



the cpsi

Government Component:
Centre for Public Service Innovation
REPUBLIC OF SOUTH AFRICA



2025 – 2030 STRATEGIC PLAN



Contents

Executive Authority Statement.....	3
Accounting Officer's Statement.....	5
Official Sign-off	8
Part A: Our Mandate.....	9
1. Constitutional Mandate	9
2. Legislative and Policy Mandates	9
3. Institutional Policies and Strategies over the Five-year Planning Period	10
4. Relevant Court Rulings	10
Part B: Our Strategic Focus	11
5. Vision.....	11
6. Mission	11
7. Values	11
8. Situational Analysis	11
8.1 External Environment Analysis.....	11
8.2 Internal Environment	15
Part C: Measuring Our Performance	20
9. Institutional performance information	21
9.1 Measuring the impact.....	21
9.2 Measuring outcomes	21
9.3 Explanation of planned performance over the five-year planning period	21
9.3.1 Outcome: Effective corporate governance	21
9.3.2 Outcome: Culture and practice of innovation entrenched in the public sector.....	22
10. Key risks.....	23
Part D: Technical Indicator Descriptions (TIDs)	24

Executive Authority Statement

I, the Minister for the Public Service and Administration, hereby present the 2025–2030 Strategic Plan of the Centre for Public Service Innovation (CPSI). This strategic plan will serve as a roadmap to guide the organisation in its work over the designated five-year period, from 2025 to 2030. Importantly, the 2025–2030 strategic planning cycle marks the last five years of the country's efforts to meet the targets of the National Development Plan (NDP) and the goals of the Sustainable Development Goals (SDGs).

The CPSI is a national government component under the Ministry for the Public Service and Administration which I preside over. Therefore, in terms of its mandate, the CPSI supports the Public Service and Administration Portfolio in its efforts to build a capable, ethical and developmental state and specifically using innovation to improve the efficiency and effectiveness of the public service.

Succinctly put, the CPSI should help in the creation and implementation of new service delivery solution systems, processes, methods, products, models and services resulting in significant improvements of outcomes, efficiency, effectiveness and quality.

This work fundamentally draws from the organisation's mandate to *entrench the culture and practice of innovation in the public service to improve service delivery*. This mandate is highly strategic. Most importantly, it is also transformative and progressive in nature, responding to a shared inherently profound need for a government that is adaptive, agile and flexible to capably deliver services to all citizens without leaving anyone behind. These qualities form the distinguishing trademarks of a capable, ethical developmental state which is the focal point in the NDP. Importantly, these qualities form a key factor that determine the ability of the state to achieve its developmental agenda of addressing poverty, inequality and inclusive sustainable economic development.

As government, we have always recognised the highly indispensable role of a capable, ethical developmental state as a vehicle to accelerate the achievement of our goal of a better life for all our citizens, hence our continued relentless commitment towards it. During the 6th Administration and guided by its 2020–2025 Strategic Plan, the CPSI's work was mainly focused on Priority One, namely, the establishment of a capable, ethical, developmental state using innovation. A capable, ethical developmental state can, inarguably, foster the successful delivery on our developmental agenda as outlined in the NDP.

This work will continue unrelentingly during the 7th Administration, based on the 2024–2029 Medium-Term Development Plan (MTDP) which was announced by President Ramaphosa in his 2025 State of the Nation Address (SONA), is a comprehensive five-year framework guiding action and priorities of the 7th Administration. The MTDP outlines a series of actions aimed at advancing the three strategic priorities of the 7th Administration, namely:

- Driving inclusive growth and job creation;
- Reduce poverty and tackling the high cost of living, and
- Building a capable, ethical and developmental state.

These three priorities constitute a shared responsibility for all government departments and agencies to galvanise all their programmes and policies carried out during the next five years towards its achievement.

Priority three acknowledges that growth, development and transformation, which are the much-desired qualities in our developmental journey, depend on a strong and capable state. It therefore remains irrefutably true that our success in delivering on our developmental outcomes hinges on us having a capable, ethical and developmental state.

More than that, it is a fundamental constitutional proclamation that binds all of us to “*provide [an] effective, transparent, accountable and coherent government*”, which is development-oriented. This is further re-echoed in the National Development Plan (NDP) which also raises an urgent need for the reduction of poverty, unemployment and inequality to support radical socio-economic transformation in our country.

Adopted in 2012, the NDP is South Africa's blueprint or roadmap that puts the country on a developmental trajectory towards prosperity. Achieving this requires, amongst others, growing an inclusive economy, building capabilities, enhancing the capacity of the state, rallying stakeholders and social partners into a social compact, and promoting leadership and partnerships throughout society.

On its part, the CPSI has to forge partnerships and work closely with service delivery departments and other government institutions towards facilitating an innovation-friendly environment that is ideal for public officials to freely unleash their talent, ingenuity and creativity to spur modernisation of our government and accelerate the achievement of Vision 2030.

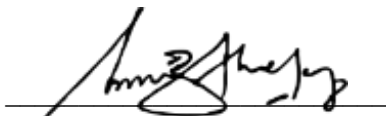
The NDP makes an emphatic call for the strengthening of inter-governmental relations for integrated, collaborative and seamless service delivery at all levels.

The CPSI also recognises the fundamental value of cross-sectorial collaborative partnerships between government, labour, business and the community, particularly the youth, with a shared responsibility and common purpose to work towards sustainable socio-economic development for the benefit of citizens.

Innovation is by its nature catalytic and transformative. Its revolutionary footprint is visible in the enormous and rapid advancement in countries that are highly innovative as opposed to the inefficient, ineffective and costly systems in those countries that are less innovative.

Government is still committed to up its performance levels in terms of building a capable state and placing the economy on the path to recovery. This is very crucial, particularly at municipality and local government levels, where service delivery takes place. We also need to take a cue from our President, who urged us to take extraordinary measures and prioritise those actions that will have the greatest impact.

Furthermore, we also need to make major adjustments both in policy and operations to achieve performance levels to further accelerate service delivery and cover more ground in terms of our developmental agenda. This is highly critical, particularly as we embark on the next five years.



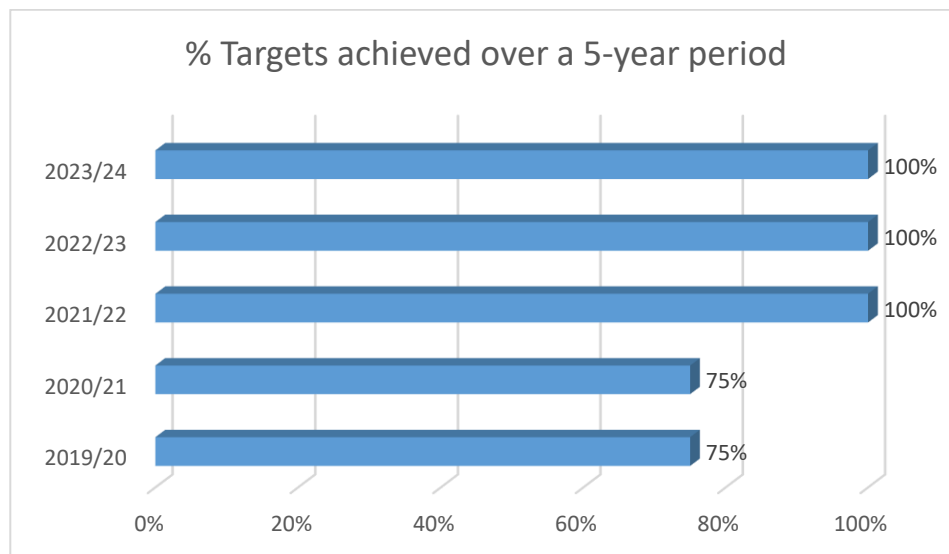
Inkosi Mzamo Buthelezi, MP
Minister for the Public Service and Administration

Accounting Officer's Statement

I present the 2025–2030 Strategic Plan of the Centre for Public Service Innovation (CPSI).

This Strategic Plan will chart the way for the CPSI in its work over the next five years ending 2030. As well as a reliable roadmap that enables planning for the future, it also provides us with an opportunity to reflect on the past for valuable lessons that can be salvaged for the future. To quote William Wordsworth, *“Let us learn from the past to profit from the present, and from the present, to live better in the future”*.

Therefore, reflecting on the past 5 years, there are a few things worth highlighting that stand out amongst others during the term covered in the 2019–2025 Strategic Plan.



- In terms of human resources, the organisation grew from 30 posts to 36 posts during the period under the 2019–2025 Strategic Plan. This was achieved through reprioritisation of the Goods and Services Budget to the Compensation of Employees Budget to boost much-needed critical skills. Amongst others, we created two deputy director posts for replication and stakeholder management, respectively. For the first time in its history, the Centre was also able to appoint System Developers.
- The CPSI received clean audits following audits by the Auditor-General South Africa (AGSA) over the period under review. This is a proud achievement by the organisation, and it reflects the level of governance within the organisation, including the strong internal controls that are in place.
- Our 30-day payment period since 2019/20 and 2020/21 was 4.73 and 3.48 days respectively, increasing to 6.74 days in 2021/22 (during the Covid-19 pandemic), then decreased to 5.54 and 3.74 days for the 2022/23 and 2023/24 financial years, respectively. This was made possible by a number of innovative processes that we have introduced, including electronic stamps and a strong CPSI culture of “not sitting on invoices”.
- In terms of the performance of Programme Two that carries the Mandate of the Centre, we had the misfortune of missing one key target in 2019/20 and 2020/21. This was largely attributable to, amongst others, instability in the management of the organisation. However, in the subsequent years, targets were exceeded.

Any picture or narrative about the past five years under the 2019–2025 Strategic Plan would be glaringly lacking and misleading without any reference to the Covid-19 pandemic and its relentless impact. The pandemic had a major disruptive impact on many aspects of people's lives, albeit socially or economically. The whole government, including the CPSI, operated under extraordinarily distractive conditions. However, instead of allowing ourselves to be overwhelmed, we rose above it all and used it as an opportunity to explore and implement Covid-inspired, fit-for-purpose innovations and solutions to enable us to work remotely from home, thus minimising disruption in delivering on our targets. In other words, we turned the distractive situation presented by the pandemic into an opportunity to innovate.

As we prepare for the next 5-year term under the 7th Administration, these highlights and many others not mentioned here, as well as our challenges during the 2019–2025 period, will guide and give impetus to our approach in terms of deliverables. Therefore, over the next five years, the CPSI will continue to leverage innovation to support the portfolio in its key responsibility to build an efficient, effective and development-oriented public service and an empowered, fair and inclusive citizenry.

We will continue to encourage the co-development, implementation and replication of innovative service delivery solutions as well as building an enabling culture that fosters innovation in the public sector. This is aligned with the third priority of the 7th Administration of building a capable, ethical, and developmental state with a particular emphasis on leveraging innovation to–

- improve the effectiveness and efficiency of government systems, structures, and processes for improved performance and productivity; and
- empower public officials with the necessary and contemporary skills and knowledge for improved and competitive performance.

In accordance with its core values, the CPSI values and upholds collaborative partnerships with other key public-sector institutions and entities within and outside the Portfolio; the private sector and non-governmental organisations (NGO) sectors; the South African National System of Innovation (NSI); as well as key global role players within the space for public-sector innovation.

The promotion of collaborative partnerships is in line with Vision 2030 of the NDP, which demands that the public sector make major adjustments – both in policy and operations – to achieve performance levels that further accelerate delivery on our developmental agenda.

The NDP further calls for the strengthening of inter-governmental relations for integrated, collaborative, and seamless service delivery at all levels – national, provincial, and local – supported by all other institutions of government working together. These adjustments also include having an NSI that permeates the culture of the public sector, business, and society to guarantee South Africa's competitiveness.

The Centre has established strong partnerships that foster collaboration with the NSI. These include science councils such as the Human Sciences Research Council (HSRC) and the Council for Scientific and Industrial Research (CSIR); universities; incubators; agencies; and beneficiaries (small, medium and micro-sized enterprises – SMMEs) of the work of these entities.

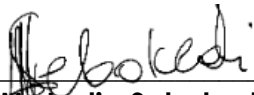
Development, testing and piloting of new and innovative solutions form one of the key programmes of the CPSI. One of the challenges the Centre faces is the time it takes for the innovation cycle to lead to a minimum viable product (MVP) due to complexities and risks that emerge during various stages of development of these solutions. It is for this reason that we introduced a phased approach to this stream of work; hence we have multi-year projects.

The CPSI's service-delivery value chain remains integrated with the Annual Public Sector Innovation Awards Programme that anchors some of our deliverables. It remains one of the primary vehicles for stimulating innovation activities and unearthing existing innovations for sharing and replication.

Taking President Ramaphosa's lead on youth empowerment, we have expanded this open innovation partnership to collaboration with youth initiatives such as hackathons and digital literacy (for the 4IR), not only to leverage the ingenuity of the youth to solve public-sector challenges, but also to build core digital skills for the potential public servants of the future.

The creation of a culture and practice of innovation in the public sector is critical in ensuring that the sector remains innovative. Innovation thrives on vibrant knowledge platforms and products to encourage sharing and learning. These platforms are used to avoid re-inventing the wheel. The platforms also serve as a source of innovative solutions for the replication programme. International knowledge platforms provide the global context to ensure that South Africa remains relevant and is kept abreast of new developments in the innovation space.

It is thus in a spirit of learning, continuous improvement, and innovation, and with a deep sense of the task resting on our shoulders, that I am presenting this Strategic Plan for the period 2025–2030.



Ms Lydia Sebokedi
Executive Director (acting)

Official Sign-off

It is hereby certified that this Strategic Plan–

- was developed by the management of the Centre for Public Service Innovation under the guidance of Inkosi EM Buthelezi, MP
- takes into account all the relevant policies, legislation, and other mandates for which the Centre for Public Service Innovation is responsible.
- accurately reflects the Impact, Outcomes, and Outputs, which the Centre for Public Service Innovation will endeavour to achieve over the period 2025–2030.

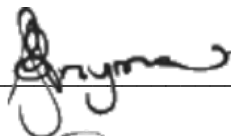
Mr PJ Schoonraad
Programme Manager: Public Sector Innovation

Signature: _____



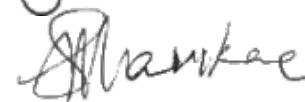
Ms AC Snyman
Chief Financial Officer

Signature: _____



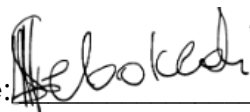
Ms DN Mavikane
Official Responsible for Planning

Signature: _____



Ms LM Sebokedi
Accounting Officer

Signature: _____



Approved by:

Inkosi Mzamo Buthelezi, MP
Executive Authority

Signature: _____



Part A: Our Mandate

1. Constitutional Mandate

The CPSI does not have an explicit constitutional mandate but operates under the principles as set out in Chapter 10, s195 of the Constitution of the Republic of South Africa. In particular, s195 (b)–(e) and (g) have direct relevance to the work of the CPSI:

- (b) Efficient, economic, and effective use of resources must be promoted.
- (c) Public Administration must be development-oriented.
- (d) Services must be provided impartially, fairly, equitably, and without bias.
- (e) People's needs must be responded to, and the public must be encouraged to participate in policymaking.
- (g) Transparency must be fostered by providing the public with timely, accessible, and accurate information.

Therefore, the CPSI, in accordance with s 195:

- Is responsive to the needs of citizens by *being challenge-driven*;
- Champions transparency through *Open Innovation* and supporting open government initiatives;
- Promotes *efficiency and effectiveness* through innovation; and
- Is development-oriented by *co-developing solutions* to address challenges identified in the NDP and SDGs with innovators across and outside of government.

Furthermore, in terms of chapter 3 s41 (h) of the Constitution, all spheres of government and all organs of state within each sphere must cooperate with one another in mutual trust and good faith by:

- Fostering friendly relations;
- Assisting and supporting one another;
- Informing one another of, and consulting one another on matters of common interest; and
- Coordinating their actions and legislation with one another.

Given the cross-sector reach of the organisation and the fact that challenges and solutions span across all three spheres of government, cooperative governance lies at the heart of successful innovations and replication.

2. Legislative and Policy Mandates

The responsibility for Innovation in the Public Service is vested in the Minister who, in terms of section 3(1)(i) of the Public Service Act of 1994, as amended, is responsible for establishing norms and standards relating to transformation, reform, *innovation* and any other matter to improve the effectiveness and efficiency of the public service and its service delivery to the public. This role is further expanded on in Government Notice 700 of 2 September 2011.

The function of the CPSI is thus to entrench a culture and practice of innovation in the public service through:

- (i) Advancing needs-driven research and development;
- (ii) Unearthing, demonstrating, sharing on, encouraging and rewarding innovation;
- (iii) Testing, piloting, incubating new innovations, and supporting the replication of innovative solutions; and
- (iv) Partnering with public, private, academic, and civil-society sectors on supporting the mandate of the CPSI.

3. Institutional Policies and Strategies over the Five-year Planning Period

As an implementing institution, the CPSI is guided by the following broader policies and strategies:

- National Development Plan (NDP)
- The Medium-Term Development Plan (MTDP)
- Ministry for the Public Service and Administration (MPSA) Priorities
- District Development Model (DDM)
- Sustainable Development Goals (SDGs)
- AU Agenda 2063

4. Relevant Court Rulings

Not applicable

Part B: Our Strategic Focus

5. Vision

A solution-focused public sector through innovation.

6. Mission

To entrench a culture and practice of innovation in the public sector to improve the effectiveness and efficiency of the public service and its service delivery to the public.

7. Values

The following values guide the CPSI's strategic direction:

- **Innovative:** The CPSI enables public sector innovation by using new methods or ideas to improve the quality of life. The CPSI further acknowledges and honours this fundamental value to encourage public sector institutions in their efforts to innovate, from unearthing innovative initiatives to replication and mainstreaming.
- **Committed:** The CPSI is fully committed to finding and developing new solutions for the developmental challenges faced by South Africans, in particular, to contribute to the reduction of unemployment, inequality, and poverty.
- **Need-driven:** The CPSI endeavours to respond to the needs of the citizens by addressing the root causes of service delivery failures in an empathetic manner.
- **Ethical:** The CPSI is committed to the highest standards of ethical conduct that reflect openness, transparency; honesty, trustworthiness; integrity, responsible; accountability, and discipline.
- **Collaborative:** The CPSI values collaborative partnerships with other public sector entities, the private and non-governmental organisation (NGO) sectors, the South African National System of Innovation (NSI), and key global role-players within the space of public sector innovation.

8. Situational Analysis

8.1 External Environment Analysis

Political Environment

The Centre for Public Service Innovation is impacted on by a range of external factors. The year 2024 saw a change in government from which was solely an African National Congress-led government to that of a Government of National Unity. The success of the country and that of government is dependent on the success of the GNU. The CPSI will have to function within this environment in carrying out its mandate.

The CPSI operates under the Ministry for the Public Service and Administration, which has a mandate to reform and modernise the public sector. Political will is a critical factor in ensuring that innovation becomes a priority in the public sector. Shifts in political leadership or changes in policy focus could either strengthen or weaken the CPSI's support.

Persistent scandals around corruption and weak governance structures in some public institutions pose challenges for the CPSI. Innovations can be stifled in environments where transparency and accountability are lacking.

South Africa's participation in global frameworks, such as the UN's Sustainable Development Goals or the African Union's Agenda 2063, emphasises innovation as key to achieving developmental goals, which supports the mandate of the CPSI.

The political landscape in South Africa remains dynamic, particularly with the Government of National Unity (GNU) leading the country. While the GNU presents opportunities for inclusive policymaking, it also introduces the challenge of ensuring continuity amidst leadership transitions. The success of the CPSI will rely heavily on maintaining a strong political will to prioritise innovation within the public sector. This political support will be essential for fostering a culture of innovation, streamlining public service delivery, and driving transformative change. Moreover, political developments in the Southern African Development Community (SADC) region could influence the CPSI's cross-border collaborations, particularly in innovation and governance. Regional stability and political alignment will be critical to expanding the CPSI's influence beyond national borders. The CPSI should remain agile in its ability to align its initiatives with key policy frameworks that emerge from the GNU's policy changes and international partnerships).

Economic Environment

South Africa grapples with economic stagnation or slow economic growth, power supply challenges, and high unemployment rates, immensely pressuring the National Treasury. These factors have led to fiscal consolidation and budget constraints across government departments, impacting the CPSI's ability to secure the necessary resources to fulfil its innovation mandate. The risk of further budget cuts requires the CPSI to explore alternative funding mechanisms, including leveraging public-private partnerships, international donor funding, and grants focused on innovation-driven development.

The shifts in the international political landscape from globalisation towards national interest pose risks, particularly through potential trade restrictions and reduced development assistance. These constraints could negatively impact key sectors such as health and social programmes, potentially limiting international support for innovation and public service improvement efforts.

In this anticipated economic and geopolitical climate, the CPSI must position itself as a key player in fostering cost-effective innovations that enhance service delivery while reducing inefficiencies, championing frugal innovations as well as broader mission-oriented innovation to address more complex challenges. With a high level of inequality in South Africa, the public sector will be under pressure to deliver more equitable and efficient services. The CPSI's initiatives must address these disparities by designing solutions that target underserved communities and improve overall access to basic services such as healthcare, education, and infrastructure.

Social Environment

South Africa's public is increasingly vocal about dissatisfaction with service delivery, often resulting in protests. This presents both a challenge and an opportunity for the CPSI to respond by creating more innovative, transparent, and citizen-centric public services. By leveraging open innovation and co-creation with communities, the CPSI can design solutions that directly address the needs of marginalised populations, improving trust and reducing public discontent.

The country's youthful population, 22.12 million under the age of 19, based on population data from Statistics South Africa and Statista, which confirm this demographic figure as of mid-2022, also presents an untapped reservoir of creativity and innovation potential. The CPSI can take proactive steps to engage young people in public sector innovation through targeted programmes and partnerships with educational institutions. Furthermore, addressing youth unemployment through innovation and skills development programmes will be critical in creating sustainable and inclusive solutions for the country's future.

The demand for digital transformation in the public sector is rapidly increasing, driven by higher internet penetration, mobile device accessibility, and widespread social media engagement. The CPSI is uniquely positioned to leverage this trend, advancing e-governance and digital innovations that enhance service delivery. By embracing technologies like cloud services, AI, and mobile platforms, the CPSI can streamline public sector interactions, making services more accessible, efficient, and responsive to the evolving needs of citizens.

Technology Environment

The global shift towards smart technologies, big data and artificial intelligence is creating new opportunities for public sector innovation to modernise public services and improve efficiency. By harnessing these technologies, the CPSI can implement cutting-edge solutions that enhance citizen engagement and streamline public administration processes to modernise public services, improve efficiency and enhance citizen engagement. There is general recognition that the leveraging of technology should take place within the broader context of digital sovereignty and a fit-for-purpose digital public infrastructure (DPI).

The current uneven technological infrastructure across South Africa, particularly in rural areas, poses challenges to the widespread adoption of digital innovations. The CPSI must consider these gaps when designing technology-driven solutions. The CPSI must ensure that its technology-driven innovations are inclusive and accessible, taking into account digital inclusion to ensure that rural and underserved communities are not left behind. This requires a balanced approach, and a common DPI where the CPSI-championed solutions are adaptable to varying levels of technological advancement across the country. It will also require participation in the consultative and design processes led by DCDT, DPSA and The Presidency.

During the development of solutions, the consideration of what platforms should be used and what hosting services would be required, will also have to consider the risks associated with technology choices. Where possible, sovereignty and openness should be factored in.

South Africa has regressed in the Global Innovation Index for 2024 from 59th in 2023 to 69th position and is second to Mauritius in sub-Saharan Africa. One of the weaknesses identified in the Index is that of low entrepreneurship policy and culture. South Africa's ranking in the UN eGovernment Survey 2024 has, however, significantly improved, and for the first time South Africa and Mauritius moved into the very high rankings. This indicates progress in terms of digital transformation and, in particular, digital infrastructure. The CPSI can thus leverage these positive developments towards digital public infrastructure and increased uptake of technologies to support public sector innovation.

Environmental Factors

South Africa faces pressing environmental challenges, including water scarcity, floods, climate change, electricity supply and adoption of clean energy, creating an urgent need for sustainable innovations. The CPSI has the opportunity to drive environmentally friendly innovations in areas such as waste management, energy efficiency, water resource management, and disaster preparedness to address these issues and foster sustainability in public services.

As the country aligns with international protocols, the CPSI, working with other departments, can facilitate sustainable development goals and ensure that public sector innovations are environmentally friendly and help mitigate the risks associated with climate change. The CPSI is already engaged in this sustainable development area through its awards programme, where there are increasing innovations that address environmental challenges.

Legal Environment

The CPSI operates within a broader legislative framework governing public administration, including prescripts relating to the digital transformation of the Public Service and outlined by the Departments of Public Service and Administration and Communication and Digital Technologies. Relevant frameworks include the Draft Digital Government Policy Framework (2022), the National Data and Cloud Policy (2024) and the Determination and Directive on the Usage of Cloud Computing Services in the Public Service (2022), the National Digital and Future Skills Strategy (2020) and the National AI Policy Framework (2024).

While procurement regulations are intended to ensure fairness and transparency, they often stifle the flexibility required for innovation. The CPSI is actively engaging with policymakers to advocate for reforms that will create an enabling environment for innovation without compromising accountability.

Intellectual property rights legislation, such as the Intellectual Property Act (1978, as amended) and the Intellectual Property Rights from Publicly Financed Research and Development Act (2008) impacts on how the CPSI and other government departments collaborate with innovators within the public sector and private sector partners and how innovations are protected and scaled. The CPSI has conducted initial research to develop guidance on the matter and co-develop, with partners, a framework that will ensure that public sector innovations are protected from exploitation. Such a framework will ensure the protection of IP, while encouraging open collaboration will be essential in scaling successful public sector innovations. The CPSI is committed to ensuring that innovations co-developed with external partners are properly safeguarded to promote further development and replication.

With the implementation of the Protection of Personal Information Act (POPIA), government departments, including the CPSI, must ensure that any data-driven innovations comply with legal requirements around privacy and data protection.

CPSI's Unique Environment

The CPSI operates in an ecosystem that includes various government departments, state-owned enterprises and private sector enterprises, universities, and non-governmental organisations focused on innovation. Ensuring collaboration and avoiding duplication of efforts is crucial for maximising impact.

South Africa's position as a regional leader in innovation may face competition from other African emerging markets. The CPSI could benefit from benchmarking its projects against global best practices and learning from leading innovation hubs globally.

The CPSI operates in a complex environment shaped by political, economic, social, technological, and legal factors. Its ability to innovate and transform the public sector will depend on navigating these external challenges while leveraging opportunities, such as digital transformation, sustainable development, and partnerships with private and international stakeholders. Success will require strategic foresight, cross-sector collaboration, and a continued focus on delivering tangible benefits to government departments and citizens who are the ultimate beneficiaries of our work.

8.2 Internal Environment

The CPSI's needs to deliver on its mandate (human resources, ICT, financial resources and other factors).

The CPSI's internal situational analysis focuses on the strengths, weaknesses, resources and organisational capabilities that influence the Centre's ability to achieve its mandate. It examines internal factors such as organisational structure, leadership, skills, and financial resources.

Organisational Structure and Leadership

The CPSI has a well-defined mandate to foster innovation within the public sector. It aims to improve service delivery through creative problem-solving and identifying, developing and scaling innovative solutions.

The effectiveness of the CPSI depends heavily on the vision and commitment of its leadership team, and being innovative, forward-thinking and committed to driving public sector innovation is critical. The CPSI has shown strong leadership in positioning innovation as a key priority within the public sector.

The CPSI is well structured to collaborate across government departments, private sector players, international agencies, and universities. This collaborative approach allows the CPSI to pilot and replicate innovative solutions that cut across different sectors.

Despite its mandate, the CPSI sometimes struggles to influence bigger departments or entrenched bureaucratic systems that resist change. Its ability to create systemic, large-scale changes across all government levels is limited without greater buy-in from other senior government leaders.

Human Resources and Skills

The CPSI boasts a skilled team of professionals knowledgeable in areas such as innovation management, public administration, project management and, recently, software development. This provides a strong internal foundation for developing and implementing innovation ideas.

The CPSI is adept at creating environments that allow for experimentation and risk-taking, which are crucial elements of innovation. The Centre promotes a culture where failure is a learning opportunity, which is key to fostering innovation within government.

The CPSI often collaborates with external experts, consultants and innovators, enhancing its capacity to introduce new ideas and global best practices.

However, the CPSI faces challenges relating to limited staffing. The scope of its mandate might stretch the available human resources, making it difficult to scale its operations and maintain the momentum of various projects.

As the public sector increasingly embraces technology-driven solutions, the CPSI may lack specialists in areas such as data science, artificial intelligence and cyber security. This could affect its ability to lead innovative innovation projects.

Financial Resources

As a government entity, the CPSI receives funding from National Treasury. This gives the Centre a stable source of funding, ensuring that its operations can continue in the short to medium term.

The organisation is able to secure funding for specific innovation projects through collaboration with other government departments or external partners. This enhances its ability to pursue new initiatives and pilot programmes.

However, the overall funding allocated to the CPSI is not enough to cover all potential innovation projects and scale successful pilot projects across the public sector. Budget limits also constrain the CPSI's ability to recruit top talent or invest in state-of-the-art technologies.

To support the CPSI's innovation initiatives amidst budget constraints, alternative funding mechanisms such as partnerships, sponsorships, and non-traditional public-private partnerships (PPP) are increasingly vital. Unlike full PPP models typically associated with infrastructure, the CPSI aims to explore partnerships with private sector entities, NGOs, and international donors specifically for innovation-focused projects. These collaborations would provide financial support and access to additional expertise and resources, ensuring that the CPSI can continue its mission of enhancing public service delivery through innovative solutions. Diversifying funding sources will be essential for sustainable growth and impactful service transformation.

Processes and Operational Efficiency

The CPSI has a track record of developing processes that facilitate innovation within the public sector, such as innovation challenges, competitions and collaborative problem-solving. These initiatives provide opportunities for public sector employees and external stakeholders to co-create solutions.

As a relatively small entity, the CPSI is nimble and can respond more quickly to new opportunities or challenges compared to larger government departments.

However, as part of the public sector, the CPSI is still subject to government regulations, red tape and bureaucratic processes that slow down innovation efforts. The need to comply with procurement processes or reporting requirements can limit operational efficiency. The CPSI has, however, used technology to ease the burden that comes with procurement, while still managing to ensure compliance.

While the CPSI is adept at piloting new ideas, scaling these innovations across the public sector is still a challenge. Without strong implementation frameworks or partnerships with other departments, successful pilot projects may struggle to achieve long-term sustainability and impact.

Reputation and Stakeholder Engagement

While the CPSI may have a strong reputation within government, public awareness of its role and achievements is limited.

The CPSI has a solid internal foundation, with strengths in leadership, skilled human resources, and processes that support innovation. However, the Centre faces challenges related to limited budgets, capacity gaps in technology, and difficulties in scaling successful innovations across the public sector.

How is the CPSI responding to interventions relating to women, youth, and people with disabilities?

The CPSI's innovation programmes often focus on challenges that disproportionately affect women, such as access to public services like healthcare, social security and education. Past projects such as the Memeza community alarm sought to prevent gender-based violence. Replication projects such as the SchoolLMS project contributes to the improvement of education outcomes for learners, especially in marginalised communities.

The CPSI has also supported initiatives that promote women entrepreneurs and innovators within the public sector. This was done through the youth digital skills programme, which empowers youth at school level, but also through hackathons.

Youth engagement is a critical focus for the CPSI, given South Africa's large youth population. Significant here is the youth digital skills programme. The CPSI has also been at pains trying to convince government departments to procure solutions from youth start-up companies. The youth is a constant feature of the CPSI's initiatives, such as the conference and awards programmes.

The CPSI's Annual Public Sector Innovation Awards often feature submissions that address the needs of marginalised groups, including the youth, women and people with disabilities.

PESTEL TABLE

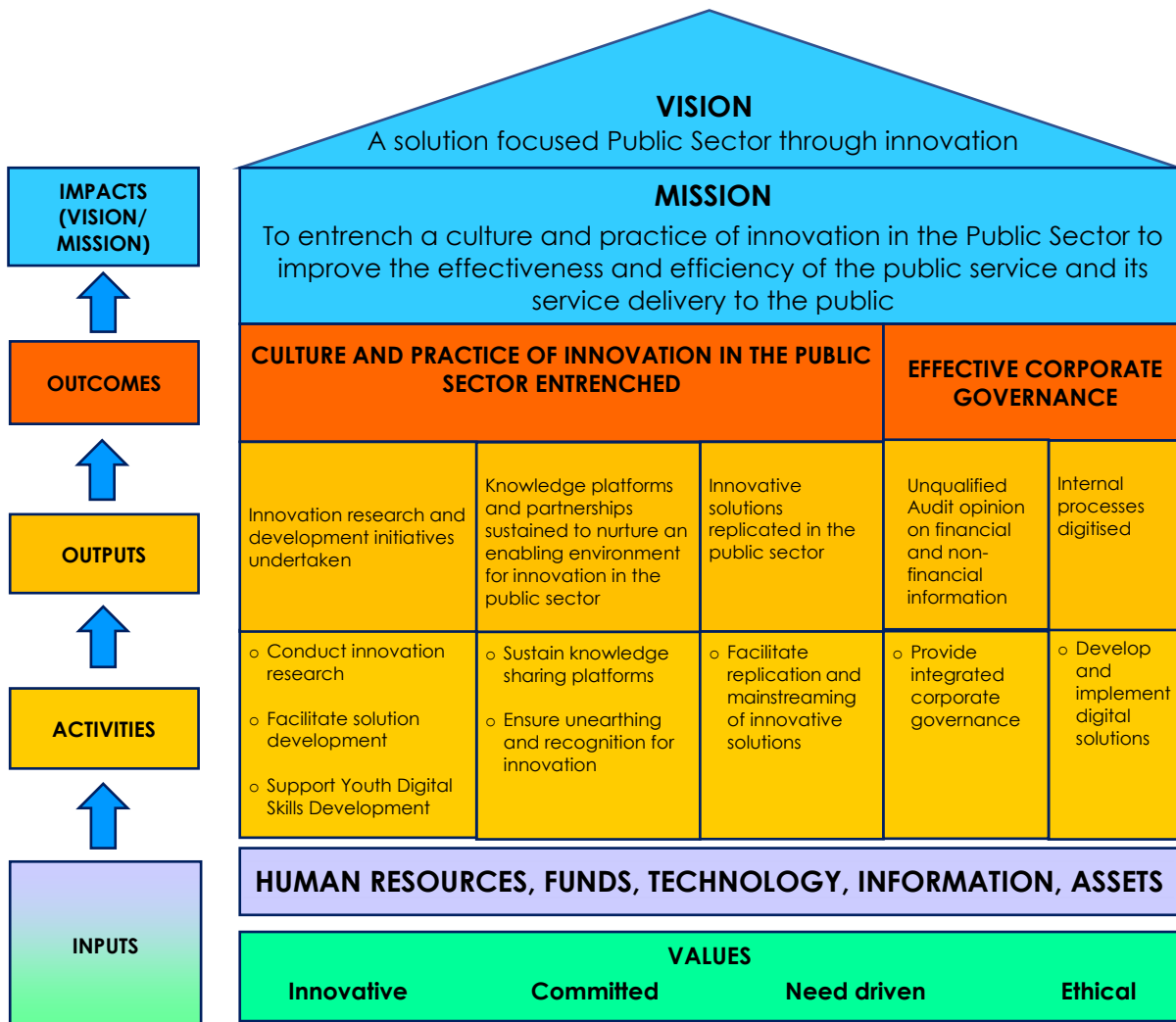
Factor	Description
Political	The CPSI is impacted by the Government of National Unity (GNU), requiring strong political support for innovation. Corruption and governance challenges pose risks, but South Africa's participation in global frameworks (e.g. UN SDGs, AU Agenda 2063) reinforces the importance of innovation. Regional political stability also affects cross-border collaborations.
Economic	South Africa faces economic stagnation, high unemployment, and budget constraints, affecting CPSI funding. The CPSI must explore alternative funding (PPPs, donor funding) and focus on cost-effective innovations to improve service delivery and address inequality.
Social	Public dissatisfaction with service delivery is increasing, with protests highlighting the need for innovative solutions. The CPSI can leverage citizen engagement, digital transformation, and youth participation to improve public sector service delivery. The high youth population (22.12 million under 19 years) presents opportunities for innovation in skills development and employment.
Technological	Technological advancements (AI, big data, cloud computing) offer opportunities for the CPSI but are hindered by unequal infrastructure in rural areas. South Africa dropped in the Global Innovation Index (from 59 th to 69 th), yet improved in the UN e-Government Survey, reflecting progress in digital transformation. The CPSI must balance digital inclusion with advancing innovation.
Environmental	Environmental challenges such as water scarcity, climate change, and energy shortages create a need for sustainable public sector innovations. The CPSI is supporting environmentally friendly solutions through its awards programme, encouraging sustainable development in public service delivery.
Legal	The CPSI operates within strict regulatory frameworks, including digital transformation policies, procurement regulations, and intellectual property rights. While legal constraints sometimes hinder innovation, the CPSI is advocating for reforms. Compliance with data protection laws (POPIA) is essential for the CPSI's digital initiatives.

The table below summarises the outcomes of a more comprehensive SWOT analysis.

Strengths	Weaknesses
<ul style="list-style-type: none"> Good governance (P5) <ul style="list-style-type: none"> Compliance with regulatory requirements Clean audit Strong governance and compliance lead to clean audits 	<ul style="list-style-type: none"> Lack of collaboration internally; if one employee leaves, it is almost impossible to continue immediately where they left off (succession)
<ul style="list-style-type: none"> Good leadership. Bottom-up approaches providing support and being hands-on 	<ul style="list-style-type: none"> Absence of formal agreements (MoUs) with some partners
<ul style="list-style-type: none"> Delivered 90% replication projects 	<ul style="list-style-type: none"> Resources (P1) <ul style="list-style-type: none"> Vacancy at the Executive Director level has introduced challenges in continuity and strategic direction, as acting appointments are often limited in authority and scope Capacity constraints – limited resources and personnel to fully explore and scale innovative solutions Limited resources lead to delay in the delivery and quality of projects Inadequately funded Projects take too long to be completed (capacity constraints and lack of resources)
<ul style="list-style-type: none"> Ability to adapt (P5) 	<ul style="list-style-type: none"> Lack of employee wellness assistance programme impacts negatively on creativity, morale, productivity and mental health (P5)
<ul style="list-style-type: none"> Staff Skills <ul style="list-style-type: none"> Multi-skilled teams – we are able to work across different streams, which improves performance Multi-skilled staff – leads to efficiency: we are able to do more with less 	<ul style="list-style-type: none"> Refine and automate current core business processes to enhance overall efficiency and effectiveness Mainstreaming and scaling (e.g. eLearning) Replication methodology (lack of methodology) Agile approach in reality Unintended consequences of planned activities (e.g. mid-process hosting changes) Project handovers can be time-intensive
<ul style="list-style-type: none"> In-house system developers (P2) 	<ul style="list-style-type: none"> Lack of office space leads to low morale (P4) <ul style="list-style-type: none"> Lack of office space affects mental health and productivity Lack of office space leads to low staff morale Office space is not ideal
<ul style="list-style-type: none"> Collaboration <ul style="list-style-type: none"> Collaboration partners (locally and internationally) lead to robust knowledge platforms Strong communities of practice 	
<ul style="list-style-type: none"> Unearthing solutions from the public sector <ul style="list-style-type: none"> Innovative solutions available – ability to unearth and support innovative solutions in the public sector Steady supply of solutions 	

Opportunities	Threats
<ul style="list-style-type: none"> High demand of solutions support 	<ul style="list-style-type: none"> Regulatory and structural limitations – strict regulations hinder the flexibility required for public sector innovation
<ul style="list-style-type: none"> Government of National Unity – new approaches to service delivery 	<ul style="list-style-type: none"> Insufficient funding for public sector innovative solution (P9)
<ul style="list-style-type: none"> Political buy-in would lead to a strong innovation culture within the public service and improved brand reputation 	<ul style="list-style-type: none"> Pandemics and public health crises
<ul style="list-style-type: none"> Collaboration <ul style="list-style-type: none"> Collaborate and partner with other stakeholders Expanding partnerships – growing collaboration with international bodies, e.g. UN for broader digital governance More collaborations with key departments leading to improved service delivery through innovation Global and regional collaboration Lack of collaboration externally – thus making solutions to be developed a lot of times in multiple departments 	<ul style="list-style-type: none"> External dependencies leading to not achieving targets
<ul style="list-style-type: none"> Trailblazers (government, system developers) – leveraging on community of practice to help ease the challenge of capacity for projects 	<ul style="list-style-type: none"> Cyber security (P5)
<ul style="list-style-type: none"> Digital transformation and 4IR (Fourth Industrial Revolution) Expansion of the role of digital government 	<ul style="list-style-type: none"> NMOG – closure of the Centre
<ul style="list-style-type: none"> Funding <ul style="list-style-type: none"> Exploring trading account and/or public/private partnerships Alternative funding streams leading to the fulfilment of the mandate 	<ul style="list-style-type: none"> Lack of dedicated innovation budget may lead to lack of improved service delivery through innovation
	<ul style="list-style-type: none"> Economic uncertainty and sustainability
	<ul style="list-style-type: none"> Lack of recognition at the political level
	<ul style="list-style-type: none"> Shifts in the international political landscape

Part C: Measuring Our Performance



9. Institutional performance information

9.1 Measuring the impact

Impact statement	Improved effectiveness and efficiency of the public service and its service delivery to the public through innovation
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9.2 Measuring outcomes

Outcome	Outcome Indicator	MTDP Strategic Priority 3	Baseline	Five-year target
Effective corporate governance	Unqualified audit opinions	Build a capable, ethical and developmental State	5 consecutive unqualified audit opinions	5 unqualified audit opinions
	Internal processes improved through digitisation		New outcome indicator	5 internal processes digitised
Culture and practice of innovation entrenched in the public sector	Innovation initiatives enabled		81 innovation initiatives enabled	99 innovation initiatives enabled
	Institutions supported on innovation		New outcome indicator	10

9.3 Explanation of planned performance over the five-year planning period

9.3.1 Outcome: Effective corporate governance

The achievement of this outcome will contribute to the attainment of one of the goals and objectives of Priority Three of the MTDP in terms of improved governance as part of building a capable, ethical and developmental state. It will also ensure, amongst others, accountability for the effective and efficient use of allocated resources towards the fulfilment of the organisation's mandate. This outcome will also drive the organisation's digital transformation, focusing on the integration of innovative ICT solutions to streamline back-office processes across key areas such as administration, finance, supply chain management, and human resources. It contributes to the digital transformation across the state.

Good governance is critical in ensuring that resources provided are used effectively and efficiently. This will be achieved through adherence to prescripts, robust internal controls, and advanced fraud detection systems using data analytics and automated monitoring. In addition, the ability to manage inherent risks in innovation will be essential, balancing the introduction of new technologies with robust risk management frameworks.

A comprehensive risk management strategy will support innovation, ensuring that new projects are implemented with clear controls to mitigate associated risks. Regular monitoring and evaluation through key performance indicators will ensure that these innovations and governance strategies deliver measurable improvements.

The impact of this outcome is ensuring clean governance, curbing fraud and corruption, and establishing a solid foundation for sustainable innovation. Governance frameworks will adapt to support the transformation, ensuring that new processes and tools align with regulatory, legal, and organisational mandates.

As an innovation facility for the public sector, the Centre should be able to demonstrate digital transformation to improve the efficiency and effectiveness of our administrative work. As such, an additional outcome indicator was added to reflect the internal digitisation initiatives to be embarked upon.

9.3.2 Outcome: Culture and practice of innovation entrenched in the public sector

This outcome contributes directly to the achievement of the Mandate of the CPSI and the implementation of the MTDP. The choice of these outcome indicators is aligned and informed by the provisions of Government Notice 700 of 02 September 2011 that clearly articulates the functions of the CPSI. The achievement of these indicators will require an enabling environment, including political support, strong collaboration across departments, agile public procurement and digital skills.

The outcome is also a cross-cutting outcome that directly supports the achievement of the three priorities of the 7th Administration as articulated in the MDTP, and specifically contributes to *Building a capable, ethical and developmental state* by leveraging innovation to improve the capability of the state. Digital transformation can improve the efficiency and effectiveness of the state, and this outcome will contribute towards bringing digital solutions into the practice of the public service.

By working in partnership with entities within the broader National System of Innovation in developing and replicating solutions, and by promoting open innovation and youth digital skills development, the outcome further contributes to Priority 1 in supporting *inclusive growth and job creation*.

The strategic choices relating to which development and replication projects to embark on, will be guided by Priority 2, to *reduce poverty and tackle the high cost of living*. For example, by replicating digitised services for healthcare, citizens will have improved access to healthcare, and the introduction of smart agriculture solutions will contribute to food security.

10. Key risks

OUTCOME	KEY RISK	RISK MANAGEMENT & MITIGATION
Effective corporate governance	Qualified audit outcome	<p>Management will remain alert on all processes and will still implement the following to continuously improve:</p> <ul style="list-style-type: none"> • Enforcement of consequence management • Multiskilling of existing resources across the business • Regular awareness of changes in regulations
	Vulnerabilities in the CPSI IT environment leading to security risks	<ul style="list-style-type: none"> • Operational disaster recovery solution • Vulnerability assessments • Operational firewall and anti-virus services • Security policy • Security awareness
A culture and practice of innovation entrenched in the public sector	Inability to facilitate the mainstreaming of public sector innovation that is relevant, timely and has an impact on service delivery in the public sector	<ul style="list-style-type: none"> • Continuous engagements with MPSA and NT on the capacity of the CPSI to fulfil its mandate • Creation and filling of critical posts to increase capacity of organisation • Conducting research on understanding barriers and enablers and status quo of the public sector innovation • An assessment of CPSI programmes • Developing enabling partnerships
	Inadequate financial and human resources capacity to support the CPSI in delivering on its mandate	<ul style="list-style-type: none"> • Soliciting additional funding for the new structure • Secondment/sourcing as and when there is a need
	Political risk	<ul style="list-style-type: none"> • Continued operations in line with current policies and procedures to ensure service delivery to the public sector is maintained

Part D: Technical Indicator Descriptions (TIDs)

Indicator Title	Unqualified audit opinions
Definition	<p>The outcome indicator measures good governance in the administration of the CPSI through the achievement of an unqualified audit opinion/outcome as a result of compliance with the PFMA, Treasury Regulations and other applicable prescripts in the use of the department's resources, as well as the development and reporting of financial statements and performance information</p> <p>An unqualified outcome will be achieved through ensuring that the Annual Financial Statements (AFS) and annual performance information of the organisation are accurate and fairly present the financial position and performance of the organisation</p>
Source of data	Auditor-General of South Africa (AGSA) final audit report
Method of calculation/assessment	Review of the final audit opinion issued by the AGSA
Assumptions	The CPSI should have operational systems and processes in place
Disaggregation of beneficiaries (where applicable)	None
Spatial transformation (where applicable)	None
Desired performance	Unqualified audit outcome achieved
Indicator responsibility	CFO

Indicator Title	Internal processes improved through digitisation
Definition	<p>Internal processes: Refers to the administrative, operational, and workflow-related activities within an organisation</p> <p>These processes may include document management, approval workflows, data handling, reporting mechanisms, communication protocols, and other organisational functions to ensure compliance and accountability</p> <p>Improved: Indicates an enhancement in operational efficiency and/or effectiveness</p> <p>Digitisation: The process of converting manual or paper-based operations into digital formats using appropriate technology to reduce reliance on paperwork, enhance accessibility, and improve workflow integration</p>
Source of data	<p>Business case: Documentation outlining the purpose, objectives, and benefits of digitising internal processes, including expected improvements in operational efficiency, data accuracy, and compliance with regulatory requirements. It details the rationale for each digitisation initiative, project scope, resource allocation, and expected impact</p> <p>Project plans and documentation: Reports and documentation outlining each digitisation initiative, including timelines, process changes, and project outcomes</p> <p>System implementation reports: Logs or summaries of software or system changes (e.g. introduction of new digital tools or platforms for managing administrative functions)</p> <p>User acceptance testing (UAT) reports: Evidence that new digital systems have been tested and accepted by users, indicating successful deployment</p> <p>Progress reports from subprogrammes: Reports from Strategic Management, Finance, Supply Chain Management, or Human Resources teams documenting the status and completion of digitisation efforts</p> <p>Internal audits: Audit reports that verify the implementation and effectiveness of digitisation processes in the subprogrammes</p> <p>Stakeholder feedback reports: Surveys or feedback from employees and management assessing the impact of the newly digitised processes</p>
Method of calculation/assessment	<p>Completion reports: Formal project or initiative completion reports signed off by the responsible managers of the respective subprogrammes</p> <p>System implementation documentation: Evidence of new systems or software implemented, such as user manuals, system configurations, and deployment records</p> <p>Progress reports: Periodic or final reports from each subprogramme indicating the completion of digitisation initiatives, including milestones achieved</p> <p>Audit reports: Independent internal reports or reports verifying that the digitisation initiatives have been completed as planned and that they met the objectives</p> <p>Performance reviews: Minutes or recordings of review meetings where progress toward digitisation targets was discussed and validated</p> <p>User acceptance testing (UAT) reports: Evidence that new digital systems have been tested and accepted by users, indicating successful deployment</p> <p>Financial reports: Documents verifying the budget allocation and expenditure on digitisation initiatives, confirming that the resources were utilised for the intended purpose</p>
Assumptions	<p>Availability of funding: Sufficient financial resources will be available to support the digital initiatives over the 5-year period</p> <p>Technological infrastructure: The required technological infrastructure, such as hardware, software, and network capacity, will be in place and maintained to support the digitisation transformation of internal processes</p> <p>Staff buy-in and readiness: Employees and management within the subprogrammes (Strategic Management, Finance, Supply Chain Management, and Human Resources) will be willing and able to adopt and use the new digital systems effectively</p>

	<p>Leadership commitment: Senior management and programme leaders will continue to support and prioritise the digitisation transformation agenda throughout the implementation period</p> <p>Timely implementation: Digitisation transformation projects will be implemented within the planned timelines without major delays caused by unforeseen technical or operational challenges</p> <p>Skilled human resources: The necessary expertise, both internal and external, will be available to develop, implement, and manage the digitisation transformation initiatives</p> <p>Regulatory and compliance support: The digitisation transformation initiatives will comply with legal and regulatory frameworks, including data protection, and no major regulatory changes will impede the planned transformations</p> <p>Minimal disruptions: There will be no significant internal disruptions (e.g. changes in leadership, major restructuring) or external disruptions (e.g. economic crises, major system failures) that could affect the progress of the digitisation initiatives</p> <p>Stakeholder collaboration: Internal and external stakeholders, such as ICT vendors and service providers, will collaborate effectively in delivering the necessary tools and services for digitisation transformation</p>
Disaggregation of beneficiaries (where applicable)	This indicator primarily tracks internal digitisation transformation processes, traditional disaggregation by external beneficiaries (e.g. citizens or service users) and may not be applicable unless these processes directly impact service delivery externally
Spatial transformation (where applicable)	The digitisation transformation initiatives are aimed at improving administrative efficiency internally, rather than impacting spatial distribution or equity among different regions
Desired performance	One process per annum digitised
Indicator responsibility	Chief Information Officer (CIO) and Chief Financial Officer (CFO)

Indicator Title	Innovation initiatives enabled
Definition	<ul style="list-style-type: none"> • The meaning of the indicator: The indicator measures a suite of initiatives embarked on to build and support a culture and practice of innovation Innovation initiatives include research, knowledge-sharing platforms, workshops, recognition, the unearthing of solutions, development of new solutions, and the replication of innovative solutions • The explanation of technical terms used in the indicator: <i>Enabled means various outcomes, including research, facilitated, hosted, supported, co-designed and co-developed that contribute to the entrenchment of innovation in the public sector</i>
Source of data	<p>Reports, programmes, and/or attendance registers of knowledge platforms and workshops hosted</p> <p>Reports/findings of research initiatives undertaken</p> <p>Project plans, meetings, progress reports, software code (development and replication) started</p>
Method of calculation/assessment	<ul style="list-style-type: none"> • Completion reports: Project and/or initiative completion reports submitted by project managers • System implementation documentation: Evidence of new systems or software implemented, such as user manuals, system configurations, and deployment records • Progress reports: Periodic and/or final reports from each subprogramme indicating the completion of initiatives, including milestones achieved • Audit reports: Independent internal reports and/or reports verifying that initiatives have been completed as planned and that they met the objectives • Performance reviews: Minutes and/or records and/or recordings of review meetings where progress toward targets was discussed and validated • User acceptance testing (UAT) reports: Evidence that new or replicated solutions have been tested and accepted by users, indicating successful deployment • Financial reports: Documents verifying the budget allocation and expenditure on initiatives, confirming that the resources were utilised for the intended purpose
Assumptions	<ul style="list-style-type: none"> • Attendance by delegates • Access to data and information • Ownership by service delivery departments
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: Not applicable • Target for Youth: Not applicable • Target for People with Disabilities: Not applicable
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Not applicable
Desired performance	<ul style="list-style-type: none"> • 19 initiatives per annum increasing to 20 from year two onwards.
Indicator responsibility	<ul style="list-style-type: none"> • CDs Enabling Environment and Stakeholder Management, Research and Development, Institutional Support and Replication

Indicator Title	Institutions supported on innovation
Definition	<ul style="list-style-type: none"> • The meaning of the indicator: The indicator measures a suite of initiatives embarked on to build and support a culture and practice of innovation This includes supporting public sector Institutions to use innovation to improve service delivery • The explanation of technical terms used in the indicator: <i>Supported means various outcomes, including facilitation, training, hosted, networking with community of practice, visits to other institutions, workshops and conferences</i>
Source of data	<p>Attendance registers of workshops/training and meetings held</p> <p>Report of on institutions supported</p> <p>Meetings, progress reports, recordings</p>
Method of calculation/assessment	<p>Reports: Reports and attendance registers submitted by project managers</p> <p>Audit reports: Independent internal reports and/or reports verifying that initiatives have been completed as planned and that they met the objectives</p> <p>Performance reviews: Minutes and/or records and/or recordings of review meetings where progress toward targets was discussed and validated</p> <p>Financial reports: Documents verifying the budget allocation and expenditure on initiatives, confirming that the resources were utilised for the intended purpose</p>
Assumptions	<ul style="list-style-type: none"> • Attendance by delegates • Access to data and information • Ownership by service delivery departments
Disaggregation of beneficiaries (where applicable)	<ul style="list-style-type: none"> • Target for Women: Not applicable • Target for Youth: Not applicable • Target for People with Disabilities: Not applicable
Spatial transformation (where applicable)	<ul style="list-style-type: none"> • Not applicable
Desired performance	2 per annum
Indicator responsibility	CD: Institutional Support and Replication