

Implementation of Demand Management in the South African Police Service

B H Matloko*

Department of Public Administration and Management
University of South Africa

C Alers

Department of Public Administration and Management
University of South Africa

ABSTRACT

The article investigates the effective implementation of demand management in public administration in South Africa and particularly at the South African Police Service (SAPS). The purpose of the article is to analyse the main reasons why the Immovable Asset Management component of the SAPS Silverton station is not implementing generally accepted Supply Chain Management (SCM) and demand management principles. The article employed a mixed methods research design and data was gathered from managers and officials in the Immovable Asset Management component responsible for demand management. The findings revealed that the SAPS is not setting realistic timelines and not budgeting for all identified needs relating to immovable assets. End-user demands are subsequently not met. It was found that, not complying with statutory requirements leads to the lack of implementing generally accepted SCM principles. Recommendations were made to strengthen demand management within the supply chain of the SAPS.

INTRODUCTION

Effective demand management processes enable public institutions to be proactive to anticipated demands, and more reactive to unanticipated demands. In addition, increasing flexibility in public demand management processes assists the public sector to respond effectively to unplanned external supply chain events.

Unfortunately, SCM at the SAPS faces numerous challenges, such as the lack of integrated planning, not efficiently implementing generally accepted SCM principles and not meeting due dates. It appears that the available SCM principles and rules are often ambiguous and problematic to implement. The ultimate challenge relates to the entrenched lack of accountability leading to substandard service delivery and unsatisfactory immovable asset management (Masete and Mafini 2018:3). The Public Protector found in 2011 that the SAPS did not adhere to appropriate demand and procurement management processes (Madonsela 2011). In addition, the Institute for Security Studies published an article about SCM procedures not being implemented effectively in the SAPS (Newham and Faull 2011). Moreover, in 2019, the SCM division of the SAPS at Silverton in Pretoria received qualifications on audit reports due to demand management procedures not being complied with (Parker 2019:13–47). In another incident, at the end of 2020, a Lieutenant-General, (former) head of Crime Intelligence, was suspended following allegations of corruption, specifically the irregular procurement of personal protective equipment used during the Covid-19 pandemic, involving the use of a secret service account (Petrus 2021). A 2022 report by Corruption Watch (CW) has revealed that allegations of corruption in the SAPS range from abuse of authority, such as the use of state resources and the dereliction of duty (Patel 2022). Consequently, a question arises about the reasons for the SAPS not complying with the implementation of generally accepted SCM and demand management principles.

The problem under investigation is the ineffective and insufficient implementation of SCM policies and processes, specifically demand management processes, within the Immoveable Asset Management component of the SAPS. This article focuses on demand management in the public sector by critically analysing the main reasons why the Immoveable Asset Management component of the SAPS Silverton station is not implementing generally accepted SCM principles in the demand management processes.

PUBLIC SECTOR SUPPLY CHAIN MANAGEMENT

SCM's mandatory functions are to manage and coordinate all the supply chain activities necessary to support an organisation's strategy of delivering the right quantity of a product to the right place at the right time. SCM is a chain that involves many strings such as upstream and downstream relationships management whereby suppliers deliver customer value at reduced costs. SCM also includes coordination and collaboration with funders, suppliers, third-party service providers and customers. It usually includes supply chain planning and the process of analysing, evaluating and defining strategies, including network design, sourcing, transportation and inventory policy (Ambe 2012:132&133; Mtshali 2017:1; Jenkins 2022).

Although SCM has been undervalued and its strategic importance not been recognised before 2004, SCM became one of the key mechanisms enabling government to implement public policy. The National Treasury's Supply Chain Management Guide for Accounting Officers (National Treasury 2004a:22) states that it is vital for public managers to understand and utilise techniques to assist them in their planning, implementation and control on public processes and activities. As part of the strategic plan of any public institution, resources required for the fulfilment of its needs, demands and obligations should be clearly analysed. This includes a detailed analysis of products, goods, services and assets required, such as how much can be accomplished, how quickly and with what materials and equipment. Accounting officers and authorities should thus ensure that any needs of an institution are understood and that the requirements are linked to the institution's budget. All the needs and the required resources must be identified and assessed to bring the SCM practitioner closer to the end-users. The demands of the end-users need to be identified in the User Immovable Asset Management Plan that forms part of the institution's strategic plan, as well as in the institutional Procurement Plan (National Treasury 2004b:9; Mantzaris 2017:121).

Generally accepted supply chain management principles

Proper and successful SCM rests upon five pillars, namely value for money, open and effective competition, ethical and fair dealing, accountability and reporting and equity (Treasury Regulations 2017).

Value for money

This is an essential test against which an organisation must justify a procurement outcome. Best value for money means the best available outcome when all relevant costs and benefits over the procurement cycle are considered. In the public sector, the procurement function must always provide value for money and must be carried out in a cost-effective way. Procurement sections, whether centrally located or devolved to individual departments, should avoid any unnecessary costs and delays for themselves or suppliers, monitor the supply arrangements and reconsider them if they cease to provide the expected benefits (Treasury Regulations 2017).

Open and effective competition

Open and effective competition requires a framework of procurement laws, policies and practices that is transparent and readily accessible to all parties. This pillar of public procurement also requires openness in the procurement process and encourages effective competition through procurement methods suited to market circumstances. Furthermore, SCM departments need to ensure that potential

suppliers have reasonable access to procurement opportunities, available opportunities for bids are published in the Government Tender Bulletin and adequate and timely information is provided to suppliers to enable them to bid (Treasury Regulations 2017).

Ethical and fair dealing

In procurement, if all parties comply with ethical standards, they can deal with each other on a basis of mutual trust and respect and conduct their business in a fair and reasonable manner and with integrity. Hence, government staff associated with procurement, particularly those dealing directly with suppliers or potential suppliers, are required to recognise and declare any conflicts of interest or the potential thereof and to deal with suppliers even-handedly (Adebanjo 2009:225; Treasury Regulations 2017).

Accountability and reporting

Accountability and reporting involve ensuring that individuals and organisations are answerable for their plans, actions and outcomes. Within the procurement framework Heads of Departments are accountable to their Ministers for the overall management of procurement activities. Furthermore, individual procurement officers are accountable to heads of procurement, and to their clients, for the services they provide (Sibanda 2017:324; Treasury Regulations 2017).

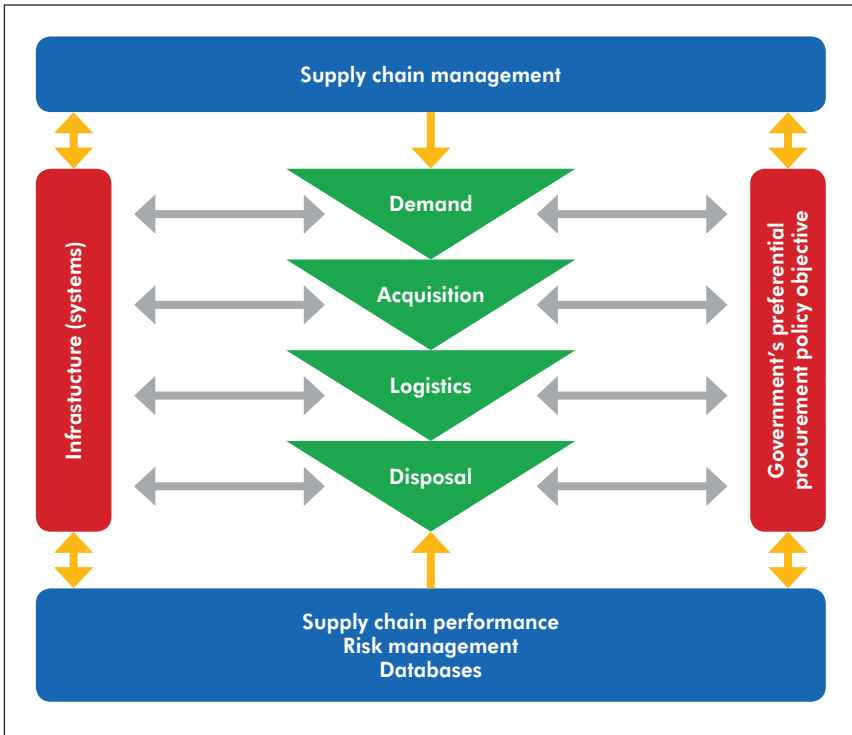
Equity

The word 'equity' means the application and observance of government policies which are designed to advance persons disadvantaged by unfair discrimination. This pillar is vital to public sector procurement in South Africa. It ensures that government is committed to economic growth by implementing measures to support industry generally, and especially to advance the development of small-, medium- and micro-enterprises and historically disadvantaged individuals (Treasury Regulations 2017).

DEMAND MANAGEMENT

The application of demand management is still fairly recent, and an emerging topic within SCM. The concept of customers wanting a product or a specific service is called 'demand'. Demand management is the process of predicting, planning and managing the demand for products, services or movable and immovable assets. Determining what the demand might be in the future and planning how to manage it, is demand management. Demand management centres on the identification of the needs of end-users for services and goods or products and to

Figure 1: Position of demand management within SCM



Source: (Ambe and Maleka 2016:259)

strategically align the demands with the operational capability of the organisation. Demand management is thus a way for public institutions to obtain substantial benefits, such as better external and internal collaboration with its customers and end-users, more efficient and strategic resource allocation, team empowerment and focused public service delivery. Increased execution and operational efficiency by focusing on the needs of its customers are also achieved through effective demand management. The lack of accurately identifying and capturing the needs of the end-users leads to, among other hindrances, poor customer service, improper stock rotation, losses due to waste, the lack or surplus of inventory and in public departments, ineffective service delivery (Adebanjo 2009:224–233).

Demand management is the first element and a critical component of SCM and is an essential requirement in developing best practices for effective SCM. Demand management as an SCM process balances the requirements of internal and external customers with the capabilities of the supply chain. Demand management can therefore be viewed as the decision-making processes that allow

public institutions to procure at the right time, at the right place and at the right cost (Bizana, Naudé and Ambe 2015:64).

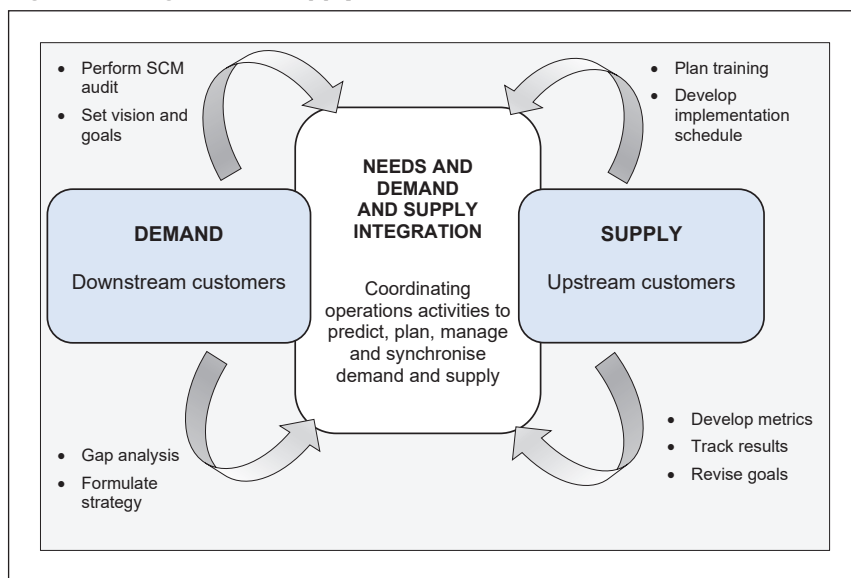
Figure 1 illustrates the position of demand management within the SCM system.

Relationship between supply and demand

Historically, institutions have separated the processes used to plan for and manage demand and then supply of the resources and labour needed to meet that demand. As a result, government departments are unable to consistently ensure that supply meets demand. Too often, the needs or demands and the supply functions were not synchronised; resulting in a shortage of the products that the customers and end-users actually want, and a surplus of products that are not wanted. To create a more efficient and effective SCM model, government institutions, including the SAPS, must acknowledge that they need to integrate demand and supply systems. A systematic process is required to integrate demand and supply systems.

Demand management leads the supply chain process towards, *inter alia*, the enablement of logistics management that pertains to coding of items, setting of inventory levels, placing of orders, receiving and distribution, stores/warehouse management, expediting orders, transport management and vendor performance. Until a need or demand is addressed, demand management cannot be regarded

Figure 2: Integration of supply and demand



Source: (Authors' own interpretation)

as achieved. Consequently, the application of the entire supply chain process triggered by the demand of goods and services must be adhered to (National Treasury 2004a:86–88).

A simplified illustration of the integration of supply and demand in the South African public sector is presented in Figure 2.

Demand management process

The demand management process is concerned with forecasting demand and synchronising it with production, procurement and distribution capabilities (Croxton, Lambert, Garcia-Dastugue and Rogers 2002:51–52). The demand management process comprises six steps that are aimed at designing an efficient operational system for matching supply and demand. These sub-processes are (Croxton, *et al.* 2002:54):

- **Determine demand management goals and strategy:** In this step, the institution needs to understand its customer requirements, customer relationship management process and the supply chain infrastructure. The institution then needs to set the long-term and intermediate goals for demand management, making certain that they are linked to the overall financial goals of the institution.
- **Determine forecasting procedures:** The institution needs to determine levels of forecasts and the relevant sources of data before choosing the most appropriate methods and plan for the forecasting process.
- **Conduct a gap analysis and identify the gaps:** The institution should perform a thorough analysis of the gaps between the goals of the demand management process and the existing state as revealed by supply chain audits. As it develops an efficient operational system, the institution needs to focus intensely on the gaps identified.
- **Plan information flow:** After the strategy has been set, the institution can identify the initiatives needed to implement it. These initiatives, which may range from systems integration to the development of a new inventory planning system, help build the demand management process.
- **Determine synchronised procedures:** The institution must prioritise the initiatives and set a logical sequence of procedures for implementation. Allocation procedures also need to be determined. Some tasks or actions can be undertaken in parallel.
- **Develop a contingency management system:** A list of potential interruptions to the demand management process and accompanying contingency plans must be developed.
- **Develop a framework of metrics:** Metrics for key performance criteria include value maximisation, order fulfilment, customer service, total supply chain costs, inventory management, asset utilisation, relative delivery time, warranty costs, returns and percentage of costs to the value of goods.

At the SAPS, the main objective of demand management by the Immovable Asset Management component is the compilation of the Custodian Immovable Asset Management Plans that includes an assessment of all SAPS buildings. The assessment covers the life cycle of the facilities, the performance of all infrastructural assets as well as methods on how to maintain the buildings and infrastructure.

Accountability and demand management

In principle, accountability is typically understood as the commanding allocation of resources and exercising control and coordination. Answerability is the commitment to provide information about decisions and actions and to validate those actions to the public and to institutions of oversight. Accountability is, therefore, a key determinant of the state of governance as it promotes good governance in public affairs and sound financial management. In this sense, accountability determines who is liable for what and what kind of conduct is illegal. An official's ethical conduct must therefore be above reproach, so that they will be accountable to the public. To secure accountability for sound public financial management, it is imperative that effective control systems be established. It is also important to present timely, objective, understandable and balanced reports to the relevant stakeholders. Furthermore, it is critically important that records and accounts be kept, and an effective system of financial control maintained (Sibanda 2017:324&325).

According to Peruzzotti and Smulovitz (2006:5) accountability is the ability to ensure that public managers and officials are answerable for their behaviour where they are forced to justify and inform the citizenry about their decisions and possibly eventually be sanctioned for them. Accountability is thus, furnishing satisfactory, reliable, verifiable and accessible records, reasons and explanations for the actions of those having custody of authority, human resources, public money, other resources and assets.

However, despite the importance of accountable demand management, there is a growing perception that organisations are not being answerable to their stakeholders, other individuals and institutions. Non-accountability to stakeholders results in an organisation making short-term decisions, failing to invest in strengthening the human, physical and financial resources, which ultimately has a negative impact on organisational performance and service delivery (Khoza and Adam 2005:31–57).

REGULATORY FRAMEWORK FOR THE IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT

The procurement processes in all government spheres need to be equitable, transparent, fair, competitive and cost-effective (Mhelembe and Mafini 2019:2).

To reach this ideal, Section 217 of the *Constitution of the Republic of South Africa* of 1996 lays the foundation by explicitly stating the principles of procurement and demand management imperatives. Section 217(2) of the Constitution of 1996 stipulates that government entities, in the implementation of their procurement policies, can give preference to certain categories of persons. Government institutions at all three spheres of government are therefore not prevented from implementing procurement policies which provide for categories of preference in the allocation of contracts. These include the protection of persons or categories of persons that are or were disadvantaged by unfair discrimination in the country (Constitution 1996:Section 217(2) (a)(b)). According to Thobakgale and Mokgopo (2018:47), public procurement in South Africa has therefore been granted constitutional status to bring transformation in the public sector and to ensure that all the spheres of government procure services and goods to improve the livelihood of ordinary citizens.

In addition to the Constitution of 1996, the Public Finance Management Act 1 of 1999 as amended by Act 29 of 1999, is one of the most important pieces of legislation passed by the democratic government in South Africa and promotes the objective of good financial management to maximise service delivery through the effective and efficient use of the limited resources. The Public Finance Management Act of 1999 provides for the establishment of a regulatory framework for SCM that includes demand management in national and provincial departments as well as in state-owned enterprises (Ambe and Badenhorst-Weiss 2012:11008). Sections 38 (1)(a)(iii) and 51 (1) (a) (iii) of the Public Finance Management Act prescribe that accounting officers must ensure that the institution has and maintains an appropriate procurement and provisioning system which is fair, equitable, transparent, competitive and cost-effective. Specifically, Treasury Regulation 16A6.2 stipulates that an institution's SCM system must provide for the adjudication of bids through a bid adjudication committee, the establishment, composition and functioning of bid specification, evaluation and adjudication committees and the selection of bid adjudication members (National Treasury 2015).

The government has further implemented the Preferential Procurement Policy Framework Act 5 of 2000 (as amended in 2011) as the basis on which all procurement activities are to be based. This Act promotes historically disadvantaged individuals and a broad-ranging set of development objectives by means of allocating preferences points to these various policy objectives. The Preferential Procurement Policy Framework Act is a step forward in the process of procurement reforms and provides a framework for the implementation of the provisions and requirements laid out in Sections 217(2) and 217(3) of the Constitution of 1996. It therefore contains a framework for the application of preferences and a preferences points system in the public sector bidding system.

The Municipal Finance Management Act 56 of 2003 establishes a regulatory framework for SCM in municipalities and municipal entities (Thobakgale and Mokgopo 2018:44). The aim of the Municipal Finance Management Act of 2003 is to assist municipalities to maximise their capacity to provide services as planned. It clearly outlines measures for combating fraud, corruption, favouritism and unfair and irregular practices, and seeks to promote ethical behaviour among officials and other role-players involved in SCM.

The Broad-Based Black Economic Empowerment Act 53 of 2003 provided a Broad-based charter to promote Black Economic Empowerment, a racially selective programme launched by the South African government to redress the inequalities of apartheid. Although race is the overriding factor, it includes measures such as employment preference, skills development, ownership, management, socio-economic development and preferential procurement. In essence, this Act establishes a code of good practice to inform the development of qualification criteria for the issuing of licences, the sale of state-owned enterprises and for entering partnerships with the private sector and the implementation of a preferential procurement policy.

The Government Immovable Asset Management Act 19 of 2007 aims to provide for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department and to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department. The purpose of the Government Immovable Asset Management Act of 2007 is also to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department.

Then, the Construction Industry Development Board (CIDB) drives enhanced delivery management, capacity improvement and contractor development in the construction industry through strategic interventions and partnerships. The CIDB provides best practice guidelines to promote efficient and effective construction procurement, while meeting requirements for compliance to the procurement legislative and regulatory framework. The overseeing department of the CIDB is the Department of Public Works and Infrastructure (Department of Public Works 2017; National Government Handbook 2020).

RESEARCH DESIGN AND METHODOLOGY

A mixed methods research design was applied during the research. A structured questionnaire that comprised of closed-ended questions was designed and distributed to the respondents. The study also used semi-structured interviews as data collection tool. The purposive sampling technique was applied. The population was drawn from the Immovable Asset Management component of the SAPS in Silverton, Pretoria. Only SAPS managers and officials responsible for demand management

comprised the target population to reach the purpose of the study. The following Table reflects the site population, sample size and sampling technique applied:

Table 1: Selected target population, sample size and sampling techniques

Data Collection Instrument	Population	Sample Size	Sampling Technique
Structured questionnaire	190	100	Random sampling
Personal interviews	20	5	Purposive sampling

Quantitative data was analysed by using frequency tables, cross tabulations, correlations, charts and graphs. The Statistical Package for the Social Sciences (SPSS) computer software program was utilised to analyse the data. The qualitative data was analysed by identifying themes, structuring and summarising the data.

RESULTS AND FINDINGS OF QUALITATIVE DATA

Personal interviews were conducted with five senior managers at the level of Brigadier to Major General. All the participants were responsible for SCM and were able to answer questions about the implementation of SCM and demand management policies and processes. The findings were analysed based on seven themes and associated questions.

Objective 1: Implementation of generally accepted SCM principles

Question 1.1 *In your opinion, does the SAPS comply with the implementation of generally accepted SCM principles that also affect demand management within the Immovable Asset Management component?*

Four of the five participants confirmed that the SAPS does not always implement generally accepted SCM principles, namely, value for money, open and effective competition, fair dealings, accountability and equity. Participant A argued that the procurement department will not always accept the lowest price offer for products when pressed for time. Excessive costs are often made so that products are delivered before set due dates. He cautioned against using suppliers that regularly delay deliveries. He added that it is difficult to implement SCM principles due to external influences and indicated that an undue political mandate overshadows internal processes. Participant B suggested that suppliers must be monitored and reassessed should they cease to provide agreed upon services. He was convinced

that this practice would encourage openness and competition in the procurement processes. Participant C hinted that conflict of interest is not always declared and added that the actual nature and value of gifts received from suppliers are often not correctly recorded in the departmental registers. His arguments confirmed that ethical standards are not always upheld by the procurement department.

Objective 2: Nature of the policies and processes for the implementation of demand management

Question 2.1 *What is the nature and scope of existing guidelines, systems and processes towards the implementation of demand management within the SAPS?*

Participant A indicated that, although the demand management processes allow for the timeous submission of User Immovable Asset Management Plans, delays are caused by the actual execution of the plans. Consequently, most projects extend beyond prescribed timelines. As a result, identified needs are not addressed. In addition, Participant A mentioned that project timelines are a bit skewed because the timelines are mainly based on monetary value. Participant B decisively stated that *“programme and project management nullify the successful implementation of demand management”*. Participant C emphasised that demand management guidelines and policies should derive from the Government Immovable Asset Management Government Act of 2007. He indicated that the SAPS’s National Instruction of 2012 for immovable asset management is not sufficiently linked to demand management principles and guidelines. He also stressed that User Immovable Asset Management Plans are not budgeted for. Participant D revealed that the process flow from the User Immovable Asset Management Plans into the official demand management processes, is lacking clarity. He suggested that the SAPS invest in a system to register projects and monitor progress. Such a system could be accessed by divisions at different provinces to obtain information about registered projects. Participant E complained that the maintenance requirements for buildings are not sufficiently determined, resulting in cost shortages.

Objective 3: Minimum capacity necessary to implement demand management

Question 3.1 *Does the SAPS have the required minimum capacity to effectively implement demand management?*

All the participants indicated that the current capacity is not sufficient to effectively implement demand management within the SAPS. Participant A said that *“more manpower is needed to get better results”*. He added that the need for more staff is critical due to an increasing backlog in work. Furthermore, Participants A and

D confirmed that the current capacity personnel are not technically inclined to understand the technicalities surrounding the aspect of certifying the technical needs received from the end-users. Participants B, C and E indicated that the Section Head must be technically qualified for the effective implementation of demand management. They were all in agreement that qualified technical personnel must be employed in the Immovable Asset Management section.

Objective 4: Accountability of officials involved in the implementation of demand management

Question 4.1 How can the accountability of officials who are involved in the implementation of demand management within the SAPS be enhanced?

Participants A and B strongly disagreed that officials with demand management responsibilities are held accountable. Participant B stated that the officials “*are not technically inclined*” and can therefore not be held accountable for the failure of any technical aspects. He raised a concern about the provision of accredited training to the officials when saying “*the SAPS is lacking in keeping up with the South African National Standard (SANS) and the International Organization for Standardization (ISO) standards due to irrelevant training*”. Participant C echoed the sentiments of Participants A and B that officials are not qualified technicians and are just administrators who comply with administrative requirements and issues. Untrained and unqualified employees lead to the non-adherence to SCM principles, and impact negatively on the demand management cycle. Participant D directly answered the question by confirming that unqualified persons are employed, and that accountability will only be enhanced when the best suitable candidates are employed for positions in the Immovable Asset Management component. All the above sentiments were confirmed by Participant E. He added that demand management officials are not qualified to perform their duties and as a result, “*investigations are conducted left and right*”, and that “*members do not know the right way anymore*”.

Question 4.2 To what extent is training in demand management useful at the SAPS?

Participants A, B, C and E acknowledged that continuous training is needed and that staff should be encouraged to participate in relevant training programmes. They confirmed that training is indeed offered to officials within demand management, however, they believed that the training is outdated and irrelevant to the job specifications. They emphasised that the roles and responsibilities of demand management officials within the Immovable Asset Management unit are not incorporated into the training needs and outcomes. In addition, Participants C and

D also highlighted that the training offered is solely intended for the administration purposes of demand management and not for the implementation of technical services.

Question 4.3 Are SCM practitioners informed about their roles and responsibility with regard to demand management at the SAPS?

Participant A agreed that the officials are informed about their roles and responsibilities and that they know what is expected from them. Participant B emphasised that the officials in demand management can produce the required results of their administrative tasks. He elaborated and added that the results include “a procurement plan, annual performance plan and the buildings plans”. Participant C complained that the required plans and strategies lack depth and knowledge in terms of the physical and tangible technical aspects relating to immovable asset management. Tabled procurement and buildings or facility plans are not based on actual needs and real solutions, as argued by Participant D. A lack of in-depth knowledge and skills very often hampers the quality of the plans and reports prepared by the Immoveable Asset Management component. The actions and performance of the unit suffer due to a lack of knowledge and skills. Participant E confirmed that the unit’s immovable asset management plans are unfortunately not practicable and are impossible to implement at ground level, that is, at the provincial sphere of government.

RESULTS AND FINDINGS OF QUANTIFIABLE DATA

Initially, 100 questionnaires were distributed to officials within the Immoveable Asset Management components. Eventually, 94 officials completed and returned the self-administered questionnaire. Of these officials 25 had been employed at the SAPS for six to 10 years. The profile of respondents is fully suited to gain rich data and insight regarding the implementation of demand management in the SAPS. The findings were analysed based on four themes and associated statements. The statements complemented the interview questions to create a deeper understanding of the implementation of demand management in the SAPS.

Objective 1: Implementation of generally accepted SCM principles

The respondents were requested to indicate the extent to which the Immoveable Asset Management component of the SAPS is implementing the following statements relating to demand management.

Statement 1.1 Needs are visible in the Procurement Plan

The needs and demands of the end-users need to be identified in the User Immovable Asset Management Plan, which forms part of the institutional strategic plan, as well as in the Procurement Plan (National Treasury 2004:9). Of the respondents, only 22% disagreed. However, 52% of the respondents agreed that the needs are formulated and added as budgetary items.

Statement 1.2 Project timelines are accurate and according to relevant grading

The CIDB provides guidelines to promote efficient and effective construction procurement. For example, the importance of setting project implementation timelines is prescribed by the CIDB (National Government Handbook 2020:Online). The majority of the respondents disagreed that project timelines are accurate and according to the relevant grading. In total, 45% of the respondents disagreed, while 31% remained neutral. Regrettably, it can be assumed that the project timelines are not accurate and not according to the relevant grading as prescribed by the CIDB.

Objective 2: Scope of policies for the implementation of demand management

The respondents were requested to indicate the extent to which the Immovable Asset Management component of the SAPS is implementing the following statements relating to policies and processes towards the implementation of demand management.

Statement 2.1 SCM committees, policies and procedures are in place

Bid Adjudication Committees are responsible for the establishment, composition and functioning of bid specification, evaluation and adjudication committees and the selection of bid adjudication members (National Treasury 2015). Of the respondents, 49% agreed that SCM committees, policies and procedures are in place.

Statement 2.2 A forum or direct communication with regard to the implementation of demand management exists between the SAPS and other state organs

The SAPS must liaise with all stakeholders through relevant forums and provincial community police boards (South African Police Service Act 68 1995: Sections 19–21). The SAPS must also establish and maintain partnerships to promote communication and cooperation so that the needs of the end-users are met (Constitution 1996: Section 215). When asked whether the SAPS creates and maintains forums

with other state organs for the implementation of demand management, 42% of the respondents agreed.

Objective 3: Capacity necessary to effectively implement demand management

The respondents were requested to indicate the extent to which the Immovable Asset Management component of the SAPS has the required minimum capacity to effectively implement demand management.

Statement 3.1 The SAPS has the capacity to address the needs of all 278 police stations

Officials with particular administrative and technical skills are required to perform demand management in an effective and efficient manner. Unfortunately, 63% of the respondents did not agree that the SAPS has the capacity to address the needs at its police stations.

Statement 3.2 The SAPS is taking the necessary steps against employees who do not perform according to minimum standards

The majority of the respondents disagreed that the SAPS is taking the necessary steps against employees who do not perform. In total, 46% of the respondents disagreed. Unfortunately, it can be deduced that the SAPS does not take the necessary steps against employees who do not perform according to minimum standards.

Objective 4: Commitment and accountability of SCM officials involved in implementation of demand management

The respondents were requested to indicate the extent to which SCM officials involved in the implementation of demand management are committed to their work and accountable for their actions and behaviour.

Statement 4.1 The SAPS creates a common understanding and interpretation of demand management to ensure that employees are accountable

Of the respondents, 40% disagreed that the SAPS creates a common understanding of generally accepted SCM principles that affect demand management to ensure that employees are accountable. Of the respondents 29% remained neutral. Unfortunately, it can be deduced that the SAPS does not create a common

understanding and interpretation of demand management requirements, policies and procedures.

Statement 4.2 The code of conduct for SCM practitioners is implemented within the SAPS

National Treasury issued a code of conduct for SCM practitioners that should be adhered to by all officials and other role-players involved in SCM. General principles, such as the declaration of conflict of interest and the importance of confidentiality, are advocated by the code of conduct (National Treasury 2003). Of the respondents 47% agreed that the code of conduct for SCM practitioners is indeed implemented in the SAPS.

REALISATION OF THE RESEARCH OBJECTIVES

As noted above, the purpose of the article to analyse the main reasons why the Immovable Asset Management component of the SAPS Silverton station is not implementing generally accepted SCM and demand management principles, is realised in the following conclusions.

Objective 1: Critically analyse the main reasons why the Immovable Asset Management component of the SAPS Silverton station is not implementing generally accepted SCM principles, specifically in the demand management processes

The SAPS does not always implement generally accepted SCM principles. It is confirmed that ethical standards are not upheld by the procurement department. Possible reasons for not implementing the SCM principles are undue to external and political influences. It is also concluded that continuous training is needed. Unfortunately, the training offered is solely intended for the administration purposes not for the implementation of technically inclined services. Therefore, the roles and responsibilities of demand management officials within the Immovable Asset Management unit should be considered and incorporated into the training needs and outcomes.

The needs and demands of the end-users are indeed identified in the User Immovable Asset Management Plan and visible in the Procurement Plan. Unfortunately, not all the demands are budgeted for. Meaning, important needs might be overlooked in the budgeting processes. It is also deduced that project timelines are not accurate and not according to the relevant grading as prescribed by the CIDB.

Objective 2: Analyse the nature and scope of the policies and processes for the implementation of demand management in the SAPS

Limited guidelines and directives towards the allocation, maintenance and successful completion of infrastructure projects are available. Although the demand management processes allow for the timeous submission of User Immovable Asset Management Plans, delays are caused by the actual execution of the plans. Consequently, most projects extend beyond prescribed timelines. In addition, the SAPS's National Instruction 3 of 2012 for immovable asset management is not sufficiently linked to demand management principles and guidelines. Moreover, the objectives of the Immovable Asset Management Government Act of 2007 are not met. As a result, the maintenance requirements for buildings are not sufficiently addressed and budgeted for. Providentially, the Bid Adjudication Committees are fully functional and the SCM and demand management committees adhere to legislated requirements. Unfortunately, the existing SCM policies and procedures are lacking efficiency and relevance and improvements in the procedure are required.

Objective 3: Critically analyse the capacity of the SAPS to effectively implement demand management

Unfortunately, the SAPS does not have the capacity to address the facility management needs of all 278 police stations. The current capacity personnel are not technically inclined and often do not understand the technicalities surrounding the needs received from the end-users. The staff compilation showed that current demand management officials are leaning towards merely performing administrative functions. The conclusion is thus that the technical aspects of the work is neglected. As a result, the demand management officials and practitioners rely on desktop analyses performed by the end-users which could be incorrect and done in favour of that end-user. Most of the participants indicated that for the effective implementation of demand management, the section head must be technically qualified. The study further revealed that qualified technical personnel should be employed in the Immovable Asset Management component.

Objective 4: Establish how the accountability of officials involved in demand management in the SAPS can be enhanced

The SAPS unfortunately does not create a common understanding and interpretation of demand management policies and procedures, despite the

availability of the code of conduct for SCM practitioners. It is also concluded that, demand management officials are not held accountable for their actions, notwithstanding disciplinary measures being available for use. The end-users of the services rendered by the Immovable Asset Management component understand their responsibilities, resulting in minimum follow-up requests for maintenance. The commitment and accountability of officials involved with the implementation of demand management may be enhanced by creating a better common understanding of the meaning of demand management policies and procedures.

RECOMMENDATIONS

Implementing generally accepted SCM principles

The SAPS needs to diligently implement generally accepted SCM principles, namely, value for money, open and effective competition, fair dealings, accountability and equity. It is therefore recommended that ethical standards should be upheld by the procurement department. In addition, undue external and political influences must be limited and underperforming suppliers must be monitored and reassessed.

Nature and scope of the policies for the implementation of demand management

It is recommended that policies that give guidelines and directives towards the allocation, maintenance and completion of infrastructure projects are drafted and made available to SCM officials and practitioners. Although the demand management processes allow for the timeous submission of User Immovable Asset Management Plans, delays must be prevented during the actual execution of the plans so that projects do not extend beyond prescribed timelines. It is important that the SAPS's National Instruction 3 of 2012 for immovable asset management be linked to demand management principles and guidelines. Moreover, the objectives of the Government Immovable Asset Management Government Act of 2007 should be met. In doing so, the maintenance requirements for buildings will be sufficiently addressed and budgeted for. Furthermore, it is recommended that the SCM policies and procedures that lack efficiency be identified and updated. In addition, standard operating procedures for demand management must be updated to accommodate alternative steps and exceptions to typical cases. It is also suggested that collaboration between the SAPS and the Department of Public Works be advanced.

Capacity of the SAPS to effectively implement demand management

It is recommended that the SAPS recruit and employ sufficient and appropriately qualified staff to effectively implement demand management to address the facility management needs of all 278 police stations. Professionals who understand the technicalities surrounding the needs received from the end-users, need to be employed. Importantly, the Head of the Immovable Asset Management component must be technically qualified.

Project deadlines and strategic plans should be formulated more accurately and realistically. Furthermore, the SAPS must not hesitate to take the necessary steps against employees who do not perform according to set minimum standards.

Accountability of officials involved in demand management in the SAPS

The demand management officials of the Immovable Asset Management component must be held accountable for their actions and behaviour. In addition, it is suggested that SANS and ISO accredited training is provided to capacitate the officials with the relevant technical knowledge and skills. The roles and responsibilities of demand management officials should be considered and incorporated into the training outcomes. It is crucial that the SAPS creates a common understanding and interpretation of demand management policies and procedures.

CONCLUSION

The study was intended to understand the implementation of demand management in the Immovable Asset Management component of the SAPS and subsequently did not incorporate all SCM processes and procedures. Therefore, the study does not represent the views of all the SCM officials of the SAPS. Consequently, the findings, conclusions and recommendations are limited and cannot be generalised to the entire public service. Despite these limitations, the findings are important to Public Administration as discipline as it provided guidelines for the implementation of demand management in the public sector. The study also recommended practical ways to strengthen and improve demand management at the SAPS. Effective demand management will open opportunities for innovation and create greater visibility. Improved ability to identify risks or bottlenecks will also be obtained.

However, there are many more aspects that must be studied to provide further clarity on the implementation of demand management in the supply chain.

Hence, a comparative assessment to validate the critical success factors for demand management in the SAPS and other preferred government departments in South Africa, is recommended.

NOTE

- * This article is partly based on B.H. Matloko's Master of Public Administration mini-dissertation conducted at the University of South Africa, titled: Matloko, B.H. 2020. *Implementation of demand management in the South African Police Service: A selected case*, that was conducted under the supervision of Doctor Corlia Alers.

REFERENCES

- Adebanjo, D. 2009. Understanding demand management challenges in intermediary food trading: A case study. *Supply chain management: An International Journal*. 14(3):224–233.
- Ambe, I.M. 2012. The perspectives of supply chain management in the public sector. *Journal of Contemporary Management*. 9:132–149.
- Ambe, I.M. and Badenhorst-Weiss, J.A. 2012. Supply chain management challenges in the South African public sector. *African Journal of Business Management*. 6(44):11003–11014.
- Ambe, I.M. and Maleka, T. 2016. Exploring supply chain management practices within municipalities in the West Rand district. *Problems and Perspectives in Management*. 14(3):657–666.
- Bizana, N., Naudé, M.J. and Ambe, I.M. 2015. Supply chain management as a contributing factor to local government service delivery in South Africa. *Journal of Contemporary Management*. 2:638–657.
- Constitution of the Republic of South Africa*. 1996. Pretoria: Government Printers.
- Croxton, K., Lambert, D., Garcia-Dastugue, S. and Rogers, D. 2002. The demand management process. *International Journal of Logistics Management*. 13(2):51–66.
- Department of Public Works. 2017. *Maintenance competency framework for immovable assets*. Available at: <http://www.cidb.org.za/publications/Documents/5.%20NIAMM%20Competency%20Framework.pdf>. (Accessed on 15 February 2020).
- Government Gazette* 25767 of 31 October 2003. Draft construction procurement best practice. Available at: https://www.gov.za/sites/default/files/gcis_document/201409/25656a0.pdf. (Accessed on 2 August 2020).
- Government Immovable Asset Management Act 19 of 2007. Pretoria: Government Printers.
- Jenkins, A. 2022. What Is Demand Management: Functions, Process and Examples. Available at: <https://www.netsuite.com/portal/resource/articles/inventory-management/demand-management.shtml>. (Accessed on 23 July 2022).
- Khoza, R.J. and Adam, M. 2005. *The power of governance: Enhancing the performance of state-owned enterprises*. Johannesburg: Pan Macmillan and Business in Africa.

- Local Government: Municipal Finance Management Act 56 of 2003. Pretoria: Government Printers.
- Madonsela, T. 2011. *Against the rules: Investigation into complaints and allegations of maladministration, improper and unlawful conduct by the Department of Public Works and the South African Police Service relating to the leasing of office accommodation*. Available at: <http://www.info.gov.za/view/DownloadFileAction?id=142293>. (Accessed on 19 June 2021).
- Mantzaris, E.A. 2017. Trends, realities and corruption in supply chain management: South Africa and India. *African Journal of Public Affairs*. 9(8):121–134.
- Masete, M.Z. and Mafini, C. 2018. Internal barriers to supply chain management implementation in a South African traditional university. *Journal of Transport and Supply Chain Management*. 12(0):1–12.
- Mtshali, N.N. 2017. Demand chain-planning operations within capacity constraints. Unpublished dissertation submitted in fulfilment of the requirements for the Degree of Master of Commerce. Durban: University of KwaZulu-Natal.
- National Government: Preferential Procurement Policy Framework Act 5 of 2000. Pretoria: Government Printers.
- National Government: South African Police Service Act 68 of 1995. Pretoria: Government Printers.
- National Government Handbook. 2020. *South Africa*. Available at: <https://nationalgovernment.co.za/units/view/210/construction-industry-development-board-cidb>. (Accessed on 17 February 2020).
- National Treasury. 2003. Code of conduct for supply chain management practitioners. Available at: <http://www.treasury.gov.za/divisions/ocpo/sc/PracticeNotes/SCM-PracNote%2003%204.pdf>. (Accessed on 18 February 2020).
- National Treasury. 2004a. Supply chain management guide for accounting officers/authorities. Pretoria: Government Printers.
- National Treasury. 2004b. Guidelines on the implementation of demand management. Pretoria: Government Printers.
- National Treasury. 2015. Public sector supply chain management review. (Online). Available at: <http://www.treasury.gov.za/publications/other/SCMR%20REPORT%202015.pdf>. (Accessed on 18 July 2022).
- Newham, G. and Faull, A. 2011. *Protector or predator? Tackling police corruption in South Africa*. Available at: <https://issafrica.s3.amazonaws.com/site/uploads/Mono182.pdf>. (Accessed on 12 March 2020).
- Parker, F. 2019. The SAPS and the ‘dodgy’ office deal. *Mail and Guardian*. 25 Jan 2019:3.
- Patel, F. 2022. Policing sector tops scale, representing 10% of overall corruption – report. Available at: <https://www.citizen.co.za/news/south-africa/3062832/policing-sector-overall-corruption-report/>. (Accessed on 25 July 2022).
- Peruzzotti, E. and Smulovitz, C. 2006 *Enforcing the rule of law: social accountability in the new Latin American*. Pittsburgh: University of Pittsburgh Press.
- Petrus, T. 2021. Police criminality and corruption put South Africans at risk. Available at: <https://www.news24.com/news24/Columnists/GuestColumn/opinion-police-criminality-and-corruption-put-south-africans-at-risk-20210309>. (Accessed on 24 July 2021).

- Public Finance Management Act 1 of 1999, as amended by Act 29 of 1999. Pretoria: Government Printers.
- Sibandla, M.M. 2017. Control, ethics and accountability in the financial management performance of Eastern Cape municipalities. *Journal of Public Administration*. 52(2):324–339.
- South African Police Services National Instruction 3 of 2012. Pretoria: Government Printers.
- Thobakgale, M.P. and Mokgopo, T.I. 2018. Public procurement and South Africa's 1996 Constitution: Panacea for combating corruption? *Journal of Public Administration and Development Alternatives*. 3(1):41–54.
- Treasury Regulations. 2005. Treasury Regulations for departments, constitutional institutions and trading entities issued in terms of the Public Finance Management Act 1 of 1999. Gazette no. 27388. Pretoria: Government Printers.
- Treasury Regulations. 2017. General procurement guidelines issued in terms of the Public Finance Management Act 1 of 1999 Available at: <http://www.treasury.gov.za/legislation/pfma/supplychain/General%20Procurement%20Guidelines.pdf>. (Accessed on 23 July 2019).
- wa Afrika, M. and Hofstatter, S. 2010. Bheki Cele's R500m police rental deal. *Times Live*. 1 August 2010:2.

AUTHORS' CONTACT DETAILS

Ms Boitumelo Handu Matloko

Crystal Cove, Stansted Street
HIGHVELD
0169
SOUTH AFRICA
Tel: 082 687-2471
E-mail: 40315851@mylife.unisa.ac.za

Dr Corlia Alers

Department of Public Administration and
Management
P O Box 392
UNISA
0003
SOUTH AFRICA
Tel: 012 429-6286
E-mail: alersc@unisa.ac.za