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**COLLEGE OF LAW AND
MANAGEMENT STUDIES**

**Challenges impacting supply chain management performance at the South African
Social Security Agency in KwaZulu Natal**

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College of Law and Management Studies**

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Declaration

I, Benzile Merrica Hadebe, declare that this dissertation is my original work. All citations, references, and borrowed ideas have been duly acknowledged. It is being submitted for the degree of Master of Commerce in Management, School of Management, IT and Governance, Faculty of Law and Management Studies, University of KwaZulu-Natal, Pietermaritzburg, South Africa. This dissertation has not been previously submitted to any other institution for examination.

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17 March 2025

Date

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Abstract

Government departments are experiencing several supply chain management challenges that negatively impact on their performance. It is within this context that the aim of this study was to identify the supply chain management challenges that negatively impact on the performance of the South African Social Security Agency in KwaZulu-Natal (KZN SASSA) and suggest how these challenges could be addressed. No research study was found that identifies supply chain challenges that impact on SASSA's performance in KZN and in other provinces, and thus this research aims to address this gap.

This is a descriptive and exploratory study, with qualitative data collected through semi-structured interviews with 12 participants at KZN SASSA. The participants were purposely selected because they were able to provide appropriate answers to the research questions. The data was analysed using thematic analysis.

The findings of the research study reveal that supply chain challenges that impact negatively on KZN SASSA's performance centre on procurement, legislation, supply chain training and completing procurement processes within the stipulated time. These challenges impact negatively on their performance – which affects service delivery.

This study mainly recommends that Government departments could meet with National Treasury to revisit the stringent and excessive quantity of legislation in place, that the procurement process be revisited to address the delays of the procurement processes, that training be provided as and where there are any changes and newly introduced regulations, to avoid non-compliance to set laws that result in unauthorised wasteful and irregular expenditure.

Key Words: Challenges; supply chain management; South African Social Security Agency; KwaZulu Natal

List of Acronyms

AG:	Auditor General
APP:	Annual Performance Plan
BAC:	Bid Adjudication Committee
BBBEE:	Broad-Based Black Economic Empowerment
BCCCI:	Bargaining Council for the Contract Cleaning Services Industry
BEC:	Bid Evaluation Committee
BSC:	Bid Specification Committee
CIDB:	Construction Industrial Development Board
COIDA:	Compensation for Occupational Injury and Disability
CSCMP:	Council of Supply Chain Management Professionals
CSD:	Central Supplier Database
DSD:	Department of Social Development
DTI:	Department of Trade and Industry
HPCSA:	Health Professions Council of South Africa
ICT:	Information Communication Technology
ID:	Identity Document
KZN:	KwaZulu-Natal
NASPO:	National Association of State Procurement Officials
NT:	National Treasury
OCPO:	Office of the Chief Procurement Officer
OP:	Operational Plan
PFMA:	Public Finance Management Act
PPPFA:	Preferential Procurement Policy Framework Act
PRIRA:	Private Security Industry Regulatory Authority

RFQ:	Request for Quotation
RSA:	Republic of South Africa
SA:	South Africa
SAA:	Social Assistance Act
SARS:	South African Revenue Services
SASSA:	South African Social Security Agency
SBD:	Standard Bidding Document
SCM:	Supply Chain Management
SCPMS:	Supply Chain Performance Measurement System
SITA:	State Information Technology Agency
SOPs:	Standard Operating Procedures
SRD:	Social Relief of Distress
UKZN:	University of KwaZulu-Natal
USA:	United States of America

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CHAPTER 1: INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction and Background to the Study

The Republic of South Africa's National Treasury (2004) introduced policies and regulations that would integrate the Supply Chain Management (SCM) functions for government departments. This has been recognised as an effective solution to solve challenges experienced by the stakeholders in South Africa (National Treasury SCM Guide for Accounting Officers /Authorities, 2004, p.2). The various policies and regulations comprise the Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999) (PFMA) and the Preferential Procurement Policy Framework Act, Act 5 of 2000 (PPPFA). The National Treasury SCM Guide for Accounting Officers /Authorities, 2004, p.2, states that the goals of these Acts are to standardize the SCM procedures and the interpretation of the government's procurement legislation, as well as to manage public sector procurement to meet community needs. SCM is the heart of any traditional business function; it coordinates all the planned and budgeted procurement items for the company through an annual demand plan. The aim was to produce performance that is going to sustain the company for a prolonged period (Vidrova, 2020, p.3). SCM was implemented in the public sector with the goal of updating the previous procurement model. (Nkwanyana & Agbenyegah, 2020, p.5). The purpose of this study is to investigate the challenges that have a detrimental effect on SCM's performance at KZN's South African Social Security (SASSA). The purpose of this chapter is to discuss the background, an outline of the literature and earlier research studies along with how they relate to the research proposal, follows the discussion of the problem statement, goals, and objectives of the research.

Public sector SCM plays a vital role to both macro- and microeconomic developments through government socioeconomic obligations with the purpose to develop its society. (Mhelembe & Mafini, 2019, p.1). Besides social grants, SASSA provides comprehensive social security against vulnerability and poverty (Social Assistance Act No. 26442, 2004). This includes services such as the provision of school uniforms, food parcels, food vouchers and the provision of disaster services through SCM (Social Assistance Act No. 26418 of 2004). Public sector SCM is a systematic process of procuring of goods, services, and infrastructural works with the purpose to meet community needs and serves as the tactical strategy of public administration practice (Sibanda, Zindi & Maramura, 2020, p.2).

SCM has several processes, procedures and policies that guide the smooth running of the public sector through procurement. The Republic of South Africa's Constitution Section 217 (1996, p.141) indicates that "when an organ of state in the national, provincial, or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so following a system which is fair, equitable, transparent, competitive and cost-effective". One of the SCM guidelines that the National Treasury implemented is the Central Suppliers Database, which is utilised by all departments of government in South Africa to facilitate the selection of suppliers (National Treasury SCM Instruction No 4A of 2016/2017). This database contains the required suppliers' information. Despite the efforts by the government to introduce number of legislative frameworks, government supply chain in South Africa is still rigid and confronts numerous obstacles. (Mhelembe & Mafini, 2019, p.8).

Despite all the Government's efforts, irregular expenditure, deviations from normal procurement processes, non-compliance with demand planning, non-responses from prospective suppliers, late deliveries, failure to deliver, the extension of validity periods, cancellation and re-advertisement of bids, and failing to finalise procurement processes within the stipulated time are the main challenges at KZN SASSA SCM (Fuzile, 2015, p.10). The Annual Report financial statement for 2020 states that SASSA departments failed to follow bids processes and procedures, which resulted in unnecessary irregular expenditure (National Treasury, 2020/2021, p.231). Nkwanyana and Agbenyegah (2020, p.8), in their study, reported inadequate knowledge of SCM processes and lack of proper training of the employed personnel to be the main factors that lead to non-compliance to SCM regulations and policy.

However, after a search on Google Scholar, Science Direct and Emerald, no research study was found which deals with supply chain challenges that impact on SASSA's performance in KZN and in other provinces. Therefore, the purpose of this study is to close this gap. The study, based on empirical research, investigates and examines this supply chain challenges, as this may help the Agency in KZN as well as all other regions of SASSA in South Africa to improve their performance.

1.2 Supply Chain and Supply Chain Management

1.2.1 Supply Chain

A supply chain is a system of networking of all activities between the supply and final delivery of manufactured goods and services to the customer that involves individuals, organisations,

resources, and all other parties that may be directly and indirectly involved in the process to satisfy a customer request. This process systematically includes the constant movement of information, goods and services, and funds amongst different stages, such as the manufacturer, suppliers, transporters, warehouses, retailers, and even customers themselves. The main objective of the supply chain is to meet the needs of its customers, with an aim to generate a profit (Chopra, Meindl & Vir Kalra, 2016, p.1).

1.2.2 Supply Chain Management

The goal of supply chain management is oversight of all activities occurring between the supply, manufacture and the delivery of goods and services to the end user. Its main function is to control the smooth movement of goods and services, proper dissemination of information, and good management of finances, from the origin of production in all stages and finally to the end user. It involves the flow and storage of unprocessed materials that are included in the procurement processes, stock, and final goods. The three primary phases of supply chain management are strategy, planning, and operation. Its tasks include incorporating and coordinating these movement between businesses. (Wisner, Tan & Leong, 2022, p.11).

1.3 Supply Chain Management in Context

SCM is a key component of every business and plays an important role in its expansion and success. (Vidrova, 2020, p.1). SCM is of paramount importance in government departments with regard to service delivery, through policies and procedures intended to address efficiency of demand management, acquiring of goods and services, contract management s, and asset management to enhance accountability (Ntibane, 2018, p.2).

1.3.1 Public Procurement Process

The public procurement process controls how procurement performs in public institutions (Patrucco, Ronchi & Luzzini, 2017, p.253). Public procurement is the process by which state-owned businesses and government agencies acquire goods and services while adhering to SCM policies and procedures. This process covers all SCM elements, from the demand management to the final payment of received goods and services (Ambe, 2016, p.278).

1.3.2 Objectives of Supply Chain Management in the public sector

SCM in the public sector specifically refers to all processes required for procurement, from the needs assessment to post procurement (Fuzile, 2015, p.4). The main objective of SCM is to

support the vision, mission, objectives, and goals of the organisation. Procurement is the system whereby the organisation obtains the products, services, and other resources from suppliers to be able to manage their operations (Chopra & Meindl, 2019; Vir & Kalra, 2017, p.483).

1.3.3 Organisational Performance

A sound supply chain performance creates good relationships among the businesses involved and enhances profitability for all. Public procurement is crucial for the performance of government, which is identified as service delivery, depending on the nature and functions of the government department (Dzuke & Naude, 2017, p.1). At SASSA, service delivery is achieved by means of social security services to the needy and vulnerable people in South Africa, monthly, without fail.

1.3.4 Supply Chain Management Challenges

SCM challenges in any public sector organisation include among others: failure to comply with established regulations leading to unauthorised, inefficient and irregular spending; the misuse of government funds; absence of standardised protocols and methods; and a disregard for tender documents. A misused procurement budget can be overstated by as much as 20% by means of excessive amounts paid for goods and services (Nkwanyana & Agbenyegah, 2020, p.2). Other SCM challenges faced by the public sector are found to be as a result of poor planning for procurement, disregard of rules and regulations with existing policies, ineffective monitoring and contracts' evaluation performance, unethical behavior resulting in fraud and corruption, and much decentralisation of the procurement system (Mhelembe & Mafini, 2019, p.2; Fourie & Malan, 2020, p.12-16).

1.4 Statement of the Research Problem

The National Treasury has seen the need to establish an office that serves as an umbrella to oversee and control all functions of SCM in all government spheres, to ascertain the smooth functioning of procurement. The incurred negative effects of inefficiency in procurement are well documented. The Auditor General's annual reports reveal the existence of SCM non-compliance and irregular expenditure due to poor implementation of policy and operational flaws and institutional SCM oversight (Fuzile, 2015, p.1).

SCM in government departments are experiencing several procurement challenges. These include irregular expenditure, deviations from normal procurement processes, non-compliance with demand planning, non-responses from prospective suppliers, late deliveries, failure to

deliver, the extension of validity periods, cancellation and re-advertisement of bids, and failing to finalise procurement processes within the stipulated time (Fuzile, 2015, p.10). The Annual Report financial statement for 2020 states that SASSA departments failed to follow bid processes and procedures, which resulted in unnecessary irregular expenditure (National Treasury, 2020/2021, p.231).

Nkwanyana and Agbenyegah (2020, p.8), in their study, reported inadequate knowledge of SCM processes and lack of proper training of employed personnel to be the main factors that lead to non-compliance with SCM policy and regulations. In this light, the problem statement of this study is as follows:

There is a need to identify and address the supply chain management challenges that negatively impact on the performance of SASSA in KZN, in order for them to meet their targets efficiently and effectively.

1.5 Research Questions

From the problem statement the following research questions are derived:

- What are the supply chain management challenges experienced by SASSA in KZN?
- How do these challenges impact on SASSA's performance in KZN?
- What strategies could SASSA in KZN have in place to manage/address these challenges?

1.6 Research Objectives

The following are the research objectives:

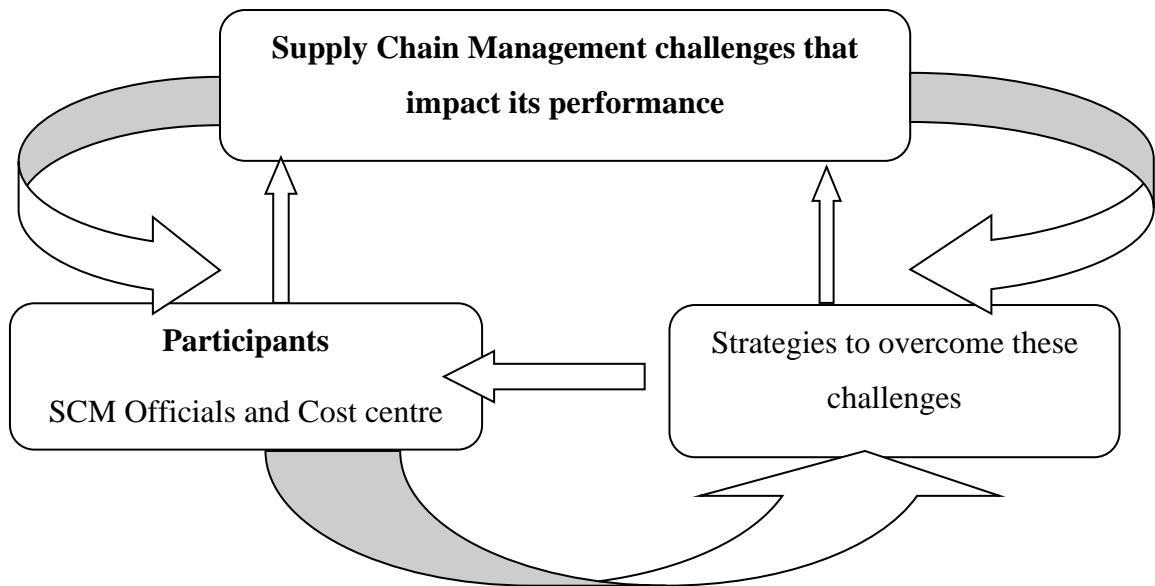
- To determine the supply chain management challenges experienced by SASSA in KZN
- To find out how these challenges impact on SASSA's performance in KZN.
- To identify the strategies SASSA in KZN could have in place to manage/ address these challenges.

1.7 Conceptual Framework

A conceptual framework is an analytical tool that used by the researcher to outline and explain the natural method of how the research problem could be investigated. The phenomenon also gives the structural strategy of investigating at a problem under study and explains the

partnership between the concepts of a study (Adom, Hussein & Agyem, 2018, p.439). The framework presented in Figure 1.1 is an overview of the study and explains the factors underpinning SASSA’s supply chain management in the KZN Region. The framework illustrates the relationships between the supply chain management challenges that impact its performance and how to address and manage these challenges in the study.

Figure 1.1: Conceptual Framework of the study



Source: Compiled by the researcher

1.8 Research Process

The research process is the one of the most important systematic approaches in the research study. It serves as a guide that the researcher should follow when conducting the research study. It includes the identification of the research problem, and the collection, analysis and interpretation of data to answer relevant and specific research questions with the purpose of responding to a particular problem. This is the process of finding relevant sources, drafting, and revising a research paper, and involves several stages when conducting research study; it includes the introduction of an appropriate topic, all processes of the research study, and the conclusions and recommendations (Sonmez, 2018, p.2599).

The research process is defined as the pillar of the research study since it involves different steps when conducting the research study. All the steps give a better understanding of what the research study is all about which makes it easier for a researcher not to digress from the topic. The research problem creates the research topic. Then all other steps form the structure of the

research study. A researcher must follow the rules and conducts of the research and adhere to the rules of each step involved in the research work (Singh, 2021, p.2).

1.9 Research Elements

Research elements contain number of important structures that create a research study. These are the components and outputs that create a sound research report and include elements such as the identification of a problem, examining the available literature, adhering to the protocol of the research study, the purpose, methodology, data, analysing and interpreting the data, ending with reporting and evaluating the research report, depending on the type of research methodology. This process makes the research to be more discoverable, comprehensible, reusable, and reproducible. This sequential process assists the researcher to report research accurately with a clear explanation of the researcher's methods, thereby providing an opportunity for readers to completely understand the project. An accurate report provides the necessary information for those who would like to repeat the study, where enough information is included to enable reproduction of the study (Pardede, 2020, p.28).

1.9.1 Research design

Research design is the strategy of how to ask and answer the research questions of the study (Saunders, Lewis & Thornhill, 2019, p.173). Cross-sectional research indicates that there are three research designs available to researchers, each of which is appropriate for data collecting and analysis. The types include descriptive, exploratory, and explanatory studies (Asenahabi, 2019, p.80). This study adopted the exploratory research design to achieve the objectives of the study. The primary stage of research which gives more insights into a phenomenon is the exploratory design. (Akhtar, 2016, p.73). Exploratory research has proven to be the best tool that can be used to generate new ideas and provide more information about the problem (Saunders et al., 2019, p.186).

1.9.2 Research methodology

In research, methodology refers to the effective approach that a researcher uses when gathering data for a study. It describes, and guides how the research study should be conducted and dictates how the researcher should undertake the research study to solve the research problem. In the research study, the research methodology contains different steps that need to be followed when collecting data for the research work. Research methodology consists of three

types of methods or approaches to the research study; these are qualitative, quantitative, and mixed methods (Saunders et al., 2019, p.4).

A qualitative research study is an organised approach that uses words in the collection and interpretation of data (Sewraj, 2020, p.22). A quantitative research approach deals with numbers and adopts an analysis system to get results. It includes the use of numerical data, using specific methods to answer questions, including who, how much, what, where, when, how many, and how (Apuke, 2017, p.41). A mixed-methods approach is another research methodology that the researcher can choose when conducting a research study. It gives the researcher an opportunity to use different philosophical assumptions and methods to gain relevant information for a study. It gives guidance to the researcher when gathering and analysing data from multiple sources for a single study. (Dawadi, Shrestha and Giri, 2021, p.27).

This research study employed qualitative methodology approach; it was regarded appropriate as data was gathered using semi-structured interviews with participants at the South African Social Security Agency in KwaZulu-Natal (KZN SASSA) to identify the supply chain challenges they face.

1.9.3 Target population

The target population is the group or audience who share similar ideas and preferences in the context where the study intends to be conducted and intends to provide a conclusion. It is the subset of the whole population among whom the researcher intends to conduct the study (Casteel & Bridier, 2021, p.344). The KZN SASSA refers to the government department that is responsible for providing social security and eradicating poverty for communities, for people from age 0 years and above in KZN Province. The target population for this study refers to approximately 1500 permanent officials in the SASSA KZN Region who are serving approximately 4.1 million people (KZN SASSA Fourth Quarterly Report, 2021/2022, p.2).

1.9.4 Sampling method

Sampling is the process of carefully selecting and arranging a smaller group of participants from the target population in order to streamline the research study's findings. Sampling is used to minimize the number of cases when conducting the study (Mujere, 2016, p.108). The process of selecting a sample from a specific population is known as a sample design. . This method is important for a researcher during the selection of items for the specific sample (Loru, 2020

p.2). The two comprehensive sampling techniques include probability and non-probability sampling, hence the exact total number in the population is unknown (Etikan & Bala, 2017, p.215-216). In quantitative research, probability sampling is commonly employed to select a random sample of the target population. Non-probability sampling is employed in qualitative investigations where the researcher's subjective assessment serves as the basis for the sampling. (Saunders et al., 2019, p.297, 315). Since the study makes use of a qualitative methodology approach, non-probability sampling was used.

Non-probability sampling gives a chance of participation in the study to only a small group from the target population, in the qualitative methodology approach. The main objective of the study is to examine the real life of the entire population (Teherdoost, 2020, p.22). Purposive sampling is used to assist the researcher to select a group of people who know about the problem (Rahi, 2017, p.4). Purposive sampling is a technique where the researcher chooses participants in the study by relying on his or her own judgement (Sharma, 2017, p.751). Saunders et al. (2019, p.321) argue that the researcher utilises his or her judgement in order to select cases that will allow him or her to properly respond to the research question(s) and reach the purpose of the study. In this study, the non-probability purposive sampling technique was used to select the participants.

1.9.5 Sample size

The smaller number of study participants chosen to represent the entire population is known as the sample size. (Taherdoost, 2017, p.237). The term "population" refers to the group of individuals that the researcher plans to study in the study. (Shukla, 2020). In this study, twelve participants were chosen for the sample size that comprise SCM officials and cost centre department managers within SASSA, to ensure that responses were gathered adequately from a representation of the larger group to gain comprehensive insights. A recommended minimum sample size of twelve participants in qualitative studies can be sufficient to reach saturation and can yield fruitful and applicable results (Kumar, Govindara & Prabhu, 2020, p.7107). As a result, the study's sample size of twelve participants was appropriate. 1.9.6 Participants

Participants is the targeted audience of individuals chosen from the targeted group, guided by the methodology, when responding to questions in an interview or group interview. In qualitative research, the participants that the researcher has selected have experience related to the research problem of the study (Saunders et al., 2019, p.812). Since this research follows a qualitative methodology, there were twelve selected individuals who participated in this study.

1.9.7 Data analysis

The process of introducing a reliable and valid technique for data evaluation is known as data analysis (Belotto, 2018, p.2624). This study employed thematic analysis to find and present the themes in the data. Themes discovered within gathered data are analysed and reported using thematic analysis method. (Nowell, Norris, White & Moules, 2017, p.2). Thematic analysis offers an accessible approach to analyse qualitative data for a research study (Kiger & Varpio 2020, p.1). Thematic analysis is used to analyse large and small amounts of qualitative data, leading to rich descriptions and explanations (Nowell, Norris, White & Moules, 2017, p.2). The study presents the research findings by themes, sub-themes and codes that were generated through a manual process.

1.9.8 Data quality control: The establishment of trustworthiness

Data quality control refers to the correct use of systems and policies to ensure data validity and reliability; it includes employing a high level of caution to avoid possible mistakes (Jaya, Sidi, Ishak & Affendey, 2017, p.2647). The study used Guba and Lincoln's (1985) model of trustworthiness to ensure the accuracy of the study. Guba and Lincoln's models of trustworthiness are credibility, transferability, dependability, and confirmability (Kivunja & Kuyini, 2017, p. 26).

- **Credibility** means honesty and truthfulness created by a valid information represented during the collection of data from the participants. When there is credibility in a research study, the researcher obtains a better understanding of the context and has confidence in the study findings. (Selotole, Temane & Poggenpoel, 2022, p.3).
- **Transferability** refers to the outcomes derived from the collected information of a research study and its applicability to other settings. When semi-structured or in-depth interviews are used in a qualitative research study, transferability refers to the ability of the information gathered from these interviews to be used in other contexts, scenarios, and populations. (Saunders et al., 2019, p.451).
- **Dependability** entails following the proper procedures to create honesty, validity, and reliability, and provides other readers an opportunity to make sound judgements on the research perspective. Dependability is relevant for any research study. It must have consistent findings and be able to be trusted by other researchers and create trust in the evidence (Moon, Brewer, Januchowski-Hartley, Adams & Blackman, 2016, p.2).

- **Confirmability** is used to establish the validity of data and interpret the results of the collected information. For a researcher not to make a mistake of creating data from their imagination, it is very important to use participants' confirmed data (Stahl & King, 2020, p.28). Triangulation is important for confirmability in a research study. This means that data is collected using more than one method or theory and reduces the influence of the researcher's opinion or bias on the research study. (Chung, Biddix & Park, 2020, p.3300).

1.10 Ethical Considerations

Ethics can be defined as the conduct that guides and controls the researcher regarding the rights of those who are the subject of the research study (Akaranga & Makau, 2016, p.1). The researcher's behaviour is largely affected by the broader social norms that are approved by the institution (Saunders et al., 2019, p.252). The study complies with the ethical clearance guidelines set out by the University of the KwaZulu-Natal (UKZN). A formal application for ethical clearance was submitted to the Humanities and Social Sciences and Research Ethics Committee at UKZN. No empirical data was collected until full ethical clearance was approved.

1.11 Delimitations and Assumptions of the Study

1.11.1 Delimitation of the study

Delimitations are the areas where the researcher defines the broad parameters and sets boundaries in the research study, deciding on what to include and not to include. This assists the researcher to size down the study to the level that he or she feels is suitable for the research study. The purpose is to avoid a large collection of data which may create repetition of information collected, and rather, to make it more controllable and relevant to the research objectives (Theofanidis & Foutauki, 2018, p.157). In this study, there were 12 participants selected; the researcher believed that resulting from their relevant experience, they would provide honest and comprehensive responses. The researcher stated in advance that there would be no remuneration for the respondents as they were part of the research study of their own volition, and they were at liberty to stop participating in the study at any time and with no repercussions or pressure to continue.

1.11.2 Assumptions of the study

Assumptions of a study is where the researcher tries to find the relationship between two variables. There is a widespread perception of a negative relationship between public

procurement legislation and service delivery from government departments. As a result, there is a perception that the current public procurement laws cause delays in service delivery; it has many confusing SCM prescripts that hinder the flow of service delivery in the country. The perception further indicates that the more stringent the public procurement legislation, the greater is the disturbance to service delivery. (Moroi, 2020, p.128).

1.12 Expected Contribution of the Study

In South Africa, policies and regulations are designed in a manner that is so cumbersome for ordinary citizens. Suppliers are expected to complete numerous forms when quoting for goods and services. Stringent policies create a number of problems, particularly for small businesses and enterprises with less administrative capacity and support. Government has a responsibility to support small businesses and create job opportunities. SCM officials find it difficult to interpret certain procedures and policies and that hampers effective service delivery. This creates negative results of non-compliance and slow movement of the procurement of goods, services and works, that create disturbances in sourcing goods and services with the right price and at the right time (Fuzile, 2015, p.5).

The purpose of the study is to determine the challenges experienced by the Supply Chain Management at SASSA in KZN and identify remedies that could effectively assist SCM management to address and manage these challenges, so they are better able to achieve their mandate and fulfil the vision of the Agency.

1.13 Outline of the Dissertation

Chapter 1: The background and introduction of this study is provided in this chapter

Chapter 2: This chapter reviews the literature on SCM. It provides an overview of the relevant literature to gain broader understanding of supply chain management in the private and public sectors. It highlights the importance and the performance of supply chain management (SCM) within organisations. It also presents previous views of different authors concerning efficient execution of SCM in South Africa's public institutions.

Chapter 3: This chapter presents the supply chain management performance in the South African public sector. It examines experience in supply chain management

performance in the South African public sector and the current challenges with regard to the public procurement process in selected African countries, and the way these impact on the performance of service delivery.

Chapter 4: This chapter presents the research design and methodology.

Chapter 5: This chapter presents the key findings from the data and discussion.

Chapter 6: This concluding chapter revisits the research objectives, how they were addressed, and the key findings. It provides recommendations and presents the limitations and areas for future research.

1.14 Conclusion

This chapter discussed the background and the importance of supply chain management in the public sector. It explained that the public sector SCM plays a vital role in the development of society through its contribution to both micro- and macro-economic development in the country. It further outlined SCM as the heart of any traditional business function, as it coordinates all the planned and budgeted procurement of goods and services for the department through an annual demand plan, following the SCM policies and procedures. However, despite the government's efforts of introducing and implementing policies, the irregular expenditure, deviations from normal procurement processes, non-compliance with demand planning, non-responses from prospective suppliers, late deliveries, failure to deliver, the extension of validity periods, cancellation and re-advertisement of bids, and failing to finalise procurement processes within the stipulated time remain major challenges in public procurement. Further challenging areas were indicated, such as reports of unethical conduct and allegations that some government institutions execute legislation, policies, and guidelines improperly.

CHAPTER 2: SUPPLY CHAIN MANAGEMENT IN THE PRIVATE AND PUBLIC SECTOR

2.1 Introduction

Public procurement in South Africa can be regarded as a vehicle to provide service delivery to the community. It is expected to play an important role in terms of delivering services. Public procurement is essential for government to the fulfilment its mandate and serves as an indicator of the effectiveness of the state (David & Malan, 2022, p.1). The Supply Chain Management Review by the National Treasury reveals the current state of SCM in the public sector. It reflects the views of government and shows a growing appreciation that SCM should be treated as a national project (Fazila, 2015, p.1). The National Treasury defines supply chain management (SCM) as a critical tool that allows government to implement policy whereas the private sector sees SCM as an important tool that increases the value of shareholders and ascertain that its clients' needs are met. Traditionally, SCM has been misunderstood and undervalued because many large firms owned some of their suppliers and customers (Fuzile, 2015, p.1).

Today, much has changed due to the increasing costs and intensified competition. Consequently, companies have decided to direct their attention to their core capabilities and create partnerships with reliable suppliers, transportation and warehousing companies, and distributors that are central to the practice of supply chain management (Wisner, Tan & Leong 2019, p.5). In South Africa, government is starting to value the strategic importance of SCM to service delivery, value creation, socio-economic transformation, and fiscal prudence. The government's dedication to providing quality service delivery at the right place and time is demonstrated by the creation of the Office of the Chief Procurement Officer inside the National Treasury. It is known that ineffective public sector SCM has detrimental repercussions, especially in the procurement phase of the chain (Fazila, 2015, p.1).

The purpose of this chapter is to give a summary of the pertinent literature in order to provide readers a better understanding of supply chain management in both the public and private sectors. . It highlights the significance and the performance of supply chain management (SCM) within organisations. It discusses the previous views of different authors concerning efficient execution of SCM in South Africa's public institutions. This chapter offers a

description of the applicable legislative framework including the key concepts underpinning the study. In this regard, previous research findings related to SCM in the public sector are presented, taking into consideration the challenges, significance, and prospects of SCM to enhance service delivery of the public sector.

2.2 Overview of Supply Chain Management

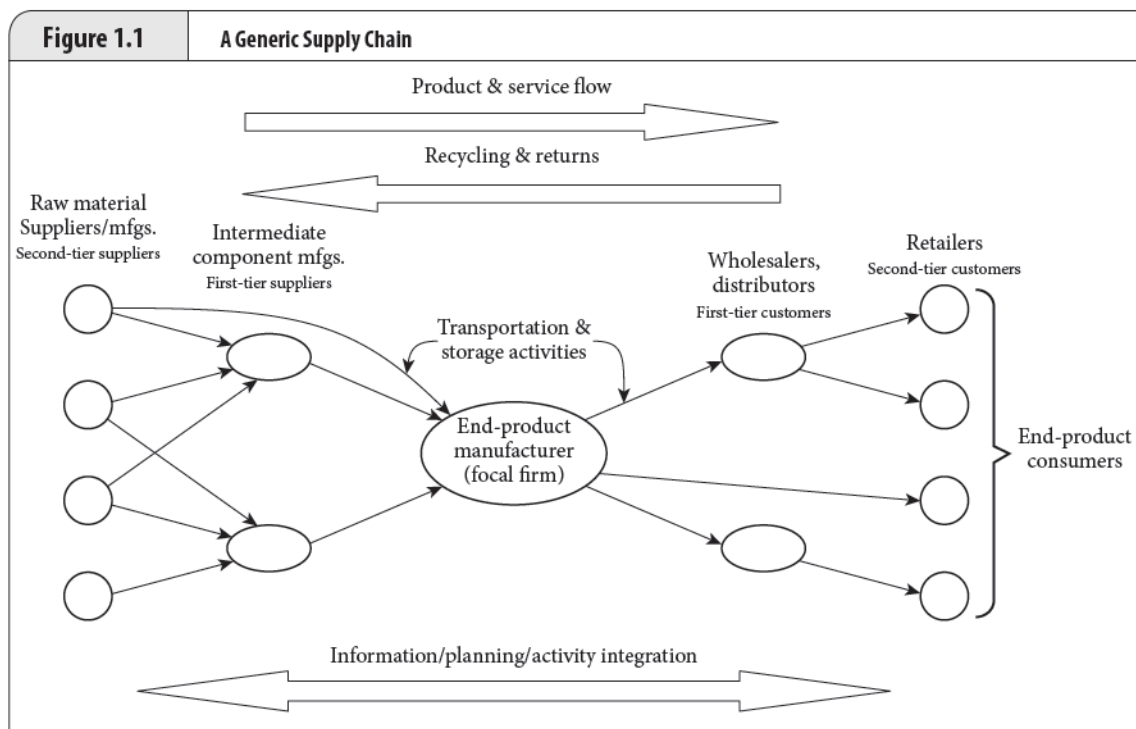
Supply chain management (SCM) is regarded as a strategic approach for planning and acquiring the organisation's current and future needs by managing the Supply Chain (SC), which is a network of organisations and a series of activities that supply firms with goods and services. SCM uses cross-functional teams and a process orientation to accomplish the organisational goal (Monczka et al., 2016, p.11). Consequently, intensified competition, integration of supply chain management is required. It ensures the creation of organisational collaboration and long-term sustainable relationships amongst the tiers in the value chain (suppliers, manufacturers, distributors, and retailers) to obtain raw materials, to transform these raw materials into the final products and ship the finished goods to the intended recipients. (Ivanova, Tsipoulanidisa & Schönbergerb, 2018, p.200).

SCM acts as a pillar for all businesses (private and public sector); it ensures the growth of a business and its success (Vidrova, 2020, p.1). SCM in the private sector mainly controls the flow of goods, services, and information from the point of origin to point of consumption. The Council of Supply Chain Management Professionals (CSCMP) (Wisner, Tan & Leong, 2019, p.7) states that supply chain management is *“the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities. Importantly, it also includes coordination and collaboration with channel partners, which can be suppliers, intermediaries, third-party service providers, and customers”*.

Monczka, et al. (2021, p.13) argue that supply chain management includes the two-way movement and coordination of goods, services, information, and funds upstream and downstream, from raw material through to the end user. Supply chain management is the organisation and coordination of all activities, from the procurement of raw materials to the final step of ensuring customer satisfaction. Supply chain involves suppliers – manufacturers and service providers – and distributors – wholesalers and retailers – who then send the final production and services to the final customer (Heizer, Render & Munson, 2017, p.482).

Supply chain management is an important process of any company' it is planned through systemic coordination, such as procurement, conversion and logistics. It is a distribution management strategy that seeks to satisfy to consumers through improved coordination in network companies, information systems, and higher performance processes to produce high quality services and goods (Basuki, 2021, p.9). Good supply chain management practices increase businesses' profitability by effectively meeting the needs of their customers, forging strong bonds and fostering interdependence between businesses to enhance the value that they provide to customers (Ivanon, et al., 2018, p.299). Figure 2.1 depicts the movement of goods, services and information from the beginning point to the point of consumption. This indicates relationships and dependency within and beyond the firms.

Figure 2.1: Flow of Goods, Services, and Information



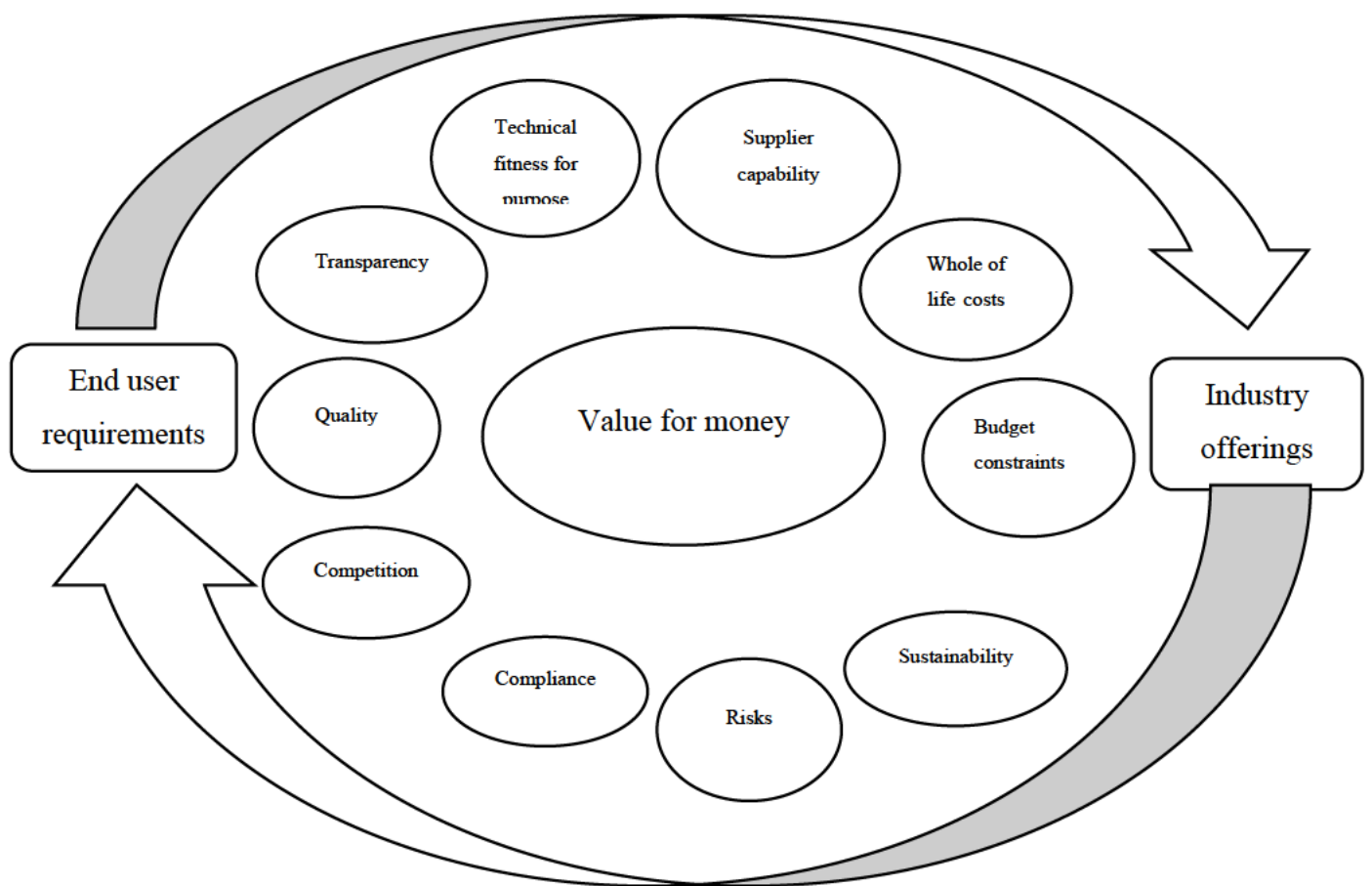
Source: Wisner, Tan & Leong 2019, p.6

Public sector SCM is regarded as the engine of all government departments which guarantees that the vision, mission, values, and principles reach their main objectives. Hence the primary focus is providing service delivery to the communities. SCM is responsible for the procurement of goods and services guided by policies and procedures intended to address the efficiency of

demand management, acquisition of goods and services, management of contracts, and asset management to enhance accountability (Ntibane 2018, p.2).

Supply chain management usually requires sufficient time to achieve its maximum performance, like many other managerial actions. Public procurement is a complex function that covers a range of activities connected to actions taken by government in the context of public policy (Doering, Suresh & Krumwie, 2018, p.122). Fourie and Malan (2020, p.3-4) see public procurement as the best system that can be used for the obtaining of budgeted goods and services by the state and organs of state when responding to the public interest. Procurement policies across government sectors has a significant function in ascertaining that value for money is achieved and to prevent the lowest cost offering. Thus, procurement departments and officials have to probe different factors before reaching the best solution required by the end users. Figure 2.2 below depicts the factors to be considered when procuring value for money services.

Figure 2.2: Factors in Procurement



Source: David Fourier & Cornel Malan (2022)

2.3 Public Procurement Process

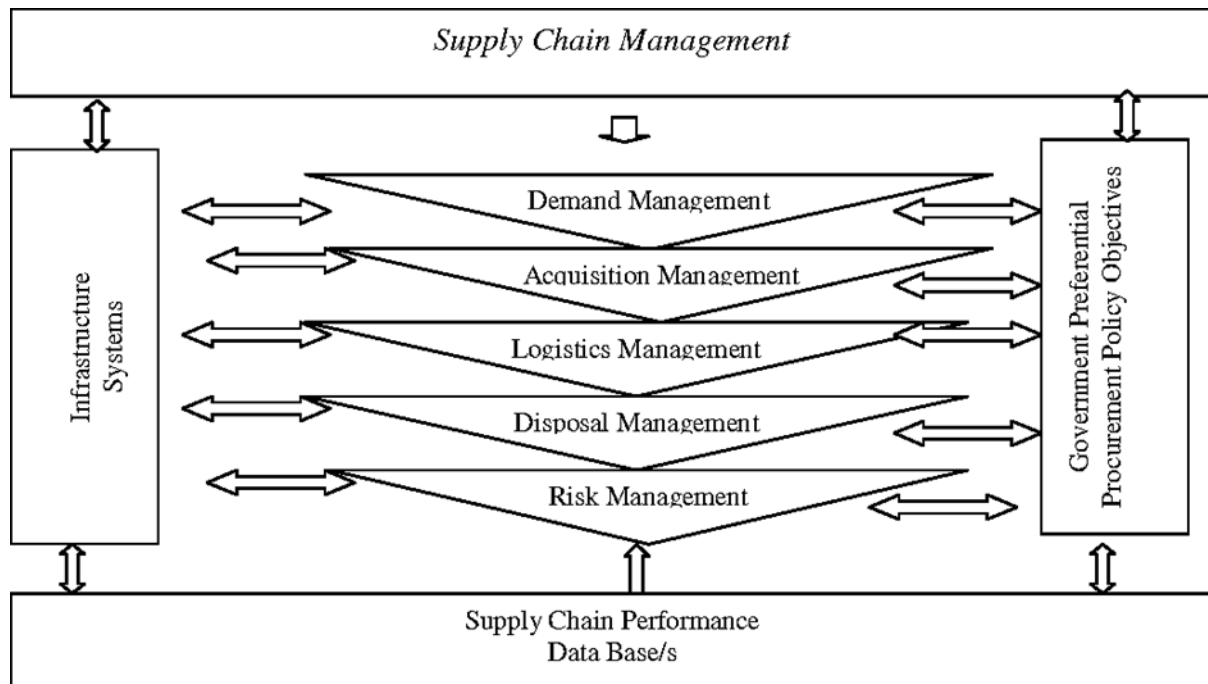
The public procurement process controls how procurement performs in public institutions, including all activities, including need assessment, source selection and solicitation, contract preparation and award, and contract administration throughout the term of a services agreement or the asset's useful life (Patrucco, Ronchi & Luzzini, 2017, p.253). Procurement in the public sector can be defined as the purchasing of goods and services by government departments and state-owned enterprises following the SCM processes and procedures. The public procurement process covers all SCM elements from the demand management to the final payment of received goods and services (Ambe, 2016, p.278). Public procurement is an important demand-side innovation policy instrument that guides the proper functioning of public sector procurement and exposes small, medium and micro-enterprises to the international market leadership (Alhola, and Nissinen 2018, p.336).

In South Africa, public sector SCM is governed by the SCM model. in terms of the National Treasury guide (2005). This model contains six elements of SCM, including demand management, acquisition management, logistics management, disposal management, risk management and performance evaluation. Figure 2.3 depicts the elements of supply chain management in public procurement.

2.3.1 The six elements of supply chain management

The National Treasury Regulations guide, Section 16A (2005, p.49) indicates that a sound supply chain management system must develop, implement, and apply these regulations when procuring goods and services. SASSA Standard Operations Procedure (SOPs) (2021, p.9-11) describes the following six elements as the foundation for implementing an effective SCM system across all spheres of government.

Figure 2.3: Elements of Supply Chain Management in Public Procurement



Source: National Treasury SCM Guide (2005)

2.3.1.1 Demand management

The first component of SCM is demand management. Its goal is to satisfy the requirements found throughout the process of strategic planning. The total needs assessment should have been undertaken before this process can start. The necessary resources need to be evaluated and analysed, important demand management process components need to be considered, and the supply chain manager needs to be positioned closer to the end users. The National Treasury saw the importance of introducing and enhancing the procurement plan as a tool to ensure that goods, and services are delivered at the right time, at the right quantity and in the right quality. Procurement plans are used to monitor acquisition and spending of goods, works and services within an organisation over a financial year (National Treasury SCM Instruction No 2 of 2016/2017, p.1-2).

The goal of SCM demand management is to create value throughout the supply chain which reflects customers' needs. Demand management develops collaborations between the demand creation and the demand fulfilment processes and contains all the necessary activities for creating demand. The demand fulfilment processes contain all the activities necessary for fulfilling demand and is closely linked to SCM. Demand integration includes access to demand

information throughout the Supply Chain to allow rapid and efficient delivery, coordinate planning, and enhance logistics communication (Mahmood & Kess, 2016, p.9).

2.3.1.2 Acquisition management

This is the procurement management that involves the invitation of bids, the composition of bid committees, assessments of bids, the range of procurement systems, the establishment of total cost of ownership of assets, bid adjudication and the appointment of the recommended service providers. The National Treasury SCM guides for Accounting Officers (2004, p.11) states that the management of procurement encompasses the following:

- “To decide on the manner in which the market will be approached.
- To establish the total cost of ownership of a particular type of asset.
- To ensure that bid documentation is complete, including evaluation criteria.
- To evaluate bids in accordance with published criteria; and
- To ensure that proper contract documents are signed”.

The National Treasury Regulations 16A1 states supply chain management is the acquiring of goods and services (Mvanana, 2020, p.4).

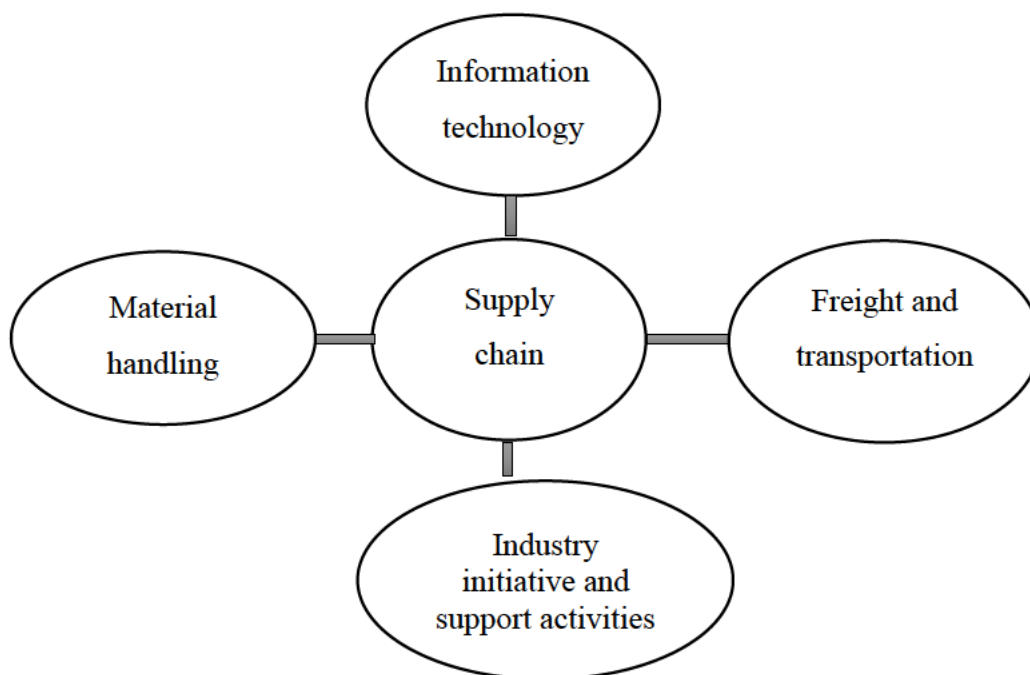
2.3.1.3 Logistics management

Logistics is the area of supply chain management that deals with moving goods between two sites. In order to ensure the efficient flow of goods, services, and related information from the point of origin to the point of consumption, it refers to the strategic management of procurement, the movement and storage of materials, and the cost fulfilment of orders. (SOPs, 2021, p.9-11). Suppliers forward goods to other logistics companies as per the owner's instructions and procedures. In the private sector, logistics focuses mostly on the transportation of goods and services while supply chain focuses on supplying raw material and finished products as well as services to the customers (Gitonga, 2017, p.2).

Supply chain management has outperformed logistics management in recent years resulting from the introduction of technology in the business world, which leads to the development of important aspects of the organisation. Supply chain management and logistics management share many commonalities, such as the transportation of both tangible and intangible goods. (Nagy-Bota & Liviu Moldovan, 2022, p.42). Figure 2.4 depicts the functions of logistics.

However, logistics is considered a major contributor to environmental degradation, which has a detrimental impact on company culture. Logistics is also a major factor in the wasteful use of resources in the supply chain. While the environment is harmed by pollution from carbon monoxide emissions, all governments and private organisations rely largely on the road transportation system to carry out logistics operations. In recent years, the existence of logistics has been blamed for contributing to climate change that poses a significant threat to human lives and the natural environment (Agyabeng-Mensah, Afum, Acquah, Essel Dacosta, Baah & Ahenkorah, 2020, p.4).

Figure 2.4: Functions of Logistics



Source: Nagy-Bota & Moldovan (2022)

2.3.1.4 Disposal management

Disposal management refers to the management of non-functional assets which require obsolescence planning. This involves the creation of a database that specifically deals with redundant materials, the examination of materials that have the potential to be reused, and determination of the strategy that can be applied for the disposal and methods of execution (SASSA SOPs, 2021, p.9-11). The Treasury Regulations 16A.1, states, that SCM is the acquisition of goods and services, and the selling of state assets that need to be disposed of. The Parliament of the Republic of South Africa Notice 56 of 2013, clarifies that when the

Accounting Officer disposes of its assets, this should be done in line with the Delegation of Authority. When assets are transferred to another organ of state it must be done so at market-related value or, where appropriate, free of charge. Selling of assets at market-related value requires written quotations and a competitive bidding process or auction, whichever is the most appropriate. With regard to the pricing of disposal, the highest possible price needs to be negotiated for any trade-in of an asset for another asset, and any disposal of assets must prioritise the interest of the public and be development orientated.

2.3.1.5 Risk management

Risk management can be defined as the process of identifying, analysing, evaluating and monitoring and controlling risks in order to mitigate the negative effects of the risk. Supply Chain Risk Management (SCRM), defined as management of risk sources, creates a solution that will help resolve unexpected problems and thus avoid future risk, and mitigate and minimise its disruption. The main aim of SCRM is to manage probabilities of unwanted situations by identifying risk sources, analysing the possible risks, finding solutions, and mitigating and minimising the effects of these sources (Schlegel & Trent, 2015, p.7). The most important factor about SCRM is to be able to identify unexpected situations, avoid and reduce the chances of any uncertain situation, and introduce a set of solutions to manage the situation efficiently and effectively (Shahbaz, Rasi, Ahmad & Rehmanthese, 2017, p.1).

2.3.1.6 Supply chain performance

Supply chain performance controls, guide the progress and applies a retrospective analysis to discover whether the correct procedures have been followed and whether the intended objectives were achieved. The National Treasury uses norms and standards, which are the instruction notes that serve as guides of the SCM compliance. When it comes to pointing the organisation's financial performance in the right direction, supply chain performance is necessary. Performance can be measured by economic, social and environmental efficiency, including cost reduction, waste reduction efficiency and any negative environmental impacts (Phama & Doanb, 2020, p.665).

SCM performance influences the future behaviour of organisations considerably. Consequently, many business enterprises found that to keep up with the changing business environment efficiently and effectively, it became necessary to evaluate the performance of SCM. Thus, it is important for the organisation to implement a supply chain performance

measurement system (SCPMS) that is effective and is in line with the objectives and strategic goals of the organisation (Setino & Ambe, 2016, p.386).

2.3.2 Procurement of goods and services in the Public Sector

Procurement of goods and services is undertaken by means of quotations and/or through a bidding process. It must be within the threshold values as determined by the National Treasury Regulations (2005). PFMA SCM Instruction No. 02 of 2021/22 Public Finance Management Act (Act 1 of 1999) prescribes the procurement process, which are the petty cash, verbal or written price quotations and competitive bids applicable in all government spheres, according to transaction value. This instruction note guides the government departments, indicating that procurement of goods and services below the value of R2000 must be made through the petty cash system.

The South African Social Security Agency Policy (2021, p.6) indicates that the processes of the procurement of goods and services should strictly adhere with policies and regulations. All procurement above R2000 and less than R1 000 000 must follow the quotation process. When there are no current contracted suppliers for the particular item, the buyer must identify a pool of qualified suppliers and issue a request for quotation (Wisner, et. al, 2019, p.47). All procurement of goods and services above R1000 000 must follow the bidding process of projects listed on the approved procurement plan for each financial year. The South African Social Security Agency user guide for bid committees (2021, p.5) defines the responsibilities of each committee as follows:

- **Bid specification committee (BSC)**

The purpose of the Bid Specification Committee is to create terms of reference (ToR) requirements for a bid or quote for the purchase of goods and services. The BSC is an ad hoc committee that is formed to manage a specific project and is dissolved at the end of the meeting. The guide places a strong emphasis on the BSC's obligation to ensure compliance with the policies and procedures set forth by the National Treasury (Matemotsa (2017, p.11)

- **Bid evaluation committee (BEC)**

The Bid Evaluation Committee is appointed to evaluate and recommend commercial and technical proposals to the Bid Adjudication Committee. The BEC is appointed on an ad hoc basis for a specific project and is disbanded once the meeting is concluded. In all proceedings, the BEC must comply with the directives and procedures issued by the Provincial Treasury and

the Department`s delegations, policies and procedures and must ensure compliance with them. The Bid Evaluation Committee is established according to the National Treasury policies and is responsible for the evaluation of bids (South African Social Security Agency user guide for bids committees, 2021, p.7). Mazibuko (2018, p.79) argues that the bid evaluation committee for a project subject to bid by law should be made up of representatives as well as experts in the relevant technological, economic, and other relevant fields.

- **Bid adjudication committee (BAC)**

The Bid Adjudication Committee is appointed for a maximum of two years by the Chief Executive Officer (CEO). It comprises the Accounting Officer, his/her delegates who will act as the chairperson, as well as senior management level representatives from various divisions of the relevant departments, including the Head of SCM (Treasury Regulation 16A, 2005, p. 50). The Bid Adjudication Committee is responsible for approving the Terms of Reference (ToR) compiled by the Bid Specification Committee and considers and recommends the reports made by the Bid Evaluation Committee to the Accounting Officer who will approve the final award of the bid proposal (SOPs, 2021, p.26). The BAC adjudicates bids and awards contracts on behalf of the department and the institution for the procurement of goods and services (Matemotsa, 2017, p.11).

2.4 Objectives of Supply Chain Management in the Public Sector

SCM in government departments refer to all the processes required for the procurement, from the needs assessment to post procurement (Fuzile, 2015, p.4). The objectives of SCM in government departments are to provide support to the vision, mission and objectives, of the organisation. Procurement is the process used by companies and departments to acquire the products, components, services, and various resources from suppliers to carry their operations (Chopra, & Meindl, 2019; Vir & Kalra, 2017, p.483). The Public Procurement Department in South Africa aims to supply both quantity and quality of goods and services to the government by implementing efficient procurement procedures and systems. The following are some other objectives:

- “Achieving significant enhancements in cost-effectiveness by considering both the cost of living and quality.
- Developing world-class procurement systems and practices to improve the competitiveness of suppliers.

- Ensuring that control and responsibility is sustained by means of comprehensive auditing.
- Achieving a consistent purchasing system with uniform bidding processes, guidelines and contract documentation” (Govender, 2016, p.10).

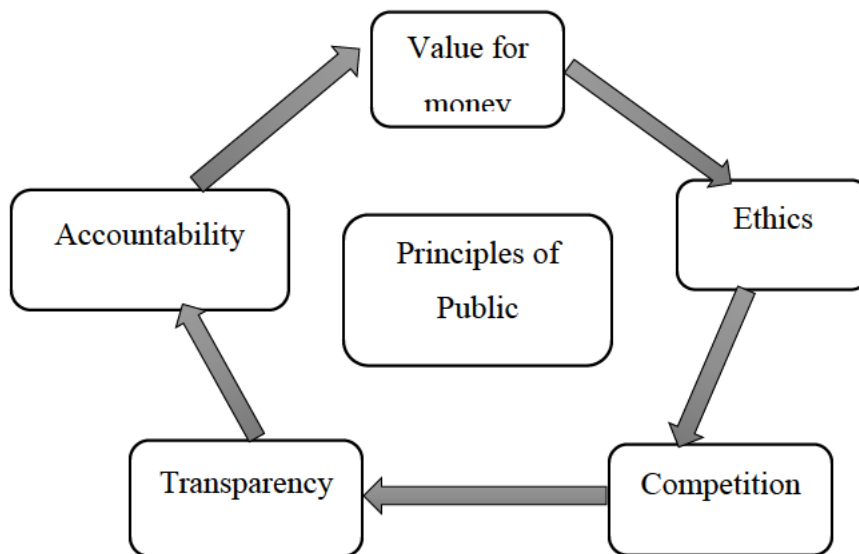
Perfect procurement processes are said to simplify collaboration with the supplier and improve forecasting. Proper organising decreases inventories and improve the matching of supply and demand (Chopra, et al., 2017, p.484). Purchasing objectives are to ascertain that procured goods and services are received on time, in required quantity, the right quality and cost, and at the right place (Zijm, Klumpp, Heragu & Regattieri, 2019, p.45).

2.5 The Regulatory Framework

All the government entities in South Africa are guided by the National Treasury prescripts and are required to create SCM units and implement SCM policies and regulations (National Treasury SCM Guide, 2005, p.49). Legislation that guides the implementation of SCM include the Constitution of the Republic of South Africa (108 of 1996 Section 217), the adoption of the Public Financial Management Act (PFMA) section 38, the Preferential Procurement Policy Framework Act (PPPFA) 2017, the Local Content established by the Department of Trade and Industry (DTI), the Broad-Based Black Economic Empowerment Act (B-BBEE Act), the Construction Industrial Development Board (CIDB) Regulations, the Central suppliers’ database Instruction Note No 4A of 2016/2017, SCM Policies, and SCM Delegations.

Section 217 (1) of the Constitution of the Republic of South Africa, and the Public Finance Management Act, state that: “when an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective”. The governmental general procurement guidelines established from the Public Finance Management Act, 1999 state that proper and successful government procurement rests upon certain core principles of behaviour, which are the five pillars of procurement. These are best described as pillars because if any one of them is broken, the procurement system falls. The five pillars include value for money, open and effective competition, ethics and fair dealing, accountability, and reporting equity. Figure 2.5 depicts the five pillars in Public Procurement.

Figure 2.5: The five Pillars of procurement



Source: Saeed Siyal (2019)

2.5.1 Value for money

Value for money is an important criterion that the department must meet in order to justify a purchase decision. Prices by themselves are frequently unreliable indicators, and departments may not always get the best value for their money even if they pick the lowest price offer that satisfies all requirements (National Treasury Regulations, 2005, p.44). Value for money results in the best available outcome when all the relevant costs and benefits over the procurement cycle have been considered. Value for money is an important tool that must be part of the procurement process, including during contract management. In contract management, value for money is achieved through the application of effective controls to ensure successful execution of the contract and ensure that the deliverables are met as agreed in the contract (The World Bank, 2018, p.12).

All government departments are expected to adhere to and promote the principles of competitiveness and cost-effectiveness to derive value for money by maximising quality and minimising costs. By law, government spheres are required to give prospective bidders an opportunity to compete in order to create fairness. This can be achieved by openly advertising all bids so that a wide group of bidders can participate; by so doing, it offers government an

opportunity to evaluate and award the services to the suitable service provider (Tucker & Bowman, 2020, p.5).

Value for money is defined in terms of three public procurement categories, namely, economic, efficiency and effectiveness. The economic part refers to minimising costs of the resources acquired and considering the quality of inputs. Regarding efficiency, it refers to the relationship between outputs of services and the resources used. Effectiveness refers to the achievement of targets in terms of quantity and quality (Setino & Ambe, 2016, p.386).

2.5.2 Open and effective competition

When the procurement process is transparent, it promotes competition effectiveness by using procedures that are appropriate for the market and compliant with the Preferential Procurement Policy Framework Act of 2017. The procurement process is built upon the principles of the Constitution of RSA Section 217, by ensuring value for money, open and effective competition, ethics and fair practices, accountability and reporting, and equity. The existence of these values assist procurement to achieve the ultimate goal of procurement processes and promote good governance and help in economic development. It is therefore regulated that all bids must be advertised on the e-tender portal, and bid documents are opened to the public to maintain transparency and fairness (Ambe, 2016, p.280).

The government of the United States realised that there is an urgent need to assist its suppliers by creating a competitive process that is full, open, and undistorted. It defines “full and open competition”, suggesting that “when all is done according to the rules and regulations, all responsible sources are permitted to compete”. This is an act of openness of the procurement process and with the purpose of keeping its promise to assist potential vendors to compete and possibly get awarded with government contracts. This act emphasises the importance of openness and fairness. Adopting a competitive bidding process is important for the US government in order to protect the interests of the taxpayers from corruption and carelessness of public officials. This is achieved by enforcing the rules and regulations to ensure that suppliers receive fairness and the best deal (Atkinson, 2020, p.1170).

2.5.3 Ethics and fair dealing

Fair dealing and ethics refer to carrying out business with integrity and in a reasonable and fair manner. It is mandatory for all government staff involved in procurement, especially those who work closely with suppliers and prospective suppliers, to recognise and resolve conflicts of

interest. The prevention of conflicts of interest can be achieved through reporting any acceptance of gifts and hospitality and aiding in the elimination of fraud and corruption. Competition plays a vital role in ensuring that the price of the lowest bidder displays fairness and is reasonable (Atkinson, 2020, p.1169). Public procurement is regarded as the pillar and fundamental mechanism in this, and it is expected to operate in a manner that ensures the public resources are protected and corruption is avoided at all costs. Fair dealing for the suppliers is an important goal for the public procurement as far as the five pillars of public procurement is concerned (Siyal, 2019, p.7).

2.5.4 Accountability and reporting

Accountability and reporting involve making sure that individuals and organisations get the attention they deserve and are satisfied with the responses they get for their goals, strategies, and results. Encouraging openness and transparency in administration is important, as it allows the public to receive reports that emphasise the importance of accountability. Transparency means openness as far as bidding processes are concerned and is very important for the process of procurement. It ensures the importance of accountability and minimises corruption. Transparency plays a key role in the protection of the government department's reputation (Tucker & Bowmans, 2020, p.5).

2.5.5 Equity

Equity is the fifth pillar which is essential to public sector procurement in South Africa. It ensures that government is committed to economic growth by implementing measures to support industry and to advance the development of small, medium, and micro enterprises and historically disadvantaged individuals (Government of the Republic of South Africa General Procurement Guidelines, 2011, p.8).

The five pillars of procurement are important for public sector procurement because they are derived from legislative frameworks, procurement policies and practice notes. They are created to enforce the regulatory framework within which procurement should operate (Ndlovu, 2017, p.31).

2.6 Organisational Performance

SCM impacts positively on an organisation's performance. Public sector SCM deals with the procurement of goods and services, from the identification of needs to the awarding of contracts, management of inventories and disposal of redundant assets through all phases of

administration (Patrucco, Ronchi & Luzzini, 2017, p.231). It is the responsibility of SCM to ensure that all goods and services required by the core business are purchased on time for the organisation to meet its targets. Sound supply chain performance creates good relationships among its businesses and improves profitability for all. The organisation's performance depends on other supporting structures, hence the SCM objective in an organisation is to improve the organisation's performance and competitiveness through strategic linkages (Lee, 2021, p.1).

Globally, public procurement plays a significant role in the performance of service delivery within government departments. Its responsibility is to oversee the efficient delivery of goods and services to the public through all the SCM processes associated with government departments' acquisition of goods and services (Dzuke & Naude, 2017, p.1). Public procurement refers to the management of the purchasing and supply chain management function in the government and non-profit government spheres, such as national, provincial, and local governments. However, public procurement is subjected to public analysis, although it shares the similar goals with the private sector to satisfy the needs of the public.

The National Treasury and private sector have established certain laws and regulations pertaining to public procurement. These regulations are aimed at management the flow of goods, services, and information from the point of origin to the point of consumption (Wisner, et al., 2019, p.67). A distinctive characteristic of public procurement is the preferential procurement system that is used in the competitive bidding process to encourage competition among suppliers (Preferential Procurement Regulations, 2017, p.9). Public procurement plays a vital role in the performance of government, which is measured as service delivery depending on the structure and duties of the government department (Dzuke & Naude, 2017, p.1).

The South African Social Security Agency (SASSA) is expected to provide social security services to South Africa's impoverished and vulnerable citizens on a monthly basis, without missing any payments. For the Agency to achieve its goal, it is very important that SCM plays its vital role in terms of procurement. There are different types of needs procured by SCM for the Agency to effectively perform its duties, including resources such as stationery, appointment of doctors that examine beneficiaries before grants are given, service providers to issue of Social Relief of Distress to identified beneficiaries through the redemption of a voucher system, service providers to issue Social Relief of Distress (SRD) in the form of school

uniforms for needy students and the procurement of supplies in response to emergencies caused by natural disasters within 48 hours (Social Assistance Act, 2004 and the SASSA Act, 2004.).

2.7 Supply Chain Management Challenges

SCM challenges in any public sector organisation include but are not limited to: misuse of state funds; lack of standardised processes and procedures; disregard for tender documents; and non-adherence to defined regulations that have led in unlawful wasteful and irregular expenditure. Inappropriate utilisation of a procurement budget might result in up to a 20% overstatement by paying inflated rates for products and services. (Nkwanyana & Agbenyegah, 2020, p.2). Additional (SCM) challenges that the public sector faces include inadequate procurement planning, noncompliance with current regulations, insufficient contract performance monitoring and assessment, and excessive decentralization of the procurement process. These challenges create mistrust in the SCM processes in the South African public sector and give rise to the belief that the public sector is not accomplishing its mandate (Mhelembe & Mafini, 2019, p.2).

The SCM of the South African government is rife with irregularities, including a lack of good governance, which includes fair, equitable, transparent, competitive, and cost-effective procurement processes (Govender, 2016, p.1). Fourie and Malan (2020, p.12-16) identify the main challenges in public procurement in South Africa as follows: inadequate planning and linking of demand to the budget; lacking requisite capacity; inadequate monitoring and evaluation of SCM; the high level of decentralisation of the procurement system; poor and ineffective contracts management; lack of accountability; and unethical behaviour resulting in possible fraud and corruption.

There are numerous procurement challenges experienced by the public sector SCM in South Africa. The challenges include irregular expenditure, deviations from normal procurement processes, non-compliance with demand planning, non-responses from prospective suppliers, and failing to finalise procurement processes within the stipulated time. The Annual Report financial statement states that government departments fail to follow bids processes and procedures, which results in unnecessary irregular expenditure (National Treasury, 2020/2021, p.231). Suppliers charge exorbitant prices, and goods and services supplied are of low quality (Fuzile, 2015, p.10).

One of the major challenges facing the system of government departments is the delayed awarding of tenders. Some informants have linked tender difficulties to the state's inability to a lack of staff to renew tenders on time, a duty that was previously handled by the National Treasury. Failure by suppliers to meet demand obligations is due to lack of capacity, especially during the start-up phase, after a contract is awarded, when buyers procure large volumes to compensate for stock-outs imposed by delayed contracting. (Magadzire, Ward, Leng & Sanders, 2017, p.582).

The Auditor General of South Africa Integrated Annual Report (2020, p.12) highlights that shortcomings in the public procurement process include lack of agility in government's information technology and systems; lack of validation, integration and data sharing across government platforms and compounded pre-existing deficiencies in supply chain management such as overpricing, unfair processes and potential fraud, and inability to coordinate and oversee the efforts of multiple departments, agencies and spheres of government. Public procurement expenditure continues to account for a particularly high portion of South Africa's GDP. Increased dependency on public contracts and persistent irregularity and corruption within the government procurement context have caused challenges of procurement awards to remain widespread (Davey and Gatenby, 2018, p.224).

Procurement challenges experienced by the countries and national governments contravene the key principles underpinning public procurement, which include value for money, ethical standards, competition, transparency, and accountability. Inadequate procurement planning, a lack of supplier pre-qualification, a disregard for due process, a shortage of qualified procurement professionals, and subpar inventory management are the main causes of the problems with public procurement that countries and national governments face. The procurement challenges encountered have resulted in many consequences such as financial misconduct, low resource absorption, project implementation delays, wasteful and unauthorised spending. (Mutangili, 2021, p.30).

Due to a lack of resources, procurement audits have not been carried out, which has been cited as a reason why the organisations keep making errors in procurement. The lack of audits to pinpoint areas in need of improvement has caused the procuring entities to consistently make the same errors and deal with the same challenges throughout the procurement process. (Dzuke and Naude 2017, p.11). The challenges in the procurement process can be attributed to selfishness and greed on the part of some procurement officials, high levels of apathy among

stakeholders of the process, and institutionalisation of corruption in the system (Boatema-Yeboah, and Tamakloe, 2019, p.50).

The process in procurement starts from the initiation of the need by user department and it is approved by the head of the department, as way one of acknowledging the requirement. This has to do with the process of acquiring goods, works and services. It begins when a department has identified a need and decided on its procurement requirement. The process needs to adhere to the laid down procurement process and procedures in order to achieve good procurement performance (Amemba, Nyaboke, Osoro and Mburu, 2015, p.272).

It would be interesting to find out whether full and open competition leads to more equal access to procurement processes from a competitive standpoint. When it comes to public procurement, it makes sense to assume that everyone can apply for contracts and that, even though the results might not be equal, the process itself – which gives suppliers the chance to submit bids and possibly win contracts – is basically just and equitable. (Atkinson, 2019, p.1174).

2.7.1 Irregular expenditure

The PFMA Irregular Expenditure Framework (2018/2019, p.9) describes an irregular expenditure as one that contravenes any applicable legislation, as the term “contravention” refers to the incurrence of a financial transaction by a government department, constitutional institution, and public entity. When the resulting transaction is recorded in a department's or constitutional institution's financial records in line with the applicable accounting system, it is considered irregular spending. Moreover, disciplinary action must be taken against any official found to be accountable for any wasteful or irregular spending occurred during the financial year must be included in the annual financial statements.

The Auditor-General found that the majority of irregular expenditure incidents in public organisations occur when products and services are procured, specifically when supply chain management procedures are not appropriately followed. The Public Finance Management Act, Act 1 of 1999 and the Municipal Finance Management Act, 56 of 2003 define irregular expenditure as an unauthorised expenditure that is incurred during the contravention of SCM policies and that is not acceptable within the requirement of the legislations of any applicable legislation (Rena & Mothupi, 2018, p.394). The Report of the Auditor-General to parliament on vote 8 (National Treasury, 2021, p.23) reveals that the government department incurred

irregular expenditure of R66 million, as it did not follow proper tender processes and did not properly approve expenditure.

2.7.2 Deviations from normal procurement processes

In this case, following the standard procurement procedures is impractical, and immediate action is required to prevent a hazardous situation. Deviation may be necessary in cases of extreme and unexpected risks to life, property, health, or the environment that necessitates immediate action. This is referred to it as emergency procurement. (National Treasury Instruction Notes No 3 of 2016/2017, p.4). Deviation also occurs when there is evidence of a sole supplier who possesses a unique and singularly available capacity to meet the requirements of the required goods and services. Authorisation to deviate from the normal SCM processes must then be obtained from the legislature, which issues the legislation for relaxation or deviation. It is important that relaxation and deviations from this procedure comply with the principles of fairness, equity, transparency, competitiveness and cost effectiveness, which remain the overriding obligation (Mulder, 2021, p.36).

2.7.3 Non-compliance with Policies and Regulations

All SCM prescripts and regulations for any organisation serve as a guide that needs to be implemented and followed. Therefore, failure to comply with any legislation is called non-compliance. Non-compliance in SCM is the main cause of unlawful expenditure and has led to SCM challenges. It comprises of intentional and unintentional omissions that are committed by the employees in the government departments, and are usually influenced by clients, which is contrary to the prevailing laws and regulations. The Office of the Chief Procurement Officer (OCPO) established to streamline and manage the South African public sector SCM system to ascertain that the purchasing of goods, services and construction works is fair, equitable, transparent, competitive, and cost effective, in accordance with the Constitution and legislation. It is OCPO's responsibility to update and repeal the outdated policies and inform all government entities about any changes. However, government departments are failing to adhere to the prescripts (Fazila, 2015, p.6).

2.7.4 Non-responses from prospective suppliers

Volmink (2014, p.41) states that offers and quotes that do not meet the invitation's minimal requirements will be regarded as potential suppliers' non-responses. This is one of the issues that causes delays and unnecessary spending in public sector organisations. As a result, it has

an impact on finances and requires money, time, and resources. Govender (2016, p.7) found several factors impacting SCM in the various government departments. Some of the factors that negatively affect the effectiveness of SCM include late submissions of requests to procure by end-users; non-responsive suppliers on requests to quote; and lack of suitable suppliers on the departmental supplier's database. Non-responses when requests to quote are sent to invited suppliers, can frustrate buyers as there are usually no reasons provided for not submitting quotations.

2.7.5 Failing to finalise procurement processes and projects

Failing to finalise procurement processes is a major challenge in various organisations in South Africa, which leads to the extension of validity periods during the procurement process (Fazila, 2015, p.9). Although it is clear that the departments have challenges when implementing SCM processes and procedures, overall SCM performance across the government departments is effective. Furthermore, when departments purchase goods, services, and works, their procurement planning is inadequate and has to be improved. It has also been discovered that procurement implementation is deficient, particularly in terms of procurement governance. (Magadzire, Ward, Leng & Sanders, 2017, p.582).

2.8 Conclusion

In this chapter, a summary of supply chain management and procurement processes in the private and public sectors was provided. The chapter emphasised the objectives and importance of supply chain management in the public sector mostly in terms of service delivery to the public. It also provided insight into the regulatory frameworks that serves as a guide for supply chain management in government entities in South Africa. In addition, the supply chain challenges that almost all government departments face are provided. The next chapter, Chapter 3, presents the research design, methodology and methods used in this study in order to achieve the objectives.

CHAPTER 3: SUPPLY CHAIN MANAGEMENT PERFORMANCE IN THE SOUTH AFRICAN PUBLIC SECTOR

3.1 Introduction

The previous chapter dealt with the literature review of the study, which provided an overview of supply chain management, the public procurement processes, the objectives, and challenges of SCM in the public sector. The main goal of this chapter is to identify how supply chain management is performing in the South African Public Sector. The purpose is to accomplish the objectives of the research study. The first research objective is to determine the supply chain management challenges experienced by South African Social Security Agency in KwaZulu-Natal. The second research objective is to examine challenges that impact the SCM performance. The last research objective discussed is the identification of the steps that can be effectively used to manage and address the supply chain management challenges.

In addressing supply chain management performance in the South African public sector, this chapter gives a review of South African public sector procurement and government procurement as a strategic function across government spheres. It discusses the legislative framework, and the challenges caused by public procurement legislation.

3.2 Review of Supply Chain Management Performance in the Public Sector

Supply chain management is regarded as the backbone of business organisational processes that assist end user departments to effectively utilise service providers of goods, services, and information. Moreover, it plays a crucial role for the organisation and with its customers and other stakeholders; they must adhere to the procedures for the acquiring of goods and services (Hadrawi, 2019, p.342). The procurement process is activated when end user departments submit the requisition that is authorised by the delegated authority in the organisation as method of acknowledging the requirement. This is the important process and procedure of obtaining goods, works and services in the public sector. Amemba et al. (2015, p.272) indicate that the procurement of goods and services is done when a relevant department has approved the requisition submitted. It is important to abide by the rules and procedures of procurement so as to achieve maximum procurement performance.

Procurement in the public sector must be in line with the system, which is fair, equitable, transparent, competitive, and cost effective (Section 217 of the Constitution of the Republic of South Africa 1996, p.141). For the sake of consistency, the term procurement is used for public

procurement, to avoid the usage of terms such as purchasing and buying. The public procurement system relies on the experience of public procurement professionals and is governed by fragmented prescripts. The difference in government spheres is brought about introduction of strategic sourcing (Igarashi, de Boer & Pfuhl, 2017, p.144). Table 3.1 depicts the list of prescripts in the South African Constitution, 1996.

Table 3.1: South African Constitution, 1996

Prescript	Public procurement-related content
Republic of South Africa (RSA) Constitution	Section 217 of the RSA Constitution states that “When an organ of state in the national, provincial and local sphere of Government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.”

Source: Compiled by the researcher

Table 3.2 depicts the list of foundational prescripts that are appropriate in the public supply chain.

Table 3.2: Foundational Prescripts.

Prescript	Public procurement-related content
PFMA	Section 38 (a)(i) of PFMA states that the accounting officer for a department, trading entity and constitutional institution must ensure that the department, trading entity or constitutional institution has and maintains effective, efficient and transparent systems of financial and risk management and internal control. This is to ensure that all public procurements are uniform and comply with the principles of the Constitution, section 217(1), which dictates that public procurement must be competitive, equitable, cost-effective, transparent, and fair.
PPPFA	The PPPFA was introduced in 2000 to regulate all preferential procurement executed by all government institutions, and all

	government institutions are obliged to follow it, as indicated in section 217(2) of the RSA Constitution.
B-BBEEA	Section 217(3) indicates that there must be a legislative framework to regulate the redress of the government imbalances and equity, and address other socio-economic imperatives that the government wishes to achieve through public procurement; therefore, B-BBEEA was then decreed. The B-BBEE contribution certification of suppliers is regulated by this Act and the government uses it to implement a fair and open preferential procurement system.
CIDB	All government departments are obliged to use provisions of the Construction Industry Development Board (CIDB) for the procurement of any construction related works (CIDB Government Gazette No. 21755, 2000, p.3). This was aimed at bringing about standardisation and uniformity in construction contracts' documentation, practices, and procedures (CIDB Government Gazette No. 42622, 2019, p.3). Therefore, preferential procurement guidelines and regulations are applicable to all construction related works exceeding R 200 000. This must be conducted through the procurement processes and procedures as dictated by the Act.
SITA Act	The State Information Technology Agency was established to provide information technology, information systems and related services to act as an agent of the South African Government. The main aim was for the departments and organs of state to participate when procuring all Information Communication Technology related equipment at a certain threshold (Government Gazette No. 19371). The ICT procurements are subject to SITA regulations and guidelines that are regularly issued by the SITA and National Treasury. Therefore, all ICT related procurements of a certain threshold must be channelled through the procurement processes and procedures dictated by the SITA Act.

Source: Compiled by the researcher

Table 3.3 depicts the list of Regulations, Instruction notes, Circulars and Guidelines of Public Procurement.

Table 3.3: Regulations, Instruction notes, Circulars and Guidelines

Prescript	Public procurement-related content
Treasury Regulations	<p>The public procurement activities in all government departments and in other public entities are regulated by the Treasury Regulations, and especially Regulation 16 and 16A.</p> <p>Treasury regulations prescribe the procedures and processes for all bids and quotations systems that need to be implemented, disposal regulations, and ethical conduct of public procurement officials. Therefore, all National Treasury Regulations support the PFMA and ensure effective and efficient financial control in any government institution.</p>
Preferential Procurement regulations	<p>National Treasury introduced the Preferential Procurement Policy Framework Act (PPPFA) to enhance the participation of Historically Disadvantaged Individuals (HDI's) and Small, Medium and Micro Enterprises (SMME's) in the public sector procurement system. It also prescribes the roles of functionality and the requirements when implementing local production and content in preferential procurement processes.</p>
National Treasury instruction notes	<p>National Treasury has published several instructions notes with an aim to promote economic development, good governance, social progress, and rising standards of living through the accountable, economical, equitable and suitable management of public procurement. The purpose is to provide strategic leadership and support services.</p>
National Treasury circulars	<p>National Treasury has published several circulars pertaining to public procurement with an aim of reminding government institutes to pay attention to the set of policies, norms and standards regarding the implementation and management of any public procurement system.</p>
National Treasury guidelines	<p>National Treasury has published several public procurement guidelines and procedures to promote and enforce a transparent framework of procurement laws and regulations, policies, practices and procedures that must be readily accessible to all government spheres. All public procurement-related prescripts are available from the National Treasury website.</p>

Source: Compiled by the researcher

3.3 Strategic Sourcing in Public Procurement

Strategic sourcing is an approach to supply chain management that formalises the process of collecting and utilising information so that a company can use its combined purchasing power to negotiate the best prices available in the market. The strategic sourcing process requires an organised system that enables supply chain to function systematically and minimise costs. The sourcing process consists of seven main stages. The first stage is understanding the landscape or spend under the direct control and ends with contracting and managing the supplier relationship (National Treasury – Strategic Procurement, 2016, p.20). Strategic sourcing is an essential practice for improving the performance of state procurement organisations, to reduce costs, increase efficiency, and mitigate supply risks. While many procurement requirements are reactive to the short-term, strategic sourcing seeks to align procurement practices with an objective of creating and maintaining long-term value (National Association of State Procurement Officials (NASPO), 2019, p.1).

Strategic sourcing is specifically guided by five core principles which are: assessing the total value supplier relationship; developing individual commodity category sourcing strategies; evaluating internal requirements and commodity specification; focusing on supplier economics; and driving continuous improvement with the supplier (Mbiko, Mbara and Swanepoel, 2017, p.2). In order to meet predetermined and agreed-upon business needs, strategic sourcing can be regarded as fulfilling business requirements from markets by means of proactive and planned analysis of supply markets and supplier selection. Managers are able to maximise their pool of suppliers, take advantage of bulk purchases in order to achieve economies of scale, get value for their money, and ultimately cut back on needless expenses. (Setino, 2018, p.7). Figure 3.1 depicts the stages of the strategic sourcing approach.

Figure 3.1: Stages of Public Procurement Process

STAGES OF PUBLIC PROCUREMENT PROCESS						
S 1 Need Identification	S 2 Pre- solicitation	S 3 Solicitation preparation	S 4 Solicitation Process	S 5 Evaluation Process	S 6 Award	S 7 Contract
You receive a requisition and / or a request for goods or services	Deciding on which purchasing methodology to use	Creation of specification	Acceptance of bids/proposals	Analyse supplier responses	Handle protest(s)	Complete contract assessment and supplier performance report
Meet with end user to gather information	Considering the number of contracts renewals to use	Development of sourcing strategy	Conducting pre-bid or site briefing/visits.	Consider reciprocal preference law	Issue notice of intent award (NOIA)	Renewal of existing contract
Decide on specific category (IT goods or special services)	Determine which solicitation tool that will be used	Deciding whether to use open or fixed contract	Posting of bids	Solicitation has closed, no additional bids/ proposals will be accepted	Document and store contract/ purchase details	Creation of contract administration plan
Review order of precedence	Review delivery requirements	Writing specifications	Determining posting timelines	Section of supplier to award solicitation	Issue notice of award (NOA)	Sustain results

Source: Kurt Albertson (2017)

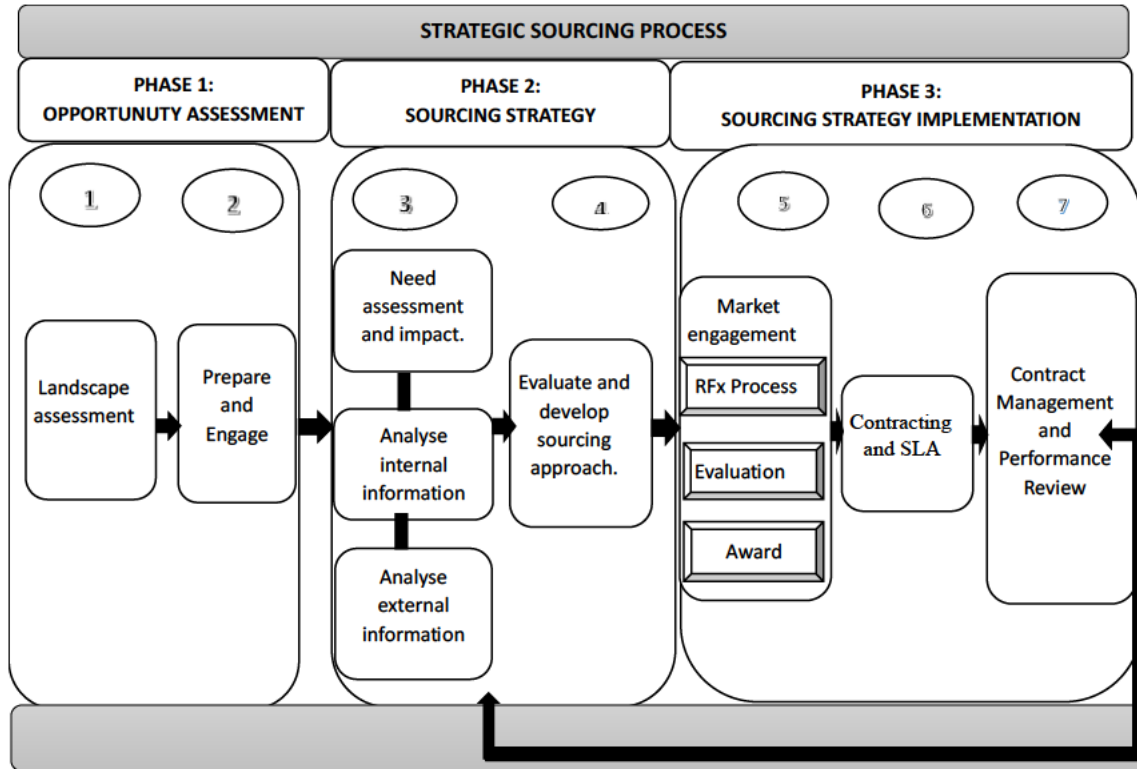
3.3.1 Public sector strategic sourcing in South Africa

Public sector strategic sourcing gives government institution opportunity to select the correct supplier through the intensive analysis for goods, construction projects and services. This is to help government organisations achieve their mission, strategic objectives, and goals in the most efficient and economical way. However, strategic sourcing in the public sector is still in its infancy as a direct result of stringent public procurement legislation (National Treasury Office of the Chief Procurement Officer, 2016, p.6).

The main purpose of strategic sourcing is to increase opportunities of cost savings, minimise supply risk and long-term supply stability. Strategic sourcing is of paramount importance in procurement performance of government institutions. It characterises an organisation’s transformation to supply management. This aspect of supply management provides the most valuable benefits to the organisation. Strategic sourcing plays a critical role in terms of procurement processes, identification, and selection of the suitable supplier whose costs, qualities, technologies, timeliness, dependability, and service best meets the organisation’s

requirements (Ayoyi & Odunga, 2015, p.1). Figure 3.2 depicts three phases of strategic sourcing in public procurement, which are as follows:

Figure 3.2: Phases of the Strategic Sourcing Process



Source: Chief Directorate: Strategic Procurement (2016)

3.3.2 Strategic procurement planning

Strategic procurement planning is the transformation of an organisation’s mission, goals, and objectives into quantifiable activities that can be used for organising, allocation of funds and managing the procurement function in the organisation. It is a process used by government institutions to ascertain that the required products have allocated funds and approved by delegated authorities in the strategic planning session (Albertson, 2017, p.6). Strategic planning participation is then followed by procurement planning, where, at the beginning of each financial year, procurement plans are developed in collaboration with all other relevant parties, including the Chief Financial Officer as well as end user departments., The procurement unit is required to collaborate with all user departments to create an intensive annual procurement plan (SCM Instruction 2 of 2016/2017, p.1).

This process is followed by an analysis of goods, services and works needed, where the past expenditure of each product is analysed. This is then followed by a plan of acquisition of the

identified products, which, among other things, requires the sourcing strategy to be utilised (National Treasury, 2011a).

The goal is to bring about positive change in organisational culture, systems and operational processes. Procurement strategies in a public entity ought to be in line with the organisation's vision, mission, values, and objectives. These strategies ought to be proactive in nature, involving all levels and units of the public entity to better support the needs of the community and important parties. An organisation can better coordinate and balance resources against the needs of the community, both now and in the future, and achieve better results for the organisation by using a comprehensive planning process for its procurement strategy. (Demel, Lucas, Clifford, Roberson Walton, 2015).

3.3.3 Public procurement methods

Government departments around the world are governed by rules and regulations of public procurement; therefore, public procurement is regarded as an important tool for good performance in service delivery. Hence public procurement relies heavily on how government departments perform in ensuring efficient delivery of goods and services (Uyarraa, Zabala-Iturriagagoitiac, Flanagan & Magro, 2020, p.3). Government departments have implemented appropriate and convenient procurement system which can be utilised by government spheres to purchase goods and services (Baiden, Abdul-Razak & Danku, 2015, p.732). In the public sector, the procurement method is differentiated by threshold values within which accounting officers may procure goods and services from petty cash, written price quotations, and competitive bids, through contracting and emergency processes (PFMA SCM Instruction No. 02 of 2021/22, p.1).

- **Procurement through Petty Cash**

This is another method of purchasing goods and services which has limited amount from R1 to R2000 (including all relevant taxes) without requesting quotations or going through a formal bidding procedure. Petty cash can be defined as an amount reserved for emergencies where the bidding process is not followed and is used for making small payments for day-to-day needs (SCM Instruction No. 02 of 2021/2022, p.1). It is used to reimburse staff members for small expenses when another form of payment (procurement card, purchase order, expense reimbursement) is not appropriate or available (SASSA Petty Cash Policy, 2015, p.5).

- **Request for quotation (RFQ)**

Request for quotation is a reliable strategy of procuring goods and services by inviting a quotation between R2001 to R1 000 000 (including all relevant taxes) through potential suppliers listed on the Central Supplier Database. This is strictly done by ensuring that the quoted amount is market related. Should the quoted amount not be market related, negotiations must be conducted in accordance with the Preferential Procurement Regulations, 2017 (SCM Instruction No. 02 of 2021/2022, p.1). Quotations are requested in writing from as many prospective bidders as possible, but not less than three quotations using standard documents prepared by the procuring entity. Where less than three quotations are received, a justification for inviting less than the minimum three bidders must be provided in the record of the procurement proceedings (Procurement Methods & Procedures, 2021, p.11).

- **Competitive bidding process**

This is another special method of procurement which is carefully used after the analysis of the requirement and the crating of the terms of reference. The preparation of the bid documents, which include the specifications for the goods and services needed, is the first step in every government procurement procedure. The primary data found in bidding documents are the terms of reference, evaluation criteria, functionality, specifications, and SBD forms that are used to qualify and disqualify bidders. (PFMA SCM Instruction No. 02 of 2021/22, p.3).

- **Transversal contracting in public procurement**

Transversal contracting is a procurement system for all public entities that is used for the to the procurement of goods and services from the approved and vetted central list of service providers (Fuzile, 2015, p.47). The National Treasury prepares the procurement of certain goods, services and works centrally for all government departments to participate in Transversal Term Contracts with terms and conditions. This process of procurement eliminates costs and delays and ensures the adequate procurement of required goods and services (National Treasury Transversal Contracting, 2017, p.6).

The Office of the Chief Procurement Officer (OCPO) was established in South Africa to encourage, support, and uphold the efficient and transparent administration of the state supply chain. The primary goals were to modernise the state supply chain management system to be fair, equitable, transparent, competitive, and cost effective, and to establish good stewardship of government assets and resources. It makes it possible to use financial and other state

resources including assets in an economical, efficient, and transparent manner to improve service delivery. This guarantees the coordination of public procurement practices with National Treasury Transversal Contracting, the provisions of the PFMA and, in most cases, with the requirements of the MFMA (National Treasury Transversal Contracting Guide, 2017, p.3).

- **Emergency procurement**

This is another method of procuring goods and services where immediate action is taken to prevent possible and unpredicted, risky situations and threatening cases, when the invitation of competitive bids seems to be impractical. This can happen when there is a dangerous and unpredictable situation that possesses an imminent risk to health, life, property, operations, and environment that necessitates prompt action and there is insufficient time to invite competitive bids (National Treasury Instruction Note No 5 of 2020/21, p.2). Examples include natural flood disasters, Covid-19, looting and cholera that require emergency procurement of goods and services to rescue the vulnerable communities. The reasons for the emergency and for dispensing of competitive bids should be clearly recorded and approved by the delegated authority (National Treasury SCM guide for Accounting Officers, 2004, p.32).

3.4 Needs Analysis and Annual Performance Plan

This is the first component of the public sector's procurement system and its operations. Annual Performance Plans (APP) identify the performance metrics and goals that the organisation plans to pursue in the next fiscal year. It is important that these performance metrics and objectives are in accordance with organisation's annual plans (National Treasury Framework for Strategic plans and Annual Performance plans 2010, p.7). The South African Social Security Agency is a schedule 3A Public Entity, established in April 2006, in terms of an Act of Parliament (SASSA Act, No. 9 of 2004). The main goal and core responsibility of SASSA is to grant social assistance to eligible citizens in South Africa who are unable to support themselves and their dependents. The goal is to alleviate poverty (Social Assistance Act No. 26442, 2004).

Procurement is one of its performance indicators and targets to accomplish its vision and mission of becoming a leader in the provision of social security services offering social security and related services to eligible individuals in South Africa. The APP is an implementation tool

used to manage and monitor the acquisition and spending of goods, services and works in the organisation over a period of a financial year. It is a requirement that government departments align all projects with the annual procurement plan and the institution's planned goals and prerequisites. The SCM strategy is therefore focused on meeting the business needs to satisfy the delivery of effective services to the communities (National Treasury SCM Instruction Note No 2 of 2016/2017, p.2).

The SCM is responsible for making sure that the government's specially allotted public funds are available to meet the needs of South African citizens as determined during strategic planning meetings in government institution. s. Consequently, SCM is expected to ensure that service delivery is carried out with acceptable quality standards and specified quantities at the appropriate location, at the appropriate cost, and at the appropriate time. One of the most important tasks in demand management is the needs analysis, which involves analysing and projecting an organization's present and future needs based on past spending. (National Treasury, 2011a).

3.5 Challenges arising from Government Legislatives Practices

Government introduced policies and regulations that serve as a guide in the procurement of goods and services across all its three spheres through the National Treasury to create a sense of uniformity (National Treasury, 2005b). The SCM prescripts developed to guide all government spheres (depicted in Tables 3.1 to 3.3) serve as the drivers of procurement-law reform in South Africa. Despite government's efforts to introduce prescripts at different times, they remain fragmented, and public procurement continues to face challenges. This has led to different transformation, such as "new regulatory frameworks for SCM, strong support through Treasury instruction notes and circulars, the new role of functionality and allocation of preferential points in the procurement process, the establishment of verification agencies, the introduction of electronic tax systems, the establishment of thresholds for local content production, the use of a centralised procurement database, the integration of government procurement systems, as well as contract centralisation of certain government services" (Ambe, 2016, p.288).

The Public Procurement Oversight Authority (PPOA) states the reasons why the SCM has faced challenges to implement the procurement laws and regulations. These include: failure to use procurement law and regulations effectively for management to understand the importance of compliance; failing to manage records properly and poor filing systems; poor ICT systems

of applying correct aspects of procurement; failing to assist SCM officials by introducing regular procurement trainings for SCM practitioners to be able to utilise and comprehend procurement law and regulations for their daily life; and lack of instilling rules and regulation amongst the parties involved in the implementation of procurement planning (Amemba, et al., 2015, p.273).

The South African government introduced several legislation and policies to transform public procurement to all its spheres for it to be meaningful (Section 217 (1) of the Constitution of the Republic of South Africa, 1996). Despite all effort made by National Treasury, challenges remain the stumbling block for the use of public procurement as an instrument for wide-scale socio-economic transformation for the country. For government to address these challenges, the Public Procurement Bill (2022-23) was introduced to modernise the procurement system so as to create efficient public procurement procedures. There are several SCM challenges within the laws, policies and regulations that seem to create impediments for government spheres to be able to use public procurement as a tool for achieving the socioeconomic objectives (South African Local Government Association (SALGA), 2020, p.4).

Concerns have been raised about the National Treasury's periodic issuance of guidelines, practice notes, and circulars without appropriate communication with the practitioners across all branches of government who serve as the appropriate custodians of public procurement. It is concerning when some instructions and practice notes are repealed and soon after new prescripts are introduced which is not done in an orderly manner. These ever-changing SCM prescripts, make it difficult to understand the appropriate prescript (Manyathi, 2019, p.71).

3.6 Public Procurement Process and Service Delivery

Government established the public sector with the purpose to provide services to the public; hence, public services are activities and services rendered by the government in the interest of the public domain and for the benefit of the public. Service delivery refers to the various services offered by the government departments to its community. All governments depend on the tool called service delivery to create good relationships between the government and the public. Service delivery's objective is to create and give assurance to the wellbeing of the community (Shittu, 2020, p.1).

In the public sector, the process of purchasing goods, services and construction works by the government is known as public procurement; its purpose is to fulfil the needs of the public.

This is an indication of how important it is to have a good relationship between public procurement and service delivery. The collection of taxes and levies by government create an impression that government would be able to deliver service efficiently and effectively by means of public procurement to satisfy the needs of the community. Therefore, public procurement plays a vital role in offering quality services to its community (Siyal & Xin, 2020, p.1).

3.7 Conclusion

This chapter examined previous challenges in supply chain management performance in the South African public sector and how it affected performance of service delivery. Mitigatory measures adopted were examined and other possible measures that can be assumed to counter challenges in public procurement were identified. The challenges identified in this chapter were used to craft the interview guide, which is discussed in the next chapter. It was necessary for this chapter to lay the groundwork for the empirical study. The following chapter presents the research methodology of this study.

CHAPTER 4: RESEARCH DESIGN AND METHODOLOGY

4.1 Introduction

The previous chapter focused on the review of the supply chain management performance in the South African public sector, strategic sourcing in public procurement, the legislative framework, needs analysis and annual performance plan, the challenges caused by public procurement legislation, and public procurement processes and service delivery. This chapter's objective is to provide an overview of the research methodology that was applied to the study. For the research questions, the researcher developed an appropriate research strategy. A summary of various research methods is presented along with the reasoning behind the selection of a specific research approach. This chapter commences by outlining the meaning of the research process, followed by describing the nature of the research questions, the objectives of the research study and the proposed methodology, pointing the research strategy in the direction of qualitative research.

4.2 Revisiting the Research Objectives

The purpose of this research study is to identify the challenges experienced by SASSA in KZN. Saunders et al. (2019, p.815) state the purpose of the research objectives as precise, unambiguous statements that outlines what the researcher aiming to achieve through the research study. The purposes of the research study are provided in the sub-sections below.

4.2.1 Research Objectives

The problem statement is:

There is a need to identify and address the supply chain management challenges that negatively impact on the performance of SASSA in KZN, in order for them to meet their targets efficiently and effectively

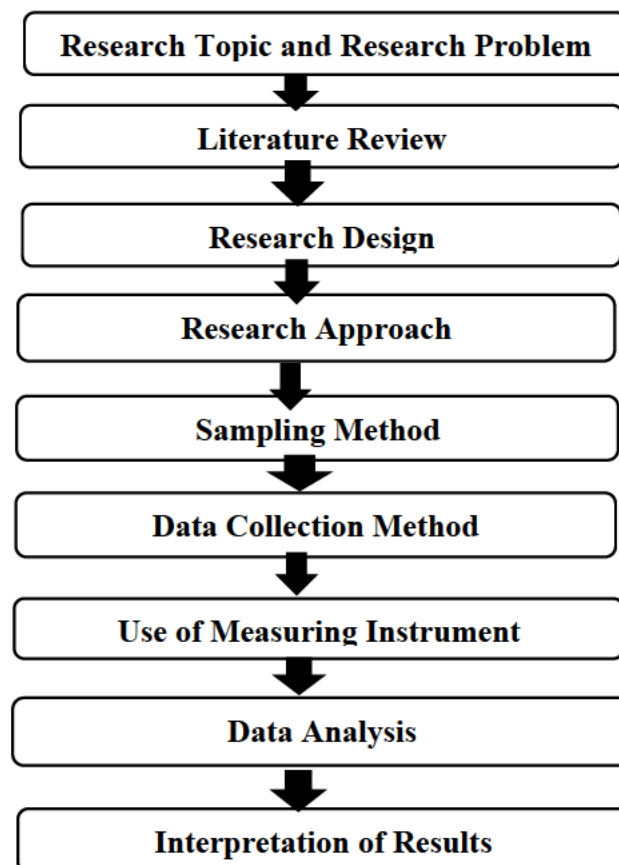
In order to address the problem statement, the following research objectives need to be dealt with:

- To determine what the supply chain management challenges experienced by SASSA in KZN are.
- To find out how these challenges impact on SASSA's performance in KZN.
- To identify the strategies SASSA in KZN could have in place to manage / address these challenges.

4.3 Research Process

Saunders et al. (2019, p.11) indicate that conducting research involves a number of steps that a researcher must take to start and complete the research project. The research process is a series of various steps which a researcher is expected to follow gradually to resolve the problem. These stages include developing and defining a topic, reviewing relevant literature, designing a study, gathering and analysing information, and writing up the research project. t (Singh, 2021, p.1). To recap, the purpose of this study was to pinpoint the SCM challenges that SASSA encounters, to find out how these challenges impact on SASSA's performance, and what plan they have in place to address the identified challenges. To accomplish these objectives and research questions, a research roadmap (Table 4.1) was drawn up. Table 4.1 is a demonstration of a research roadmap that can be used for any research study. The stages involved in this figure are relevant for this research study.

Table 4.1: The Research Process

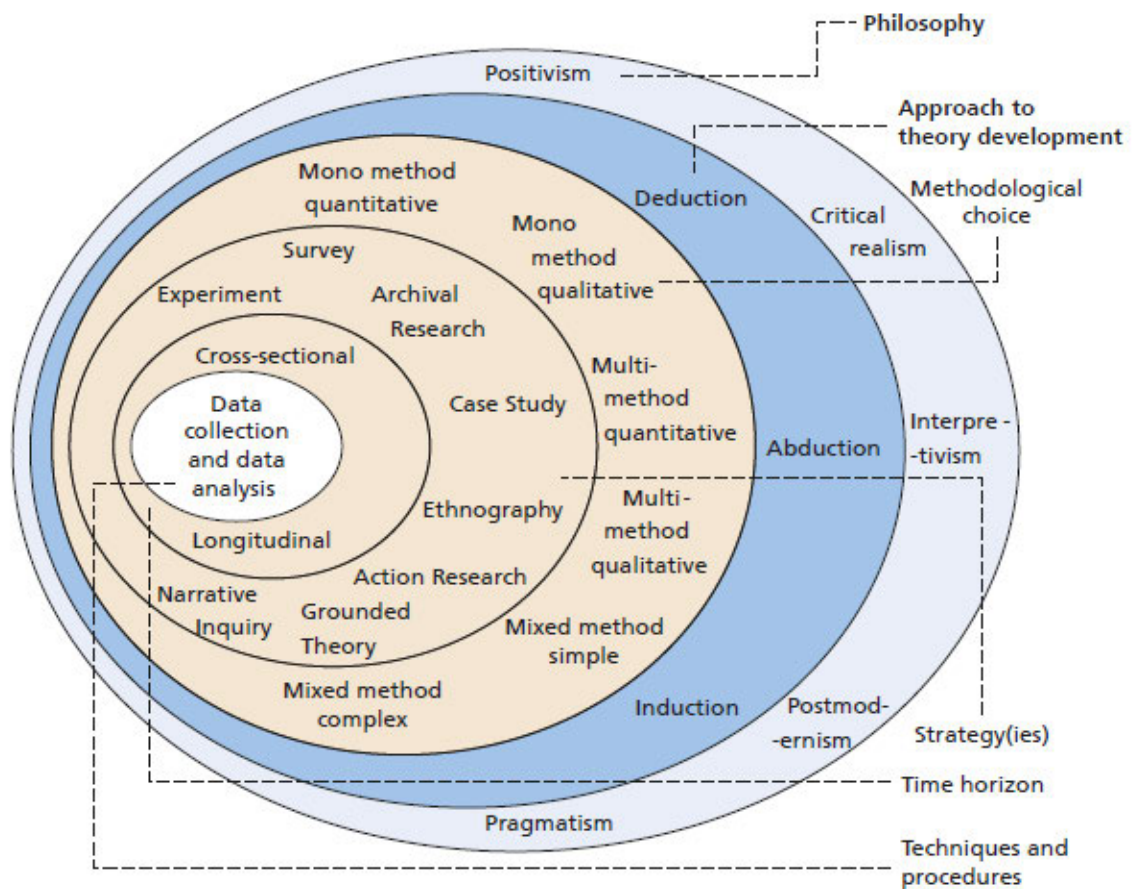


Source: Sekaran & Bougie (2016, p.124)

4.4 Research Onion

The primary objective of this research study is to explore the challenges impacting supply chain management performance at the South African Social Security Agency in KZN and what strategies they have in place to address these challenges. The research onion in Figure 4.2 depicts the philosophy and methodological choice of this research study.

Figure 4.1: The Research Onion



Adapted from: Saunders et al. (2019, p.174)

4.5 Research Philosophy

The outer part of the onion structure in this study is used to outline the research philosophy. The term 'research philosophy' relates to the study of the problems that demand immediate and ultimate action, issues pertaining to reality, knowledge, and global values. The objective of philosophy is to discover philosophical responses to arising questions through a critical and methodical approach that depends on reasoning argument (Kenaphoom, 2021, p.660). Naude (2018, p.95) describes research philosophy as the relevant mechanism to determine questions

arising and fulfilling the objectives of the study. It is made of assumptions that underpin a study and its research strategy, as well as the gathering of information systems and data analysis processes used for the study.

Saunders et al. (2019, p.130) define the research philosophy as occurrences of events that create a certain beliefs and assumptions regarding the advancement of knowledge. It develops new understanding that brings about new information and knowledge in a specific field when resolving a problem. For example, when one in an organisation trying to do research about a particular problem and new information is created. Saunders et al. (2019, p.130) further state that there are five major philosophies in business and management; these are depicted in Figure 4.1. Philosophies are there to guide the research method and analysis of the study. These philosophies comprise positivism, critical realism, interpretivism, postmodernism and pragmatism.

- **Positivism** is a philosophical paradigm based on the ontological conviction that reality is quantifiable and only limited to what can be directly observed. Positivism can be viewed as a method of conducting social research that aims to use the natural science model of research as the starting point of for exploring of social phenomena and explanations of the social world. It contains a belief based on the presumption that patterns, generalisations, methods, procedures, and cause-and-effect issues can be used to the social sciences. This belief of positivism shows that the objects of the social sciences, namely people, are suitable for the scientific methods application (Coleman, 2020, p.1218).
- **Critical Realism** is based on explaining what we can observe and experience, in terms of the concealed structures of reality that shape the observable events. Critical realists typically use a range of techniques to conduct historical analyses of social and organisational structures that are evolving or method stable (Saunders et al., 2019, p.147).
- **Interpretivism** prioritises the examination of intricate variables and context related factors. It views humans as distinct from physical phenomena because they add to depth of meanings, based on the premise that human beings cannot be studied in the same way as physical phenomena (Alharahsheh and Pius, 2020, p.41)
- **Postmodernism** is the view that each person has both the intelligence and the right to determine for themselves what truth is. Previously truth was a clearly acknowledged and well-defined fact that was generally accepted by each generation. Postmodern individuals

define truth as opaque. Postmodern people based their search for truth on their own research, unique experience and interpersonal relationship, instead of basing their conclusions on the truth that is recognised by their parents, government, and the church (Farhan, 2019, p.1).

- **Pragmatism** is a philosophy that contends that ideas are only important when they facilitate action. It considers that research begins with a problem and seeks to provide practical solutions that influence practice in the future. It is criticised as a philosophy in general and as philosophical justification for the mixed-method research design, particularly for failing to address the differing assumptions of the quantitative and qualitative paradigms (Heba Maarouf, 2019, p.1). Therefore, the study followed positivism as a philosophical paradigm. Saunders et al. (2019, p.130) further state that there are several assumptions the researcher makes which includes but are not limited to the realities the researcher encounters in the research:

- Ontological assumptions are based on realities encountered during the research, and thus helping to define the way in which the research issued is studied. These assumptions are helpful to the researcher to determine the choice of study.
- Epistemological assumptions are based on human knowledge regarding how one knows what is known by others.
- Axiological assumptions are based on how the research process is influenced by a researcher's own values and ethics.

The study relies mostly on the epistemological assumptions when the researcher identifies a potential academic problem that requires immediate attention, especially when the research is conducted in field of industry. It is of paramount importance for a researcher to avoid biased behaviour when conducting a research study in field of industry. This can be obtained by ensuring that the researcher adheres to the outcome of the responses from the participants of the study instead of relying on a certain experience which is more likely to create unnecessary biasness. Therefore, these assumptions allow the researcher to design a coherent study with the elements of the study complementing each other.

4.6 Research Approach

The research approach is when a researcher collects research data to resolve the research problem and is guided by certain procedures (Saunders et al., 2019, p.151). The second layer

of the research onion explains three main types of research approaches, namely, deduction, induction, and abduction.

- **Deduction** is when the source of development of a hypothesis is based on an already existing idea, where a research strategy is then designed to test the hypothesis (Saunders et al., 2019, p.146). This approach creates conclusions from the principles of the theory in question and is mainly used for scientific research (Woiceshyn & Daellenbach, 2018, p.5).
- **Induction** is another suitable approach to an idea, based on the analysis, and observing patterns and regularities in experiences with the aim of reaching a conclusion and generating a theory. The main purpose of this approach is to generate meaning from collected data with the aim of identifying patterns and / or relationships with the intention of building a theory (Saunders et al., 2019, p.154).
- **Abduction** is an approach that moves back and forth and is a combination of deduction and induction. It does not move theory to data (as in deduction) or data to theory (as in induction) (Saunders et al., 2019, p.155).
- **Inductive** as an approach is intended to change raw data into a clear summary. The purpose is to determine the relationships between the research objectives and the findings obtained from the raw data. It allows the researcher an opportunity to get and understand meanings that originated from raw data and identify patterns and relationships to construct a theory (Saunders et al., 2019, p.155).

This study adopted the inductive approach, because of the limited available information of the topic, and furthermore, it allowed the researcher to understand meanings that originated from raw data.

4.7 Research Design

Research design is the strategy of how to ask and answer the research questions of the study (Saunders et al., 2019, p.173). The research design is the strategy designed by the researcher on how the research questions will be asked and answered and defines the success of the research design (Naude, 2018, p.99). Research design is the main structure of research that indicates how the research is conducted and puts all the elements of the research project together (Akhtar, 2016, p.68)

The research design is regarded as the primary condition determining how data will be collected and analysed for a successful research project. The research design gives a clear picture of what the research is all about and gives the light to guide the research exercise. It keeps the progression of the research in the right direction for the research study to be successful (Sekaran and Bougie, 2016, p.96). The research design is the foundation that contains a sound, systematic, and organised plan for the research undertaken (Thakur, 2021, p.54).

The research design specifies the importance of the data collected and analysed to create a meaningful and comprehensive research study (Tobi & Kampen, 2017, p.3). The approach used in the research design explains clearly how the researcher intends to conduct the study to answer the research questions (Jilcha, 2019, p.1). There are four basic categories of research design available to researchers, each of which is appropriate for data collecting and analysis, including descriptive, explanatory, and exploratory designs (Akhtar, 2016, p.73).

- ***Descriptive research*** is a study that systematically defines a type of subject and behaviour; it further describes a population, situation, and phenomenon accurately (Loeb, Morris, Dynarski, Reardon, McFarland & Reber, 2017, p.2). Descriptive research creates a credible and accurate profile of events. Its design uses a wide variety of research methods when investigating. The research questions that the researcher asks during data collection are what, where, when and how questions, but not why questions, to gain a description of events (Saunders, et al., 2019, p.187).
- ***Explanatory research*** intends to give a clear picture to the researcher on how variables cause and impact each other. The study design aims to investigate a research topic to understand how and why a link exists between the variables. It identifies the association between variables that relate to the research problem (Saunders, et al., 2016, p.176).
- ***Exploratory research's*** purpose is to provide insight into a phenomenon to create new ideas and knowledge about the phenomenon (Pawar, 2020, p.50). Sekaran and Bougie (2013, p.27), argue that when only a few facts are provided to the researcher but more knowledge about phenomenon exploratory research is deemed appropriate.
- ***Evaluative research*** is the systematic assessment of the merit of time, money, effort, and resources spent to achieve a goal. Its purpose is to measure the effectiveness and success of a particular project. The data collected during the evaluation gives a clear understanding

of whether the project was a success and how well something works as it allows the researcher to assess performance and do comparisons (Saunders, et al., 2016, p.176).

This study was exploratory and descriptive as the study sought to identify the supply chain management challenges that negatively impact on the performance of SASSA and how they address these challenges, in order for them to meet their targets efficiently and effectively. The exploratory research design has the advantage of changing direction because of new data that has been introduced (Akhtar, 2016, p.73). Exploratory research has proven to be the best tool that can be used to generate new ideas and provide more information about the problem (Saunders, Lewis & Thornhill, 2019, p.186). The descriptive research creates credibility and an accurate profile of events. It is designed to use a wide variety of research methods when investigating. The research questions that the researcher asked during data collection were what, where, when and how questions, but not why questions, to gain a description of events (Saunders, et al., 2019, p.187).

4.8 Research Methodology

Research methodology refers to the technique used when conducting a research study. It serves as a guide to the researcher on how the research study is conducted. It gives a clear analysis, methods, descriptions and understanding of the limitations contained in the research study. Research methodology systematically designs the research study for a researcher to be able to follow a reliable and valid objective (Igwenagu, 2016, p.5). Research methodology refers to the system on how research should be undertaken to achieve the purpose of the study, and it systematically paves the way to resolve the research problem (Saunders et al., 2019, p.4). Research methodology is regarded as the science of the research study, where one learns what, where, and how to solve the research problem. It contains certain steps that a researcher needs to follow to complete the research project. The research methodology helps the researcher to comprehend the scientific research process. The research methodology follows three systems for the collection, analysis and interpretation of information, which are qualitative, quantitative, and mixed methods (Patel, 2019, p.48).

Qualitative research helps to collect and analyse information that cannot be summarised in numerical form. It is about determining and providing insight into the “why and how” of decision-making within the method and not just the “who, when, what and where” (Yin, 2015, p.7).

Quantitative research is used systematically to quantify and analyse numerical data to answer questions like who, how much, what, where, when, how many, and how. The quantitative research method describes phenomenon through gathering and analysing data in numerical form (Apuke, 2017, p.41).

Mixed method research incorporates the qualitative and quantitative methods in a single study. It includes its philosophical assumptions to give clear directions for the collection and analysis of data (Dawadi, Shrestha and Giri, 2021, p.27).

For this study, a qualitative approach was deemed appropriate to collect data. The main objective was to identify the supply chain management challenges that negatively impact on the performance of SASSA and how they are managed. Thus, the focus was on understanding the processes, which resulted in an output of words rather than of numbers.

4.9 Research Strategy

The research strategy guides the way a researcher must take to answer the research question of the study (Saunders et al., 2019, p.189). The research strategy plays a vital role in guiding a researcher when selecting data collection methods to achieve research objectives (Melnikovas, 2018, p.39). Research strategy fundamentally dictates the method by which data is subsequently collected and analysed. The research strategy will therefore assist a researcher to address the research questions and objectives and achieve the research purpose (Denzin and Lincoln 2018, p.795).

Saunders (2019, p.190) further explains some key research strategies in the following subsections. The initial two research strategies are associated with a quantitative research design, the following two may involve either quantitative or qualitative research, or a mixed design that incorporates both, and the final four strategies are associated with a qualitative research design.

4.9.1 Experiment

Experiment is the methodology that plays a crucial role in indicating an existing limitation before a researcher commences a research project (Chatterji, Findley, Jensen, Meier & Nielson, 2016, p.117). A scientific experiment is a technique used to create a discovery, test a hypothesis, or demonstrate a known fact. There is a close relationship between experiment and the research approach where independent variables are measured (Sekeran & Bougie, 2016, p.97). Experiment is more linked to the natural sciences; however, it features strongly in

psychological and social science research. The purpose of experiment is to study the probability of a change in an independent variable causing a change in another dependent variable (Saunders, 2019, p. 190).

4.9.2 Survey

Survey research means collecting data from a group of people who relate on a particular subject of a research study. It helps a researcher to be able to critically analyse responses from participants in a study and to draw conclusions on the topic from a study. Survey research is a flexible method that can be used with any research strategy, both quantitative and qualitative. A quantitative research strategy uses questionnaires with numerically rated items and qualitative research strategy uses open-ended questions (Ponto, 2015, p.168). The survey strategy is commonly used by business enterprises and management research to answer questions such as ‘what’, ‘who’, ‘where’, ‘how much’ and ‘how’ in a research study and is helpful in exploratory and descriptive research (Saunders, 2019, p.193). It can also be used when collecting data from large groups of people where it allows researchers to ask questions randomly; it is well suited for acquiring demographic information from large groups of people (Story & Tait 2019, p.192).

4.9.3 Archival and documentary research

Archival research is a research method that allows a researcher to retrieve audio and written recorded information with the purpose of extracting reliable evidence from original archived records that relate to the historical occurrences. This assists a researcher to support documented records and claims of individuals (Gilliland, McKemmish & Lau 2017, p.43). The initiative by governments and other stakeholders to introduce digitalisation of data and the creation of online archives has created a wide opportunity for researchers to use an archival and documentary research strategy. Online archived information offers an opportunity for a researcher to access information around the world. This potentially provides researchers with considerable scope to design a research project that capitalises on the wide range of secondary data sources (Saunders, 2019, p.193).

4.9.4 Case study

A case study is a methodological research approach used to generate an in-depth understanding of a contemporary issue in a bounded system and is used in qualitative research method. Case study is a fundamental method of evaluating and comparing, and it creates a better

understanding of different aspects of a research problem. Researchers are strictly guided by data collection procedures when gathering information from a case study (Payne, 2020, p.1). Case study plays an essential role in the provision of a basic framework for evaluation and analysis of a complex subject that entails an in-depth examination of similar scenarios (Harrison, Birks, Franklin & Mills, 2017, p. 1).

4.9.5 Ethnography

Ethnography is a qualitative research method that is designed to investigate social relations, diversity of habits and cultural groups to better understand its history. Ethnography means a detailed written historical information of people or ethnic group. It is an important qualitative research strategy, with its origins in colonial anthropology. It is an in-depth study of people, cultures, and subjects in local settings, and analysis in written texts. Ethnography is the reporting of findings and reflects its dual meaning as research (Sluka, 2018, p.178).

4.9.6 Action research

Action research is when participants and researchers produce knowledge through collaborative communicative processes; it incorporates a wide range of evaluative, investigative, and analytical research methodologies with the purpose of identifying the existing problems (Antonellis & Berry, 2017, p.41). It is a strategic method used to discover possible solutions to an organisation's difficulty, and for improving practice; for example, through action research, teachers can research their own practice of teaching (Wessels & Wood, 2019, p.1).

4.9.7 Grounded theory

Grounded theory is a research method, an approach, and a strategy for discovering new theories on a particular subject (Roman, Osinski & Erdmam, 2017, p.986). Grounded theory consists of data collection and analysis (Wiesche, Jurisch, Yetton & Krcmar 2017, p.685). An inductive approach is the pillar of a grounded theory, as opposed to a deductive approach to an inquiry (Flynn and Korcuska, 2017, p.103).

4.9.8 Narrative inquiry

A narrative means to relate to an event that previously occurred, to explain step-by-step the true incidences of the story. A qualitative research interview requires a participant to provide a narrative when responding to research questions. Therefore, the term 'narrative' in the research study is used to explicate the nature of the research study interview and outcomes. In the

research study, narrative inquiry specifically indicates the purpose of the research strategy, and it gives a researcher and participants a proper guidance during the research interview. The past experiences of the participants during the interview assist the researcher to be able to access, collect and analyse a complete story that is narrated (Saunders, 2019, p.209).

This study followed the case study approach. The aim of the study was to gain insight into a particular phenomenon and explore the challenges impacting supply chain management performance at SASSA. Therefore, the study specifically chose to utilise the semi-structured interview research strategy using an interview guide; this was aligned to the qualitative research methodology and allowed for in-depth discussion.

4.10 Data Collection

Data collection is the research component used to collect information from targeted variables, so a research study can produce quality evidence and formulate a reliable outcome to questions that have been raised by the researcher for a study (Saunders et al., 2019, p.410-411). The researcher conducted interviews using the semi-structured interview guide, which comprised probing questions to collect the data. A semi-structured interview is a combination of pre-planned and unplanned questions that allow the interviewer an opportunity to conduct the structured and unstructured components of an interview at the same time (Saunders et al., 2019, p.444).

4.10.1 Target population

The target population is the group of people who share similar ideas and preferences, at the place where the study is intended to be conducted. It is the subset of the whole population with whom the researcher intends to conduct the study (McLeod, 2019). The KZN SASSA refers to the government department which is responsible to provide social security and eradicate poverty for the communities from age zero and above in KZN Province. The target population for this study refers to approximately 1500 permanent officials in the SASSA KZN Region who are serving approximately 4.1 million people (KZN SASSA Fourth Quarterly Report, 2021/2022, p.2).

4.10.2 Sampling method

Sampling is where a smaller group of people is selected and carefully organised from the target population to simplify the outcome of the research study. The purpose of sampling is to reduce the number of cases when conducting the study (Mujere, 2016, p.109). A sample design is a

strategy for obtaining a sample from a given population. This is a method the researcher uses to select items for the sample (Shaheen & Pradhan, 2019, p.27). The two comprehensive sampling methods include probability and non-probability sampling, hence the exact total number in the population is unknown (Etikan & Bala, 2017, p.215 -216). Probability sampling is generally used in quantitative research and involves selecting a random sample of the target population. Non-probability sampling is used in qualitative studies where the sampling is based on a subjective judgement of the researcher (Saunders et al., 2019, p.297, 315). Since the study used a qualitative methodology approach, non-probability sampling was used.

Non-probability sampling only gives a chance to a small group of people to participate in the study under the qualitative methodology approach. The main objective of the study is to examine the real life of the entire population (Teherdoost, 2020, p.22). Purposive sampling is used to assist the researcher to select a group of people who know about the problem (Rahi, 2017, p.4).

Purposive sampling is a technique where the researcher chooses participants in the study by relying on his or her own judgement (Sharma, 2017, p.751). Saunders et al. (2019, p.321) argue that the researcher uses their own judgement to select cases that best enable him or her to answer the research question(s) and meet objectives.

In this study, a non-probability, purposive sample was used because the participants of this study were purposely selected – they were relevant to the study as they were in the SCM section and the end user department within the SASSA.

4.10.3 Sampling size

The sample size is the smaller number of participants selected in the study to represent the entire population (Taherdoost, 2017, p.237). Population refers to the collective population whom the researcher intends to research in the study (Shukla, 2020). The sample size of the study was twelve participants, comprising SCM officials and cost centre department managers within SASSA; this ensured that responses were gathered adequately from the large group to gain comprehensive insight. A recommended minimum sample size of twelve participants in qualitative methodology studies is sufficient to reach saturation and can yield fruitful results (Omona, 2013, p.175). Therefore, the sample size of twelve participants is justified for this study as per the proposed method. Data saturation was reached on the 12th interview. Thereafter, there were no questions seeking clarity and additional information requested from

the participants that would be valuable to the study. However, there was repetition of the same information that was already provided by other participants with regards to the SCM challenges faced by SASSA. That was when the researcher considered saturation had been reached.

4.10.4 Participants

The number of participants selected to partake in this study was twelve; they included nine supply chain management officials and three cost centre department managers within KZN SASSA. They were chosen to ensure that responses were gathered adequately from the large group, to provide comprehensive insight. The participants were selected for the study because they are responsible for the day-to-day functions of the organisation. Thus, the chosen participants were deemed appropriate to be included in the study since they were able to provide appropriate answers to the research questions.

4.10.5 Interview guide

An interview guide was designed, containing details of the areas to be addressed with participants. The main aim of the interviews was to extract qualitative data from the participants to determine the challenges that are impacting supply chain management performance at the South African Social Security Agency. The interview guide comprised open-ended probing questions that addressed the research objectives. A copy of the interview guide is attached as Appendix D.

4.10.6 Pre-testing

Pre-testing refers to interviews that are conducted with one or two participants of the target population, to test and verify the reliability of the instrument to be used to collect data in the actual research interviews (Horward, 2018, p. 2). Pretesting is important in the research study since it is the first stage where a researcher must check the validity and reliability of the set of questions that are going to be used with the participants of the study. It is important for a researcher to set up questions that are related to the research study and try to avert questions that are offensive to the participants of the study (Nanda, 2013, p.68). Pretesting questions are administered with a few participants of the larger group targeted to be part of the research study (Wadood, Akbar & Ullah, 2021, p.2419). The pre-test of the interview guide for this study was conducted with the head of SCM at SASSA in order to make sure that the questions were easily understood and unambiguous. Furthermore, my supervisor and the ethics committee at UKZN also checked the interview guide.

4.11 Ethical Considerations

Ethics means the conduct that guides and is expected of the researcher regarding the rights of those who are subjects of the research study (Fleming and Zegwaard, 2018, p.209). The researcher's conduct is mainly influenced by broader norms of behaviour that are approved by the institution (Saunders et al., 2019, p.252). The study complied with the ethical clearance guidelines set out by the University of KwaZulu-Natal (UKZN). A formal application for ethical clearance was submitted to the Humanities and Social Sciences and Research Ethics Committee at UKZN. No empirical data was collected until the full ethical clearance was granted. A copy of the ethical clearance letter is attached as Appendix A.

A gatekeeper's letter was provided by the South African Social Security Agency in KwaZulu-Natal granting permission to conduct this study; this is attached as Appendix B. Furthermore, the researcher requested each participant to complete a letter of informed consent, attached as Appendix C. This was to make sure that the participants read, understood and were agreeable with participating in the study. To maintain anonymity, the researcher made use of pseudonyms to quote the participants verbatim. The data collected from the participants was not taken out of context, and it was voice-recorded and transcribed word-for-word to preserve its integrity.

4.12 Data Quality Control

Data quality control refers to the correct use of systems and policies to ensure data validity and reliability; it includes employing a high level of caution to avoid possible mistakes (Jaya, Sidi, Ishak & Affendey, 2017, p.2647). The study used Guba and Lincoln's (1985) models of trustworthiness to ensure the accuracy of the study. Guba and Lincoln's (1985) models of trustworthiness are credibility, transferability, dependability, and confirmability (Kivunja & Kuyini, 2017, p.26).

4.12.1 Credibility

This is the criteria that creates validity of the research study. It seeks to ensure that the participants of the research study create realities and match what is intended by the study. The quality of data collected from the participants determines the reliability and the quality of the research study (Saunders, 2019, p.217). Credibility of the information collected creates confidence that can be attached to the reliability of the research findings. Credibility means honesty and truthfulness created by valid information represented during data collection from the participants. This study ensured credibility by using verbatim quotes from the participants

and by making notes on observations to validate the findings. Furthermore, an audit trail is available of the voice recordings of the interviews, and field notes of the primary data gathered.

4.12.2 Transferability

In qualitative research, transferability means the extent to which the data collected, and results of the research can be generalised and transferred to another context (Nowell et al., 2017, p.3). This is formally trusted and endorsed by Lincoln and Guba (1985) in transferability. The design of qualitative research does not apply nor allow for replicability, qualitative researchers explicate that it is possible that one context may nonetheless be applicable to another (Stahl & King, 2020, p.27). Transferability refers to the applicability of results obtained from the data collected in a research study to other settings. Transferability in a qualitative research study uses semi-structured or in-depth interviews. In the qualitative research, transferability means that the data collected during the interviews of the study could be applied to other contexts, situations, and populations (Saunders, 2018, p.451). It was the researcher's responsibility to ensure that there was sufficient contextual material about the research, including the area where the study is conducted, numbers of organisations involved in the study, limitations on who was not allowed to participate and contribute data, and the duration of data collection. This study ensured the transferability in the qualitative study by providing evidence that the research findings could be applicable to other contexts, situations, and populations.

4.12.3 Dependability

Dependability means that the research study should follow the research procedures to create honesty, validity, and reliability and give readers of the study an opportunity to make sound judgement on the research perspective. Dependability is relevant for any research study since it must have consistent findings and be repeatable for other researchers; in this way, there is trust and confidence in the evidence (Moon, Brewer, Januchowski-Hartley, Adams & Blackman, 2016, p.2).

A research study must be trustworthy in order to be considered valid. In order to achieve this, the research process must be reliable, dependable, traceable and well-documented. In this study, dependability was ensured by making sure that interview guide's questions were formulated using simple language, and the participants received a copy of the interview guide prior to the interview, to make sure that they understood the questions. The participants' responses were recorded and transcribed verbatim and were accurately reported by comparing

the transcripts to the voice recordings of the interviews. As a result, consistency was maintained across the interviews, adding to the trustworthiness of the results.

4.12.4 Confirmability

This is the fourth and the last principle of qualitative research that is used to verify trustworthiness. This criterion must establish confidence in the responses received from the respondents of the research study and get as close to authenticity of the collected data for the qualitative research as possible. Confirmability is strictly used to establish data and interpret the results of the collected information. For a researcher not to make the mistake of creating data from their imaginations, it is very important to use participants' confirmed data (Stahl & King, 2020, p.28).

In a research study, triangulation is important since it assists to establish validity and confirmability. In this way the researchers' opinions are by no means part of a research study which is why a researcher must indicate steps taken to verify the validity of data collected. The way in which the final findings are interpreted by the researcher plays a vital role in the research study, in seeking to reach the correct, reliable, and convincing conclusions of the research (Nowell et al., 2017, p.3). In confirmability, the researcher's results must be aligned with the conclusion, be traceable, and indicate that all processes were adhered to (Moon et al., 2016, p.2). In this study, interviews were voice-recorded and all data collected were transcribed verbatim. The transcribing process was then carried out by the researcher of this study.

4.13 Data Analysis

Data analysis refers to the methods and processes employed to assess and interpret the data (Belotto, 2018, p.6). The data analysis approach should ensure that the objectives of the study are accomplished. Data analysis involves reducing a vast amount of information to a manageable size by the generation of summaries, the identification of patterns and the application of statistical methods (Archer, 2018, p.5). The researcher evaluates and organise both primary and secondary data obtained throughout the research project (Harding & Whitehead, 2016, p.128).

4.13.1 Thematic analysis

Thematic analysis is used in qualitative research to make sense of and draw meaning from the collected data, by analysing patterns of meaning (Neuendorf, 2019: 213). Thematic analysis is a fundamental system that is relevant to the qualitative research study and is used in the

identification and analysis of information obtained from the collected data. (Nowell, Norris, White & Moules, 2017, p.2 and Kiger and Varpio 2020, p.1). The research study requires themes, sub-codes and codes. The themes arise from identified patterns, and they are identified as themes in relation to the objectives of the research (Wang, Wang & Khalil, 2018, p.204). Certain procedures are required to ensure that the process of thematic analysis is accurate (Scharp & Sanders, 2018, p.1). Six steps to be followed in analysing the collected data, to ensure accuracy (de Wet & Koekemoer, 2016, p.269), are discussed below in Table 4.2.

Table 4.2: Steps taken to analyse the collected data

Steps	Description
1. Familiarising yourself with the data	Transcripts make the recorded patterns more accessible, and the researcher must be able to recheck the patterns after the interview session. A researcher needs to be familiar with the collected data by transcribing it carefully and reading each transcript several times to understand and gain insight into the collected data.
2. Generating initial codes	Coding of collected data is a priority that must be done across the collected data set to organise the relevant collected data. Coding helps to reduce unnecessary data. It assists to re-arrange the collected data and provides the opportunity to organise the fragmented data and link it together to facilitate the process of analysis.
3. Searching for themes	This involves collating codes into potential themes that respond to the research questions and gathering the relevant collected data that is more likely to give support to each potential theme. This is where well-examined codes can be put together and create a theme that corresponds with the research questions.
4. Reviewing themes	Coded information is organised to create a theme that is relevant to the research questions and create a thematic map of the analysis. All the extracted data must be put together accordingly and aligned with the created theme.

5. Defining and naming themes	The coded data is further analysed in terms of the specified theme and the definitions for each theme. This provides the opportunity to develop theme names that further create an understanding of what led to the development of each theme and the essence of each theme.
6. Producing the report	The research questions are revisited for final analysis of the collected data. This comprises selecting and organising the extracted data, linking the analysis to the research questions and literature, and finally, producing the report.

Source: Adapted from de Wet & Koekemoer (2016)

The following is an overview of the steps involved in the thematic analysis for this study.

Step 1: Familiarising with the data

Firstly, the researcher had to transcribe all the audio-recorded data collected during the interviews verbatim. Transcriptions help the researcher to recall the context and content of each interview, and it informs the interpretation; the content is also more likely to be remembered in the context of the precise circumstances of the data collection. The transcripts make the recording patterns visible and accessible, allowing the researcher to examine the patterns that emerge from the interview sessions (Saunders et al., 2018, p.644).

Transcribing means analysing and converting recorded audio and video data to a written format. Written transcriptions of recordings are done verbatim so that they can be thoroughly examined and coded for additional analysis. Audible speech must be reduced, interpreted, and represented in words to create a readable and meaningful written text. This method of transcribing is called verbatim. A verbatim transcription captures every spoken word, laugh, background noise, jargon, broken and incomplete phrases and words. It is transcribed exactly as it sounds (Rincon, 2018, p.1).

The researcher of this study recorded all the dialogues during the semi-structured interviews using a recording machine. This was supported by notes taken during the interviews, to ensure that the highlights were captured. The following are the steps followed in the analysis of the raw data.

Following data setup, thematic analysis starts with a review of the dataset to become familiar with the central ideas, concepts, or experiences described by research participant, recorded in

observation notes, or referenced in artefacts. Familiarity with the dataset is important when conducting a thematic analysis as it enables the researcher to identify initial patterns that may serve as the basis for categories. Thus, it is important to use descriptive questions, to become familiar with the data and try to avoid making unnecessary inferences about participants' perspectives or ideas (Lochmiller, 2021, p.2035).

During this stage, the researcher was able to understand all the important parts of the collected data by carefully reading the transcripts several times to gain a good understanding of the collected data. Thus, important themes were identified that are key in addressing the research questions. By so doing, a better understanding of the collected data was gained, as well as what types of interpretations are likely to be supported by individual data sets.

Step 2: Generating Codes

Following the familiarisation process, initial codes may begin to be generated to organise the data. This organisation represents significant data sets that are more focused than the themes that will be found in the following stage. The researcher can approach the data with guiding questions if these initial codes are theory-driven, as opposed to data-driven, which are dependent on the data. (Campbell et al., 2021, p.2017). During the code-generating step of this study, research questions were revisited so as to reduce unnecessary data from the dataset. The dataset was generated with the aim of gaining insight into the SCM challenges faced by the government departments through the procurement of goods and services. Following the generation of initial codes, the researcher was to identify each coded segment of data, if it was relevant to the study objectives.

Step 3: Generating themes

A predetermined list of themes, and possibly some important questions about the themes are used to guide the behaviour of each semi-structured interview (Saunders et al., 2018, p.666). Researchers can employ the thematic analysis method in qualitative research to systematically organise and analyse complex collected information. It is an exploration for themes that can encapsulate the narratives found in the account of data sets. It includes the recognition of themes through the repetition of carefully reading the transcribed data. There are two methods to conduct a thematic analysis: deductive (top-down) and inductive (bottom-up). In the latter case, the data is coded without attempting to fit the themes into an already-existing coding frame. Themes emerge from the data itself independent of the themes found in other studies.

studies. The focus of themes is strongly linked to the collected data as opposed to the researcher's theoretical interest in the topic. The deductive approach on the other hand, is clearly researcher-driven and enables the researcher to analyse the data in light of the issues under investigation and their theoretical interests. When employing this method, the researcher typically starts the analysis by identifying the themes through a review of the literature. Starting with a deductive approach, data can be analysed in relation to themes that have emerged from the study's literature review or the research questions that were created for the study. (Dawadi, 2020, p.63).

In this study, themes for these interviews were formulated from existing theory, and the objective was to evaluate this theory in the context of the research study. This is the step where sub-themes were identified, reviewed, renamed, discarded, and merged per the theme after becoming familiar with the data collected. There were four generated themes, and eight sub-themes identified by the researcher.

Step 4: Reviewing themes

Examining themes means determining how well the themes relate to both the full data set and coded extracts (Scharp & Sanders, 2018, p.2). During this step of thematic analysis, the researcher reviews, modifies and develops the preliminary themes that were identified in previous steps. It paramount to compile all the data that is pertinent to each theme at this point. To capture the meaning across the board, this entails evaluating the degree of the coded data from each transcript and the complete data set. The researcher can better comprehend each theme's central message with the aid of these succinct summaries (Campbell et al., 2021, p.2019). All the collected data were put together accordingly and aligned with the created themes.

Step 5: Defining and naming themes

Determining the core message that each theme conveys and understanding what a theme is and is not necessary steps in defining and labelling themes. The goal of this final refinement is to pinpoint the core ideas and messages of each theme, as well as the subthemes and how they connect and interact with the main theme. The objective of this step is to define how the themes connect to one another. The researcher's goal in this analysis is for an overarching theme to emerge from the feedback that is based on the other themes (Scharp & Sanders, 2018, p.2).

At this phase, using memorable meaningful names for themes is recommended that encapsulate the core of the analysis. Theme names could originate from a direct quote and could include the recognition of an analytic data. The researcher first tried to characterise the themes identified to encapsulate the core of this process utilising the coded data (Campbell et al., 2021, p.2020).

To organise the story into a “coherent and internally consistent account”, the researcher went back and forth between the data and the identified themes during this stage of analysis. The researcher constructed a thorough analysis for each of the themes that were identified, going beyond merely describing or summarising the data. It includes the recognition of the story of each of the themes and how this story and theme fits the broader story of the dataset based on the research questions.

Step 6: Producing the report

The narrative provided by the data should be succinctly and interestingly presented in reports, both within and between themes. This narrative should go beyond simple description of the data to present an interesting argument that addresses the initial research question., The researcher concluded by revisited the completed thematic map and the significance of each theme as a final step. Completing the findings and analysis section is the last stage in the process of reflective thematic analysis. The writing of the report is the stage where the analysis develops into its final form (Campbell et al., 2021, p.2020). This last step entails choosing extracts from the coded and compiled data to illustrate the different aspects of the theme and then compiling a narrative around those extracts to provide a clear and compelling story about the data and what the data means.

Table 4.3 depict the research design and methodology of this study.

Table 4.3: Research Design and Methodology

Key Research Element	Description of the Key Research Element
The main objective of the study	To determine the challenges that negatively impact the supply chain management performance at the South African Social Security Agency in KwaZulu-Natal and how they are addressed.
Research philosophy	Interpretivism
Research approach	Inductive
Research design	Exploratory and descriptive
Research methodology	A qualitative study
Data collection	Face-to-face interviews using an interview guide (Appendix D)
Ethical considerations	Full ethical clearance granted by UKZN (Appendix A). A gatekeepers' letter from the South Africa Social Security Agency (Appendix B). Letter of informed consent (Appendix C).
Data analysis	Thematic analysis
Quality of research data	Achieved through Guba's models of trustworthiness.

Source: Compiled by the researcher

4.14 Summary of the Research Design and Methodology

This chapter provided a full overview of the steps taken during the data collection and in-depth analysis. It described the various research approaches used by researchers and how they influenced the research study. The research map that was followed in this study was designed to give an insight of the research objectives and research questions.

CHAPTER 5: RESULTS AND ANALYSIS OF THE FINDINGS

5.1 Introduction

This chapter presents the results and analysis of the empirical data collected from the South African Social Security Agency in KwaZulu-Natal Regional office. Data was collected from twelve participants; six participants were female, and six were male. Out of the twelve participants, nine were Supply Chain Management officials, three were from end user departments. All the participants for this study are permanently employed by the SASSA on a full-time basis. Pre-testing was done with one participant from the SASSA SCM department, but the findings of this interview are not included in this study.

The main objective of the interviews was to extract qualitative data from the participants to determine the challenges that are impacting supply the chain management performance at the South African Social Security Agency. The collected data of the study are presented in the form of a thematic map, and each theme, the sub-themes and codes are dealt with individually. The inclusion of verbatim quotes made by the participants was done to provide the reader with a comprehensive understanding of the collected data.

5.2 Profile of participants

The selection of participants for this study comprised SCM officials and managers of different branches in the South African Social Security Agency. Nine of the participants had been employed at SASSA for more than ten years and three of the participants for eight years. Nine of the participants are SCM officials, and three are employed in end user departments, holding the following positions in the Agency:

- Senior Manager, Grants Administration department; that is the core business of the South African Social Security Agency.
- Manager, Informational Technology department; primarily procures imported goods.
- Manager, Executive Support; responsible for consolidating all the reports of the Agency.

Table 5.1 depicts the profile of the participants who contributed to the research study.

Table 5.1: Profile of the participants

Participant	Gender	Position	Department/ Section	Qualifications	Years in Service	Interview Date and Time
Participant 1	Female	General Manager: SCM	SCM	Master's Degree	10	22/10/23 01:27
Participant 2	Female	Senior Manager	Grants Admin	Master's Degree	16	05/12/23 57:04
Participant 3	Female	Manager	Executive support	Honours Degree	11	05/12/23 22.59
Participant 4	Male	Senior Manager	SCM	Degree	15	06/12/23 57:08
Participant 5	Male	Manager	SCM	Diploma	12	07/12/23 45:21
Participant 6	Male	Practitioner	SCM	Diploma	8	08/12/23 32.18
Participant 7	Male	Practitioner	SCM	Diploma	11	12/12/23 31:31
Participant 8	Male	Practitioner	SCM	Diploma	4	19/12/2023 53:40
Participant 9	Male	Practitioner	SCM	Diploma	8	28/12/2023 45:08
Participant 10	Female	Practitioner	ICT	Degree	8	24/12/23 20.57
Participant 11	Female	Practitioner	SCM	Diploma	10	29/12/23 23:06
Participant 12	Female	Assistant Manager	SCM	Post Graduate Diploma	18	05/01/24 58:07

Source: Compiled by the researcher

5.3 Interviews with SASSA officials

This section presents the data that was collected from the South African Social Security Agency with the purpose of identifying the challenges that affect supply chain management performance at the South African Social Security Agency in KwaZulu-Natal and to determine the strategies that could address these challenges. Section 4.10.5 of chapter 4 outlined the interview guide that was drawn up and attached as Appendix D. Participants were provided with open-ended questions to be aligned with their duties based on their respective departments. Permission to use a recording device during the interview was granted by the participants. The interviews lasted approximately 45 minutes each. It was agreed during the interview that should more information be required at a later date, the researcher was free to email participants for further clarification. This helped in providing further insight into those points that were not clear during the interviews and to ensure that the findings were captured. The next section of this chapter focuses on the analysis of the collected data during the interviews, and the findings of the data are presented in the thematic map.

5.4 Findings

The findings presented in this section are based on the thematic analysis of the interviews. Table 5.2 presents a summary of themes, sub-themes and codes that were derived from the interviews. The themes, sub-themes and codes will be dealt with in more detail in the sections that follow.

Table 5.2: Thematic Map

Supply Chain Management Challenges			
Themes	Sub-Themes	Codes	
Procurement Challenges	Delays in procurement processes	Late and no responses	
		Many supporting documents	
		Scarcity of resources in rural areas	
		Incorrect specifications	
		Shortage of staff in SCM	
	Non-compliance to the procurement plan	Late submission of requests	
		Poor planning	
	Slow performance of central supplier database (CSD)	High volumes of CSD users	
SCM Legislation Challenges	SCM stringent policies	Many regulatory requirements	
		Introducing and repealing of SCM legislation	
	Delays in service delivery	Long procurement processes	
		Central supplier database updates	
		Stringent policies	
SCM Training Challenges	Practitioner training requirements	Lack of prior training	
		Frequent Training	
	Provision of practitioner training	Lack of follow up on training	
Bidding Process Challenges	Delays in finalising projects	Many bidding documents	
		Bid committee members dependency	

Source: Compiled by the researcher

5.5 Data analysis

5.5.1 Theme 1: Procurement challenges

In Section 2.7 of the literature review, procurement challenges faced by the government entities were identified and used to design the interview guide. From the analyses, three sub-themes were identified as follows: (1) delays in procurement processes; (2) non-compliance to the procurement plan; and (3) slow performance of the central supplier database (CSD). The sub-themes and codes relating to this theme are summarised in the following section. Table 5.3 depicts Theme 1: Procurement challenges, with its sub-themes and codes.

Table 5.3: Theme 1: Procurement Challenges as per participant

Sub-themes	Codes	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
Delays in Procurement Processes	Late responses and no responses				X			X		X		X	
	Many supporting documents required	X	X	X	X	X	X	X	X	X	X	X	X
	Scarcity of resources in rural areas						X	X		X			
	Incorrect specifications					X			X			X	X
	Shortage of staff in SCM			X				X		X			
Non-compliance to the procurement plan	Late submission of requests			X		X							
	Poor Planning	X	X			X							
Slow performance of CSD	High volumes of CSD users		X					X				X	

Source: Compiled by the researcher

5.5.1.1 Sub-theme 1: Delays in procurement processes and service delivery

This theme was identified by all participants as a procurement challenge faced by SASSA SCM in KZN. The findings revealed that delays are caused by: (1) late and no responses from suppliers; (2) the number of returnable documents with supporting documents required; (3) scarcity of resources such as Internet printing and scanning machines, and load shedding in rural areas; (4) incorrect specifications, and (5) shortage of staff in the SCM department.

- **Late submissions and/or no responses from suppliers**

The findings from four participants revealed that the reasons for late and/or no responses from suppliers on the invitation to quote can be attributed to the central database (CSD). Participant 4 stated that the CSD is one of the root causes of late and/or no responses from suppliers, as it enables multiple registrations of suppliers in terms of section 2.2 of National Treasury SCM Instruction No 4A of 2016/2017. Suppliers are able to register multiple companies with different addresses all over South Africa under one directorship on the CSD. Thus, when SCM practitioners send requests for quotations to the prospective suppliers closer to the area where the goods and/or services are required, it is often found that the supplier's address picked up from CSD is incorrect and the required commodity is not his or her core supply. This causes potential suppliers to respond to the request for quotations late or not at all.

One of the major challenges is the late responses and no responses of the invited quotations more especially from the service providers residing in rural areas (Participant 7).

“There are various challenges such as late and non-responsive quotations from service providers in the KwaZulu-Natal province. SCM must receive a minimum of three quotations with supporting documents such as SBD Forms, Affidavit, etc. from different suppliers depending on the nature of the service according to SCM policies. SCM are following long procurement processes in vain which cause delays in obtaining good and services. Many suppliers are not willing to bid for something that is not guaranteed to be awarded after such costing exercise due to the number of documentations required to be completed and returned to SASSA for every project” (Participant 9).

“CSD allows suppliers to register too many addresses on a single report that are all over the country, which results in late and sometimes non-responses of quotations” (Participant 11).

“The current procurement process which requires suppliers to comply with many legislations, delays delivery of services. SCM should be directly identifying potential producers or

entrepreneurs and save each and every transaction that could have a potential of resources reaching a number of beneficiaries and improve the pace of service delivery” (Participant 4).

- **Number of returnable documents with supporting documents**

All participants noted that there are many documents required to be completed by the suppliers when SASSA sends requests for quotations or a bid for tenders to potential suppliers. Documents and supporting documents include: Standard Bidding Documents (SBD) Forms; a South African Revenue Services (SARS) Tax Clearance Certificate or Tax PIN; Compensation Occupational Injuries and Diseases Act (COIDA); Broad-Based Black Economic Empowerment (BBBEE); a Central Supplier Database (CSD) report; a Health Professions Council of South Africa (HPCSA) Certificate of Good Standing; Bargaining Council for the Contract Cleaning Industries (BCCCI) Certificate; a Private Security Industry Regulatory Authority (PSIRA) Certificate; and a Construction Industry Development Board (CIDB) Certificate, depending on the nature of service required. However, some of this required information is available on the central supplier database and is a duplication of the required information. Bidders find it difficult to receive, gather and submit all required documents in time, as some may require the application from the accredited organisations. Furthermore, suppliers find it difficult to travel to the nearest town and cities to retrieve requests to quote from the Internet. Using Internet cafes to retrieve such documents creates repercussions for both suppliers and public institutions, because it poses the risk of theft and loss of the State’s and suppliers’ information.

“There is a challenge of many documents required when SASSA requests suppliers to quote when advertising a tender. Such supporting documents for bids (SBDs, SARS Tax Clearance Certificate, COIDA, CSD report, HPCSA Certificate of Good Standing), and that delays the whole procurement process. Bidders find it difficult to receive and gather and submit all required documents in time as some may require application from accredited organisations, which gives bidders from urban areas an advantage over bidders from rural areas” (Participant 6).

“Yes, requesting so much documentation, e.g. full SBD forms to all bidders, delays the process as I indicated that KZN is a huge province with a lot of rural areas. If all bidders can only provide quotation with the MAAA number and only request the SBD forms to the winning bidder, because sometimes you will find that the bidders do not have enough money to print all

the required documentation and only to find that they are not awarded because they are competing and most of the time only one service provider is required” (Participant 7).

“Yes, it does since there are too many documents required from all bidding suppliers like company documents and on top of that we want them to fully complete all SBD documents to qualify and not be disqualified. This alone delays the procurement process and costs suppliers a lot, financially, printing these SBD documents to submit and also travel costs to Internet café, whereas the service is awarded to only one supplier” (Participant 11).

“As much as the current policies gives clear guidelines and procedures to be followed when acquiring goods and services, they cause delays because there is a lot to be followed, such as signatures and lot of documentation. The Government is required to identify and close the gaps that lead to fraud and corruption” (Participant 2).

“Yes, I do believe that policies are stringent as much as they give direction and guide SCM, but they cause delays since there are many returnable documents required from the bidders and lots of requirements that suppliers must comply with before they can do business with the state” (Participant 10).

- **Scarcity of resources in rural areas**

According to Statistic South Africa, KZN is one of the biggest provinces in South Africa. It is about 94,361 square kilometres with vast rural and deep rural areas geographically. There is a scarcity of resources for people who are living in rural areas doing business with SASSA. Three participants identified that the availability of resources such as Internet, printing and scanning machines close to where suppliers reside is a challenge. Participant 6 indicated that suppliers are forced to travel long distances, to the nearest town or city, to retrieve the documents to complete and return. The introduction of load shedding by Eskom in South Africa created repercussions for most suppliers, especially those who are residing in rural areas compared to those residing in urban areas.

“There are various challenges experienced by SASSA KZN SCM including a shortage of SCM staff, SCM due to unfilled vacant posts if other officials exit the Agency. One of the major challenges is the late responses and no responses of the invited quotations more especially from the service providers residing in rural areas” (Participant 7).

- **Incorrect specifications**

Four participants indicated that incorrect specifications lead to incorrect procurement of goods and services, which results in the cancellation of transactions and the need to start the process again. This results in a waste of Government's resources, such as: (1) time, for the staff who are attending to these transactions, and (2) stationery required for the preparation of procurement batches. Prospective suppliers complain about time wasted when compiling quotations that will not be finalised. The frequent cancellation of transactions due to incorrect specifications impacts negatively on the reputation of the organisation. This becomes more challenging when procuring IT-related equipment, especially imported equipment such as laptops and desktops from other countries.

“The challenges faced by KZN SASSA are incorrect specifications, late submission of requests to procure by the end user departments and non-compliance to the procurement plan” (Participant 5).

“There are challenges faced by the SCM when procuring goods and services, one of them is that local office officials have no idea on how to draft technical specifications of what they are acquiring. They realise when receive those goods and services that are not what they are looking for” (Participant 8).

“The most challenge experienced by SASSA Informational Technology (IT) Section is the delay of supply and delivery of IT-related equipment especially those that are imported from other countries such as the laptops and desktops due to the following:

- *Long procurement processes irrespective of any type of required commodities and services.*
- *Procurement of IT-related equipment with the surplus funding.*
- *Incorrect specification due to outdated equipment.*
- *Procurement of out-of-stock commodities.*
- *Awarding of emerging suppliers who have insufficient funds to pay for the orders of imported goods.*
- *Fluctuation of rand value and unforeseen circumstances for the import goods such as:*
 - *The reviewal of Transnet rules and regulations*
 - *Custom duties”* (Participant 11).

“There are some challenges that we are experiencing almost every day when we do our procurement for IT items, mostly those items that are imported from other countries. We normally have a lot of challenges when procuring those items, especially when we use the surplus funding. This money is normally received very late, and it is normally used to procure IT-related items like the laptops. Since we are not procuring direct from the big companies and using the middleman (suppliers) between us and those companies. The problem with the middleman is that they do not have enough money to procure and pay cash hence the government departments are on an accrual basis. That is causing a lot of delays while the emerging suppliers are trying to get funds to procure the goods and pay including other levies and custom duties. This causes a delay in service delivery” (Participant12).

- **Shortage of staff in SCM**

The findings from three participants revealed that one of the SCM challenges faced by SASSA is the shortage of SCM staff. This is a result of vacant posts not being filled when other officials exit the Agency. This is a challenge for SCM practitioners because they have to pick up the duties that were conducted by the former employees, which increases the workload and impacts on the performance of the Agency.

“The biggest challenge that is impacting negatively on the performance of SCM at SASSA KZN, is unfilled posts” (Participant 3).

“There are various challenges experienced by the SASSA KZN SCM including the shortage of SCM staff, SCM due to unfilled vacant posts if other officials exit the Agency” (Participant 7).

“Another challenge is that there is a shortage of employees in SCM, since the vacant posts are not filled and that contributes negatively on the performance of the Agency” (Participant 9).

5.5.1.2 Sub-theme 2: Non-compliance to procurement plan

SCM plays an integral part in the strategic planning of SASSA, namely the strategic plan (five-year plan), the Annual Performance Plan (one-year plan), and the Operational Plan (one-year plan). The delay in the movement and non-movement of procurement in the procurement plan impacts on the achievement of targets as set in the Annual Performance Plan (APP) as well as in the Operational Plan (OP). Non-compliance to the procurement plan results in planning for procurement to be unmanageable in a way that the resources planned according to the procurement plan will not be allocated properly. This results in some of the bids being finalised beyond the initial validity period as bids are advertised simultaneously. Yet there are limited

resources available to attend to those bids as a result of the following: (1) late submission of requests to procure; (2) poor planning, and; (3) stringent and excessive legislation.

- **Late submission of requests for quotations**

Two participants indicated that late submission of requests for quotations has a negative impact on the suppliers as they are given limited time to prepare their quotations. This means that, due to late submission of requests by user departments, suppliers cannot respond to requests for quotations due to insufficient time given to suppliers to submit their quotations. For example, an invitation to quote may be issued today and closed the following day – invited suppliers may choose not to respond.

SCM as well would have limited time to evaluate and award orders to suppliers. This also impacts on suppliers who may not have enough time to prepare for the delivery of goods and services at the required time, which results in poor performance. Thus, late submission of requests for quotations to the SCM affects the whole procurement process, from the sourcing of quotations to the service delivery or supply of goods.

“Late submission of request to procure. The late submission of request to procure results in unfair treatment for suppliers since they will be given limited time to prepare their quotations. This may lead to non-profitable transactions for suppliers. SCM may have limited time to evaluate and award orders to suppliers. Suppliers may then not have enough time to prepare for the delivery of goods and services which results in poor or inferior goods or services rendered” (Participant 5).

“Short notice of requests from the end user departments for the procurement of goods and services through the quotation process. A shortage of staff is the biggest challenge that is negatively impacting the performance of SCM at SASSA KZN, due to unfilled posts” (Participant 3).

- **Poor Planning**

Three participants noted that poor planning results in the inability to successfully finalise the contract award. This means that the required processes are not finalised in the applicable financial period. This leads to the cancellation of bids and the extension of bid validity periods. The negative part of failing to finalise the projects within the procurement plan timeframes is that the budget is lost for that current financial year. Furthermore, the department then runs the

risk of budget cuts in the next financial year, as the assumption will be made that there is less need for the budget.

“There are various challenges that arise from the pre-tendering, tendering and post-tendering stages, such as poor planning, budgets not linked to demand plans. The most prominent is the inability to either complete successfully the procurement value chain (contract award) due to delays which result in processes not finalised in the applicable financial period and that leads to the cancellation of bids and or extension of bid validity periods” (Participant 1).

“The main challenge that faces SASSA around Supply Chain issues are caused by poor planning, budget constraints and delays in procurement processes” (Participant 2).

“Non-compliance to procurement plan: This results in the planning for procurement to be unmanageable in a way that the resources planned according to the procurement plan will not be allocated properly” (Participant 5).

5.5.1.3 Sub-theme 3: Slow performance of central supplier database

Two participants revealed that the central supplier database was introduced after the National Treasury discovered that registering prospective service providers with each organ of the State was a challenging process. The purpose of the central database was to avoid multiple registration of suppliers with each individual organ of the State they wanted to do business with. SASSA SCM in KZN is struggling to get suppliers for specific goods and services due to the un-updated commodities on the CSD. The CSD allows suppliers to register many companies under one director. Furthermore, CSD allows suppliers to register various addresses and that results in late and sometimes non-responses to requests for quotations.

- **High volumes of central supplier database (CSD) users**

Three participants noted that the National Treasury suggested the idea to introduce the CSD to enforce all government departments to comply with the law by verifying tax compliance prior to awarding orders or tenders to suppliers. As a result, the performance of the CSD system is very slow during working hours, as there is a high volume of SCM users, and thus work is not completed on time.

“It seems like CSD is serving one purpose amongst government departments of ensuring the compliance on tax matters and lacking the main purposes such as avoiding multiple registration of companies in terms of section 2.2 of National Treasury SCM Instruction No 4A

of 2016/2017. The process of verification is becoming more problematic because the performance of CSD sometimes is very slow during the day due to the high volumes of SCM users for the different public sector departments” (Participant 3).

“The SCM procurement process requires a minimum of three (3) quotes with fully completed SBD Forms, whereas CSD contained all information that is contained in the SBD Form. The problem of CSD is that it allows service providers to have as many different companies and addresses in the whole of South Africa which makes it difficult to procure goods and services closer to where they are required because you find that most of the addresses included on CSD are not true, and the required commodity is not the core business of the company. They are just taking chances” (Participant 7).

“CSD has duplicate information, e.g. CSD contains most of the information required yet the suppliers need to also fill in the SBD forms that have the same information. CSD should not allow directors of a single company to register many addresses but only a limited number of addresses relevant to their physical locations” (Participant 11).

5.5.2 Theme 2: SCM Legislation Challenges

In Section 3.5 of chapter 3, it is indicated that government introduced policies and regulations that serve as a guide in the procurement of goods and services across all its three spheres through National Treasury to create sense of uniformity (National Treasury, 2005b). It is further stated that despite all efforts of the governments to introduce prescripts, however fragmented, public procurement continues to face challenges.

Government intends to achieve its socio-economic objective through SCM. SCM is not about procuring, receiving, and consuming goods only, but is about interpretation and application of the law in the process of procuring to ensure value for money (quality spend) and contributing to economic growth through empowerment and job creation. It was imperative for the government to ensure capacity-building for a smooth transition from procurement to SCM. To that effect, the implementation of the SCM legislative framework is struggling to reach its capability due to different interpretation. The continuous introduction of new prescripts further complicates the environment, as more time is spent on compliance than service delivery to ensure the maturity’ of what exactly. The continuous introduction of new prescripts further complicates the environment as more time is spent on making sure legislation is complied with

rather than on service delivery. Table 5.4 presents the SCM legislation challenges identified from the interviews.

Table 5.4: Theme 2: SCM Legislation Challenges

Sub-themes	Codes	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
SCM stringent policies	Many regulatory requirements	x	x	x	x	x	x	x	x	x	x	x	x
	Introducing and repealing of SCM legislation	x					x						x
Delays in service delivery													
	Long procurement processes	x		x		x		x	x	x		x	x
	Stringent policies		x		x	x	x	x	x		x	x	x

Source: Compiled by the researcher

5.5.2.1 SCM stringent policies

Section 2.7.3 of the literature review indicates that failure to comply with any legislation is called non-compliance. Non-compliance with SCM policies and regulations is the source of irregular expenditure that results in SCM challenges. This sub-theme revealed that the public sector procurement regulatory frameworks are too stringent in a way that there are many requirements that suppliers must comply with before they can do business with the state, which delays the procurement processes. SCM is highly regulated and has too much legislation that must be complied with in each transaction. One participant revealed that SCM is an international best practice, and the government intends to achieve its socio-economic objective through SCM. SCM is therefore not just about procuring, receiving and consuming goods, but about interpreting and applying the law in the process of procuring to ensure value for money (quality spent) and to contribute to economic growth through empowerment and job creation.

- **Many regulatory requirements**

All the participants noted that there are too many regulations that suppliers must comply with before they can do business with the State. Suppliers are required to comply with several legislative requirements, even if the transaction is from government to government. Failure to comply results in non-compliance and is viewed as irregular expenditure and an act of fraud. Public policies force procurement to be conducted through a middleman rather than procuring direct from the retailers and wholesalers, which makes it more expensive and slows the process.

Legislation mainly focuses on supply and delivery instead of purchasing directly from entrepreneurs who will be innovative and compete with competitors available in the market. This leads government departments to spend more when procuring goods and services from the middleman rather than directly from the retailer and/or producers.

“Legislations are stringent, but a necessity. The government weakness was to fail to lay the correct foundation for the implementation of the SCM. The review process is underway for the consolidation of all the pieces of SCM instruction notes into one. Such reviews will consolidate Instruction notes into Regulations – Procurement Bill in progress” (Participant 1).

“Yes, public sector procurement regulatory frameworks are stringent. The policy gives directive to the delegated authorities, which is very strict when it comes to financial management” (Participant 2).

“There are too many regulatory requirements. The government focus is to prevent fraud by producing a lot of legislations that when you look at it are costly and delay the delivery of services to the intended recipients and put pressure on the government purse which is already stretched. Public procurement is focusing mainly on supply and delivery instead of the market providing entrepreneurial who will be innovative and compete with the producers already available in the market and maybe provide alternatives. This leads to government departments spending more when procuring from the middleman rather than from Entrepreneurial/producers” (Participant 4).

“Public sector procurement frameworks are too stringent in a way that there are lots of requirements that suppliers must comply with before they can do business with the state. SCM is highly regulated and has too many legislations that must be complied with in each and every transaction” (Participant 5).

“Yes, there are stringent and too many policies to comply with in one transaction but needed in order for SCM to comply and give every bidder a fair chance of bidding. SCM has to implement those regulatory frameworks to curb misuse of funds allocated, prevent a certain ethnic group or gender dominating in terms of acquiring services for government” (Participant 6).

“Public sector procurement regulatory frameworks are too stringent although they are implementable. The reasons of being stringent is because they are too many, most are introduced and implemented and repealed and replaced in short period. What makes worse is that they are not in sequential form and that makes it difficult to follow and keep them in mind. Others are sharing reference codes numbers” (Participant 10).

- **Introducing and repealing of SCM legislation**

Section 3.6 of chapter 3 states that there are concerns that the National Treasury issues instructions and practice notes as well as circulars periodically, without properly communicating with the relevant custodians of public procurement – the practitioners in all government spheres. The more puzzling part is when some instructions and practice notes are repealed and soon after new prescripts are introduced; that is not done in an orderly manner for ease of tracking. The most worrying part is the ever-changing prescripts of the SCM that makes it very difficult to understand as to which piece of legislation is applicable (Manyathi, 2019, p.71). Three participants revealed that there are too many policies of the SCM that are introduced, implemented, and repealed and replaced in short period of time.

“The continuous introduction of new prescripts further complicates the environment as more time is spent on worrying about compliance than service delivery. The high rate of corruption creates more disturbance in terms of service delivery which forces National Treasury to spend more time issuing instructions trying to curb corruption that is forever surging in the SCM” (Participant 1).

“As these policies, as they are many, they are introduced and repealed in a short space of time. The stringent public sector procurement frameworks are not for SCM only but also for bidders to give correct and accurate information. However, the same stringent policies are delaying the procurement process” (Participant 6).

“Public sector procurement regulatory frameworks that are too stringent although they are implementable. The reason of them being stringent is because they are too many, they are

introduced and implemented today and repealed tomorrow. What is worse is that they are not in sequence and that makes it difficult to follow and to keep them in mind” (Participant 12).

5.5.2.2 Delays of service delivery

Eight participants revealed that the SCM procurement processes are long as per the regulated timelines. Moreover, the bid system that needs to be followed is also long due to activities that need to be carried out, such as putting committees in place and getting them to meet, which is challenging. The implication of failing to follow this process results in irregularities. The system is cumbersome and appears to be a compromising system for its role players. In addition, the current public sector procurement legislation restricts the government entities from procuring services direct from wholesalers and retailers, which is cheaper than from buying from a middleman – this results in a prolonged process when acquiring goods and services and causes delays in service delivery.

“The public sector procurement legislation currently delays service delivery in two ways which are positive and negative. In a positive way, it is good for the processes to be delayed and comply with all SCM prescripts rather than rushing things and end up committing irregular expenditure. In negative way, it delays service delivery in a sense where there are no signatory authorities around to sign as per their delegated authority. Then the whole process is delayed” (Participant 3).

“The public sector procurement legislation results in delays in some instances. There are other activities that must be taken into consideration before suppliers can start delivering goods and services. For example, advertisement for the intention to award which invites objections from other bidders who are not even qualifying or did not pass the first stage of the evaluation, be given a chance to object” (Participant 5).

“Requesting so much documentation, for example, full SBD forms for all bidders, delays the process as I indicated that KZN is a huge province with lot of rural areas. If all bidders can only provide quotations with the MAAA number and only request the SBD forms from the winning bidder, because sometimes you will find that the bidders do not have enough money to print all the required documentation and only to find that they are not awarded because they are competing and most of the time only one service provider is required” (Participant 7).

- **Long procurement processes**

The findings from eight participants revealed that the SCM processes are long as the timelines are regulated. The bid system that you need to follow is naturally long as putting committees in place and getting them to meet is a challenge. The implication of missing this process and that particular form translates into an irregularity. This makes the system cumbersome and in one way or the other appears to be a compromising system to its role players.

“The current procurement process with requirements to comply with many legislations delays delivery of service. SCM should be directly identifying potential producers or entrepreneurs and save in each and every transaction that could have a potential of resources reaching a number of beneficiaries and improve the pace of service delivery” (Participant 4).

“The current public sector procurement legislation restricts all government entities from procuring services direct from wholesalers and retailers, which is cheaper and quicker than from buying from a middleman. SCM is required to follow a long SCM process in acquiring goods and services and that causes delays in obtaining goods and services and delays service delivery” (Participant 8).

“Yes, it delays service delivery since there are long procurement processes that are taken into consideration before suppliers get awarded and start delivering goods and services. For example, when procuring IT-related equipment, the issuing of a purchase order to the service provider who will also place an order to manufacturers overseas and wait for goods for quite some time to be delivered to SA” (Participant 10).

“Public sector procurement legislation delays service delivery in a sense that there is a long procurement process to be followed, and many forms that are given to suppliers for completion and returned with other supporting documents with their quotations and bid documents. All the supporting documents need to be verified and rewritten to the suppliers requesting the outstanding information under administration” (Participant 12).

- **Stringent policies**

In Section 2.7 of the literature review, it is stated that other SCM challenges faced by the public sector are found to be non-adherence to set laws that have resulted in unauthorised wasteful and irregular expenditure and lack of compliance with existing policies. The findings revealed that stringent policies are adding to the delay of service delivery because there is much that needs to be complied with before awarding the project. Failure to comply with the legislation

results in deviation from the normal procurement processes, and someone must be held accountable for this. There are processes to be followed for deviations, which create further delays.

“The public sector procurement legislation currently delays service delivery in two ways which are positive and negative. In a positive way it is good for the processes to be delayed and comply with all SCM prescripts rather than rushing things and end up committing irregular expenditure. In a negative way it delays service delivery in a sense where there are no signatory authorities around to sign as per their delegated authority. Then the whole process is delayed” (Participant 3).

“The public sector procurement legislation results in delays in some instances. There are other activities that must be taken into consideration before suppliers can start delivering goods and services. For example, advertisement for the intention to award which invites objections from other bidders who are not even qualifying or did not pass the first stage of the evaluation, be given a chance to object” (Participant 5).

“Requesting so much documentation for example, full SBD forms for all bidders, delays the process as I indicated that KZN is a huge province with a lot of rural areas. If all bidders can only provide quotations with the MAAA number and only request the SBD forms from the winning bidder, because sometimes you will find that the bidders do not have enough money to print all the required documentation and only to find that they are not awarded because they are competing and most of the time only one service provider is required” (Participant 7).

5.5.3 SCM Trainings Challenges

Section 2.7 of the literature review highlighted that lack of skills and knowledge is one of the critical challenges in the public sector SCM space that leads to non-adherence to set laws, resulting in unauthorized, wasteful and irregular expenditure, the misappropriation of state funds. Others are a lack of standardised processes and procedures, and a disregard for tender documentation. A misused procurement budget can be overstated. This theme was identified by all the participants as one of the procurement challenges faced by the SASSA SCM in KZN that needs to be addressed. The findings revealed that training of SCM practitioners is the most important and required tool in different areas of the SCM, to mitigate issues such as non-compliance and irregular expenditure.

Table 5.5: Theme 3: SCM Training Challenges

Sub-themes	Codes	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
Practitioner training	Lack of prior training						x			x	x	x	x
	Frequent Training	x	x	x	x	x		x	x	x			
Provision of adequate training													
	Lack of follow up on training											x	

Source: Compiled by the researcher

5.5.3.1 Lack of Prior Training

The findings from five participants revealed that initially, the foundation for the implementation of SCM was introduced incorrectly, as the implementation was not preceded by and coupled with capacity building. For this very reason, after 20 years of its existence as a discipline, it is still far from being a matured system. This oversight is being perpetuated by the fact that the frequency of issuing Instruction Notes is not coupled with training at same time. Communication is lacking between the training institutions and departments that are implementing the SCM prescripts. In addition, previously, there was no specific qualification for SCM in the public sector.

These challenges have been identified and are being addressed; for example, Treasury is conducting workshops on SCM so that institutions of learning can introduce SCM qualifications. It is also engaging the School of Government together with academic institutions for the further development of SCM qualifications. In October 2023, a 6-month SCM course was launched by the University of Pretoria. This course was developed by Treasury in conjunction with the University. It therefore covers theory (legislation) and practice.

“There should be training on new SCM prescripts including Instruction Notes, Practice Notes, the Regulations Act, PFMA and the RSA Constitution, etc., before they impose them on

departments for implementation. This will assist practitioners to execute the Treasury guidelines correctly when working on transactions. It will improve SCM performance and curb negative Audit findings by Auditor General” (Participant 6).

“All new or amended/updated policies, National Treasury practice notes, etc. Practitioners must be trained by departments/public entities before the implementation to circumvent the Auditor General’s findings” (Participant 9).

“Practitioner training should cover all the new SCM prescripts including Instruction Notes, Practice Notes, and the Regulations Act before they are imposed on the government departments for implementation. This will assist practitioners to execute the Treasury guidelines correctly when working on transactions, and it will improve SCM performances and save time of waiting for clarities from superiors” (Participant 10).

“Practitioner training on legislations are the most required tool to equip SCM Practitioners throughout of all government departments and must take place before the implementation of any SCM prescript and procurement processes. Training should cover the procurement processes of the procurement of IT-related equipment, government to government procurement and procurement of goods and services through the RT contracts” (Participant 12).

- **Frequent Training**

The findings revealed that SCM is an ever-changing environment, therefore it is vital that SCM staff should frequently receive training, especially on new policies before the effective date. This will assist in ensuring that organisations are not found in trouble with National Treasury and Auditor General as results of non-compliance. This is to avoid irregular expenditure as well. If employees are trained and they know what is expected of them, and how to do it, there will be less errors and no delays because they will know what to do and how it is done. Some delays are caused by not knowing what to do and how it is done, so officials keep on asking what and how from others who might also not know what and how, which causes further delays and sometimes end up procuring irregularly.

“Timeously training of practitioners plays a crucial role in the service delivery since the end user departments will be guided properly by the SCM practitioners when procuring goods and services. This will provide a better resource for the service delivery since most of the resources are made available through the procurement processes. Specifications will be proper and

clear. Evaluation of the quotations will be quicker, and the appointed supplier will be the correct supplier to supply correct goods and services in time” (Participant 5)

- **Provision of adequate trainings**

In Section 3.6 of chapter 3, it is noted that one of the reasons why SCM faces the challenges to implement Procurement Laws and Regulations can be attributed to the failure to assist SCM officials by introducing regular procurement training for them. This would enable them to use and understand Procurement Laws and Regulations. The findings from one participant revealed that if trainings are provided to the government departments, the challenge could be mitigated.

- **Lack of follow up on trainings**

The findings from Participant 11 revealed that the National Treasury fails to do follow up on the conducted trainings, particularly if the training was dealing with the introduction of new procedures and SCM prescripts. The reason why they should do follow up is to check if the new procedures and prescripts are relevant for all nine provinces. For example, rural areas are struggling to have adequate infrastructure whilst urban areas have access to all kinds of infrastructure. KwaZulu-Natal is one of the typical examples of a province with a large number of deep rural areas. Due to such differences, the turnaround time for sourcing quotations from the rural areas should not be treated the same as the urban areas since the availability of the infrastructure differs.

“The challenge is lack of follow ups on trainings provided. Treasury should do a follow up to verify if these policies are implementable in all provinces” (Participant 11).

5.5.4 Bidding Process Challenges

Section 2.7.5 of the literature review indicated that failing to finalise procurement processes within the stipulated time is one of the SCM challenges. The Annual Report financial statement further stated that government departments fail to follow bids processes and procedures which results in unnecessary irregular expenditure. Section 3.3 of chapter 3 indicated that the Bidding Process is another special method of procurement which is carefully used after the needs analysis and specifications are drafted. The procurement process in government entities commences with the compilation of bidding documentation that outline the requirements of the bid document. This type of procurement involves many resources, including bid committee members. The main important information in bidding documents are the specifications, functionality evaluation criteria, terms of reference and SBD forms that are used to qualify and

disqualify bidders. This theme revealed that there are significant delays, which result in processes not finalized in the applicable financial period.

Table 5.6: Theme 4: Bidding Process Challenges

Sub-themes	Codes	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12
Delays in finalising projects	Many bidding documents	x					x	x	x	x	x	x	
	Bid Committee Members' Dependency	x		x			x	x	x	x	x	x	x

Source: Compiled by the researcher

5.5.4 1 Delays in finalising projects

In Section 2.7.5 of the literature review, failing to finalise procurement processes is indicated to be a major challenge in various public organisations in South Africa, which leads to extension of validity periods during the procurement process (Fazila, 2015, p.9).

- **Many bidding documents**

The findings from seven participants revealed that there are many supporting documents required from the bidders to submit when returning the bid documents. This is problematic for suppliers who live in deep rural areas where there are no resources such as networks, printing and scanning facilities. These services are available in towns and cities where these suppliers must travel to and spend money for transportation and printing of documents to be completed and returned in the stipulated time. The SCM department spends a lot of time verifying supporting documents, and that delays the finalisation of projects in the stipulated time as well. This results in the SCM department extending the validity periods, which really hinders the finalisation of projects. Failure to extend the validity period will result in the whole process being cancelled.

It is mentioned in Section 2.4.2 of the literature review that bids and quotations that do not meet the minimum requirements as stipulated on the invitation to bid, are regarded as non-

responses from suppliers and are rejected. This is one of the challenges which creates delays and wasteful expenditure in public sector organisations – it incurs costs, time, resources, and has financial implications.

“The requirement of submitting a lot of support documents seems to be a duplicate of the required information because the information in the SBD 4 (such as Directors, ID number, Tax Status, BBBEE Status, CIDB grading) are already available on the CSD and they need to be verified by SCM practitioners before the conclusion of the evaluation process. That alone takes a lot of time and bidders’ money of acquiring those documents and submitting to the governments departments. It is even more challenging for people living in rural areas, and if they don’t win the tender, they are wasted a lot of money” (Participant 6).

“There are delays in finalising projects caused by different reasons including that there is a lot of documentation required throughout the procurement process. There is a lot of printing. Sometimes you will find that printing machines are not working due to insufficient toner or the paper is stuck in the machine due to large volumes of printing and logged calls for fixing problems take forever” (Participant 7).

“There are delays due to many supporting documents required from bidders which require to be verified before they are considered compliant and that takes a lot of time. Sometimes processes are delayed by the suppliers who live in deep rural areas where there are no resources such as network, printing and scanning facilities and they depend on towns and cities where they have to travel long distances and spend a lot of money” (Participant 8).

- **Bid Committee Members Dependency**

As can be seen in Section 2.3.2 of the literature review, procurement of goods and services above R1000 000 must follow the bidding process of projects listed on the approved procurement plan for each financial year. Further, there are three types of bid committee members involved in the process who have different responsibilities. The findings from nine participants revealed that there are delays in finalising all projects in the annual procurement plan, since they are procured through a tendering system. Therefore, SCM is depending on bid committee members who are officially appointed to serve on these committees. However, committee members have their own core duties that are their first priority. Non-attendance of bid committee members when the quorum is not formed delays the finalisation of projects.

“There are delays of finalising projects because all processes of procurement must be conducted and followed accordingly before finalising projects. Some projects may end up taking longer to be finalised than expected and some projects end up being cancelled due to delays. The main reason behind this, is the non-availability of the committee members at the stipulated time” (Participant 3).

“Since procurement of goods and services in the annual procurement plan are done through a bidding process system, there is a lot of dependency on the committee members from BSC, BEC and BAC. This is the major challenge of coordinating committee members due to their core duties” (Participant 7).

“There are delays in finalising projects as per the annual procurement plan because all projects in Procurement plan are above R1 million meaning that they have to follow the tendering process. Each project takes about 5 to 6 months if it is executed properly, counting from the receiving of the request from the end user departments to the award. This is because of the processes as per legislations. The major challenge that causes the delay is the dependency to the bid committee members from the first committee to the last committee which are BSC, BEC and BAC especially if there is no quorum in some sittings” (Participant 12).

5.6 Methods and strategies that SASSA in KZN could have in place to manage and/or mitigate the identified challenges

This section provides the responses from the participants as to what strategies SASSA in KZN could have in place to manage and/or mitigate the identified challenges. These challenges are broken down into four sections, namely: (1) Procurement Challenges; (2) SCM Legislation Challenges; (3) SCM Training Challenges, and (4) Bidding Process Challenges.

5.6.1 Theme 1: Procurement Challenges

Procurement is the core function of the SCM department and is the engine of all government departments. The findings revealed that there are various challenges faced by the SCM of SASSA in KZN, and if the identified challenges can be managed and/or mitigated, this would have a positive impact on service delivery.

5.6.1.1 Delays in procurement processes

The findings from the twelve (12) participants revealed that there are delays in procurement processes which emanate from various factors. The participants further revealed that SCM is

not positioned correctly as a strategic function in the institutions for it to achieve its intended objective.

“The system as it is, needs a high level of maturity, efficiencies that include appropriate integrated planning and sound decision making. These are key weaknesses in government which cause the SCM to function inefficiently. This calls for placing the right people at right place. Professionalisation of the public service, whose framework is effective from 1 April 2024 will be able to address these deficiencies in government, should it be correctly implemented. The results will take long, it is never too late as long as we start somewhere” (Participant 1).

“The process that needs to be reviewed is the reduction of papers that are going back and forth from the departments to bidders and from the bidders to the departments. Since the bidder’s information appears on CSD, the service provider will be required to provide the CSD MAAA number together with the quotation instead of submitting the CSD reports which contains number of pages and other forms, this will be sufficient for SCM to get the supplier’s information” (Participant 8).

- **Late responses and no responses**

The findings from the four participants revealed that late and non-responses of the suppliers on invitation to quote emanates from central supplier database (CSD) issues that needs urgent attention and management from National Treasury. SCM practitioners select prospective service providers as per the location where goods and services are required. SCM later discovered that some service providers often include addresses of the area where they do not reside. This results in late and non-responses of the service providers and causes delays in the SCM procurement processes. In order to address this situation, the participants opined that National Treasury needs to enforce the law of registering one single address per supplier on the CSD.

- **Many supporting documents required**

All participants suggested that SASSA should consider the use of CSD to eliminate the number of many returnable documents since CSD contained more information of bidders and the rest of required documents should be requested only from the recommended service providers. This would eliminate unnecessary delays, costs on both parties and administration.

- **Scarcity of resources in rural areas**

Three participants suggested that there should be resources provided closer to where the service providers are located in rural areas. For example, access should be granted to SASSA's Local Offices, which would save time and costs for both the supplier and the Agency, including travelling, printing and scanning costs on the supplier's side.

- **Incorrect specification**

Four participants indicated that incorrect specification can be dealt with by ensuring that some members of the bid specification committee who craft the specification and bid adjudication, verify and approve the terms of reference put on the cap of supplier. This could help in crafting clear specifications that will be easily understood by the prospective suppliers, to eliminate the procurement of incorrect goods and services.

- **Shortage of staff in SCM**

Three participants revealed that shortage of staff in SCM is a challenge that distorts the smooth functioning of supply chain management. This is caused by the unfilled vacant posts when other officials exit the Agency. This should be addressed by head office because it creates difficulties in the SCM function as all the duties that were performed by the former employees now have to be performed by the remaining SCM employees.

5.6.1.2 Non-compliance to procurement plan

Three participants indicated that non-compliance to the procurement plan can be managed by maintaining close monitoring of the procurement plan and strengthening communication between SCM and the end user departments. All procurement needs in the procurement plan are allocated to the project managers, who are appointed in writing. Each procurement has its own procurement project plan. Procurement processes are monitored against the project plans throughout the year. Monthly and quarterly reporting to CFO and EXCO is done against the procurement plan.

- **Late submission of requests**

Two participants suggested that the SCM Unit needs to strictly monitor the SCM procurement lead times. The lead times could help in advising the end user departments about the timeframes required for the procurement of goods and services per threshold amount. This could help in informing the end user departments about the time it takes to finalise the procurement, for them

to plan for their needs. This may help to avoid unnecessary clashes between the public and the Agency over the delayed service delivery.

- **Poor Planning**

Three participants suggested that SASSA should plan for the procurement of items, including IT-related equipment, which will give SCM sufficient time to do market research and compile the correct specification for items that are in stock, in order to minimise the waiting period for goods to be imported. This needs to be highly monitored because poor planning results in the inability to successfully complete the procurement value chain to the contract award, due to delays which result in processes not finalised in the applicable financial period. This in turn leads to the cancellation of bids and extension of bid validity periods. For items like IT-related equipment, this is challenging because they are specifically made for specific needs, and it is impractical to cancel the order that has already been placed due to the specification that has been made on the ordered items. Therefore, the Agency is required to plan as early as possible for the surplus funding and for it to be allocated to the regions as early as possible for SCM to execute the procurement processes.

- **Stringent and many legislations**

All the participants noted that there is too much stringent legislation that has been introduced for the SCM. Although one of the participants indicated that they are stringent, they are necessary. The participants indicated that some policies need to be reviewed. Government-to-government procurement must be reviewed and strengthened in such a way that no matter what service and/or goods are required by a particular government institution from another, there should be no testing of the market. Furthermore, there should be no SBD forms to be completed. This process should be carried out in the form of two institutions agreeing on an offer to purchase and sell. Thereafter the contract can be drawn up, finalised and signed, since the funds circulate within government.

- **Slow performance of CSD**

Two participants revealed that the National Treasury should create a strategy and mechanism that will improve the performance of the CSD due to the high volume of the SCM practitioners (users) in all government departments. Furthermore, the National Treasury should enforce the aim of the introduction of the CSD, which was mainly to avoid multiple registrations of suppliers in terms of section 2.2 of National Treasury SCM Instruction No 4A of 2016/2017.

5.6.2 Theme 2: SCM Legislation Challenges

The SCM department, like any other sections of government departments, is guided by the relevant legislation. Findings revealed that SCM is an international best practice, and government intends to achieve its socio-economic objectives through SCM. Therefore, it is not just about procuring, receiving, and consuming goods, but about the interpretation and proper application of the law in the process of procuring to ensure value for money (quality spend) and to contribute to economic growth through empowerment and job creation. It was found that the policy that determines the number of advertising days in the tendering system needs to be reviewed and revised – to reduce the number of advertising days from 21 days to 14. This could aid in facilitating procurement faster.

- **Many regulatory requirements**

Participant indicated that reducing the number of returnable documents can be the solution for delays in the SCM procurement since the CSD contains most of the information required from the suppliers to be completed on the SBD forms, noting that it is the same information. CSD should not allow directors of a single company to register many addresses but only a limited number of addresses relevant to their physical locations.

- **Introducing and repealing of SCM legislation**

Two participants noted that it would be easier if the public sector procurement regulatory frameworks were in a sequential form, as not only are they too stringent, but they are introduced and implemented today and repealed tomorrow. What makes it difficult is that for most of these regulatory frameworks, the code numbers are confusing; for example, Instruction Notes numbers such as National Treasury Instruction note 2 of 2016/2017 for cost containments measures, and SCM Instruction 2 of 2016/2017 for the procurement plans. It is difficult for SCM practitioners to differentiate between Treasury Instruction No, National Treasury SCM Instruction No, Instruction No, and PFMA SCM Instruction No.

5.6.2.1 Delays in service delivery

Findings revealed that government needs to identify and close the gaps that lead to the delay in service delivery caused by procurement processes, by paying attention to the following identified causes of delays:

- **Long procurement processes**

Eight participants opined that government needs to revise the SCM processes that have long regulated timelines. Currently the bid system follows a long process that includes putting the committees in place and getting them to meet; this is challenging.

- **Stringent policies**

Some of the participants opined that some SCM procurement policies need to be reviewed and be less stringent to minimise delays of the procurement of goods and services. This will improve service delivery as well as SCM performance. The reputation of the Agency will improve, and it will also meet its targets. This will eliminate non-compliance with SCM policies, and wasteful and irregular expenditure.

5.6.3 Theme 3: SCM Training Challenges

It was noted in Section 2.7 of the literature review that one of the main challenges in public procurement in South Africa is lack of the requisite capacity, and lack of skills and knowledge. The findings revealed that training of SCM practitioners should be a prerequisite tool in the different areas of SCM, to address issues such as non-compliance and irregular expenditure.

5.6.3.1 Practitioner trainings requirement

Findings revealed that SASSA should earmark and schedule important trainings for SCM practitioners annually. SASSA should also suggest to National Treasury improvements that need to be taken into consideration by National Treasury on the SCM procurement framework. The implementation of e-procurement should be the priority matter for the Agency since it will assist to improve transparency as outlined in section 217 of the SA Constitutions, and it is easier to work on a transaction that is online than a transaction that is in the possession of one official.

- **Lack of prior training**

Four participants indicated that pre-training of the SCM practitioners will help to equip them for better service delivery since pre-trainings assist practitioners to execute new policies correctly without creating mistakes during the procurement processes. Specifications will be proper and clearer, evaluation of the quotations will be quicker, and the appointed supplier will be the correct supplier to supply the correct goods and service in time. This will eliminate noncompliance and irregular expenditure and result in a clean audit report of the Agency.

- **Frequent Training**

Eight participants posited that frequent practitioners' training can play a vital role in SCM since the SCM prescripts are continuously changing. It is suggested that this should take place as and when there is any amendment in legislation, such as the National Treasury Instruction Notes, Practice Notes and Circulars for the better implementation of SCM process of procuring products and services. Frequent training will keep SCM practitioners up-to-date and enable them to advise and assist suppliers accordingly.

5.6.3.2 Provision of adequate training

Findings revealed that provision of adequate training could be a solution that will play a critical role in SASSA. This should comprise targeted training to develop a cadre that is equipped and empowered to carry out tasks as required. This will result in efficiency, and officials would be more confident and act with authority for ease of decision making and process management. The high rate of delays emanates from poor quality of specifications, or rather bid documents, resulting in cancelations of bids.

- **Lack of follow up on trainings**

One participant revealed that follow up after training should be done to make sure that training and the introduction of new legislation is appropriate for all areas, including the rural areas. For example, the introduction of CSD was very good and it is still good, but there are some issues which need to be addressed. Government's philosophy to adopt an integrated supply chain management function across the state departments is very good, for the most part, as it assists the stakeholders to understand how the SCM is functioning. However, it was found that there are areas where it is not easy to implement SCM processes. Therefore, follow up on trainings can assist government to check whether there are hindrances in implementing what has been introduced.

5.6.4 Theme 4: Bidding Process Challenges

In Section 2.7.5, the literature states that failure to finalise procurement processes is a major challenge in various organisations in South Africa. This leads to the extension of validity periods during the procurement process and/or the cancelling of bids.

5.6.4.1 Delays in finalising projects

It was suggested during the interviews that the introduction of e-procurement could be a solution to address or manage the delays in finalising projects at the stipulated time. The reason was that evaluation of quotations will be quicker since less time will be spent comparing quotations and there will be no need to print and prepare procurement batches. The system may even send notifications to the end users when the transaction is moving from one stage to another, which will assist the end users to prepare for the receipt of goods and services from the supplier. This will help with the audit trail of all activities for each purchase.

- **Many bidding documents**

Participants suggested that the reduction of documents going back and forth from departments to bidders and from bidders to departments could be a solution in minimising the delays. Furthermore, bidders could provide their CSD MAAA number together with their quotations. Further required documentation could then be requested from the successful bidder for due diligence at a later stage. This would save costs and resources for both parties, that is, the suppliers and departments.

- **Bid Committee Members Dependency**

Participants suggested that should the inclusion of bid committees' functions be included as a key performance indicator in their performance management, this resolves the challenge of non-attendance at meetings. The whole process of the procurement of projects on the procurement plan depends on the attendance of bid committee members at meetings, notwithstanding that they have their own core duties they are specifically contracted for. This will ensure that the process will be as per the project plan and eliminate delays due to non-availability of bid committee members.

Moreover, participants suggested that the KZN Region of SASSA should inform the head office about challenges faced by the SCM during the procurement processes, and in turn head office could address the National Treasury (Office of the Chief Procurement Officer) as the custodian of procurement processes and legislations. This will assist other SASSA regions and all other government departments who are facing similar challenges.

5.7 Conclusion

This chapter presented the findings and data analysis of the interviews with participants. The main objective of the interviews was to extract qualitative data from the participants to determine the challenges that are impacting supply the chain management performance at the South African Social Security Agency and how these are managed or addressed. The collected data of the study are presented in the form of a thematic map, and each theme, sub-themes and codes were dealt with individually. The inclusion of verbatim quotes made by the participants was done to provide the reader with a comprehensive understanding of the collected data.

Four main themes were identified: procurement challenges; SCM legislation challenges; SCM training challenges; and bidding process challenges. To organise the empirical data in a meaningful order, different sub-themes and codes were devised for each theme. Lastly, this chapter dealt with the strategies that the KZN Region of SASSA should address with its head office regarding the identified challenges.

The next chapter concludes this dissertation by summarising the main findings. Each objective will be considered individually by revisiting both the literature review and the empirical findings of each objective to draw conclusions and make recommendations.

CHAPTER 6: SUMMARY, RECOMMENDATIONS AND CONCLUSION

6.1 Introduction

The previous chapters presented the problem statement, objectives, literature review of the study, SCM performance and research design, including the methodology. Chapter 5 presented the findings and analysed the empirical data. This concluding chapter presents a summary of the study by revisiting the research objectives, and then presents recommendations.

6.2 Reflecting on the research questions and objectives

The main research questions and objectives are reflected in this chapter, as they are the foundation of this research study. Since they create the basis of the study, there is a need to indicate how they have been addressed and met during the course of the study. The objectives were achieved through a combination of a review of the appropriate literature and an empirical study.

6.2.1 Research Questions

From the problem statement, the following research questions were derived:

- What are the supply chain management challenges experienced by SASSA in KZN?
- How do these challenges impact on SASSA's performance in KZN?
- What strategies could SASSA in KZN have in place to manage/address these challenges?

6.2.2 Research Objectives

The main objectives of this research study were to identify the challenges that impact the performance of the supply chain management at SASSA in KwaZulu-Natal and to determine the strategies SASSA could have in place to address these challenges. This chapter serves as a summary of the dissertation and links the objectives of the study to the analysis of the collected data and findings, thus answering the questions of the study. The chapter concludes by providing recommendations, limitations of the study and the areas for possible future research. The research objectives are below:

- To determine what the supply chain management challenges experienced by SASSA in KZN are.
- To find out how these challenges impact on SASSA's performance in KZN.

- To identify the strategies SASSA in KZN could have in place to manage/address these challenges.

Table 6.1 provides a summary of the research objectives and how each of these objectives has been addressed.

Table 6.1: Research questions and sections dealing with objectives.

Research Objectives	Secondary Data	Empirical Data
To determine what the supply chain management challenges experienced by SASSA in KZN are.	Chapter 2 Section 2.7	Chapter 5: Section 5.5.1.1
To find out how these challenges impact on SASSA's performance in KZN.	Chapter 3: Section 3.2	Chapter 5: Section 5.5.1.2
To identify the strategies SASSA in KZN could have in place to manage/address these challenges.	Chapter 3: Section 3:3, 3.3.1 and 3.3.2	Chapter 5: Section 5.7

6.2.3 Linking the existing literature with the primary data

An overview of the literature review was provided to lay the foundation for the empirical research study, to determine the challenges faced by public sector procurement in the SASSA KZN Region that impact on the performance of service delivery. The data collected through the interviews with participants from the SASSA KZN Region consisted of voice recordings that were transcribed verbatim. The findings and results of the collected data were dealt with in chapter 5 of this study. The literature collected in chapters 2 and 3 is linked to the primary data in Table 6.2. The data reflected in the first three columns are the themes, sub-themes and codes. In the last column, the findings are linked to what was first reported in the literature review.

Table 6.2: Linking Literature Review to the Data Collected

Themes	Sub-Themes	Codes	Elements of Literature Review
Theme 1: Procurement Challenges (Section 5.6.1)	Section 5.5.1.1: Delays in procurement processes	Late and no responses	Section 2.7.4: Non-responses from prospective suppliers
	Section 5.5.1.2: Non-compliance to the procurement plan	Poor Planning	Section 3.4: Need Analysis and Annual Performance Plan
	Section 5.5.1.3: Slow performance of Central Supplier Database	High volumes of central supplier database (CSD) users	This challenge was not found in the literature.
Theme 2: SCM Legislation Challenges (Section 5.6.2)	Section 5.6.2.1: SCM stringent policies	Many regulatory requirements	Section 2.7.3: Non-compliance with Policies and Regulations
	Section 5.7.2.2: Delays in service delivery	Long procurement processes	Section 3.6: Public Procurement Process and Service Delivery
Theme 3: SCM Training Challenges (Section 5.6.3)	Section 5.7.3.1: Practitioner training Requirement	Lack of prior training	Section 2.7, para 6: Supply Chain Management Challenges.
	Section 5.7.3.2: Provision of practitioner training		
Theme 4: Bidding Process Challenges (Section 5.6.4)	Section 5.6.4 1: Delays in finalising projects	Many bidding documents	Section 2.7.5: Failing to finalise procurement processes and projects
		Bid Committee Members' Dependency	

Source: Compiled by the researcher

6.3 Discussion of the research findings

This section provides an overview of how each research objective was addressed and demonstrates how each objective contributes to resolving the core challenge of the research study.

6.3.1 Objective 1: To determine what the supply chain management challenges experienced by SASSA in KZN are

The main purpose of the study was to determine the supply chain management challenges experienced by South African Social Security Agency that impact on their performance. The objective was achieved through the empirical study conducted at the South African Social Security Agency. The empirical study consisted of semi-structured in-depth interviews, using an interview guide. The interview guide was drafted based on the conceptual framework derived from findings of the literature review in terms of the objectives of this study. An interview guide designed and used for the empirical research is included as Appendix D.

The findings of the research study reveal that the supply chain challenges faced by the KZN SASSA SCM can be divided into four themes derived from the application of the conceptual framework. These themes include procurement challenges, legislation challenges, SCM training challenges and bidding process challenges.

6.3.1.1 Procurement Challenges

The findings of this study revealed that procurement challenges include the following:

- **Delays in procurement processes** are caused by various factors including late and no responses from the prospective suppliers when they are requested to quote. This can be attributed to the following: many returnable and supporting documents that are required from the service providers; a lack of resources, such as Internet connectivity, in rural areas due to the shortage of infrastructures; and incorrect specifications received from the user departments, resulting in incorrect goods and services delivered and/or cancellation of quotations. Delaying of procurement processes negatively impacts on service delivery, sometimes resulting in no deliveries at all. This negatively reflects on the image of the Agency and compromises the dignity of the vulnerable community who are receiving the services and the various stakeholders.

This is in line with the literature presented in Section 2.7.4 that bids and quotations received from prospective suppliers, which do not meet the minimum requirements as stipulated in the invitation, are regarded as the non-responses. This is one of the challenges that creates delays and wasteful expenditure in the public sector organisations, hence it incurs costs, time, resources and has other financial implications (Volmink, 2014, p.41).

Most of the challenges that contribute to delays in procurement processes can only be addressed by those in higher authority and it is suggested that the procurement processes be revisited.

- **Non-compliance to the procurement plan** can be the result of: the late submissions of requests for products or services by the user departments to SCM; poor planning for the procurement of goods and services, and; stringent and many SCM prescripts for bidders to comply with. It is suggested that the strict monitoring of projects plans against the procurement plan should result in compliance. Furthermore, revising some of the SCM legislation could resolve this challenge.

This finding is in line with the literature presented in Section 2.7 that various SCM challenges faced by the public sector are found to be as a result of poor planning for procurement, lack of compliance with existing policies, ineffective monitoring and evaluation of contracts performance, and too much decentralisation of the procurement system. These challenges cause mistrust of the SCM processes in the South African public sector and lead to the perception that the public sector is failing to fulfil its mandate due to systemic problems in the entire public supply chain (Mhelembe & Mafini, 2019, p.2).

- **Slow performance of the Central Supplier Database** was identified as a challenge of the procurement process, which seems to be caused by the high volumes of CSD users as this slows down the system. It is suggested that restricting the registration of many companies with different addresses could be a solution to verify companies on the CSD. Perhaps not more than five companies and addresses per Director could be a recommendation.

6.3.1.2 Legislation Challenges

The findings of this study revealed that legislation challenges include the following:

- **SCM stringent policies** were found to be a challenge because there are many regulatory requirements to be followed per project and failure to comply with these prescripts results in irregular expenditure. SCM legislations are found to be a challenge especially because they keep on changing, they are not in sequential order, and there is no validity period of some of the legislations. It is suggested that introducing the Bill of procurement could

assist SCM practitioners, as it will consolidate the list of the different pieces of legislation. It is indicated in Section 2.7.3 of the literature review that all policies and regulations for any organisation serve as a guide that needs to be implemented and followed. Therefore, failure to comply with any legislation is called non-compliance. Non-compliance with the SCM policies and regulations is the source of irregular expenditure.

- **Delays in service delivery** was identified as a challenge, and long procurement processes have a negative impact on service delivery delays. Following the procedure and processes of procurement for projects is quite lengthy. It is suggested that reducing or eliminating some processes of procurement could assist in the elimination of unnecessary delays in service delivery. As indicated in Section 3.3.3 of the literature review, government departments around the world are governed by rules and regulation of public procurement, and public procurement is regarded as an important tool for good performance in service delivery. Thus, government departments have implemented an appropriate and convenience procurement methods that can be used to purchase goods and services (Baiden, Abdul-Razak & Danku, 2015, p.732).
- **SCM training challenges** appear to be a challenge particularly when legislation is introduced. It was noted during the interviews that pre-training could be a solution by ensuring that SCM practitioners are aware of the upcoming changes and start to implement them on their effective date. This would assist in complying with procurement processes and eliminate audit findings of non-compliance. Regular training is suggested as a solution as well, as the legislations keeps on changing, and it could also serve as a refresher course which will keep SCM practitioners up to date. Section 2.7 of the literature review indicated the causes of public procurement challenges experienced by different countries and national governments. These revolved around inadequate procurement planning, lack of pre-qualification of suppliers, failure to follow due process, lack of adequate qualified procurement professionals, and poor inventory management.
- **Bidding Process Challenges** was found to be one of the types of challenges experienced by all the government departments that cause the delays in finalising projects on-time. The requirement of completing many bidding documents is a challenge that causes a delay for the parties involved in procurement; that is, the prospective service providers and government entities. The findings further revealed that there is duplication of the

information required to be provided by the suppliers, which is contained in the Central Supplier Database. It is suggested that reducing the number of required documents that contain the same information available in the Central Supplier Database could help in the completion and returning of the advertised documents faster. Furthermore, there is also dependency on other stakeholders in the SCM processes to be actioned, such as Bid Committee Members. This dependency also delays the bidding process. It is suggested that including bid committees' duties in their key performance areas when contracting for performance could reduce the non-attendance of committee members at the scheduled meetings.

Section 2.7, para 4 of the literature review stated that delayed award of tenders emerged as one of the challenges facing the government departments. Some informants attributed tender challenges to a lack of manpower in the state to timeously renew tenders – a function previously performed by the National Treasury. Failure of suppliers to meet demand obligations is caused by lack of capacity, during the early stage, after a contract has been awarded, and especially when buyers procure large volumes of goods and services. (Magadzire, Ward, Leng, & Sanders, 2017, p.582).

6.3.2 Objective 2: To find out how these challenges impact on SASSA's performance in KZN

The second objective of this study was to find out how the identified challenges impact on SASSA's performance. The findings revealed that these challenges impact negatively on SASSA's SCM performance – which affects service delivery. The delays of procurement in the procurement plan impact on the achievement of targets as set out in the annual performance plan as well as in the operational plans. In a nutshell, the entity would underachieve in terms of its set targets as well as in terms of spending its allocated budget. The underspending is classified as poor financial management and can result in the risk of budget cuts. Poor planning results in procurement by other means and this can result in irregular expenditure.

Delays in procurement processes and long procurement processes result in delay of the supply and delivery of goods and services, which negatively affects service delivery. The delays of service delivery, and non-delivery of services, as per the scheduled timeframes creates a bad image for the entity. Failure to honour the agreement of the assigned companies compromises the dignity of the vulnerable community and other stakeholders. Long procurement processes result in the Agency paying more than what was budgeted for, particularly when procuring

imported goods such as IT-related equipment. As stated in Section 2.7 of the literature review, the process in procurement starts from the initiation of the need by the end user department and it is approved by the head of the department, as one way of acknowledging the requirement. This has to do with the process of acquiring goods, works and services. It begins when a department has identified a need and decided on its procurement requirement. The process needs to adhere to the laid down procurement process and procedures in order to achieve procurement performance (Amemba et al., 2015, p.272).

6.3.3 Objective 3: To identify the strategies SASSA in KZN could have in place to manage/address these challenges

The third objective of this study was to identify the strategies SASSA in KZN could have in place to manage/address the identified challenges. The Agency ensures that all procurement needs in the procurement plan are allocated to the project managers, who are appointed in writing. Procurement processes are monitored against the project plans in place throughout the financial year. The following were suggested by the participants:

- **Monthly and quarterly reporting** to the Chief Financial Officer (CFO) and Executive Committee (EXCO) are done against the demand plan. Close monitoring of the demand plan by SCM and strengthened communication between the end users and the SCM could address the challenges that impact on the movement of the processes.
- **Amendments to the procurement plan** are restricted to ensure that the Agency does not procure more than what can be delivered (demand and supply disjuncture) based on the resources. A culture of accountability could be strengthened where users can present their project plans to bid committees and account for delays. Furthermore, this could also address the challenge of procuring goods and services not budgeted for.
- **Incorrect specifications:** Most specifications are now subjected to Specification committees for the design and are approved by the bid adjudication committee. Members of the specification committee and adjudication committees could ask for clarity regarding any questions they have from the project manager so that the specification becomes clearer. Other members of these committee could also look at specifications from the suppliers' viewpoint and consider the operational plan of the organisation. This could assist in crafting clear specifications.
- **Late submissions of request to procure:** The SCM Unit should include SCM procurement lead times in their requests for bid or quotations. These lead times help in

advising the end user departments about the timeframes required for the procurement of goods and services per threshold amount. This helps in informing the end user departments about the time it takes to finalise the procurement of each project.

- **Non-compliance to procurement plan:** The Demand section within the SCM unit is responsible for following up with end user departments to commence the procurement processes according to the procurement plan. The Demand section can also amend the procurement plan when necessary.

6.4 Recommendations

Various recommendations were made by the participants during the interviews on how the South African Social Security Agency could eliminate the challenges that negatively impact on its performance. The participants noted that the foundation for the implementation of the SCM was not set correctly at the outset, as implementation was not preceded and coupled with capacity building. It is for this reason that after 20 years of its existence as a discipline, it is still an immature system. This oversight is perpetuated by the fact that the frequency of issuance of Instruction Notes is not coupled with training at the same time. Communication with the implementing institutions is minimal. Furthermore, at the time of conducting this study, there was no available qualification in SCM, particularly dealing with SCM in the public service. To improve the performance of SASSA SCM, the participants recommended the following:

- *Automation / e-procurement is the way to go to mitigate these challenges because there will be less paper, less human errors and speeds up the finalisation of decisions and reduces the failure rate of committees to meet the targets” (Participant 1).*
- *“SASSA KZN must request permission from National Treasury through SASSA Head Office for the reduction of paperwork since CSD contains similar information required from some of the SBD Forms. SASSA must also adopt E-procurement system to be on the same level with other international organisations which are in the 4th Industrial Revolution. This will minimise theft and risk of the agencies and suppliers’ information” (Participant 6).*
- *“SASSA should introduce continuous training of SCM officials to keep up with the current developments in the field of service delivery. SASSA should implement an automation system and ensure that it is not only focused on its core business but should cater for support units of the Agency” (Participant 2).*

- *“It is suggested that SASSA may finalise the implementation of BPR which is coming with the solutions to the Agency. SASSA must ensure that its automation is not focused to the core business only, but the business support as well needs to be included to the change. This will save time, reduce paper and more cost effective. There will always be a tracking record as compared to a paper trail” (Participant 3).*
- *“The introduction of an E-Procurement system can be a solution of SCM procurement because there will be less paperwork, it will be quicker and no delays with accuracy. Filling of vacant post in SCM can ease up the work environment” (Participant 7).*
- *“SASSA should earmark or schedule important training for SCM practitioners annually. SASSA should also suggest to National Treasury improvements that need to be taken into consideration by National Treasury on the SCM procurement framework. The implementation of E-procurement should be a priority matter for the Agency since it will also assist to improve transparency as outlined in section 217 of the SA Constitution and easier to work on the transaction that is online than transaction that is in possession of one official” (Participant 5).*
- *SASSA KZN must request permission from National Treasury through SASSA Head Office for the reduction of paperwork since CSD contains similar information on some of the SBD Forms. It would be better if only the recommended service provider who can be requested to submit all documents. The Agency will then have the chance of verifying the information and that will save cost for unsuccessful services providers of printing piles of papers. SASSA must also adopt an E-procurement system. This can be a useful tool to fast-track and finalise projects in a short period of time with less paperwork and safe record keeping. Bid committee meetings can be done online and members can then always meet the quorum”(Participant 9).*
- *“SASSA KZN needs to decentralise operations and have SCM officials in each office, the Local and District offices in KZN, to ensure that service delivery is fast because everything will happen within that office. Employment of more SCM officials and filling of the vacant posts in SCM. SASSA needs to have a section that deals with the monitoring and evaluation of SCM policies within Supply chain management to ensure that all SCM practitioners understand the SCM policies” (Participant 8).*

- “SASSA should plan for the procurement of IT related equipment and give SCM sufficient time to do market research and compile the correct specifications for items that are in stock to minimise the waiting period for goods to be imported” (Participant 10).
- “The introduction of the E-procurement system can be the best solution of some SCM challenges because once it comes to practice, it would be better, and it will make work easy and manageable since it will be paperless, safe record keeping, and less time consuming” (Participant 11).

Table 6.3 depicts the challenges and recommendations for SCM, including the brief discussion of possible outcomes when adopting the suggested recommendations.

Table 6.3: Summary of Findings and Recommendations

Themes	Literature Findings	Empirical Findings	Recommendations
	The following are the SCM challenges identified from the literature review, presented in Section 2.7 of this study.	The following are the main supply chain management challenges identified from the interviews, presented in Section 5.6.	The following are recommendations suggested by the researcher:
Theme 1: Supply Chain Management Procurement Challenges	Delays in project implementation.	Delays in procurement processes.	SCM procurement processes could be revisited and revised to address the delays of procurement processes.
	Inadequate procurement planning.	Non-compliance to procurement plan.	SASSA could monitor the procurement plans to ensure that all projects included therein are finalised within the scheduled time.
	Lack of compliance with existing policies.	Stringent and much legislation.	Government departments could meet with National Treasury to revisit the stringent and the number of legislations in place.

	Non-responses from prospective suppliers.	Late and/or no responses from suppliers.	SASSA could discuss the challenge regarding the Central Supplier Database with National treasury. The registration of companies under one director and many addresses should be restricted.
	Lack of pre-qualification of suppliers.	Many supporting documents to complete.	SASSA could correctly apply section 4 of National Treasury SCM Instruction No. 4A of 2016/2017 to reduce the number of documents required from suppliers.
	Failure to follow due process.	Incorrect specifications.	SCM requests could be sent to SCM earlier so that the department has sufficient time to verify the specifications with the user department.
	Low absorption of resources.	Scarcity of resources in rural areas.	SASSA could come up with a strategic plan to assist suppliers that are in rural areas by providing resources at its Local and District offices to honour its slogan “ <i>1Siyaya emphakathini Njalo</i> ”.
	Poor procurement planning.	Poor planning	SASSA could impose strict monitoring of the procurement plan to eliminate the inclusion of a wish list in the procurement plan.
	Mistrust of the SCM processes.	Late submission of procurement requests. CSD updates	SASSA could develop a timeframe plan for the submission of the procurement requests. This should be escalated to the National Treasury as the custodian of CSD.

¹ Paying the social grant to the right person at the right time and place.

Theme 2: Supply Chain Management Legislation challenges	Non-adherence to set laws that result in unauthorised wasteful and irregular expenditure.	SCM stringent policies.	This could be addressed to the National Treasury to ensure that these policies accommodate all parties.
	SCM prescripts developed to guide all government spheres as the drivers of procurement-law reform in South Africa.	Delays service delivery. Many regulation requirements.	SASSA could request National Treasury to revisit some of the SCM prescripts that delay the procurement process as this affects service delivery.
	The ever changing of SCM prescripts	Introducing and repealing of SCM legislation.	This could be addressed by National Treasury, to ensure that there is a sequential coding order of these prescripts for ease in following them.
	The process needs to adhere to the laid down procurement process and procedures.	Long procurement processes.	SASSA could revisit its SCM Procurement processes in line with its delegations.
Theme 3: Supply Chain Management Training Challenges	Lack of adequate numbers of qualified procurement professionals.	Provision of practitioner training.	SASSA could provide training as and where there are any changes and newly introduced regulations.
	Ineffective monitoring and evaluation of the performance of contracts.	Lack of prior Training.	SASSA could ensure that training takes place before the effective date of the implementation of the SCM prescripts to eliminate Auditor General's findings
	Failing to assist SCM officials by introducing regular procurement training.	Lack of follow up on training received.	Refresher training could be introduced after the implementation of any new regulations to ensure that officials have a sound understanding of the regulations.

Theme 4: Supply Chain Management Bidding Challenges	Failing to finalise procurement processes within the stipulated time.	Delays in finalising projects.	SASSA could monitor this process of finalising projects, as there are project plans and projects managers in place.
	Government entities experience obstacles during the implementation of SCM processes and procedures.	Many bidding documents to complete by suppliers. Dependency on Bid Committee Members.	SASSA could consider the issue of including the bid committees' functions in their Performance Management Evaluation to motivate the appointed bid committee members to attend meetings.

Source: Compiled by Researcher

6.5 Contribution of the research study

The research study identified the challenges impacting the supply chain management performance at the South African Social Security Agency. No evidence was found of similar studies conducted at the South African Social Security Agency. The identified challenges in the study impact negatively on service delivery in the Agency. This has a negative impact on the accomplishments of the Agency's vision and mission of being a leader in the delivery of social security services and to provide social security and related services to eligible people in South Africa.

Thus, it is suggested that this study contributes to the KZN Region of SASSA and to other regions of SASSA, as well as other government departments with regard to how they could address the identified supply chain management challenges that negatively impact on its performance.

6.6 Limitations of the study

This study is not without its limitations, and these are outlined as follows:

- The researcher interviewed twelve participants from one region of SASSA. Therefore, the findings of this research cannot be generalised to all the regions of SASSA as well as other government departments in South Africa.

- The study focused on supply chain management challenges faced by KZN SASSA, and challenges were identified through the literature review and semi-structured in-depth interviews with participants at SASSA supply chain management. Therefore, it is suggested that not all challenges in the supply chain management of SASSA in KZN have been identified.

6.7 Areas for future research

The following are possible areas for future research:

- A future study could be undertaken to identify the SCM challenges faced by the SCM units at all national South African Social Security Agencies.
- A comparative study could be undertaken to include all SCM units at all national South African Social Security Agencies, to find out whether they face the same or different supply chain management challenges.

6.8 Conclusion

This concluding chapter started by reflecting on the objectives of this research study. It serves as a summary of the dissertation and links the objectives of the study to the analysis of the collected data and findings, thus addressing the problem statement of this study:

There is a need to identify and address the supply chain management challenges that negatively impact on the performance of SASSA in KZN, in order for them to meet their targets efficiently and effectively.

The challenges and recommendations for SCM, including the brief discussion of possible outcomes when adopting the suggested recommendations, are presented in Table 6.2. The chapter then concludes by providing the recommendations, limitations of the study and the areas for possible future research.

In conclusion, the study identified the SCM challenges that negatively impact on the performance of the SASSA in KZN. These supply chain management challenges negatively affect their performance and thus SASSA is not meeting their targets efficiently and effectively.

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Appendix A: Ethical Clearance Letter



14 September 2023

Benzile Merrica Hadebe (222069671)
School Of Man Info Tech & Gov
Pietermaritzburg Campus

Dear BM Hadebe,

Protocol reference number: HSSREC/00006053/2023

Project title: Challenges impacting supply chain management performance at the South African Social Security Agency

Degree: Masters

Approval Notification – Expedited Application

This letter serves to notify you that your application received on 24 August 2023 in connection with the above, was reviewed by the Humanities and Social Sciences Research Ethics Committee (HSSREC) and the protocol has been granted **FULL APPROVAL**.

Any alteration/s to the approved research protocol i.e. Questionnaire/Interview Schedule, Informed Consent Form, Title of the Project, Location of the Study, Research Approach and Methods must be reviewed and approved through the amendment/modification prior to its implementation. In case you have further queries, please quote the above reference number. PLEASE NOTE: Research data should be securely stored in the discipline/department for a period of 5 years.

This approval is valid until 14 September 2024.

To ensure uninterrupted approval of this study beyond the approval expiry date, a progress report must be submitted to the Research Office on the appropriate form 2 - 3 months before the expiry date. A close-out report to be submitted when study is finished.

HSSREC is registered with the South African National Health Research Ethics Council (REC-040414-040).

Yours sincerely,



Professor Dipane Hlalele (Chair)

/dd

Humanities and Social Sciences Research Ethics Committee

Postal Address: Private Bag X54001, Durban, 4000, South Africa

Telephone: +27 (0)31 260 8350/4557/3587 Email: hssrec@ukzn.ac.za Website: <http://research.ukzn.ac.za/Research-Ethics>

Founding Campuses: ■ Edgewood ■ Howard College ■ Medical School ■ Pietermaritzburg ■ Westville

INSPIRING GREATNESS

Appendix B: Gatekeepers Letter



University of KwaZulu Natal Private Bag X01
Scottsville 3209

Dear Mrs B. Hadebe,

SASSA KZN
1 Bank Street Pietermaritzburg 3201

RE: REQUEST FOR PERMISSION TO CONDUCT A STUDY WITHIN THE SOUTH AFRICAN SOCIAL SECURITY AGENCY (SASSA)

I acknowledge receipt of your letter requesting permission to conduct research at SASSA KwaZulu-Natal on “**Challenges impacting supply chain management performance at the South African Social Security Agency**”. SASSA is a progressive Agency which promotes research that enhances knowledge and development. Please be advised that permission is granted for you to undertake this study in the offices of SASSA in KZN. Please present this letter when you access SASSA offices or engage with staff.

Of important note for you as you embark on this project is that SASSA cannot decree to its officials, customers, beneficiaries and stakeholders whether or not to participate in your research study. However, information that you will obtain from SASSA officials and beneficiaries should be treated with confidentiality whether in terms of the storage of data, analysis or during the publication process. It is advisable to remove identifiers such as names, vernacular terms and geographical hints when writing up your dissertation. Furthermore, SASSA cannot guarantee your safety as you go around its premises and does not promise you funding of your research study at any given stage.

The monitoring and evaluation department at SASSA Head Office will provide you with statistical information and approved reports on your subject matter of study if requested, and if information is available. I wish to thank you for choosing SASSA to collect data for your study and will request that you provide the Agency with two copies of the final approved dissertation. Please also ensure that you provide an electronic copy of the report on pdf for it to be uploaded to the research repository of the Agency. You will also be expected to present your findings and recommendations to the regional management committee (REMANCO) at a date that will be communicated to you once your final dissertation has been submitted.

Regards,

Ms C.T.H. Mzobe



Regional Executive Manager SASSA KZN

Date: 25 July 2023



[*paying the right social grant, to the right person,
at the right time and place. NJALO!*

South African Social Security Agency
KwaZulu-Natal Region

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Pietermaritzburg 3201 Private
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3201
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Appendix C: Informed Consent

UKZN HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS COMMITTEE (HSSREC)

APPLICATION FOR ETHICS APPROVAL

For research with human participants

Information Sheet and Consent to Participate in Research

Date: 11 August 2023

Greetings,

My name is Benzile Merrica Hadebe from Ithala Development Financial Corporation Limited. You are being invited to consider participating in a study that involves research (Challenges impacting supply chain management performance at the South African Social Security Agency). The aim and purpose of this research is to investigate the challenges that faced by the supply chain management that negatively impact their performance. The study is expected to include twelve (12) participants in total, three (3) cost center managers and nine (9) SCM Officials all at the SASSA Regional office which is situated at the corner of Bank and Pietermaritz Streets, Pietermaritzburg. It will involve the following procedure: a semi-structured interview will be conducted using an interview guide. The duration of your participation of the interview, if you choose to participate and remain in the study will be around 30 minutes. The study is not funded.

The study will not involve any risks and/or discomforts. The study will provide no direct benefits to participants. The study will identify and address the challenges faced by the Supply Chain Management so that the SASSA in KZN meets its targets efficiently and effectively.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number HSSREC/00006053/2023).

In the event of any problems or concerns/questions you may contact the researcher on phone numbers: 031 907 8620 & [REDACTED] or email: [REDACTED] or my supervisor, Prof MJ Naude on email: naudem@ukzn.ac.za. Alternatively, you can also contact the UKZN Humanities & Social Sciences Research Ethics Committee, as follows:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban 4000 KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557- Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

Your participation in the study is voluntary and by participating, you are granting the researcher permission to use your responses. You may refuse to participate or withdraw from the study at any time with no negative consequence. Your anonymity will be maintained by the researcher and the School of Management, IT & Governance and your responses will not be used for any purposes outside of this study.

During the study, all the data collected will be stored in a safe and secure location and made accessible only to the researcher and the supervisor. On completion of my research study all desktop data transcripts will be handed to my supervisor for safe keeping. My supervisor will destroy this material after 5 years. If you have any questions or concerns about participating in the study, please contact me or my research supervisor at the numbers listed above.

Sincerely

Benzile Merrica Hadebe

CONSENT TO PARTICIPATE

I have been informed about the study entitled Challenges impacting supply chain management performance at the South African Social Security Agency by Benzile Merrica Hadebe.

I understand the purpose and procedures of the study to investigate the challenges that faced by the supply chain management that negatively impact their performance.

I have been given an opportunity to ask questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

If I have any further questions/concerns or queries related to the study, I understand that I may contact the researcher at (031 907 8620/ [REDACTED] / [REDACTED]).

If I have any questions or concerns about my rights as a study participant, or if I am concerned about an aspect of the study or the researchers then I may contact:

HUMANITIES & SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban

4000

KwaZulu-Natal, SOUTH AFRICA

Tel: 27 31 2604557 - Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

I hereby provide consent to audio-record my interview: YES / NO

Signature of Participant

Date

Signature of Witness

Date

Appendix D: Interview Guide

Challenges impacting supply chain management performance at the South African Social Security Agency

Introduction

Good day. Thank you so much for taking time out of your busy schedule to participate in this study. I am pleased that you are happy to share your experience and knowledge with me. I am here to discuss what you perceive to be the challenges that impact supply chain management performance at the SASSA.

This interview will take 45 minutes. Please may I record this interview to facilitate data analysis (if yes, switch on the recorder). I would like to assure you that even though this interview is recorded, the transcripts will be anonymous and kept confidential. No personal details of any participant will be noted in the study. In other words, the information provided in the study will not be linked back to individual participants.

Do you have any questions before we start?

SECTION A: DEMOGRAPHIC PROFILE

A.1 Which age group do you fall under?

Age Group	Please indicate with a mark X
18 - 25	
26 - 35	
36 - 45	
46 - 55	
56 - above	

A.2 Gender and Race group

Gender	Race group	Please indicate with a mark X
Female		
Male		

A.3 What is your highest qualification?

Highest qualification	Please indicate with a mark X
Matric	
Diploma	
Degree	
Postgraduate and above	

A.4 How many years have you worked for SASSA?

Years working in government	Please indicate with a mark X
Less than 1 year	
Between 1 and 3 years	
Between 4 and 6 years	
Between 7 and 9 years	
10 years and above	

SECTION B: PUBLIC SECTOR PROCUREMENT QUESTIONS

B.1 Challenges impacting supply chain management performance at the South African Social Security Agency.

- What are the challenges experienced by Sassa in KZN?
- How do these challenges impact on Sassa's performance?
- What strategies could SASSA have in place to manage these challenges

B. 2 Public sector procurement legislation challenges

- Do you believe that the government introduced public sector procurement regulatory frameworks that are too stringent for SCM to implement? Why?

- b) Do you think that public sector procurement legislation currently delays service delivery? If so, how?
- c) Are there any public sector procurement legislation needs to be reviewed? If yes, which ones and why?

B.3 Public sector procurement practitioner training on legislation challenges

- a) Is there any practitioner training on legislations required? If yes, what should be covered on those skills workshops to improve SCM performance?
- b) Do you believe that the provisions of adequate training for SCM practitioners plays crucial role in service delivery? Please elaborate on your answer.

B.4 Public sector procurement processes (Bidding) challenges

- a) Are current public sector procurement processes structured correctly to improve service delivery? If yes, how? If no, what do you suggest.
 - b) Are there any delays in finalising projects as per the annual procurement plan caused by the current procurement processes? Please explain.
 - c) Based on the current procurement processes, which processes need to be reviewed and why?
 - d) Do you think that the introduction of E-procurement system is going to change the SCM performance? If so, how and why?
5. Finally, do you have any suggestions on what strategies SASSA in KZN could introduce to manage/ address these challenges.

Thank you very much for your time. It is greatly appreciated.
