



INNOVATIONS FOR SUCCESSFUL SOCIETIES

REFORMING WITHOUT HIRING OR FIRING: IDENTITY DOCUMENT PRODUCTION, SOUTH AFRICA 2007-2009

SYNOPSIS

As of January 2008, South African citizens had to wait more than four months, on average, to get a government identity document. The delays in producing IDs, which disrupted lives by preventing citizens from working or accessing government benefits, reflected longstanding organizational problems at the Department of Home Affairs, the agency responsible for issuing the IDs. The processes at each stage of ID production were in disarray, and the department's staff lacked effective supervision. Backlogs developed; workers became demoralized. In 2007, the department began to tackle the problems. This was one component of an ambitious turnaround strategy that targeted the department's core business processes. In the ID production process, a team of consultants and department officials made individual and group performance measurable daily and weekly. The turnaround team avoided backlash by engaging the staff union, removing the threat of job losses as a result of restructuring, and consulting the workers in each section before making changes. The performance-management changes were informal: Managers evaluated employees' and sections' performance in meetings and on wall charts rather than through the formal performance-appraisal system. By the end of 2008, South African citizens received their ID booklets in an average of less than six weeks.

David Hausman wrote this policy note on the basis of interviews conducted in Pretoria and Johannesburg, South Africa, in February 2010.

INTRODUCTION

On November 30, 2005, Kabelo Thibedi entered the Market Street, Johannesburg branch office of the South African Department of Home Affairs to request his ID book. Thibedi, a 21-year-old South African citizen, had been waiting over two years for his ID. This time he decided not to stand in line.

Brandishing a realistic toy gun, Thibedi took

the branch supervisor hostage and demanded his ID in exchange for her release. Detectives, snipers and a hostage-negotiation team staked out positions around the building. Home Affairs officials in Pretoria worked to expedite Thibedi's ID application. In the meantime, Thibedi allowed the branch supervisor to call a radio news anchor, and he got on the phone to explain himself. "These people, they have bad manners,

they don't treat us well here," he said, according to an account of the incident in *The Star*, a Johannesburg daily newspaper. "They are giving me good assistance because I have a gun. I want to say thanks to this gun; this gun has helped me a lot because I am getting good assistance from these people."ⁱ After five hours of negotiations, a helicopter arrived from Pretoria with the completed ID book, and Thibedi let his hostage go free. No one was hurt.

Thibedi was arrested and sentenced to 18 months in jail, but his stunt garnered widespread sympathy, and the South African Youth Communist League began a "Justice for Kabelo Thibedi" campaign to demand better service delivery.ⁱⁱ

When Thibedi took his hostage, the Department of Home Affairs was notorious for delays. Thibedi's two-year saga was unusual, but as of January 2008, citizens still waited an average of over 130 days after submitting an ID application to receive a booklet. As public dissatisfaction with the department grew, so did the pressure for reform, and the government launched an ambitious turnaround effort.

Beginning in 2007, the Department of Home Affairs hired FeverTree Consulting, a new company whose consultants had experience in public sector reform in South Africa, to help lead a department-wide turnaround. This case study focuses on the turnaround of the ID process, but the effort also addressed other parts of the department's work, including passport issuance, refugee affairs, and financial reporting.

The reform of the ID production process offers a small-scale example of public sector performance gains without large-scale recruitment, retrenchment or pay changes. Instead, the consultants and department officials on the turnaround team said success depended on simplifying processes and making performance visible, mostly through charts and regular meetings. A consultative approach made it possible to raise individual performance targets

without strong resistance from workers. By December 2008, average production time for an ID was approximately 40 days.

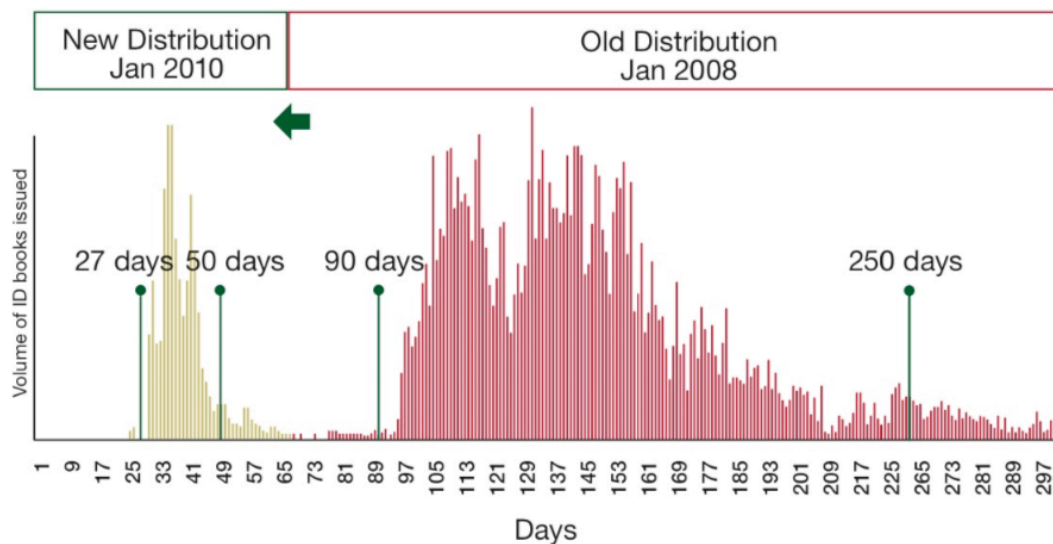
THE CHALLENGE

As of January 2008, the ID process plainly took too long. For citizens without an ID, the average wait of 130 days was not merely an annoyance, because the green ID booklet was a prerequisite for employment and social benefits in South Africa. While waiting, people could obtain temporary IDs, but they had to wait seven days for these to be processed, and once processed, they were only valid for three months—less than the average wait for an ID.

The ID process was also unreliable and labor-intensive. Because many ID applications took more than six months to be processed, people had to return to a branch office twice to renew their temporary IDs. Every trip to a branch office required a time commitment. According to a survey commissioned by the department, 40% of visitors waited over an hour in line.ⁱⁱⁱ With no way of knowing when their IDs would be ready, desperate citizens often visited their local Home Affairs office in the hopes of expediting their application. The department's survey found that 39% of people in line at branch offices were waiting to check on an application.

Within the department, tasks and processes were unclear, and long delays could occur without being noticed. For example, branch offices often waited two to three weeks after receiving an ID application to send it to the central processing facility in Pretoria. According to Yogie Tavern, the director of IDs at the department's central processing facility, in many cases no one kept track of where applications were or how long they took to make it out of a room. "Before the turnaround team came on board, management did not know what was the volume in their various floors; they only knew the volume that was produced," she said. "Nobody questioned if an application was sitting there for three days or for

Distribution of ID books



Source: FeverTree Consulting, February 2010

five days on the floor.”

There were nine distinct stages in the production process, and the department’s management had no way to track how long ID applications spent at each stage. Several bottlenecks had developed. The fingerprint verification section, for example, had a backlog of over 200,000 applications, delaying the flow of IDs through each subsequent section. Riaan Pio, a director of strategic planning at the department, said employees were often unaware of their section’s place in the overall process and therefore did not understand the full implications of delays. “There was no holistic view of the organization,” he said. “We needed to explain the implications of bad work.”

Delay bred delay. When citizens despaired of receiving their IDs from one branch office, they often visited other offices to submit duplicate applications, increasing and complicating the department’s workload. Complaints from citizens, usually justified, also slowed down the process; staff spent significant amounts of time searching for individual applications that had been egregiously delayed. In many cases, facilities were

a mess, with ID applications piled in no particular order. “The working environment was very disorganized,” Pio said. “Applications were lying on the floor. People sometimes had to go through 50,000 applications to find one.”

Joshua Mumaw, a FeverTree consultant, described a “fire-fighting mentality” among managers desperate to expedite the applications of people who had complained. Martin Wüst, a principal at FeverTree, agreed. “Management was focusing on the exceptions,” he said; an “attitude of helplessness” had set in. Tavern, the ID acting director, echoed Wüst’s description. “They felt at that time, ‘You know what? We’ve done everything. We can’t get more resources, so why even bother making any effort?’” she said

FRAMING A RESPONSE

The turnaround effort began with a political commitment to improve the organization’s delivery of services. According to Jacob Mamabolo, the chief of staff to the Home Affairs minister at the time and later the turnaround project manager, the impetus for the effort arose out of public discontent with the department, and

particularly with delays in the ID production process. A 2006 disclaimer rating from the auditor-general—the worst possible grade, meaning that the department lacked sufficient financial documentation for an audit—increased the attention focused on the department. The leaders of the department were under intense pressure to take action, and the turnaround effort was the result.

In order to save money and defuse possible resistance to reforms, the department made a no-retrenchment commitment to the union, and Director-General Mavuso Msimang publicized the commitment. Because resources were limited, the no-retrenchment guarantee meant there was little possibility of hiring new staff. The leadership therefore settled on a strategy of process streamlining and improvements to performance management, the department and hired FeverTree Consulting to assist in implementing the reforms.

Mamabolo said FeverTree won the contract because the company had specific and plausible proposals for reform. “What impressed me was that they were not talking in general,” he said. “They talked about problems in a way we didn’t talk about them.” FeverTree agreed to be paid in exchange for producing agreed-upon results—reductions in ID turnaround time, for example. This arrangement made FeverTree bear part of the risk of failure.

From the beginning, FeverTree worked closely with officials from the department. The first step was a three-month assessment. In the case of ID production, this meant a walk-through of each stage of the process and identification of redundancies—a fairly standard method in operations management interventions. “We documented what each section did and could see duplication,” Travern said. As part of the assessment, the department also carried out the customer survey, mentioned above, that documented the long waiting times at branch offices.

In the plan that emerged from the assessment, the turnaround team came up with a plan that worked within the constraints of strong unions, civil service rules and labor law. Travern said the team was careful to consult the union at every stage. “What used to happen, as a manager, instead of me implementing a new process, I’d say, ‘Just leave it. I don’t want that confrontation with the unions,’” she said. “So whenever we had a process change we said, ‘Unions, please join us in the process-change meeting. We’re thinking of changing this process. Is that going to impact the staff in terms of time, in terms of their job?’ It might improve their skill, there might be a slight change. So the union actually started buying in as well.”

The ID component of the turnaround plan was designed to work without retrenchment, recruitment and large-scale changes in human-resources policy. Instead, the team proposed simplifying business processes and improving performance management by mid- and low-level managers. “We said, ‘You don’t need more people or to get rid of the current people,’” Sven de Kock, FeverTree’s CEO, said. “We said, ‘The big issue you’ve got here is supervision. The people at the bottom are badly supervised.’ There were no targets, there was no teamwork.”

The strategy publicly promised quick and measurable wins. Among the most prominent of these was the department’s commitment, in its strategic plan, to reducing the turnaround time for ID applications to 60 days within a year, by December 2008.

In order to track progress, the department instituted a “track and trace” system for IDs. The system required staff to scan IDs in and out of each stage of the ID process, allowing the turnaround team to understand precisely how much time an ID spent in a given section and therefore to locate slow areas. The track and trace report was widely distributed, and it became one of many means of making performance visible.

GETTING DOWN TO WORK

The production of a South African ID begins when a citizen fills out an application and has fingerprints taken at a Department of Home Affairs branch office. That office sends the application to the central processing facility, where it arrives in the postal receipts department, where applications are unpacked and sorted before being sent on to the fingerprint verification section. From there, the application moves to the data section, where typists digitize the information, and to the national population register, where fingerprints and data are copied into a national database. After the data are digitized and stored, a separate entity, the Government Printing Works, prints and binds the ID booklet. The booklet then returns to the central processing facility's completion section, where department officials paste in the applicant's photo and laminate it. A dispatch section, finally, sorts the IDs for their return to the branch offices where they started.

In each of these stages of ID production, the turnaround team implemented similar performance-management measures. First, when members of the consultant-counterpart team arrived in a section, they held a brief workshop explaining the goals of the turnaround, and solicited process improvement ideas from the staff in the section. Second, they worked with staff to clean up the section physically and eliminate unnecessary steps in production. Third, the team negotiated individual and group performance targets with staff. Finally, the team introduced wall charts, achievement awards, and short daily meetings to keep track of individual performance, and trained managers in performance management.

Members of the turnaround team stressed that the method of approaching a section was crucial, and they took specific measures to make

the turnaround of each section consultative. First, they solicited input. "We asked people to go into the work environment and come up with recommendations," said Pio, the director of strategic planning. "They realized the benefit for them in this." "You go into the environment like you know nothing," Travern added. "We would sit with everyone, even clerks." Second, the turnaround leaders showed that they were willing to get their hands dirty when necessary. For example, if the floor needed to be swept or equipment needed to be moved, the turnaround team helped out. Third, the team members did their best to treat employees with respect. Little things made a big difference. For example, the team sometimes recognized good work by surprising staff with snacks at meetings in the central processing facility. "The fact that you showed interest in them played a major role," Pio said. Although workers were likely not pleased with every change, they accepted most of them:

The union was strong enough to scuttle many of the reforms, but chose not to.

After discussing the changes, the turnaround team worked with staff to clean up the physical premises in each section and the order in which processes took place. The act

of cleaning up floors and desk space was a useful starting point for process changes; after the physical cleanup, the team helped staff sort incoming and outgoing work. Other sorting and streamlining followed. For example, in the completion section, people had been grouped by task; now they were placed together in groups (Travern called them "cells") that together prepared ID books for lamination.

Clarifying functions often created the opportunity to make performance visible. The regrouping of tasks in the completion section, for instance, allowed that section to create daily targets for each group. Before the changes, IDs

"We never reprimanded people for not meeting targets, but we recognized people for doing well."

**—Joshua Mumaw,
Fevertree consultant**

typically spent 15–20 days in the completion section before making their way to the dispatch section. At that rate, the section had a backlog that was expanding by approximately 2,000 ID booklets a day. “We had to up the production to at least 12,000 a day, being in line with what we were receiving a day not to build a backlog,” Travern said. “So we formed three cells. We said each cell must do a minimum of 3,000 a day. But that cell did beginning to end”—meaning that its performance could be measured. “The rows of desks are like this,” Travern went on. “You have the first four ladies who will now check the 3,000. It will then move to the next ladies who do the cut and pasting of the 3,000.” Clarity of process made the relative speed of employees’ work visible. With the new group targets, IDs moved through the section in 5–8 days, and the backlog was eliminated.

The targets emerged through a consultative process. In each section, the turnaround team sat down with staff to discuss realistic targets for individuals and for groups. In many cases, major performance improvements were possible simply by making expectations clear. In the dispatch section, for example, employees received a pile of 800 IDs in the morning to sort by the end of the day. Before the changes, they had sorted as many as they had liked, and no one had kept track.

Once targets were agreed upon, the turnaround team made performance visible through track and trace reports, wall charts, published rankings, and monthly awards for individual and group achievement. The turnaround team decoupled its performance-management initiatives from the department’s formal performance-appraisal system, and with each measure, good performance was recognized; but poor performance was not punished. Instead, managers relied on informal social pressure. The goal was to make performance management motivating without being threatening. “We never reprimanded people for not meeting targets, but we recognized people for doing well,” Mumaw

said.

In the case of the track and trace report, employees discussed the outcomes among themselves with a healthy sense of competition, according to Nischal Jaynarayan, a department official who worked with the turnaround team. “The report goes to everyone, so everyone knows how they’re doing,” Jaynarayan said. Where there were delays, “officials want to figure out what’s going wrong,” he said.

What the track and trace report showed in general terms, wall charts made specific. Displayed prominently in work areas, the charts recorded group performance daily. Before the turnaround, managers rarely tracked the number of IDs each group handled each day; now the numbers were posted on the wall for all to see. Within sections, it was easy to compare how groups and their managers were doing. “Norms and targets made them aware of what they had to do for a day and the type of corrective action that was required,” Jaynarayan said.

Employees offered little resistance to the charts because they were used collaboratively. “When the charts went up, you had to show that there wasn’t any ulterior motive,” Jaynarayan said. “We urged managers not to use these charts as a tool to take [disciplinary] action but to drive performance and to get full participation and involvement.” The charts also brought clarity to a seemingly hopeless situation. “People weren’t happy [before] because they had all these exceptions,” Mumaw said. With the department’s poor public image and managers’ constant demands for expedited applications, change was welcome, even if it made employees anxious at first. The charts clearly recorded employees’ contributions and prevented them from being unfairly blamed for delays.

In addition to the charts, awards and rankings singled out the best and worst performers. For example, in order to reduce the time between the filling out of applications at branch offices and their dispatch to the central

processing facility, the department began to publish a ranking of the offices based simply on that turnaround time. The average time dropped from eight days in January 2008 to two days in February 2010. In the meantime, achievement awards singled out individual employees. “We had charts with top performers and record-holders,” Mumaw said. “We also had a monthly recognition award [for both sections and individuals] to close the gap between senior management and ground level.”

Daily small group meetings, finally, offered a way of monitoring individual performance. Meetings, typically about 10 minutes long, took place in groups of 4-15 employees who worked together on a given task. Managers briefly looked over production figures from the day before, recognized employees who had exceeded targets, and asked about delays. Tavern said the meetings motivated employees and resolved practical problems. “The manager actually sits with the staff and gets to know what happened yesterday,” she said. “What were your challenges? We set norms and standards. That means you must reach a certain target per person, per day. ... So that quarter-past-seven meeting was more a review of the previous day to say, ‘Guys, I can see from the statistics that you’ve reached your norm, you’ve managed.’” If employees had not reached their targets, managers were trained to ask them what had gone wrong. “You find that they’d say, ‘My PC was off for two hours’ or ‘I had to attend a meeting for an hour’ or ‘there was a union issue,’” Tavern said. “So that operation meeting brought more light to the section itself to say, ‘You know what, this is what we’re actually doing in this section.’ So that helped.” At management meetings later in the morning, the process repeated itself, with managers reporting back on group progress.

Middle managers were trained to conduct these meetings. The training took place overwhelmingly on the job, and although the turnaround leaders called this the “upskilling” of

managers, the process they described was one of gradual change in habits and norms. Pio said a long process of explanation and cooperation was often necessary before managers began to run meetings on their own. “We told them what is expected of them as managers,” he said. “We would stay long enough that people understood their role.”

ASSESSING RESULTS

Measured in terms of ID production time, the turnaround effort was an unequivocal success. Production time averaged 60 days by June 2008, half a year ahead of schedule. By the end of the year, the average time was approximately 40 days. As of February 2010, the production gains remained in place, even though the consultant-counterpart team had not intervened significantly in the process since the end of 2008.

The ID process turnaround is instructive as an example of successful performance management—a rarity among civil service reform efforts, in which performance-management systems are often either ignored or resisted by staff. How did the department do it?

First, the consultants and Home Affairs officials worked together, making it clear that outsiders had not mandated the performance-management measures. Members of the turnaround team always solicited the advice of section employees when changing processes and setting targets. They tried to make targets relatively easy to achieve, and they spent time with individual employees, listening to complaints and attending to mundane details together.

Second, there were neither material rewards nor reprimands for meeting or failing to meet targets. Because the new performance management initiatives were not linked to a formal policy of punishment or reward, employees had fewer incentives to resist them, and managers were able to apply them more objectively. (Where performance appraisals affect bonuses, managers may exaggerate employees’ performance.)

Third, group performance was highly visible, and managers were trained to keep track of it. Charts with group achievements were posted in each section of the central processing facility, creating competition among groups and social pressure within groups to perform. Daily production and targets were also discussed at brief morning meetings every day.

Finally, the targets brought clarity to tasks and ensured recognition—though no material rewards—for good work, something that was uncommon before the reforms. When the employees began to meet higher targets in the central processing facility, they were featured in the internal newsletter, and the director-general came to visit. “They went from zeros to heroes,” Pio said.

REFLECTIONS

According to consultants and officials at the Department of Home Affairs, the reforms had indirect benefits as well. The most concrete of these was a steep decline in absenteeism. According to Yogie Tavern, the ID acting director, the average daily absence rate sank from 30-35% in 2007 to 13-18% in 2010. She attributed the decline partly to several changes in policy, and partly to more general changes in workers attitude toward their jobs. The policy changes were straightforward: the department began to require more documentation for sick leave after a certain period, overtime became limited to employees with good absenteeism records, and employees who had overused leave had part of their salary deducted after an audit.

Members of the turnaround team also said that the implementation of new processes had

lowered absenteeism by changing employees’ attitude toward work. Martin Wüst of FeverTree Consultants said that the decline owed much to meetings and management reports that made the problem more visible. The new morning meetings began at 7:15, and managers kept track of absences. Although under civil service rules the department had relatively few options for punishing absenteeism, Wüst said that simply noting it had caused a significant decline.

John Carneson, the department’s chief director for strategic and executive support services, said the consultants’ work on IDs gave department officials a model for the overhaul of processes throughout the department, such as birth registry and immigration regulation. Its broader impact was less clear. “The assistance of consultants proved less successful in crucial areas such as organizational transformation and policy development,” Carneson said. As the turnaround progressed, however, department officials increasingly took responsibility for these tasks, Carneson said.

Although as of early 2010 the prospects for long-term change throughout the department remained unclear, the improvements in the ID process were obvious. The turnaround team described a change in atmosphere at the department’s central processing facility. “At some point, the culture changes,” Mumaw said. “Managers and staff start to work together rather than against each other.” According to Mumaw and his colleagues at Home Affairs, that transformation occurred not through formal policy or strategy change, but rather through repeated, detailed attention to the specific tasks of each employee and manager.

ⁱ Maphumulo, S. et al. “Gatvol! Mom says son grabbed hostage because he was desperate for ID” *The Star*, December 1, 2005.

ⁱⁱ The Sowetan. “Thibedi Freed from Doing Jail Time.” 27 October 2009.

ⁱⁱⁱ Department of Home Affairs, Customer Survey, 2007 (last quarter)