



Tutorial letter 201/1/2018

PUBLIC RESOURCE MANAGEMENT 1 PUB1504

Semester 1

Department of Public Administration and Management

IMPORTANT INFORMATION:

This tutorial letter contains important information
about your module.

COMMENTS ON ASSIGNMENTS AND EXAMINATIONS

BARCODE

Dear Student

Congratulations on persevering with your studies. To your credit, the majority of you have already commenced with your preparation for the exams.

The purpose of this tutorial letter is:

- to provide feedback on the assignments that you had to submit during the course of the academic period and
- to give an indication of the format of the exam paper together with advice on how to tackle the examination and how to prepare for it.

1. ASSIGNMENTS

ASSIGNMENT 01 UNIQUE NUMBER: 870927

Assignment 01 consisted of twenty multiple-choice questions. The correct answers are indicated below. Please use your study guide to check why these answers are considered to be correct. If you do not agree with the answers, please feel free to contact the lecturer to discuss the response.

Unique Assignment Number: 870927

Question	Answer	Question	Answer
1	2	11	4
2	4	12	1
3	2	13	1
4	1	14	1
5	4	15	4
6	2	16	4
7	1	17	4
8	1	18	1
9	5	19	1
10	2	20	1

ASSIGNMENT 02 (written essay type assignment)**UNIQUE NUMBER: 857521****Assignment topic****Discuss components of management applicable to finance. Total marks. [100]**

The answer provided by the student should cover all aspects discussed below.

Please see page 12-17 of the study guide for model answer.

Planning

Plans are usually prepared to give guidelines to managers for what they are going to do in their institution. It is, therefore, a process of determining in advance what should be accomplished and how it should be realised. The process applies to planning done by managers at all levels in the institution. Planning should begin with an understanding of the organisational mission. From the mission statement, specific objectives or goals can be established. Plans are then developed to accomplish them. Planning accomplishes the following:

- Provides direction for project objectives
- Reduces the overall impact of change on a project
- Increases the productivity of a project team

To enable financial managers to plan effectively, they should take logical steps:

Be aware of opportunities. This is a preparatory step in planning in which possible future opportunities are considered. Formulate an objective or a number of objectives. The work objectives should clearly describe what is to be achieved and how and when it is to be achieved. It is essential that the objectives be challenging, but quantifiable and achievable.

- Define the current situation.
- Identify resources for and obstacles to planning.
- Make alternative plans of action.
- Evaluate alternative plans of action.
- Choose the best plan of action.
- Formulate derivative plans. The main plan adopted by management may necessitate a number of smaller plans, e.g. the purchase and development of recreation facilities.
- Prepare budgets for the plans. Plans should always be supported by resources.

To carry out work involving a large number of resources, there must be a clear indication of who has to do what and, if something goes wrong, who to report to. This applies to situations ranging from an office where various administrative functions are performed to a national government project involving several departments. Several methods can be used in the organisation process. The more common ones are listed and briefly discussed below. It is necessary to consider the organisational and work objective and to determine the kind of organising needed to accomplish those objectives. The types of functions, or work activities that will be required to meet those objectives must be determined. Finally, activities that are similar must be grouped together. As an organisation method, division of work can be classified into job specialisation and departmentation.

Job specialisation is the division of a complex job into simpler tasks so that one person or group may carry out only identical or related activities. The first aspect to be considered is a description of each person's task. This is very important to be able to organise the project team and stimulate productivity. Through specialisation of labour, it is possible for team members of the project to concentrate on a single area, thereby increasing output. To achieve efficiency, specialisation is especially essential in large projects. The project manager must, however, ensure that certain jobs do not become oversimplified, leading to boredom and fatigue amongst team members. Departmentation is, according to Mondy and Premeaux (1995:209), the process of grouping related work activities into manageable units. The purpose of departmentation is to contribute to more and effective and efficient use of scarce public resources.

Leading and leadership

Some writers, such as Stoner and Freeman (1989) and Mondy and Premeaux (1995:345), are of the opinion that leadership and leading are synonymous. We are, however, of the opinion that leadership is an inherent feature in an individual, but that managers can acquire the most essential leadership characteristics through experience and training. Leading, on the other hand, refers to a person who is placed in a supervisory capacity over people and who has to direct, guide and influence them. Leading, therefore, does not necessarily mean that the person is a good leader, but that his or her position within the institution places him or her in a position of authority. Leadership can be defined as the ability to influence others to achieve certain objectives. It is a process of leading and inspiring workers to carry out task-related activities of the group. Leaders use their power and influence to do this. The success or failure of project team functions starts with the vision and leadership skills of the project team manager.

Control

Once the planning has been done, the staff know what to do and how to do it and they have the necessary support and motivation, a system is needed so that managers can determine whether the work is progressing as planned. This system is known as control. Control is the

process that ensures that actual activities correspond to planned activities. It is an ongoing process that follows the planning and organising phases. Actual results are compared with planned results and corrective steps are taken where necessary (Smit & Cronjé, 1992:449). Effective control measures are needed to keep things from going wrong, not just to correct them afterwards. Control should not be regarded as a negative measure, but rather as an uninterrupted monitoring process for comparing planned results with what actually happened. Furthermore, public financial managers should study and implement rational control and problem-solving in order to reduce the need for crisis management.

5.5 Co-ordination

Co-ordination refers to the integration of staff, departments and various activities to achieve the purpose. However, a public manager has no authority over another department's staff and depends on good relations to create and maintain co-operation. Co-ordination refers not only to completing an activity, but also the time it takes to establish productivity. Apart from these functions, decision-making, negotiation and communication are skills that are vital for public managers in general.

Decision making

Decision-making is the identification and selection of a plan of action to solve a specific problem. It is a matter that all managers spend time on daily. Some decisions may be programmed by set rules and parameters, whereas others are analysed and solved individually. Sometimes decisions must be made without adequate information. This may lead to decision-making under risky conditions and in uncertain circumstances. Management must continually overcome obstacles. When project team members cannot solve a particular problem, it is referred to the project manager. However, when decisions have institutional and political implications, the matter should be referred to a higher authority.

Negotiation

The general purpose of negotiation is to produce a product, within the framework of the general laws and regulations in each city and town, that satisfies the community circumstances, needs and interests of all segments of the community. Negotiation is a complex process used by two or more parties to achieve consensus between opposing views. It is a give-and-take process requiring specific skills of project managers as the chairpersons of project teams. Note that it need not be the public manager who negotiates with bodies and interest groups. The person with negotiation experience and skills should be appointed the negotiator.

Communication

There are few skills which are so important to public managers as communication. The success of the department depends on people who can communicate effectively. Public managers consequently need to keep the communication channels open between themselves, their staff and the community. Communication can be defined as the process in which a message is transmitted from a sender to a receiver. Effective communication has taken place if the receiver understands the message completely.

General comments

The second assignment was evaluated and remarks and comments for the assignment were made. In addition to the remarks made on assignment, assignment guidelines were provided. I would like to reiterate some of the common mistakes that most students have made in the assignment. Please, try to avoid these mistakes in all assignments you will be expected to submit in future, should you be continuing with your studies.

- Some students did not read the assignment question thoroughly and were therefore, unable to provide a comprehensive discussion on the assignment topic;
- Some students failed to read the assignment instructions, for example, in the assignment, the student was required to adhere to specific technical requirements whilst writing the assignment, which requirements are listed in the first tutorial letter;
- Some students merely reproduced sections of the study material and failed to consult relevant sources of information;
- The referencing booklet, that enables students to compile the bibliography correctly was in most instances not consulted; and
- Most students failed to read the first tutorial letter. All the necessary information on how to approach the assignment is indicated in the tutorial letter.

You are therefore, required to make an effort when compiling the assignment. Consult more sources, including articles and journals, as well as other relevant sources of information on an assignment topic. The assignment should reveal the following:

- Evidence of thorough research;
- Knowledge of the relevant matter; and
- An ability to analyse, interpret and synthesise the phenomena

2. EXAMINATION

2.1 Format of the examination paper

You are reminded that the format of the examination paper, as explained in Tutorial Letter PUB1504/101/3/2018, consists of ONE paper of TWO hours. **ANSWER ALL QUESTIONS**

The examination paper for May/June 2018 consists of FOUR (4) questions of which you must answer ALL FOUR (4) questions. Twenty five marks are allocated to each question.

2.2 Preparing for the examination

The self-evaluation/revision questions which appear at the end of each study unit are examples of the types of questions which could be posed in the examination. This should give you an indication of what is required. You should, however, not restrict your preparation to these questions. Other questions which do not necessarily appear in the self-evaluation questions could also be included in the examination paper.

Furthermore, to assist you in identifying the questions, the headings in the study guides will be used in the formulation of the questions wherever possible. Owing to time limitations in the examinations, only sections of certain questions would be asked, while in other instances, questions may be combined. For this reason some questions may consist of more than one section. You will have to be careful with the use of time: spend about 12 minutes on a ten marks question and 22 minutes on a 25 marks question. The basic principle is that you must use the marks allocation for each question to determine the length of your answer and the time spent on each answer. Questions will be asked from all the study units. A case study/activity, as explained in the study guide, may also be asked as a possible question

2.3 Possible questions

Questions could be short questions or long questions. The following questions could be asked as a whole, or a section of the question could be asked. Prepare yourself thoroughly on each of the following questions:

1. Describe treasury regulation relating to cash management.
2. Describe elements of private sector financial management that provides sound basis for financial management in the public sector.
3. Discuss categories of assets and portfolio into which assets could be subdivided and describe functions of fleet manager
4. Describe staff functions.
5. Identify and describe important aspects of financial control in the public sector :
6. Describe components of general and specific environment of a public institution
7. Explain the need for financial regulation in the public sector.
8. Discuss ten important steps for effective planning in the public sector .

2.4 Previous examination paper

A previous examination paper is attached for your information. This examination paper will give you an idea of the kind of questions that can be expected in the examination.

2.5 Concluding remarks on the examination

You should prepare the study guide as well as the recommended book with all the activities and assignments for the examination. The student who understands the work should pass. It is therefore very important that you ensure that you understand the different units - that you can formulate the so-called "big picture" of the different units.

When a student does not understand something, it is often a good sign. It means that he or she has engaged or is really involved with the work. Phone the lecturers to solve your study problems. Do not phone to try and obtain the examination questions. You will be wasting your time.

Finally, I would like to wish you all the best for the examinations!

MR RP MOTSOENENG

(Module leader)

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Great things are not done by impulse, but by a series of small things brought together. Vincent van Gogh (1853-1890, Dutch Painter)

PUB1504

May/June 2017

PUBLIC RESOURCE MANAGEMENT I

Duration : 2 Hours

100 Marks

EXAMINERS :

FIRST :

MR RP MOTSOENENG

SECOND :

PROF VA CLAPPER

Closed book examination.

This examination question paper remains the property of the University of South Africa and may not be removed from the examination venue.

This paper consists of 2 pages.

ANSWER ALL QUESTIONS

[TURN OVER]

QUESTION 1

- 1.1 Identify and describe the five (5) components of the general environment of a public institution. (15)
- 1.2 Identify and discuss the different role players in the budget process. (10)
- [25]**

QUESTION 2

- 2.1 Describe how the following legislation regulates public sector revenue:
- 2.1.1 The Constitution of the Republic of South Africa, 1996 (5)
- 2.1.2 Public Finance Management Act 1 of 1999 (5)
- 2.1.3 Intergovernmental Fiscal Relations Act 97 of 1997 (5)
- 2.1.4 Treasury regulations for Departments, Constitutional Institutions and Trading Entities (5)
- 2.2 Discuss public services as classified by Gildenhuys (1997). (10)
- [30]**

QUESTION 3

Describe and explain the treasury regulations that relates to cash management. In your answer pay attention to the following:

- Control of national and provincial revenue funds.
- Bank account configuration.
- Deposits into the revenue funds.
- Responsibilities of the South African Revenue Service.
- Responsibilities of funds by departments.

[25]

QUESTION 4

- 4.1 Identify and describe the four (4) categories of assets. In your answer give two (2) examples of each category. (12)
- 4.2 Describe the four (4) portfolios into which assets could be subdivided. (8)

[20]

TOTAL [100]

