

The Office for Finance and Business Support ("OFBS") provides support to the core business components of the organisation through the rendition of the following services: Financial Management and Accounting; Programme Planning and Administration. The OFBS is divided into four departments, notably, Administration, Procurement and Library Services; Finance; Human Resource Management and Development; and Information Technology and Services. Even though the Communications Department reports to the CEO with an open line to the Office of the Chairperson, their activities are reported under OFBS, for purposes of this report, since Communications is to all intents and purposes a business support activity.

Administration, Procurement and Library Services

Administration, Procurement and Library Services provides a vital support function to ICASA. During the year under review, this department assisted with the following initiatives:

- > The management of the relocation to head office of all remote offices situated within a radius of 60 km from head office - a cost cutting endeavour;
- > Production of a draft Procurement Governance Policy and Procedure for ICASA, replacing the old IBA and SATRA policies;
- > Integration of the security access system of Blocks A, B, C and D at Pinmill Farm;
- > Creation of an ideal work environment as a basis for worker satisfaction and increased productivity;
- > The building of a department that is responsive and customer focused;
- > Consolidation of information materials inherited from the IBA and SATRA into a common ICASA information Library Warehouse;
- > Accommodation of increased use of the library database as public awareness on the role of ICASA grows;
- > Daily electronic distribution of press clippings to all employees of the organisation; and
- > Introduction of a corporate user scheme to enable ICASA's employees to have access to other libraries such as those of the University of the Witwatersrand, Johannesburg.

Finance

As was the case with the rest of the organisation, the finance staff was faced with uncertainty associated with the restructuring process. In an effort to merge the finance function, the finance departments of the IBA and SATRA were consolidated into one.

The company Datasoft, which supported the main IT system used by Finance, i.e., Compact was bought by Deloitte & Touche's Active Era and made a strategic decision not to continue with Compact as from 2003. Accordingly ICASA was forced to select an alternative and the Enterprise Resource Planning ("ERP") System known as JD Edwards was chosen.

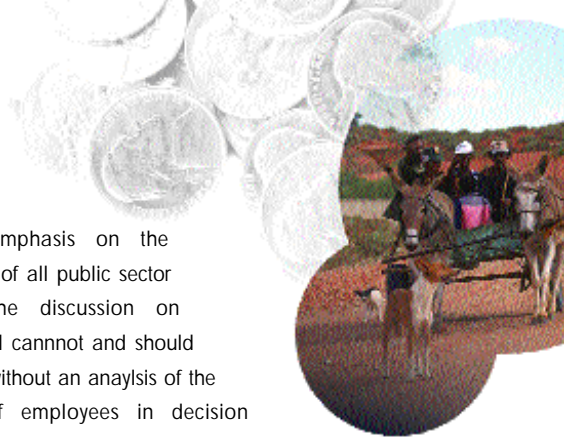
A full fixed asset verification and labelling exercise was undertaken of all the assets. Despite the fact that this exercise had never been completed before, an amount of less than R500 thousand on a total asset value, at a cost of R62 million (before the adjustment), was identified for write off in the 2001-2002 financial year.

The Finance department continues to manage the financial affairs of ICASA and views this responsibility with the importance it deserves. The following projects will be undertaken in the ensuing year:

- > Implementation of the ERP system, JD Edwards;
- > Integration of licensing management systems with JD Edwards;
- > Ongoing support to the Administration and Procurement and Human Resource departments with implementation and enforcement of various policies and procedures;
- > Upgrading of management reporting systems to enable management to make decisions based on accurate and current information;
- > Ongoing evaluation of internal processes and controls to ensure adequate segregation of duties and systems of internal control;
- > Implementation of detailed policies and procedures for Finance and Administration, Procurement, and Human Resource departments; and
- > Strategic risk assessment.

Human Resource Management and Development

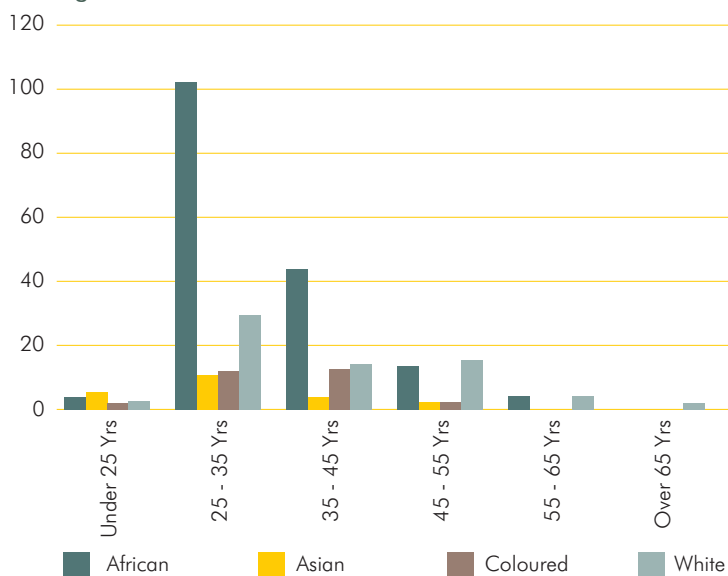
One of ICASA's major inputs into its production processes is human and intellectual capital. This means that for ICASA, people are its most precious assets. In this regard ICASA has a Human Resource Plan, born from the restructuring process envisioning the creation of an organisational structure over the next three years consisting of the CEO; 5 General Managers; 14 Senior Managers and 37 Managers at Senior and Middle Management levels. In addition, there are 66 positions from the six regional offices together with



150 other positions for lower-middle and low ranking officers, giving a staff complement of 273, which is required to meet ICASA's production needs. The placement, particularly of middle and senior management, is represented graphically in Appendix C.

The structure as set out in Appendix C acknowledges that with a youthful workforce, aged on average between 25 and 35 as graphically illustrated in Figure 1, a sensible Human Resource Plan is one that seeks to strike a balance between the recruitment of a skilled and experienced labour force and investment in human capital in the form of mentoring and coaching.

Figure 1



Informed by the need to invest in staff by way of mentoring and coaching, ICASA conducted a skills audit. Most employees identified the skills categories set out in Appendix B as being essential for their personal growth and development as well as organisational progress and effectiveness. Management has decided to use these skills categories, within the limitations of the budget, as a basis for developing a comprehensive Human Resource Development Plan ("HRD Plan").

The development of a comprehensive HRD Plan does not mean that ICASA does not have a current plan. Approximately 40% of employees are already on further learning programmes financed by ICASA. The new HRD Plan will simply align all training initiatives to the strategic objectives of the organisation as set out in Appendix D. Some of the training programmes offered to employees during the year under review included: computer training; telecommunications policy regulation; telecommunications, water and electricity regulation; information and knowledge management; legal workshops; business writing; Public Finance Management Act ("PFMA"); and labour relations. Six employees participated in the USAID sponsored United States Telecommunications Training Institute ("USTTI") programmes. The courses were in the areas of telecommunications and broadcasting.

Given the emphasis on the transformation of all public sector institutions, the discussion on Human Capital cannot and should not conclude without an analysis of the distribution of employees in decision making positions of the organisation by race and gender, as such distribution is a crucial indicator of the organisation's state of transformation. The information in Figures 2 and 3 sets out the demographics by rank and race and rank and gender, respectively, as at 31 December 2001.

Figure 2

Demographics: Rank and Race

Rank	African	Asian	Coloured	White	Total	% PDI
1. Senior Management	7	1	1	1	10	90,0
2. Middle Management	25	3	4	8	40	80,0
3. Professional	37	1	3	7	48	85,4
4. Technical	22	5	3	18	48	62,5
5. Administration & Other	77	7	12	31	127	75,6
Grand Total	168	17	23	65	273	76,2

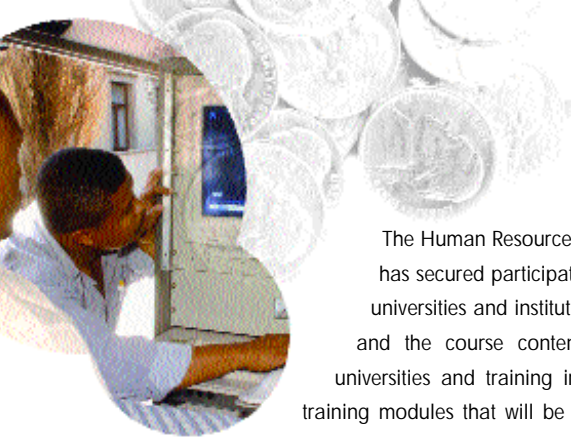
Figure 3

Demographics: Rank and Gender

Rank	Female	Male	Total	% Female
1. Senior Management	2	8	10	20,0
2. Middle Management	13	27	40	32,5
3. Professional	16	32	48	33,3
4. Technical	12	36	48	25,0
5. Administration & Other	77	50	127	60,6
Grand Total	120	153	273	44,0

The Human Resource Management and Development Department co-chairs the Human Resource Development Committee of the Telecommunications Regulators' Association of Southern Africa ("TRASA") with the Tanzanian Communication Commission. This committee was established to assist in the formation of a network that will cater for capacity building and knowledge exchange in the telecommunications sector. The objectives of the network as enshrined in the SADC Protocol are as follows:

- > To develop and strengthen capacity to generate regulation policy, managerial and technical expertise to address the needs of the telecommunications sector in the SADC region and member states; and
- > To enhance the capacity of key decision makers and human resources engaged in the implementation of the telecommunications policy to keep abreast of new developments in technology and global and regional standards and procedures and to maintain similar and adequate standards of performance in the telecommunications sector.



The Human Resource Development Committee of TRASA has secured participation of twelve African and American universities and institutions in the Network. Training needs and the course content have been identified, and the universities and training institutions have started to compile training modules that will be used to train, amongst others, the staff of regulators, policy makers, and any other interested persons.

- > Computer centres and network enclosures will be equipped with Uninterrupted Power Supplies ("UPS") to prevent the corruption of data in servers and applications.
- > Document Management will be used to store all information about external clients, individuals and organisations. The workflow system will automatically generate documents to be sent to external entities at the appropriate phase and escalate non-response while managing the processes.
- > The storage of public-consumption documents on EDMS and their automatic publication on the ICASA web site, ensuring that the public has access to current information and forms.

Information technology

The Department has recently completed the consolidation of the information technology infrastructures of SATRA and the IBA. The consolidated infrastructure forms the platform upon which a solid technology-enabled business will be built. The consolidated infrastructure accomplished the following:

- > A single Local Area Network ("LAN") at head office. The LAN equipment is multi-media capable for voice and video integration.
- > A common Wide Area Network ("WAN"). Included in the WAN equipment are modern products capable of integrating the voice requirements of the regional offices with those of Head Office in order to reduce inter-office telephone and fax costs.
- > The Microsoft and Novell environments of the IBA and SATRA have been consolidated into the latest NetWare version to provide a stable platform for networked computing and secure network access.
- > GroupWise has been selected as the common e-mail system, upon which secure remote access is possible and which is the platform for workflow and the Electronic Document Management System ("EDMS") as a need of the future.
- > New personal computers and notebook computers were deployed in order to provide a basis for desktop applications for the next three years.
- > The ICASA web site was re-developed and portrays the unified SATRA/IBA message. It is the medium that ICASA will use to publish policies, procedures and forms for its business partners and the public at large to use. It is also the external front for electronic business into the future.
- > The infrastructure as deployed enables ICASA to step into the future with the confidence that its internal systems and information are stable and secure. Business partners will shortly be able to do business with ICASA using Information Technology without being able to access ICASA's confidential or sensitive information.

Having a computing platform through which ICASA's business, which has technology as one of its key inputs, will be enabled - requires a technology plan covering:

- > Support for personal and workgroup productivity applications such as Office Suite and e-mail.
- > Support and development of three classes of business-oriented applications, notably:
 - JD Edwards Financial Management System;
 - Human Resource Management System; and
 - A Spectrum Management and Monitoring System.

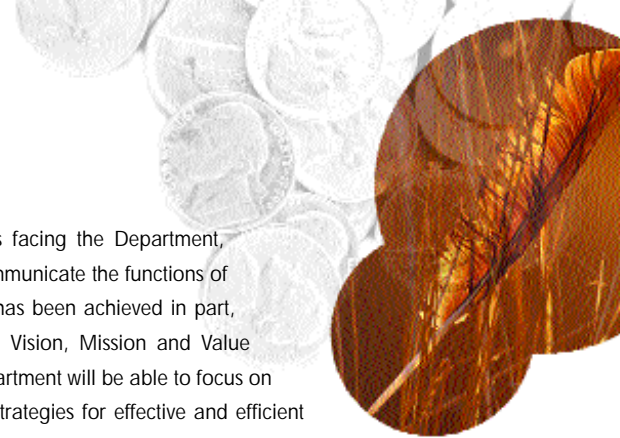
All three classes of applications have to be constantly reviewed and updated.
- > A backup Computer Centre will be established in Block B to provide resilience to the primary centre in Block C of head office.

The applicable technologies that have been considered to accomplish the short and long term business objectives are:

- > NetWare. This, in conjunction with Novell Directory Services ("NDS"), will provide the secure, resilient platform on which to base all data storage and management. It allows for secure access to information as well as protection from unauthorised access.
- > GroupWise - the platform upon which workflow and EDMS systems are based integrates tightly with the applications and operating systems.
- > Windows 2000 - the application operating system upon which the financial, EDMS, workflow and some decision support systems operate.
- > UNIX - the application operating system upon which the Spectrum Management system operates.
- > HP OpenView. This network management system also integrates asset management, change control, problem management and other management systems into a common platform.
- > Zero Effort Networking ("Zen") - used to manage users and enforce IT policies electronically.
- > JD Edwards - the financial application.
- > LNS. The Spectrum Management application.

Communications

Communications serves a crucial support function for ICASA. The Communications Department, in its restructured form, will be headed up by a Senior Manager for Communications and Customer Relations. This Senior Manager, who has still to be appointed, will report to the CEO. During the year under review, the Communications Department fulfilled its function of communicating to both internal and external stakeholders through the following activities:



Industry and Media Briefings

A number of industry and media briefings were held to keep stakeholders and the public abreast of critical regulatory developments such as the development of regulations governing VANS, PTN; Supplementary Facilities Leasing Guidelines, Carrier Pre-Selection, Universal Service Fund Contributions and the South African Content Position Paper. Two stakeholder meetings were held to give briefs on plans and progress achieved by ICASA.

Public Awareness and the Media

ICASA continued to enjoy wide coverage of its activities in the local print and electronic media. Effective public awareness and media campaigns for the launch of position papers and regulations were also organised during the year under review. Several media releases were made. The department also responded to several interviews from print and electronic media. The Communications Department has co-ordinated editorial content for a number of industry publications. More importantly, though, the Department was responsible for the development and management of content for the new ICASA website.

Exhibitions

The Communications Department has developed print materials in support of core regulatory functions as a means of disseminating information about ICASA. Some of this material was put to good use during the ITU's Africa 2001 conference held at Gallagher Estate in Midrand in November 2001. ICASA was an exhibitor at this international event, which was visited by an estimated 20 000 people including local and foreign investors, representatives of various governments and regulators, industry and the public. The exhibition gave ICASA tremendous exposure and the opportunity to showcase itself for the first time since its inception. ICASA has also participated in many other industry specific exhibitions, one of these being at Parliament on 7 May 2002, during the Minister's budget vote speech.

One of the many challenges facing the Department, during this period, was to communicate the functions of ICASA with one voice. This has been achieved in part, but with the adoption of the Vision, Mission and Value statements of ICASA, the Department will be able to focus on its weaknesses and develop strategies for effective and efficient service delivery.

A Communications Strategy will be developed according to the three-year work plan and will include objectives for both internal and external markets. We are aware that a regulator is as strong as its communication and we intend to strengthen our capacity in meeting this demand.

