



Ministry of Finance Zimbabwe

The Revival

PFMS Newsletter : Issue 01

March 2012



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Note from the Editors

Dear PFMS news readers

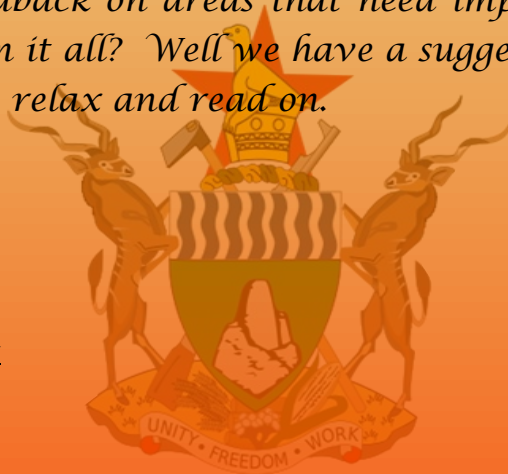
HERE WE GO!!

*We wish to welcome all our PFMS Newsletter readers to our first edition of **The Revival**. The newsletter aims to give information on key activities around the revival of the PFMS. We hope the newsletter will motivate you enough to participate and give feedback on areas that need improvement. Need a few minutes to get away from it all? Well we have a suggestion: save your sanity, sit back, lie on your back, relax and read on.*

Love from

The editing Team

therevival@pfms.gov.zw



Interview with the Permanent Secretary for Finance :Mr. Manungo

What is the importance of the PFMS in public financial management?

The Treasury's role as mandated by the Public Finance Management Act is to ensure proper management of and accountability for public resources.

By automating the processing and maintenance of transactions, the PFMS system allows for the production of accurate and up to date reports on a timely basis. The availability of such information is critical for informed decision making, compliance with the statutory and other reporting requirements and facilitating effective oversight by appropriate institutions.

Why is government investing a lot of resources in reviving the system?

Government is investing in the PFMS system to facilitate efficient service delivery across Ministries and in the process allow Treasury to better discharge its statutory responsibilities with respect to the management of public resources.

What is your vision of public financial management for Zimbabwe?

My vision is to have a world class system that allows for effective resource management, provides operational convenience and facilitates the work of user Ministries while allowing for effective accountability arrangements.

What role do you see the PFMS play in the fulfilment of this vision?

By providing the capability to automate the income, expenditure, accounting, reporting and other processes, the PFMS system goes a long way in facilitating the fulfilment



Mr. Manungo

of that vision.

What is your message to the line ministries users of the system?

I urge line Ministries users to update and reconcile all transactions on the system, and going forward to ensure that is done consistently. This allows line Ministries managers to have at their disposal up to date and accurate information for informed decision making and better service delivery while enabling them to meet their periodic reporting obligations.

What is your message to the team working on a day to day basis to revive the system?

I would like to express my appreciation to the team that has worked very hard to revive the system, and urge them to keep up the good work for the good of the nation.

Any other messages you want to communicate?

While we are working to ensure the PFMS becomes fully operational, it is important to bear in mind that the system is only a tool that should be geared to facilitate transaction processing to meet Govern-

PHOTOSHOP

PFMS 2012 READINESS WORKSHOP FOR FINANCE DIRECTORS

Held at the Celebration Centre, Harare in December 2011



Walking with Giants

Interview with the Accountant General Mrs. Madzorera



Can you give us a brief history of when and how PFMS started? A pilot project was initiated and funded by the Government of Zimbabwe in 1998/1999 covering financials, procurement and the revenue collection using an online platform that provided real time reports. Between 2002 and 2004 the system was rolled out to all government ministries' users at head office and provincial level.

What was your role in the PFMS? At the time of the launch of PFMS I was the Finance Director in the then Ministry of Public Service, Labour and Social Welfare and a member of the PFMS Steering Committee. I became the Accountant General in 2003.

Utilization of PFMS was adversely affected by the economic down turn of 2007/2008 that was characterized by hyperinflation. The domains could not accommodate the Zimbabwe dollar figures that prevailed during that period, brain drain of qualified and trained personnel, inability to service network making network unavailable at provincial level, equipment was obsolete and the government had no capacity to replace them. As a result of all these issues a lot of manual interventions had to be implemented in order for the Zimbabwe dollars to be accommodated.

With the introduction of the multi currency system in 2009 we had an opportunity to utilise the system in its original format without workarounds. We had lost time, opportunities as well as contacts, so as a result we had to upgrade the level of PFMS from an earlier to a

newer version i.e. R/3 to ECC6. Most of the 2009 work was transacted outside the system hence the need to put everything online. Despite the upgrade of the system, the challenge of connectivity and untrained staff still remained. So there was need to reintroduce the system as if it were a new project all together.

What motivated you to initiate the PFMS Roadmap and why a three year Roadmap? The amount of work that we need to go through in the Revival of the PFMS requires a systematic and structured approach in order to ensure its success. We have a budget provision that the government of Zimbabwe has put in place to address the PFMS requirements and line ministries have their own budget for PFMS training which, however, is inadequate. The Ministry of Finance has centralized this issue in order to appeal to coordinate funding of implementation. Three years is adequate time to address the huge HR and Financial requirements, it also gives cooperating partners we are working with an appreciation of the whole programme for their planning purposes. The roadmap allows us to systematically look at the ultimate goal to improve financial governance in the Government of Zimbabwe.

Who are the cooperating partners you are working with to implement the Roadmap? We have had support from: The Analytical Multi Donor Trust Fund (AMDTF managed through the World Bank), Dfid, African Development Bank (AfDB) and the United Nations Development Program (UNDP). Other cooperating partners have come on board through the AMDTF and

we expect many more to contribute to the Fund or any other facility targeted at PFM reforms.

Secondly, in terms of implementation the roadmap is working towards the achievement of what is already required from the ministry therefore there are self regulating processes already in place. The internal structure consists of weekly meetings to strategise on a way forward for pending issues on a weekly basis with the project coordinator, ICT, Budgets, Finance and external consultants. The external structure consists of an inter-ministerial committee that meets to discuss PFMS progress each week.

On the site visit to SAP South Africa in December 2011 we invited other ministry representatives in order to maximize optimal use of the SAP software. For example we invited Parliament the ministry of Education Sport and culture and the ministry of health because there are software packages that are available from SAP that automates their processes. In light of this we are looking at the introduction of e-government.

What are going to be the benefits of implementing the Roadmap? The benefits include the systematic process and approach towards excellence in financial governance. We have a number of issues that require attention at the same time hence the step by step approach in order not to cause confusion or to lose track of these things and be confused. This is a guide in terms of how we can develop towards our desired outcome.

What challenges have you encountered and how have you overcome them? The journey hasn't been easy in that financial governance improvement entails a lot of discipline such as controls, reporting arrangements and financial statements. Thus I encountered a lot of 'clashes' with those that resisted change and wanted to use resources without accountability, and this was prevalent in the hyper inflationary environment. This culture and the culture of not wanting to work spilled over into the multi currency era.

How are you going to ensure that the Roadmap is a success? It is important to involve all of the cooperating partners at each stage of the roadmap giving each cooperating partner an opportunity to monitor progress as well. Secondly, in terms of implementation the roadmap is working towards the achievement of what is already required from the ministry therefore there are self regulating processes already in place. Internally weekly meetings are conducted with the Project Coordinator, ICT, Budgets, Finance and external consultants to strategise on open issues. The external structure consists of an inter-ministerial committee meetings to discuss PFMS progress each week. A weekly meeting is also held with the Project Manager.

In crafting the Roadmap workshop to South Africa in December 2011 we invited other ministry representatives in order to maximize optimal use of the SAP software. For example we invited Finance Directors from the Office of the President and Cabinet (OPC) and the ministry of Education, Sport and Culture because there are software packages that are available from SAP that automate their processes. In light of this we are looking forward to the introduction of e-government being led by OPC.

Who would you want to acknowledge for contributing to the success of the PFMS to date? First and foremost I need to pay tribute to God for His grace and strength throughout the project. I would like to acknowledge the support from the Minister of Finance, the Secretary for Finance, and the Chief Secretary to the OPC (Office of the President and Cabinet) in motivating staff for the resuscitation of the PFMS.

The PFMS Team has also done a sterling job despite the circumstances in the work environment. The Private Sector Accounting Firms gave us technical support at no cost to help clear the backlog. Firms such as Ernst and Young, KPMG, AMG global and TTCS.

I am thankful that the general environment in the Line Ministries today is that of appreciation for the need to 'account' for everything, no matter how small or seemingly insignificant. I would also like to appreciate the continued support from cooperating partners in their provision of equipment, computers and gadgets to improve connectivity. I would also like to thank the Accountant General's department. They work as a team and the success today is attributed to this team that worked—in some cases overtime—to ensure the achievement of one vision of excellence.

What is your vision for the PFMS?

I see a bright future for the PFMS as a tool for economic development and poverty reduction. This will be achieved in greater part by the timely availability of accurate and relevant information for decision making. We have a long way to go as a nation and if we continue to comply with the Public Finance Management Act (PFMA) and adopt international standards for accounting, the Government of Zimbabwe will reach greater heights. It is my desire to have Ministers and Secretaries use the system to monitor Budget performance on their own in 2012.

To contact the Accountant General's Department telephone **794 571-9**

WISDOM CORNER



Daily prayers held at the PFMS Project

Proverbs 3: 5-6 says 'Trust in the Lord with all your heart, lean not upon your understanding. Acknowledge him in everything that you do and he will direct thy paths.'

This is exactly what the Team at the Project Office does each morning without fail.

Having gone through all the tribulations of the last few years and having understood that without divine intervention it may not happen, the PFMS Project Office now has a prayer team led by none other than Mr Banda (standing behind the door).

Progress made in clearing backlogs and engaging ministries has not been an easy task but because the Almighty is in control the Government of Zimbabwe has managed to clear most outstanding transactions for 2009 through to 2011.

Acknowledging God before the start of work has helped the team bond and work together with one common purpose. This has also changed not just the spiritual atmosphere of the office but provided a platform for serious divine intervention

DID YOU KNOW??

To effectively use favourites in MM, for example, you can do the following:

Requisition creation:

Highlight Purchase requisition (don't double click)

Click Favourites on SAP Easy Access at the top of the screen

Or

Select Purchase Requisition Release

Highlight Individual release

Click Favourites



‘Right first time’ - ICT

Interview with Mr. Cosmas Chigwamba Principal Director in the Ministry of Information Communication Technology (ICT)

What is the role of your ministry in the revival of the PFMS system?

The role of ICT during the revival of the PFMS has largely been ensuring system availability throughout the country. The PFMS System is an integrated financial management system that is owned by the Ministry of Finance and its technical implementation, maintenance and support is done by the Ministry of ICT.

The system runs on a wide area network which is centrally managed and is available online to all ministries and their departments up to provincial cities and towns i.e. Harare, Bulawayo, Mutare, Gweru, Masvingo, Kwekwe, Chinhoyi, Bindura, Marondera, Kariba, Chegutu and Kadoma.

What does the revival of the PFMS entail?

During the hyperinflationary period the system could no longer accommodate the Zimbabwe dollar figures resulting in the failure of the system. Furthermore, the version of the system was outdated and most of the system equipment was obsolete or malfunctioned as it was very difficult to provide technical support.

The revival of the system involved:-

1. Upgrading the SAP system from R3 Version 4.5B to the current ECC6
2. Replacing all obsolete equipment i.e network equipment, printers, and personal computers.
3. Installing new tools such as solution manager and call centre to help manage the system better.

What has been achieved so far?

Resuscitation of the system started with Harare in

2009 after the introduction of the multi currency system. After Harare was revived we realized a 30% uptime of the system. The process of resuscitation was continued and in 2011 we reached a staggering 90% uptime. Most PFMS sites are now operational.

New management tools have been added. Solution manager, a tool which helps in the configuration and management of the system has been installed. A call centre for fault and network management has also been installed and an additional telephone line has been added to the call centre. These tools will enable support staff to constantly monitor the system thereby ensuring maximum uptime.

In addition, a Videoconferencing facility to allow for interaction between users and technicians at different sites is being implemented. The pilot phase will begin with CCS, Mukwati and Elangeni training centre in Bulawayo. The CCS and Mukwati video conferencing facilities are complete while Elangeni will be completed soon.

What is on the horizon?

Upcoming events that will be taking place in Q1 include Network restructuring and domain creation. This will greatly improve system uptime and the domain creation will enable users to log their faults online.

For Call Centre Assistance you can contact us on the following Telephone numbers:

(04) 702957 or 703571

Your phone call will be attended to by a friendly operator who will book your fault using the new ticketing system.



Technicians on standby in the Call Centre



One of the technicians demonstrating how the video conferencing system works



Call Centre officer logging fault in the ticketing system

PHOTOSHOP

PFMS 2012 READINESS WORKSHOP FOR FINANCE DIRECTORS

Held at the Celebration Centre, Harare in December 2011





CELEBRATING SUCCESS!!

The Government Accounting Services (GAS) is delighted to participate in the writing of this news article in the first PFMS Newsletter. This bulletin will highlight among other things: new developments in PFMS timeliness, performance of ministries, best accounting practices and procedures.

We have top 12 line ministries which excelled above others in the reconciliation backlog clearing. We would like to applaud them for a job well done and we urge them to keep up the good work in complimenting our efforts in updating our financials. The following are the ministries, which are in no particular order:

- Labour and Social Services
- Public Service Commission
- State Enterprises and Parastatals
- Industry and Commerce
- Small and Medium Enterprises and Cooperative Development
- Transport, Communications and Infrastructural Development
- Information Communication Technology
- Economic Planning and Investment Promotion
- Office of the Prime Minister
- Education, Sport, Arts and Culture
- Regional Integration and International Cooperation
- Finance

Ministries such as Agriculture, Foreign Affairs, Parliament and Office of the President and Cabinet faced a number of constraints. We would like to commend them on clearing their reconciliation backlogs although it was not done within the stipulated timeframe given.

In our endeavor to produce reliable and relevant financial statements, we urge all line ministries to submit their updated financials by the 7th day of every month.

As the Ministry of Finance, we do appreciate that there are line ministries which extend to provinces and districts. This scenario poses a challenge due to the fact that such ministries have to collate income transactions to the ex-

chequer which process may take time due to the geographical locations of provinces and districts.

Ministries such as Health and Home Affairs face such challenges of delay in updating the exchequer account transactions. We however are urging all line ministries concerned to devise efficient and effective ways of collecting information from provinces and districts in order to speed up the process of receipting their income on the system. The Ministry of Finance encourages increased liaison and close communication with the Accountant General's Office which will welcome adoption of creative strategies to overcome problems being encountered.

On another note, we would like to highlight to all line ministries the importance of following up on and dealing with audit findings and recommendations. This will go a long way in instilling financial discipline and realising better value for money.

The Project Office in collaboration with the GAS section have carried out training programs for SAP super users to equip officers with appropriate skills that would help them carry out their tasks. We are therefore urging and encouraging super users in line ministries to disseminate the knowledge gained from the training program so that the following objectives are met:

- Accurate capturing of data
- Park what is due for payment
- Receipts should be done as prepayments and not be done in arrears
- Completion of purchase orders to ensure a full procurement cycle
- Batch processing should be done by document number not by amount

Last but not least we would like to thank you all for your support and advice and high level of cooperation which made our project of reconciliation backlog clearing a success. We urge you to keep up the spirit.

PROVERBS: OUR OWN

"Do not look where you fell, but where you slipped."

"It is foolhardy to climb two trees at once just because one has two feet. - Ethiopia"

"People know each other better on a journey. Plaatje"

"One who sees something good must narrate it. - Ganda, Uganda"



**YES GoZ
CAN DO IT,
YES GoZ
HAS DONE
IT!**



The sleeping giant rises!! After a long and protracted battle! The last transaction for Parliament of Zimbabwe for financial year 2010 being posted by Asher (middle) and assisted by Mr Masvaure, a GAS officer and Ms Samakonde (seated) of CAP

PFMS end users in Line ministries have proved yet again that the Government of Zimbabwe PFMS can and will soon be a model system for other countries to learn from.

It's true we went through a terrible economic downturn which left a lot of systems in the nation (including our own PFMS) on their knees and ready to bow out of the game. Some systems indeed succumbed and we hear no more about them. But thanks be to God and to the visionary and determined leadership from the Accountant General and her staff!! Zimbabwe has scored yet another goal! Not only is the sleeping giant (PFMS) gaining more and more strength each day, but the backlog for the 2 years (2009, 2010) has been cleared. The updating of the 2011 accounts has reached completion stage and 2012 is up and running. Line ministries are excited about being current with their work and want to keep the momentum going and make sure they produce PFMA compliant financial reports on time each month, starting with January 2012. A number of support activities are happening in parallel to ensure that this vision for 2012 going forward is achieved.



Some 2012 PFMS Support Activities



Agriculture did it!! Mr S Msamala from the Ministry of Agriculture is assisted by Mr. O Muyambi (Consultant) to clear off the last transaction for 2010 for the Ministry of Agriculture.

One Team, One Vision, Together each one achieves more.

The Organisational Change Management initiative seeks to ensure a shared vision of the PFMS. One Team, One Vision, together each one achieves more.

Teamwork is an important factor that determines the success of any organization. So much has been written about teamwork that sometimes individuals know the theory of teamwork but fail to put into practice. If you have ever been associated with recruiting candidates for your ministry, then you would have seen applicants enlisting 'an ability to work in a team' or 'teamwork' as one of their attributes in their resume. But, the fact is that teamwork as a quality has been used so languidly over the years that in some cases, it has ceased to be a quality, and has rather become a cliché. So it is important for everyone, whether sportspeople, students, or employees that rather than rattling off the importance of effective teamwork and its benefits, we put teamwork into practice in our daily lives. The first thing that we need to do is to revisit the principles of effective teamwork so that we get a gist of what it takes to be an effective team member.

Teamwork Principles

One of the first principles of effective teamwork is that when a team is **formed**, there should be clarity as to what the team wants to achieve. It is important that you view the team as an entity and have clearly articulated goals in place. In the absence of common and shared objectives, the team members may not be able to understand their responsibilities to the team and failure to pull in the same direction.

- The team members should be willing to **learn** from each other. There may be some members who may be excellent with the process, while some may require some time and guidance, so it is essential that there is a **willingness to teach and learn** new ideas. Team members should not be hesitant in seeking help from the senior members of the team and the senior members, should in turn step forward to help the new members.
- There should be a **two-way communication** among team members of the roles that they are assigned, so that there is an understanding and appreciation of the effort put in. This is very essential as it has been seen that a lot of times when things do not work as planned, members engage in a **blame game**. If members are aware about the challenges involved in carrying out a task, they are more likely to appreciate each other for their efforts.
- While some control over a team is necessary, it is important that the team is given a certain amount of **flexibility** in carrying out their tasks. Too much of interference can affect the efficiency of a team and dampen the morale of the members.
- One of the most important principles of effective teamwork is **effective communication**. Communicating effectively means that information is shared among all the members of the team so that rumor-mongers are kept at bay. Involving all your team members in a discussion on effective business strategy helps in making the team members feel a valuable part of the organization. Effective communication also calls for discussing matters of importance openly so that everybody is on the same page.
- There should be an **initiative to reward** and recognize teams and team members who have shown exemplary behavior and helped others in times of need. This will encourage others to follow suit and act as a boost to people who genuinely believe in the values of teamwork and team-spirit.
- Last but not the least, there should be a **healthy competition** among team members to outperform each other. In the absence of a competition, the job may cease to become interesting and monotony can creep in, which again can be detrimental to a team, so it is important that the team members are provided with enough opportunities to grow in their professional lives.

"Change is the law of life, and those who look only to the past or the present are certain to miss the future."

- John Fitzgerald Kennedy

Behind the scenes with the PFMS Project Manager



Mr. Kanyoza at his desk

When did you join the PFMS team? 1999

What was your role? I joined the Government of Zimbabwe as an accountant responsible for Donor Financing. I was responsible for setting up accounts for Donor Funds Account Management Processes. After that I became a trainee consultant under Financials and then later a consultant. I later became the team leader Financial Accounting, then implementation manager and am currently the Project Manager.

What were your expectations at the time? I was excited and honoured to be part of the project and to be part of the reengineering of Government processes to fit a computerized environment. I hoped to achieve the successful implementation of the computerized system.

What milestones would you say you have achieved since joining PFMS?

1. Participated in the reengineering and configuration of Government processes
2. Completed the phased approach roll out of the PFMS. 5 phases were successful and instead of taking the planned 6 months per phase we were taking 3 months to complete each phase.
3. Because of our initiative and fore sight we persuaded Telone to switch to data communication as opposed to voice communication which is the technology that supports the PFMS System.
4. Managed to reduce the cost for Government with regards to out sourcing of the system maintenance by creating a unit now called PFMS Project Office, soon to be renamed 'PFMS Competence Centre'

5. Coped with the demands and work load involved in the reconfiguring of the system after the hyper inflationary environment with minimal external assistance.
6. PFMS Revival

As the project manager what lessons have you learnt from your experiences? The need for senior management's active support, the need for continual change management process across all levels, the need for patriotism on everyone's part as there was a considerable exodus of trained personnel during the hyperinflationary period.

What challenges have you encountered and how did you overcome them? At the onset, resistance to system usage was a major challenge largely due to employee fears of being made redundant by such an advanced system. To overcome this we had to assure users that their jobs would be retained and that self realignment within ministries would be required after realizing that some of them were superfluous in the use of the system.

Secondly, the issue of connectivity was a major challenge as Telone denied us almost 8 times the request for data communication. This was overcome by having the Government procure the equipment necessary for data communication.

What is your vision? To roll out the system to the districts and to continuously maintain the system with the latest modified business processes.

What would you encourage your team to do in order to develop themselves? They need to read and make a lot of references to developments within the SAP environment and I wish that they could tolerate different attitudes of users.

And for the general users? Exploit all areas within the SAP model. Do not focus on your job specifications but have a broad understanding of the linkages within the system.

How? There are reference materials which they can refer to on the SAP website. www.sap.com

What are your future plans for training? My vision is to train core personnel in ministries and to then hand over the day to day training to the Public Services Training Division. We have already trained some trainers but we'd like to increase this number. We'd also like to set up training rooms at the Public Services Training Division equipped with computers that are linked to the main server. So far we have trained 9 trainers and half of the users (about 1000). The other half is in the provinces. Elangeni Training centre is a long term initiative that is set to be launched in 2012 and has already been furnished with the latest technology and computers. In 2012 we'd like to add 2 additional training institutions in Harare and Chinhoyi.

DID YOU KNOW??

To view financial statements you can:

Enter transaction code **ZF01**

Select:

Chart of Accounts GZIM →

Company code → Financial statement version
ZIMI → FM Area GZ04

Either:

Income Statement → Execute

Or

Balance Sheet → Execute



At your service!!! Mr. Kanyoza and his team

CHUCKLES



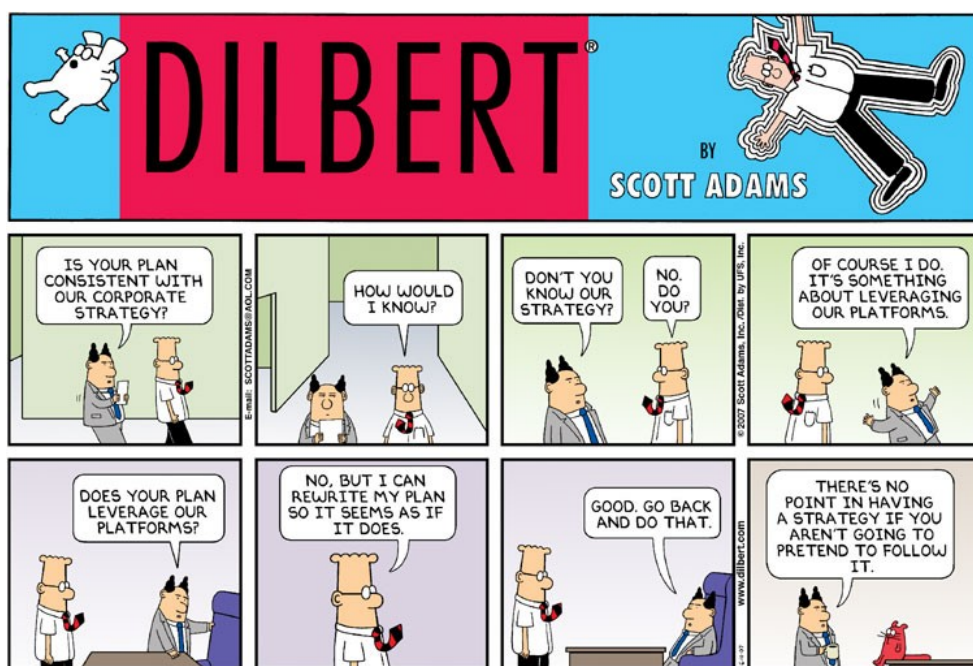
"You should check your e-mails more often. I fired you over three weeks ago."



DON'T ARGUE WITH CHILDREN

A Sunday school teacher was discussing the Ten Commandments with her five and six year olds. After explaining the commandment to "honor thy Father and thy mother," She asked, "Is there a commandment that teaches us how to treat our brothers and sisters?" Without hesitating, one little boy (the oldest of a family) answered, "Thou shall not kill."

A Kindergarten teacher was observing her classroom of children while they drew. She would occasionally walk around to see each child's work. As she got to one little boy who was working diligently, she asked what the drawing was? The little boy replied, "I'm drawing God." The teacher paused and said, "But no one knows what God looks like." Without looking up from his drawing, the little boy replied, "They will in a minute."



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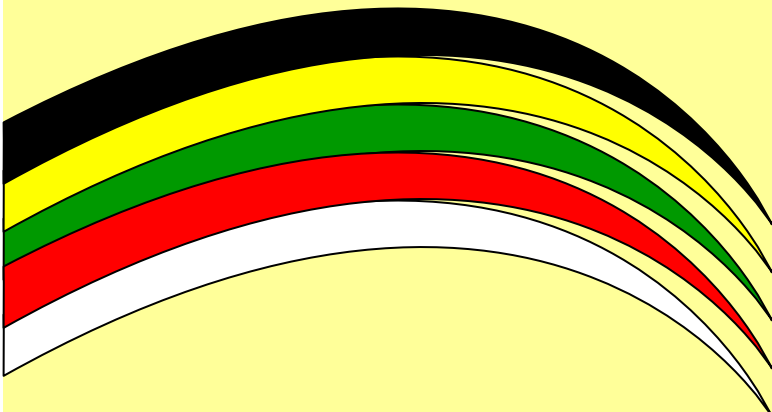
Upcoming Events

Launch of the PFMS website

Organisational Change Management Training of Change Agents

2012 Readiness Training across Provinces and Districts

Launch of PFMS Roadmap



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