Minister of Public Works Mr J Radebe 12 April 1999

Opening of the Master's Programme In Project Management University Of Pretoria

Honourable Professor J van Zyl Respected Professor JAG Malherbe Distinguished Members of Academia Ladies and Gentlemen:

It is indeed an honour and privilege to be in your midst today. The University of Pretoria, and in particular those who have spear-headed the introduction of this new Master's Programme in project management must be commended for their vision and pioneering initiative. Of particular significance, I believe is the fact that this programme demonstrates the willingness and indeed the growing resolve of academia to pursue a course of action which is relevant to the social milieu in which we live. In addition, it reflects a growing tendency for academia to abandon the ivory towers in search of unique solutions for our country and continent. For this the University of Pretoria must be commended. The Project Management Programme that we are opening today therefore enjoys our full confidence and support.

Ladies and Gentlemen: South Africa remains a land of stark contrasts. Geographically, our landscape stretches from the green fertile hills of Kwazulu- Natal to the arid semi-desert plains of the Karoo and Kalahari. Demographically we are scattlered over areas that are vast and sparsely populated contrasting with areas that are dense and overcrowded. Physically we have well developed urban centres with first world infrastructure contrasting with undeveloped and under-developed remote rural villages. Economically the divide is even greater, with extreme poverty in mainly deep rural areas contrasted with the mainly white bastions of historically privileged. It is within such extreme contrasts that the democratic revolution of our beloved country is located. The key question faced by our ANC-led government and our social partners over the past five years is precisely how to effect and manage the rapid and radical change required by the social realities that I have mentioned.

Addressing these critical challenges government's development paradigm focuses on:

- Meeting basic needs
- Developing the economy and contributing to growth
- Increased investment in infrastructure
- Redistribution of resources and opportunities to the historically disadvantaged
- Developing human resources

Given the huge disparities and imbalances that we face on a national level, the dimensions of the challenges we face make it imperative that we prioritise and manage government delivery in an efficient and effective way.

Our interface in Public Works in addressing government's socio-economic objectives is largely in the arena of infrastructure development. Needless to say, the daunting challenge of a R232 billion infrastructure development backlog sufficiently demonstrates the magnitude of the task facing us. However, the key question is how to prioritise our objectives within the framework of our limited resources.

It is in this context that we have been advocating the application of project management principles in the reorientation and transformation of government and the Department of Public Works more specifically. As a major agent of public sector delivery, the transformation of Public Works is therefore also inextricably linked to the transformation of the broader construction delivery environment.

Some of the key issues that we are confronted with include a legacy of skewed and unintegrated planning, a public sector machinery historically directed at serving the partisan interest of a small minority and a labyrinth and bloated democracy. Over the past five years our government has laid solid foundations and made significant strides towards a people centred and people driven development paradigm.

My department's mandate is to fulfil two key functions. Firstly to provide, manage and maintain state accommodation for national line function departments; and secondly to play a leading role in the

Back

transformation of the construction industry in South Africa. With regard to the first aspect, Public Works has over the last 4 years taken a quantum leap in transforming outdated policies, structures and work regimes. This major reorganisation is evident in our major policy and programme initiatives for which we have been acknowledged as a leader in public sector transformation.

Our White Papers on "Public Works towards the 21st Century" and "Creating and enabling environment for reconstruction, growth and development in the construction industry" identifies human resource development as a critical intervention to enhance industry capacity towards improved delivery. It further identifies project management as one of the critical skills to effect this transformation.

The first fruit of this transformation is the emergence of a policy framework addressing and contributing to the attainment of the socio-economic objectives of government. The release of our White Paper on Public Works: towards the 21st Century was a first ever in the history of South Africa. Undoubtedly, one of the cornerstones of this transformed policy has been our Affirmative Procurement Policy(APP). As a result the number of previously disadvantaged individuals and affirmable business entities benefiting from public sector construction contracts has grown from between 1%-5 % prior to 1994 to 28% currently. Though this has been quite an achievement, we are further intensifying our efforts through the Strategic Projects Initiative(SPI).

True to our transformation and development agenda to improve the delivery of government projects, we adopted the same critical assessment of our National Public Works Programme(NPWP) and Community Based Public Works Programme(CBPWP) as we had done with our Affirmative Procurement Policy initiative. The CASE and ILO evaluation, though recognising the CBPWP as the best programme of its kind in more than 40 countries of the developing world of Africa and Asia and the Pacific, provided us numerous lessons and concrete areas for improvement. As a result, we have been able to craft a re-aligned Public Works programme to address those deficiencies. In our implementation of the Rural Anti-Poverty Programme(RAPP) we have benefited particularly from the evaluation results in terms of targeting, monitoring and evaluation.

What I am trying to demonstrate is that my department in its commitment to transform work regimes and improved delivery of government projects is continually engaging in a process of refining and sharpening the vehicles for delivery.

The sterling work undertaken over the past year by the Ministerial Task Team on Construction Industry Development demonstrates the dynamic partnership between government and the private sector that is so vital to the success of this country. The opening of this universitiy's Master's Programme in project management and other similar iniatives strengthens this process and will ensure that the new generation of professionals will be in sync with the broader project management paradigm now being pursued in the public and private sector.

Ladies and Gentlemen, the project management approach takes us away from the disjointed nature of project implementation that previously characterised public sector project delivery. Architects, civil engineers and quantity surveyors used to work in isolation from each other on the same building site. This compartmentalised approach resulted in lack of co-ordination and fragmented decision-making. This style of managing construction inevitably led to poor quality and high costs.

Our approach is now characterised by single point accountability, bringing decision makers closer to work force, focusing on outputs rather than inputs, cultivating capacity of staff to think proactive rather than reactive, greater top management commitment and a more flexible procurement system.

Our own iniatives to strengthen this approach includes R3million in assistance from the United Nations Development Programme (UNDP) to develop Diploma, Higher Grade Diploma and Post Graduate Project Management courses. These courses are tailor-made for the Public Sector with a focussed reference to the specific socio-economic deliverables.

The focus will be on advanced project management training and development in the form of specialist training material, international seminars, development of the project management manual and overseas trips.

I am excited that we are engaging tertiary institutions in the transformation of the public sector. The wealth of knowledge, technical resources and experience both at the local and international level which they bring to the table is encouraging and bodes well for the future of our country.

The main objective of the UNDP is to assist DPW in accelerating its capacity building efforts in the area of project management. It will assist DPW in upgrading the expertise of the newly designated project managers

and expose them to "state-of-the-art", international experience through a series of locally held programmes and study visits abroad. The international assistance envisaged within the present project will thus complement an ongoing departmental initiative and will provide support to facilitate DPW transition from functional management to project management.

DPW has already begun its transformation by creating a Chief Directorate for Project Management at headquarters and sub-directorates in all provincial offices. DPW has already given initial training to over 100 project managers and is allocating R600 000 for bursaries for project managers who will apply for the post-graduate programmes that this project will establish locally.

DPW aims to go beyond the conventional project management performance parameters of cost, quality and time to introduce a positive socio-economic dimension (particularly in relation to employment creation). These parameters will be addressed in an integrated way during the process of project formulation and implementation through the Department's Affirmative Procurement Programme (APP) and National Public Works Programme (NPWP).

The performance of the DPW is crucial to the health of the construction and property markets in South Africa. The change process will therefore impact directly on upon the future performance of this sector, and has the potential to contribute significantly to improving national competitiveness and overall economic performance. Furthermore, providing that it is successfully accomplished, the documented experience of the process of change will provide a model for other public sector departments within the country and the region as a whole. This codified experience could be of national and international significance.

I am delighted to learn that your esteemed institution is following a similar course of international collaboration to bring home the expertise from overseas in the field of project management. Your Department of Engineering and Technology Management should be commended for their efforts to negotiate collaboration agreements with two universities abroad.

Through such a process we will position our industry to benefit from the international exeperience as well as benchmark our own achievements against international best practice standards and become globally competitive. ion of taking Public Works towards the 21st Century by being a leader in the provision of infrastructure and public works programmes in the developing world of Africa, Asia and the Pacific. This project management training programmes to takes us once step closer to the fulfilment of that vision.

I thank you!

<u>top</u>