fund. Definitions of customer relationship management are offered in an effort to situate the concept and practice within the macrocosmic South African context and within the microcosmic Government Employees Pension Fund context. The multi-nodal access to services offered by the Government Employees Pension Fund takes cognisance of the ability of clients to use electronic systems, the availability of electronic systems and knowledge of benefit structures of the Government Employees Pension Fund. The nodes of access or touch points of the Government Employees Pension Fund are identified and analysed in terms of their levels of effectiveness to service delivery. The assessment of the access points of the Government Employees Pension Fund emphasises an electronically integrated approach to services being offered by the Fund.

Human resources strategies need to be as dynamic as the electronic environment in which they operate. This is especially so in the environment where the Government Employees Pension Fund is implementing its e-government strategies. Employees must, for example, be given access to the necessary systems and they must be given the necessary guidance that will enable them to

operate optimally. Even though advanced e-government systems may have been installed, the human resources capacity is paramount for effective service delivery. Chapter Five proffers that legislative, transformative and other influences need to conflagrate in order to advance an integrated approach to e-government as well as to human resources development.

Chapter Six is the dénouement where the arguments proffered during the course of the thesis will be drawn together. Chapter Six further presents chapter-by-chapter summaries and conclusions, which culminate in the main findings of the thesis. Opportunities for additional research are identified.

6.3   KEY FINDINGS

The unique contribution of this study on Public Administration and the related e-government initiatives of the Government Employees Pension Fund is that none of this research has been documented in this format before. The additional contribution relates to efforts by the South African Government to improve its service delivery offerings to clients more quickly, more accurately, more efficiently and more amicably by employing e-government initiatives.

The **first** finding of the research is that electronic service delivery is definitely a positive development provided that those who are intended to benefit by it are able to access and utilise the service. In line with developing new ways of interacting

with clients, it is necessary to build a mutually beneficial liaison to enable both client and service provider to understand each others' requirements. Whilst providing services to clients of the Government Employees Pension Fund electronically is a boon for accessibility, efficiency and success of e-services much, however, still needs to be accomplished in South Africa before such e-services can be delivered in an unencumbered way.

The principles discussed in this thesis has highlighted that e-government is not solely about implementing electronic systems. Whilst electronic systems are important, complementary dimensions, such as human resources capacity is just as important. The **second** finding on e-government as applied to the Government Employees Pension Fund, is the need for an integrated approach to systems development so as to optimise e-service delivery initiatives. The integrated approach does not only refer to systems but also to human resources management. The second finding determines that the integrated approach, an all-encompassing approach, identifies the human resource as a whole and the critical role that the human resources component plays when harmonised with an integrated systems approach in order to optimise e-service delivery initiatives.

The **third** finding relates to sustainable e-service delivery through providing multi-nodal access to service delivery while being cognisant of the evolution of the traditional nodes of access to government services. The public service has evolved and adopted what could be referred to as private sector principles in its efforts to

provide efficient, successful services to its clients. To this end the Government Employees Pension Fund has established a fully-integrated Call Centre, a static web site that provides certain kinds of information that a client may need, provision for electronic enquiries and the electronic dissemination of information, Rightfacsimile (facsimile to personal computer) facilities, interactive voice response, a Walk-in Centre and regional offices linked to a wide are network and workflow (electronic document management), as well as the traditional methods of snail mail and traditional facsimiles which are converted to e-data for easy processing.

The **fourth** finding is that one of the access or touch points to the Government Employees Pension Fund for clients, the web site, was found to be static. It is being argued that an e-government regime will be enhanced with an interactive web site, since it would allow clients more service offerings from remote locations. Sustainable e-service delivery is about providing more than one node of access so as to ensure optimal use of information and communications technology.

The **fifth** finding of the thesis is that sustainable, successful e-government must have a critical mass of users that is central to ensuring the sustainable use of information and communications technologies. If a critical mass of users is not ensured then it could drive a wedge between the clients and the service delivery entity.

The **sixth** finding reveals that there are vast disparities in access to information and communications technology in South Africa. The digital divide is a major stymieing factor in providing seamless, successful electronic services to clients. The disparities are not only evident at individual, household levels, but also at sectoral levels. Information and communications technology infrastructure, literacy and computer literacy levels in South Africa are not sufficiently plausible to favour the provision of reasonable levels of e-government services to elderly people.

The **seventh** finding of the thesis relates to the sourcing of software from Europe, America or elsewhere that is not always suitable for African circumstances. This sourcing of software from America or Europe often goes hand-in-hand with a paucity of product support. This paucity of product support was identified as being a contributory factor to extensive delays in the implementation of the software. Given that the Comprehensive Pension Administration System Software (COMPASS) is an American product it was found that western products are not necessarily suitable in other (e.g. African) environments.

The **eighth** finding relates to the language of interaction. Software products sourced from western sources do not take cognisance of the unique African languages. There are 11 official languages in South Africa and the client, even if she or he had access to information and communications technology, may not necessarily be able to or have the inclination to interact in English, since foreign software is available only in English.

Not all e-government initiatives are successful. Herein lies the **ninth** finding of the thesis. Information and communications technology initiatives are not always implemented according to planned timelines and budgets.

The thesis has also determined that the public and private sectors are moving closer together in the kinds of technologies that they are employing to providing services to their clients. A corroboration of the afore-mentioned is that the term clients are normally associated with the private sector business environment whilst governments in their drive to provide services have begun to adopt the same approach to providing services to the voting public – their clients. The comparative analysis conducted during the course of the thesis has found that exactly the same technologies were being implemented by the private pension funds as was being done by the Government Employees Pension Fund.

The findings of the thesis as has been elucidated, enunciate the necessity for recommendations as to how to achieve some of the challenges for e-government at the Government Employees Pension Fund. It is with the findings in mind that the following recommendations are offered.

6.4   RECOMMENDATIONS

The **first** recommendation hinges on providing access to e-government systems so as to ensure that there is a critical mass of users of the system. It is therefore

recommended that the Government Employees Pension Fund should provide access to its systems for clients close to where they live or work. Access to Government Employees Pension Fund information can be facilitated by providing dedicated computer terminals that are linked by means of a wide area network to national, provincial and local government offices. Furthermore, dedicated closed network telephone lines that are linked directly to the Government Employees Pension Fund's Call Centre should be offered to clients who may need to access the services of the Fund. In the case of the closed circuit network, dedicated telephones should be placed at strategic points where Government Employees Pension Fund clients can access them and the costs would be borne by the Fund.

The **second** recommendation is to enhance human resources capacity to be able to deal with the demands of information and communications technologies. It is consequently recommended that the Government Employees Pension Fund embarks on a drive to create the necessary capacity by training its staff as well as the clients to use the information and communications technologies effectively. Given the dynamism involved in the development and growth of new information and communications technologies, the universal challenge is to ensure that employees and clients are equally dynamic in updating their skills, individually and collectively so as to ensure optimal service delivery.

The **third** recommendation relates to multi-nodal access to electronic services. Whilst it would be good if all the clients of the Government Employees Pension

Fund could access the services of the Fund by means of its web site, reality dictates that this is not the case in South Africa. Multi-nodal access to services, using information and communications technologies as an enabler, should be encouraged. Multi-nodal access includes the Call Centre, the Walk-In Centres, the web site, road shows, interactive voice response mechanisms and information kiosks.

The **fourth** recommendation pertains to providing services in the language of choice of the client. An interactive voice response mechanism will, for example, not be successful if the client does not understand the language being used. Furthermore, an additional concern around language is that electronic services may contain too much jargon and technical information. One solution is to offer electronic services in more than one language. It is further recommended that the language of record of the Government Employees Pension Fund to be English, but interaction must be in the language of choice of the client.

The **fifth** recommendation lies in improving the flow of information from the employer departments to the Government Employees Pension Fund through enhanced electronic processes. An electronic interface between government (employer) departments and the Government Employees Pension Fund will go a long way to resolving the administrative bottlenecks that occur as a result of the paper-based administrative process.

It is recommended that South Africa (and Africa) develop software solutions that satisfy the unique requirements of the South African (and African) context. The **sixth** recommendation is therefore that African solutions be sought for African conditions. In the case of the Comprehensive Pension Administration System Software (COMPASS) it was found that the supplier had no support office in South Africa, hence the difficulty with finalising the project timeously and within the scope of the budget.

The **seventh** recommendation is that e-government projects be implemented incrementally. The incremental, phased approach allows for tighter control, better assessment of initiatives and for focus. Both financial and human resources will be concentrated on finalising one project successfully before embarking on another. Implementing new information and communications technologies are extremely complex hence a phased approach is probably the more desirable.

A further, **eighth**, recommendation is that hardware be rented as opposed to outright purchasing. Under such conditions, the Government Employees Pension Fund will be able to hold a service provider accountable for the provision of the latest hardware technology and its constant maintenance.

Whilst this thesis has covered as many aspects of e-government that impact on the case of the Government Employees Pension Fund, specifically and South African e-government initiatives in general, there are some pertinent matters that have

fallen outside its ambit. The issues that fall outside the ambit of this thesis provide opportunity for further research.

6.5   OPPORTUNITIES FOR FURTHER RESEARCH

When considering the case of the Government Employees Pension Fund, much research still needs to be done by way of assessing how the Fund can assume a competitive, profit-driven disposition within the South African marketplace. From a Public Administrative point of view, it is important to realise that the traditional parameters of Public Administrative discourse are shifting. An opportunity exists for the link between the traditional models of Public Administration and the 'new' Public Administration, as it were, to be analysed.

In this fore-going regard, the Government Employees Pension Fund could, for example, instil a competitive mindset within its ranks by ensuring that it attains the status of market leaders in the retirement industry, yet maintaining its identity of being a government organisation. For this to happen new, innovative ways of assisting clients need to be forged, hence the reference to a new Public Administration that is less traditional and more innovative. This presents a challenge for the development of a body of knowledge on new, innovative and custom-built parameters for future Public Administrative discourse. These could, for example, include further research on the reach and impact of mobile telephony

with particular reference to disseminating information via the short message service (SMS).

A further aspect that should be researched is the extent and impact that the concept of the 'smart building' could have on the innovations around information and communications technologies. The building of the Government Employees Pension Fund, for example, was not initially built to accommodate approximately 600 people, with a similar number of computers, air conditioners and the Call Centre, all of which have an impact on the space, electrical supply and general working conditions. The concept of the smart building could provide some impetus for very interesting research.

6.6   CONCLUSION

The current nature of information and communications technologies is so dynamic that there will always be opportunity to for further research and development in the area of e-government. In the South African context e-government is a developing concept hence the steadily growing body of knowledge.

Whilst conducting research for this thesis reference was often made to the expenses that need to be incurred in establishing an e-environment, whether in government or in the private sector. Revenue is often sited as a strong determinant in whether to procure information and communications technologies or not.

Establishing the necessary infrastructure for the optimal use of information and communications technologies is vital, yet it demands extensive capital input. Given that information and communications technologies are constantly changing, it is more capital intensive for developing countries, especially, to keep abreast. In developing countries such as South Africa there seems to be a dichotomy between spending on infra-structural development for optimal information and communications technologies and social spending related to basic needs such as housing, water and sanitation, health and education. It is, therefore, difficult to justify why revenue should be expended on information and communications technologies and not on the basic needs of people. The opposing argument that developing such information and communications technologies would lead to economic growth and its downstream benefits such as job creation is difficult to sell to someone who has been without a steady income.

It is in this afore-mentioned context that Pistorius (9 June 2004) posed the question of what the costs of innovating are as opposed to the costs of not innovating. The age-old adage of, 'if it's not broken, don't fix it' holds true only for the cynics who believe that theirs is the only approach to conducting the business of government. E-governance with its component parts - e-government and e-administration – is here to stay. How best to harness the power of these instruments is the domain of the new, innovative public service. Without such innovation e-service delivery will not materialise.