

**THE STATE OF SKILLS READINESS IN THE SOUTH AFRICAN PUBLIC  
SERVICE: AN OVERVIEW OF THE DEPARTMENT OF PROVINCIAL AND  
LOCAL GOVERNMENT**

**By**

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## Statement of Originality

I hereby state that this is my original work both in form and content and that wherever I have referred to the work of authors, that has been duly acknowledged.

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## ABSTRACT

The past thirteen years of democratic rule in South Africa have been characterised by policy making and legislative reform aimed at meeting constitutional imperatives. One of the central programmes of reconstruction is the development of human resources. Within the public service this programme has been addressed by a number of policies and laws, however the building of the developmental state remains a challenge for South Africa. The Ten Year Review conducted by the Presidency of the Republic of South Africa identifies the need for delivery within the public service during the second decade of democracy and urges government departments to “focus on practical implementation as distinct from setting out a policy framework which now exists, through the adoption of project management practices and community development works”. To enhance the implementation of strategic objectives and outputs in departments, capacity building coupled with enabling processes for improving the delivery of services on provincial and local government levels is critical.

It is within the above context that this dissertation aims to give an analysis of the state of skills in the South African public service. This dissertation will begin by discussing findings on employment experiences of graduates; thereafter an evaluation of the higher education framework in South Africa will be undertaken. A closer look at the framework for skills development and training in the public service will also be explored. The findings relating to graduate employment experiences includes the period it takes them to find employment, the factors that influence employability, the types of jobs they find, their own perceptions of the relation of the level of jobs they found both to their qualification and the sectors of employment. The study will also explore the mobility in the South African labour market as well as moving abroad and the reasons for this choice. The role of the public sector as an employer will also be explored. A comprehensive analysis of the Higher education initiatives, specifically Further Education Training colleges (FET). A critical analysis of institutions created to promote training and skills

development in the public service such Public Service Sector Education and Training Authority (PSETA), South African Management and Development Institute (SAMDI), will be explored adjacent to their performance against their mandates with the objective of establishing their effectiveness. The case of the Department of Provincial and Local Government (DPLG) will be used to demonstrate the point that career management programmes are lacking in the public service and this fuels the increase in turnover of staff. Also the DPLG will be used to illustrate that external consultants are used to provide training and not SAMDI and PSETA, these occurrences within the DPLG will be interrogated. Finally the National Skills Development Strategy (NSDS) will be evaluated to determine its effectiveness in tackling the serious challenge of skills in South Africa.

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## ACRONYMS AND ABBREVIATIONS

- ADP:** Accelerated Development Programme
- DOL:** Department of Labour
- DOE:** Department of Education
- DPLG:** Department of Provincial and Local Government
- ETQA:** Education and training quality assurance
- FET:** Further Education Training colleges
- GNU:** Government of National Unity
- GEAR:** Growth Employment and Redistribution
- GDP:** Gross Domestic Product
- HEI's:** Higher Education Institutions
- HBUs:** Historically Black Universities
- HRDS:** Human Resource Development Strategy
- HWUs:** Historically White Universities
- IDP:** Integrated Development Plans
- JUPMET:** Joint Universities Public Management Education Trust
- NQF:** National Qualifications Framework
- NSDS:** National Skills Development Strategy
- NPM:** New Public Management
- NGOs:** Non-governmental organisations
- PSETA:** Public Service Sector Education and Training Authority
- RDP:** Reconstruction and Development Programme
- SETAs:** Sector Education Training Authorities
- SAMDI:** South African Management and Development Institute
- SAQA:** African Qualifications Authority
- SSPs:** Sector Skills Plans

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## **CHAPTER 1: HISTOGRAPHY**

### **1.1 Introduction**

The past thirteen years of democratic rule in South Africa have been characterised by policy making and legislative reform aimed at meeting constitutional imperatives. One of the central programmes of reconstruction is the development of human resources. Within the public service this programme has been addressed by a number of policies and laws, however the building of the developmental state remains a challenge for South Africa. The Ten Year Review conducted by the Presidency of the Republic of South Africa identifies the need for delivery within the public service during the second decade of democracy and urges government departments to “focus on practical implementation as distinct from setting out a policy framework which now exists, through the adoption of project management practices and community development works”. To enhance the implementation of strategic objectives and outputs in departments, capacity building coupled with enabling processes for improving the delivery of services on provincial and local government levels is critical.

Human resources not capital, income or material resources constitute the ultimate basis for the wealth of nations. Capital and natural resources are passive factors of productions; human beings are the active agents who accumulate capital, exploit natural resources, build social, economic and political organisations and carry forward national development. Clearly a country, which is unable to develop the skills and the knowledge of its people and to utilize them effectively in the national economy, will be unable to develop anything else.

The people of South Africa are the country’s most important asset. If all South Africans are to meaningfully participate in economic and social development as well as their own advancement, they must not only have general capabilities such as the ability to read and write, to communicate effectively and to solve problems in their homes, communities and in the workplace. Given the demands of a more complex

and changing economy, characterised by increasing use of information, more complex technologies and a general rise in the skill requirements of jobs, people must also have rising levels of applied competence.

The South African government is currently faced with the challenge of reconstructing the public service into an institution which is representative of all South African citizens. In doing so it must reconcile the historical labour imbalances caused by apartheid as well as the skills required to address the pressing need of service delivery for millions of South Africans. It is therefore critical that public service institutions have the required skills to effectively discharge their mandates. If these skills are lacking in public service institutions the impact will have severe repercussions on the country.

This chapter will provide an overview of South Africa's transition to democracy; it will also describe the fragmented public service the present government has inherited as well as the need for redress in the form of affirmative action policies. Lastly a brief overview of the framework of the study will be provided and concluding remarks will be made.

## **1.2 The state of skills readiness of South Africa**

A persistent theme in public discussion has been the state of skills in the South African economy and society. This issue has been approached in a number of ways but three important points emerge as markers in the debate around skills development.

Firstly, that the South African economy continues to experience a shortage of skills in key economic and public sectors. Such a shortage is not a new phenomenon. A shortage of skills has long been a feature of South Africa's economic, public and social landscape. The principal, but not the only, cause of persistent skills shortages has been the effects of pre-1994 apartheid government policies and the structural shifts that have occurred in the economy,

from being an inwardly focused economy concentrated on minerals and manufacturing to becoming a more diversified and globally oriented economy.

A second marker in discussions about skills shortages is that there is no quick fix solution to the skills problems that have developed over a substantial period of time. Improving and developing South Africa's stock of skills will not be fully resolved through short-term measures, such as increasing the flow of immigrants to the South African labour market.

Thirdly, there has been much reference to skills development as one way of supporting economic growth. This is an important and complex issue. It is not one that can be approached in terms of simple relationships between skills and growth. There are numerous factors that impact on a country's economic performance. Availability of skills in the labour force is one of these. However, other equally important factors are the level of inequality and access to markets.

What is clear is that the availability of skills is an increasingly important factor affecting the level of investment in any economy. The South African government has committed itself to taking concrete steps to raise the skills profile of the labour market. This will be achieved through short-term measures to address immediate shortages, and longer-term solutions to address structural imbalances in the labour market. Key decisions taken by government in this regard include:

- I. Facilitating the placement of new entrants in the labour market through learnerships and internships;
- II. Facilitating the recruitment of skilled foreign workers in areas of critical skills shortages, while ensuring the concurrent development of South Africans in those fields;
- III. Providing career guidance, and counselling to school leavers to assist them to pursue further studies in fields that are relevant to the needs of the economy

IV. Fast tracking the implementation of the Human Resource Development (HRD) Strategy by all government departments

**1.3 Overview of South Africa's transition to democracy**

The apartheid system in South Africa was ended through a series of negotiations between 1990 and 1993. These negotiations took place between the governing National Party (NP), the African National Congress (ANC), and a wide variety of other political organisations. The negotiations resulted in South Africa's first multi-racial election, which was won by the ANC.

Far from representing a "miraculous" end to the transition process, the April election in 1994 really represented the beginning of a more fundamental process of transformation. As a consequence, 1995 presented a range of issues which were symptomatic of the difficulties of a negotiated transition and which were often unanticipated or under estimated. Many of these challenges arose from the very processes of negotiated compromise which were intrinsic to the shift from the politics of confrontation in South Africa.

Perhaps most obvious in this regard, were agreements negotiated by the various political parties at Kempton Park. The first of these was the "**sunset clause**" which provided for the retention of civil servants within the line departments of government structures obvious in this regard, were agreements negotiated by the various political parties at Kempton Park. This presented a challenge which has shaped developments within governance in South Africa in the years which have followed. New policy makers and new political leadership confronted the substantial difficulty of winning the support and active participation of departmental bureaucracies in the implementation of new policy perspectives. Furthermore, the retention of key personnel within state departments, also laid bare the challenge of building and transforming state institutions which had to overcome the public mistrust often associated with them under apartheid.

With the transformation of South African society from a white oligarchy to a non-racial democracy, a central problem confronting policymakers is to stimulate economic growth and ensure that its benefits accrue to impoverished communities. Nevertheless, a crucial ingredient in enhancing economic growth in South Africa resides in the development of state capacity to provide the necessary foundations for rapid economic growth, especially in the areas of education, health, infrastructure, and law and order.

#### **1.4 The legacy of a disjointed public service**

The present government inherited a miscellany public administration composed of the former Republic of South Africa Civil Service, ten former tribal homelands, and the four former provincial administrations. The first attempt at poverty alleviation by government, in the form of the Reconstruction and Development Programme (RDP), appears to have failed largely because of incapacity on the part of this unwieldy bureaucracy (Simkins, 1996). Thereafter, growing anecdotal evidence of state incapacity finally elicited an official response in the form of the Ncholo Report (1997), which investigated the problem of state incapacity and made various recommendations concerning its alleviation.

Prior to 1994, the public service of the Republic of South Africa was perceived as unaccountable machinery dominated by white officialdom which neglected the needs of the vast majority of the population. With the adoption of the Interim Constitution in 1994 and the Final Constitution in 1996, supreme constitutions with a Bill of Rights were put into effect affording basic human rights to all people living in South Africa irrespective of race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language or birth.

The South African public service, and especially its core civil service and administration, have been relatively inefficient by the standards of advanced industrial democracies in almost all of the post-World War Two period. The main reasons for public sector inefficiency are ideological in essence, and have been manifested in various ways that is, public administration has always been obliged to follow multiple objectives, with efficient service delivery usually relegated to broader political goals. For instance, the electoral victory of the Afrikaner National Party in 1948 brought with it the advent of ideological apartheid with its attendant emphasis on the "protection" of white labour from black competition, later statutorily enacted as "job reservation" and "migrant labour" laws. In the context of the South African civil service this meant *inter alia* the employment of relatively inefficient white workers since efficient black workers were excluded from employment. (Simkins, 1996)

The most deleterious effects on public sector efficiency in South Africa arose from the policy of grand apartheid or separate development implemented from the 1960s onwards. In terms of this policy a number of tribally based "homelands" were established, each with its own bureaucracy. Quite apart from the massive duplication of functions involved, this enabled puppet political administrations to practice patronage on a vast scale, with tens of thousands of unskilled people occupying positions requiring administrative and other specialised skills, and many other "ghost" workers simply collecting salary payments. (Simkins, 1996)

One of the key outcomes of the negotiations between NP administration and the liberation movements was that all public sector employees were guaranteed continued employment under the interim constitution. This meant that the incoming government inherited a labyrinthine civil service comprising the former South African civil administration (including the "own affairs" departments for coloureds, whites and Indians), the civil services of the ten former independent and self-governing tribal homelands, and the provincial administrations of the

Cape, Orange Free State, Natal and Transvaal. The byzantine complexities of this new administrative structure is further highlighted by considering a particular governmental service like education, which had seventeen separate departments

The current transition of South Africa from an authoritarian, racist state toward a non-racial democratic society spotlights all institutions and symbols of power. The civil service is no exception, for decades; the public sector has been used by the National Party as a source of political patronage. As a result, this powerful institution has gained notoriety in several quarters. Within the business sector the civil service is seen as an expensive white elephant. English speaking South Africans perceive it as a citadel of Afrikaner power. Blacks regard it as a cornerstone of oppression. The cumulative result of these views is a widespread call for a complete overhaul of this sector, as part of the dismantling of apartheid.

A major paradox faces the civil service in an era of political reform in South Africa. Political reform necessarily requires rationalisation of the civil service, which has been duplicated by the requirements of separate development. The new government intends on increasing the representation of blacks in key position of the civil service.

Constitutional values such as human dignity, equality, freedom of expression and enforceable socio-economic rights are intended to change the way in which huge parts of the population have been treated by all tiers of government. Furthermore, specific provision was made with regard to the way in which the public service was to function. In section 195 of the Final Constitution the basic principles governing public administration are named, including the notions of accountability, transparency, efficiency, impartiality, fairness, responsiveness, development-orientation and representivity.

Section 33 of the Final Constitution provides that everyone has the right to administrative action that is lawful, reasonable and procedurally fair. All these

provisions seek to promote the idea of good governance, thereby endeavoring to enhance the well-being of all South Africans through a committed and efficient public service.

Diamond (1997, 4) has argued, "In South Africa ... the transition to democracy is now complete and South Africa has entered upon what will no doubt be a rather prolonged attempt to consolidate its new democratic institutions." Central to this process of consolidation is the urgent need to accelerate economic development to improve the living standards of South Africa's majority. Rapid rates of economic growth remain critical for democratic consolidation and political stability.

To date the outcomes of official policies aimed at stimulating economic growth are mixed. The initial attempt by the government at increasing rates of growth came in the form of the RDP which sought "... to provide a comprehensive approach to harnessing the country's resources to reverse the effects of apartheid and to attack poverty and deprivation over a five-year period" (Nolan, 1995,161). In essence, the RDP represented a highly interventionist micro economically orientated policy of physical and social infrastructure development targeted at the poorer sections of South African society. It required a sophisticated state bureaucracy to succeed and appears to have failed at least in part because the South African state did not possess the requisite administrative capacities (Simkins, 1996).

Current official attempts to enhance economic growth center on the Growth, Employment and Redistribution (GEAR) policy initiative. In contrast to the microeconomic focus of the RDP, GEAR is intrinsically a macroeconomic strategy based on "... the premise that job creation is the way to address poverty and that to increase employment opportunities higher economic growth is required" (Nomvete et al 1997, 3). Key elements of GEAR include a deficit reduction scheme, tariff reductions, stable real exchange rates, conservative

monetary policies, and "moderate wage demands" (Biggs 1997, 4). Although macroeconomic policy frameworks like GEAR play a vital role in the process of economic growth.

It is now widely recognised that development requires an effective state that can play a catalytic role, encouraging and complementing the activities of individuals and business firms" (Chhibber, 1997, 17). An essential prerequisite of the "developmental state" is some minimal level of administrative capacity. Simkins (1996, 85) has argued that the RDP failed because of the "lack of state capacity".

Simkins (1996, 89) identified three dimensions of this "state incapacity". Firstly, there exists "program incapacity" which refers to the difficulties involved in implementing specific programs in a complex, evolving and uncertain policy environment. Secondly, the reconstruction of the South African civil administration at the provincial and local levels from the former provincial and homeland bureaucracies has created a structure incapable of efficient policy implementation. And thirdly, the establishment of the controls essential to good government takes time and is not always adequate ..."

### **1.5 The need for redress in the form of affirmative action**

The argument for affirmative action is founded in the active dispossession of the black population from land and the deliberate exclusion of black people from the economy. The Len Grey Act of 1894 and the Pass Law Act of 1913 obliged black people off the land to seek wage labour for taxation purposes. The Native Land Acts (1913 and 1936), The Native Urban Areas Act (1954), the Native Labour Regulations Act of 1953, the Group Areas Act of 1950, the Native Building Workers Act 1951, systematically stripped black people of rights and capacity to participate in the economy and saw ownership of the country's assets centered in the hands of whites. Labour legislation effectively excluded blacks from the formal collective bargaining system, and restricted them to lower level

employment through job reservation in the guise of a 'civilised labour policy'. In a letter to the Institute of Race Relations in 1935, the Department of Labour stated:

*"The principle object of the civilised labour policy is to ensure that the class of workers described (25000-30000 unskilled Europeans) is not denied entry into unskilled occupations by reason of the fact that he had lower standard of living to which the Native is accustomed has hitherto kept the rates of pay and other conditions for work of this nature at a level which will not enable such workers to live in accordance with the standard generally observed by civilized persons"* (Department of Labour and Social Welfare UG 4/37 p 16)

In 1935 the Department of Labour and Social Welfare noted that it was still faced with the problem of finding suitable work for the 'untrained, unskilled Europeans, and for the semi-fit' who came into competition with 'relatively efficient unskilled natives' used to lower living standards than those 'observed by civilized persons'.

*"The Department has continued its efforts to reduce the handicap under which civilised unskilled workers are thus placed. It is pleasing to be able to record that the policy of employing civilised persons in the ranks of unskilled labour is being increasingly adopted by public employing bodies and local authorities, and that in private employment the civilised labour policy has survived the opposition with which it was first met."* (Department Labour and Social Welfare Report for 1953, UG4/ 37, p 8)

In effect then the civilised labour policy was introduced to limit 'unfair' competition by black people willing to work for less- and it in conjunction with a spread of other laws was hugely successful in securing the protection and enlistment of whites and particularly Afrikaners.

The implementation of apartheid policies, were built on these foundations. Henrik Verwoed introduced the Bantu Education system arguing for the need for a separation of education systems along racial lines as follows Lapping (1986: 155)

*"Bantu education should stand with both feet in the reserves and have its roots in the spirit and being of Bantu society...there is no place for the Bantu in the European community above the level of certain forms of labour...what is the point of teaching the Bantu child mathematics when it cannot practice? This is quite absurd; education must train people in accordance with their opportunities in life, according to the sphere in which they live."*

Apartheid was obliged into place on a premise that it was the only means of averting long term racial conflict, and that it would allow separate but equal development within cultural groupings. The Tomlinson commission in backing separatism warned of the costs required for a policy of 'separate but equal' to have any prospect of honesty. It did not take long however for the system to lose its 'equal' element and to assume its truer face of white domination and control, entrenched through a plethora of racial laws. These laws gave rise to a system with a track record of 80000 detentions without trial, 3000 people served banning or detention orders, 15000 people charged under security legislation, over a hundred deaths in detention, 21000 political deaths, 17 million pass law convictions and three and a half million forced removals. Human Rights Commission 1997; Anstey 1991)

On the economic front the 'civilised labour policy' bore fruit quite rapidly in boosting white employment, the number of white unskilled employees on the state railway system rising from 47105 to 16248 between 1921 and 1929 as black employment declined from 37564 to 31600 over roughly the same period. Hugo, P. (1992: 45). A

According to Sachs (1993: 29) over time the consequences of systematized inequality reflected in the follow picture:

- I. The number of Afrikaners in the public service doubled between 1948 and 1968;
- II. By 1979, 35% of economically active Afrikaners were employed by the state;
- III. 90% of key positions in the public sector were held by Afrikaners;
- IV. Blacks were restricted to ownership of a mere 13.4% of the land
- V. By 1993 fewer than 3% of executives or managers were black, fewer than 2% of shares of companies listed on the JSE were in the hands of blacks; only 15% of small formal businesses were owned by blacks; blacks had ownership of 4% of the informal sector enterprise; blacks accounted for possibly 10% of total participation in the business sphere.

### **1.6 The dilemma of redress**

Affirmative action then is not simply about removing discrimination, it demands redress for normalization to be achieved. It is in the redress zone of the debate that the dilemmas become apparent and where the gaps in vision between various approaches are most evident. Sachs (1993, 54) captures the debate as follows:

*“Decades, even centuries, of overt discrimination have left us in a most paradoxical situation. While formal discrimination is being phased out, practical discrimination remains largely intact. The consequent anomaly is that the instrument being advanced to maintain the practice of inequality is very principle of equality itself. Put another way, the concept of equal rights is becoming the main barrier to the actual enjoyment of equal rights. Whereas before the inequality was justified on the grounds of the need to discriminate, now it is legitimized on the basis of the need not to discriminate”*

Developing an organisational culture conducive to affirmative action in South Africa

Thus far it has been argued that there is a clear need for redress in the South African economy as a consequence of decades of discrimination but also that the task must somehow be accomplished in a job decline environment. It has also been argued that jobs are 'political' and that organisations may lose sight of their delivery objectives in the intensity of internal change processes in which they are used as measures of political and societal transformation. The discussion of problems in developing an organisational culture conducive to affirmative action occurs within this context

### **1.7 Problems of competing needs and expectations**

The hard fact is though the courts will not be able to manage the daily tensions, which arise out of competing expectations and needs. Every organisation must face the affirmative action issue and its implications directly, and make choices as to how best to respond within the guidelines of the emerging law and within an increasingly tough business environment. The choices center around developing a common organisational understanding of and commitment to an affirmative action policy.

The question of organisational culture must be squarely faced. The fact is that the process is fraught with overt and covert ethnic and gender tensions. It is the zone of organisational management in which everyone's prejudices and stereotypes are touched on, and it will be important to decide how these should be approached. A key challenge is whether organisation can develop a common culture of delivery beyond affirmative action tensions or whether the energies of the organisation simply devolve into competing ethnic tensions. Spicer (1996, 35)

After years of repressive legislation and job reservation by race, black people have a legitimate expectation that political liberation will mean accelerated opportunities for development, education, careers and jobs. The experience of

poverty is most immediate within this section of the population and the sense of injustice as a consequence of the apartheid era most salient. Discrimination in the past was not simply about protecting jobs for whites, it was experienced as demeaning of African culture and values. In short it was an experience of subjugation of a people's identity. The current drive is not simply to remove discrimination or to integrate Africans into past ways of doing things it is about a search for identity and a desire to stamp an African profile onto organisations. As Son (1993: 34) observes

*“Affirmative action must reform institutions which are largely bastions of maleness, whiteness and cultural supremacy with women and blacks playing peripheral roles...Advancement programmes cannot have as their goal the mere integration of blacks with the understanding in return that blacks will internalize the values and wrong premises and customs of the institution. Blacks should become part of what is good, but in addition they should be bold and skilful enough to help transform the institutions for the sake of the institutions themselves.”*

Within this statement must be recognised a struggle for the 'soul' of organisations. It has important implications for the search for a new organisational culture and approaches to affirmative action. If the approach is simply one of equal opportunity and competition on merit change is likely to be experienced as slow by black people in particular. Perceptions of white resistance to change may emerge and a sense of 'disguise racism' may develop. Black personnel may perceive the system as one of continued racial subordination and respond by job hopping, internal activism or passive resistance to white managers. Spicer (1996, 39)

Grindle (1997, 45) acknowledges that if the approach is one of rapid redress through accelerated changes in which black people are 'pushed' through the system, other problems arise. Perceptions of 'tokenism' may arise not only

amongst white but also black personnel. This carries risks of confirming rather than reducing stereotypes of black incompetence resulting in white accusations of 'reverse racism' and a crisis of self-doubt amongst black managers. White personnel may respond by 'emigrating' from jobs or from the country with consequent loss of skills, or may overtly or actively resist black managers. Thus they may not be able to leave the organisation but they can undermine the performance of black managers who have assumed posts they had aspirations for themselves.

### **1.8 Implications for organisational culture**

Internationally organisations are trying to realign goals, reviewing capacities, and reengineering business processes in the search for improved efficiency, reduced costs and improved quality of delivery to customers. The transformation of organisations in this manner has major consequences for the nature and level of employment, employment contracts, job security, human resource requirements, and job grading and remunerations systems. It has demanded new approaches to collective bargaining and revision of strategic direction on the part of trade unions. Organisations and their members then are faced with serious challenges of adaptation if they are to deliver effectively to the public. Change environments challenge existing organisational cultures and also demand the rapid development of new cultures if they are to cohere internally sufficiently well to deliver to performance goals. Quite often a new culture is evolved through aligning all members' energies toward such objectives as improved delivery, quality and customer service. Dollery (1997, 65)

According to Dollery (1997, 65) affirmative action imperatives do not deny the reliance of such objectives or process, but they add complex dimensions to the change endeavor. The focus becomes not simply external delivery but also internal transformation along ascriptive lines. While members of an organisation may develop an overtly shared vision for delivery they may not share in the vision for internal transformation and especially if much of this hinges around affirmative

action processes. Individuals and groups may actively seek to block or advance change on the internal front regardless of performance goals, or even through their manipulation. Tough performance measures may offer opportunities to undermine individuals and to render them ineffectual some may perceive an accrual of advantage in ensuring that a group or individual fails to deliver.

The fact that affirmative action must take place within a job scarce environment may well exacerbate tensions and has the potential to reduce the process to 'displacement' rather than 'diversity' management. It may sharpen black frustrations and aggravate white insecurity producing major obstacles in the development of a coherent unified organisational culture. Affirmative action programmes then have very serious consequences for the development of organizational culture. The potential for raised tensions along ethnic lines, competing cultures and internal plotting to slow or accelerate racial and gender reconfiguration are high. Tactics may range from active resistance to inertia. All have implications for external delivery. Rather than developing organisations cultures centered in a shared sense of responsibility to deliver to the public and seeking means of achieving this, a new era of demographic profiling and racial restructuring may be entered in which competing ethnic groups measure change less by progress in their capacity to 'get along' than simply their relative presence in an organisation.

Removal of discrimination in South Africa is not sufficient; redress is clearly necessary and morally obliged. However it has been argued here that positive discrimination or affirmative action produces many tensions of its own. The question is whether a climate conducive to affirmative action and delivery can be created and sustained in organisations. The period of soft displacement is now behind us. The values of leadership are critically important in the transformation process

## 1.9 Affirmative action as a possible policy solution

Whites particularly Afrikaners, have used the civil service not only as a means of political control, but also as a way of uplifting poor whites by providing them with employment. Given the high unemployment rate, and the long history of discrimination among blacks, it would make sense to use the civil service as one of the mechanisms of redress. In other words, by employing blacks in preference to whites, a moral and economic symmetry would be reached. Sachs (1993, 65)

The economic level of affirmative action has an immediate appeal. Given the high unemployment rate in the country, job creation is an imperative. Unemployment is not merely a moral concern, but also a serious political hazard. However, the unemployment problem per se is not the focus of attention, rather the question, involves the efficiency of affirmative action as a solution to the unemployment problem and it is argued that the capacity of affirmative action in the civil service to address the unemployment problem is limited, though there are undoubtedly some areas worth exploring.

Sachs (1993, 65) argues that the problem should be seen within the context of the tension raised earlier between economic and political policies. In a country facing difficult economic challenges, the ideal remains the reduction and not the expansion of the civil service. There is no doubt that expanding the civil service for mere symbolic reasons would be a weak justification. However, a case can be made for the overriding political advantages of an enlarged civil service by demonstrating that an Afrikaner dominated civil service, if left untouched, could undermine faith in any new government and could, in turn could lead to political instability.

Sachs (1993, 43) is of the opinion that the question of affirmative action and the civil service is suffused with irony. The policy of separate development has resulted in massive and irrational duplication of services and government departments. As a result, one cannot but conclude that further expansion of this

sector would be unwise, at least from a purely economic perspective. The problem of affirmative action has been shown to reflect a great dilemma involving contending and at times irreconcilable political and economic demands. Measures could make perfect sense from an economic perspective could easily run into political difficulties. An expansion of the civil service, motivated by political consideration, is inevitable. However, such expansions should be sensitive to the demands of the economy.

### **1.10 The ANC's views on Affirmative Action**

The African National Congress (ANC) first formalised its Affirmative Action Policy back in July 1991, at its consultative conference. That policy according to Innes (1994, 1) may be summarised as follows:

*“The racial and gender composition of managements in South African companies must ultimately reflect the demographic realities of the country as a whole. At that stage the ANC argued for a voluntary approach to Affirmative Action. This means that organisations should voluntarily introduce affirmative action programmes to meet these goals rather than their being legislated by the state. However, the ANC did point out that if this approach did not succeed, then legislation would be used to enforce Affirmative Action.”*

At that time there was some criticism of the ANC's policy from within the black community, many of whom felt that the term “ultimately” was too vague and that a specific time frame should be spelt out. Others felt that putting the emphasis on voluntarism as a means of implementation was naïve and that only a legislative approach could possibly achieve results.

The ANC Affirmative Action policy focuses on five key areas:

- I. Black representatives should be appointed on company boards of directors;
- II. Companies should ensure that they promotes black management development and training as well as accelerated advancement;

- III. Blacks should participate in the equity of companies, and companies should enter into joint ventures and business partnerships with blacks;
- IV. Companies should promote worker empowerment. This includes developing co-determination and participative approaches to decision making as well as sharing information, and
- V. Companies should promote black education both through adult basic education as well as through more formal school and university education

The ANC targets women as potential beneficiaries of Affirmative Action. The above views are based on the fact that women comprise around half the total population and 38 percent of all salaried employees in S.A, they form only 7 percent of all managers. Affirmative Action is not a passing fact in South Africa. There are powerful interest groups in the country who intend to ensure that the government takes the issue very seriously. They have already played a role in encouraging the ANC to firm up its Affirmative Action policy and they are unlikely to ease up on the pressure.

### **1.11 A unified public service post apartheid**

For any efforts by government to shift from a fragmented and disjointed to a coordinated, integrated mode of operation to succeed, there has to be a concerted effort towards aligning all its systems and processes, and achieving a climate of intelligibility and co-operation. Throughout the three spheres of government there has to be a shared common purpose of delivering services to the citizens. While each of the three spheres operates, according to the Constitution, in a distinctive environment, their nature of work forces them to adopt an interrelated and interdependent approach which, in turn, underlines the importance of a unified public service.

Some of the advantages of a unified public service would include reduced red tape and a relatively faster delivery pace. Of great importance, creating a unified public service requires an improved and capable leadership, particularly in

provinces. Efforts should be made to prop up provinces that do not have the capacity and also to standardise rules and regulations that apply across the three spheres of government.

## **1.12 Terms and Concepts**

### **Public Administration**

Public administration relates to the activities of the executive branch of government, deals with the formulation and implementation of public policies and involves issues of human behaviour and cooperative human effort. Stillman (1980, 3)

According to Nigro (2006, 77) public administration is, broadly speaking, the study and implementation of policy as a moral endeavor, public administration is linked to pursuing the public good through the creation of civil society and social justice. The adjective 'public' often denotes 'government', though it increasingly encompasses nonprofit organizations such as those of civil society or any entity and its management not specifically acting in self-interest. The term public administration sometimes is taken to refer narrowly to government bureau.

Public administration theory is an academic subject concerned with questions of organisation, governance, budgeting, personal administration and other factors associated with the planning and operation of governments, civil society, and quasi-governmental entities. Public Administration theory is the amalgamation of history, organizational theory, social theory, political theory and related studies focused on the meanings, structures and functions of public service in all its forms. Nigro (206, 78)

### **Public Service**

Public services is a term usually used to mean services provided by government to its citizens, either directly (through the public sector) or by financing private provision

of services. The term is associated with a social consensus (usually expressed through democratic elections) that certain services should be available to all, regardless of income. Even where public services are neither publicly-provided nor publicly-financed, for social and political reasons they are usually subject to regulation going beyond that applying to most economic sectors. It is also an alternative term for civil service. Hugo, P (1992: 34)

Public services tend to be those considered so essential to modern life that for moral reasons their universal provision should be guaranteed, and they may be associated with fundamental human rights (such as the right to water).

Hugo, P (1992, 39) argues that a public service may sometimes have the characteristics of a public good (being non-rivalrous and non-excludable), but most are merit goods, that is, services which may (according to prevailing social norms) be under-provided by the market. In most cases public services are services, i.e. they do not involve manufacturing of good. They may be provided by local or national monopolies, especially in sectors, which are natural monopolies. They may involve outputs that are hard to attribute to specific individual effort and/or hard to measure in terms of key characteristics such as quality. They often require high levels of training and education. They may attract people with a public service ethos who wish to give something to the wider public or community through their work and are prepared to work harder for less pay as a result.

Historically, the widespread provision of public services in developed countries usually began in the late nineteenth century, often with the municipal development of gas and water services. Later, other services such as electricity and healthcare began to be provided by governments. In most developed countries such services are still provided by local or national government, the biggest exceptions being the U.S. and the UK, where private provision is more significant. Nonetheless, such privately-provided public services are often

strongly regulated, for example (in the US) by Public Utility Commissions. Hugo, P (1992, 39)

In developing countries public services tend to be much less well developed. Water services, for example, may only be available to the wealthy middle class. For political reasons the service is often subsidised, which reduces the finance available for expansion to poorer communities.

The Public Services Act, 1994 (Act 103 of 1994) and the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) provides the framework within which public service institutions must operate in South Africa.

In terms of section 8 of the Public Services Act, 1994 (Act 103 of 1994) the South African Public service constitutes all persons holding fixed positions or permanent additional appointment in the service, and the state educational institutions excluding members of the National Defense Force, the National Intelligence Agency and the South African Secret Police. Section 197 of the Constitution of the Republic of South Africa, 1996(Act 108 of 1996) states that a Public Service shall be established within the public administration of the Republic of South Africa. The South African public service shall function and be structured in terms of national legislation and shall also be responsible for the loyal and lawful execution of government policies.

According to Van Dijk (1997, 4-5) “The South African Public Service is instituted to protect the rights of South African citizens. Public servants will be obliged to implement government decisions loyally and with due expedience.”

The South African public service is further divided into departments, which, according to Section 1(1) of the Public Services Act, 1994 (Act 103 of 1994) could be defined as an organisational component at the national sphere of

government. Departments could also be found at the provincial sphere or could refer to the provincial administration

### **Public Sector**

According to Hugo, P (1992, 53) employment in the public sector can be either broadly or narrowly defined. The narrowest definition is referred to as the “public service” and includes only employment in central government departments and the provincial administrations. A wider definition is that of “exchequer personnel” and includes, in addition to the public service, the government service of self-governing territories, parastatals, universities and technikons. The broadest definition of “public sector” further includes employment in local authorities, agricultural control boards, public corporations such as Transnet, Post and Telecommunications.

### **Public Management**

Public management is a perspective on government and non-profit administration which contends that public and private-sector management are alike in most important ways. As such, there are management tools to be taught to bureaucrats whether public or private and those are applied to maximizing government efficiency and effectiveness. This is often contrasted with the study of public administration, which emphasizes the public good as well as social and cultural drivers of government that many contend make it inherently different from managing in the private sector. The trust placed in public managers, and large sums spent at their behest, makes them subject to many more conflict of interest and ethics guidelines in most nations. Hugo, P (1992, 45)

### **Personnel Administration**

According to Stahl (1983, 3) public personnel administration does not exist in a vacuum. It is the product of basic public policy, which operates under public scrutiny, it mirrors general social and economic conditions, and it has a continuous impact upon the general welfare. To treat it as merely another technical function of

government is a mistake. Personnel policy and performance is the responsibility of every individual in the public service but most especially its administrators, managers and supervisors.

Personnel administration is greatly influenced by what transpires in society as a whole, it must be responsive to those impacts, and in turn it may exercise a profound effect on the operations of society.

“Personnel administration in government involves the implementation of public laws and the enforcement of regulatory policies. Human resources units are also responsible for operations like payroll and the benefit administration. More broadly, however, it would be a mistake to underestimate the importance of carrying out these traditional personnel functions in an efficient and timely manner. The public personnel administration of the early 21<sup>st</sup> century is far more than an organizational maintenance and rules enforcement activity. Public personnel administration is rapidly coming to be seen as a key element of successful public management and strategic planning. As such, public personnel administration focuses on helping public managers on all levels to meet the challenges of attracting, retaining, motivating, and developing the large and diverse pool of highly qualified people needed to staff modern government agencies” Nigro (2006, 324)

### **Service Delivery**

Service delivery is a customer-oriented activity. Service delivery activities are carried out by organisations and are oriented towards meeting customer needs and expectations. Service delivery means supplying users with services needed or demanded. This can be done by government institutions, parastatal organisations, private companies, non-profit organisations or individual service providers. Damachi, UG (1987, 35)

## **Affirmative Action**

Affirmative action is a term, which has different intentions and connotations across interest groups in South Africa. Innes (1993, 34) defines affirmative action as a “Set of procedures aimed at proactively addressing the disadvantages experienced by sections of the community in the past. It is not necessarily a single policy or strategy; rather there can be a number of different ways of implementing affirmative action”.

Innes (1993, 38) identifies two major approaches; those which seek to simply to remove obstacles which stand in the way of achieving equality of employment (no discrimination; and those which introduce preferential policies aimed at promoting some groups over others so as to achieve equality of employment (positive discrimination). Although most interest groupings in South Africa have recognised that affirmative action must move beyond the removal of discrimination, there is considerable difference amongst them once the positive discrimination debate is entered.

According to Thomas (1996, 5) the term ‘affirmative action’ appears on corporate agendas, is debated at national conferences. However, when one questions the understanding of this term, a lack of consensus is evident. The Sullivan Code of Principles applicable to United States corporations present in South Africa gave rise to programmes of affirmative action in South Africa as far back as the 1970s. However, this strategy has been accelerated during the early 1990s in the light of socio-economic and political change in the country.

In a broad context, affirmative action has been seen as a means of correcting historical injustices and an attempt to work from there to eventually creating level playing fields where everyone can compete, based upon equal access to education, training and other opportunities formerly restricted to the white minority population. The motivation for instituting programmes of affirmative action generally lies in moral, legal and social responsibility issues.

Esmeraldo (1995, 49) captures the definition of Affirmative Action to mean implementing positive remedial action, programmes and procedures to address historic and existing inequalities, imbalances, prejudices and injustices in the workplace; taking particular care to ensure that historically disadvantaged people are no longer unfairly held back by discrimination in recruitment, selection, skills development or promotion to management, supervisor, administrative, technical and professional positions and actively pursuing an ongoing strategy to address imbalances in the workplace to reflect the relevant labour market.

### **Skill**

The 1997 Green Paper, Skills Development Strategy for Economic and Employment Growth in South Africa, defined skill as the necessary competencies that can be expertly applied in a particular context for a defined purpose. The Green Paper went further to outline a number of competencies that denote what is meant by a 'skill' these include:

- i. Practical competence – the ability to perform a set of tasks.
- ii. Foundational competence - the ability to understand what people are doing and why.
- iii. Reflexive competence – the ability to integrate or connect our performance with an understanding of the performance of others, so that we can learn from our actions and are able to adapt to changes and unforeseen circumstances.

The new demarcations which now labeled jobs and tasks as 'unskilled', 'semi-skilled' and 'skilled' mapped on to social class divisions which in turn contributed to the categorisations adopted by national education systems. Skill is, then, a tricky concept, as Gallie (1988, 7–8) explains:

The very complexity of the task of defining skill makes it implausible that skill classifications in industry reflect in an unproblematic way some objective hierarchy. Rather, they are likely to be the product of a continuous negotiation between employers and employees, in which both relative power resources and prevalent cultural beliefs will influence the grading structure.

Gallie's emphasis on the relationship between the status afforded to certain skills and their position vis-à-vis workplace power structures presents a challenge to one of the central tenets of the concept of the 'new economy', now being created in advanced countries and itself a by-product of globalisation. In this 'new economy', the service sector is dominant as manufacturing operations are moved to countries offering cheaper labour costs. The skills, which are now prized, are so-called soft or personal skills such as listening and responding to customers, collaborative team working, and multi-tasking. These skills have traditionally been classed as 'feminine', epitomised by nurses, secretaries and housewives. In line with Gallie's power analysis, these skills were thought to be intuitive or dispositions of character, rather than acquired through education and training, and so of a lower status.

### **Learnership**

According to Thomas, A (1996, 61) "Learnerships are new professional and vocational education and training programmes. They combine theory and practice and culminate in a qualification that is registered on the National Qualifications Framework (NQF). A person who successfully completes a learnership will have a qualification that signals occupational competence and which is recognised throughout the country."

Learnership is a work-based education and training programme that is linked to a qualification registered on the National Qualifications Framework (NQF) with the South African Qualifications Authority (SAQA). Learnerships are occupationally

directed programmes that consist of both structured theoretical learning and practical workplace experience.

Learnerships will include traditional apprenticeships, but will also go beyond them in important ways. As in a number of other countries, traditional training programmes are not proving to be sufficiently flexible to changing needs.

### **Redeployment**

Redeployment refers to situations when an employee declared “surplus” may be redeployed to a position within the department (or another department) where there is a similar match of skills between the employee and the skill requirements of the position. Thomas, A (1996: 65)

### **Brain Drain**

According to Damachi (1987, 56) a brain drain or human capital flight is an emigration of trained and talented individuals (“human capital”) for other nations or jurisdictions, due to conflict, lack of opportunity and/ or health hazards where they are living. It parallels the term “capital flight” which refers to financial capital, which is no longer invested in the country where its owner lives and earned it. Investment in higher education is lost when the trained individual leaves, usually not to return. Also whatever social capital the individual has been apart of is reduced by their departure. “Brain drain” is a perception that is hard to measure. An opposite situation, in which many trained and talented individuals seek entrance into a country, is called brain gain; this may create a brain drain in the nations that individuals are leaving.

### **Human Resource Development strategy**

The purpose of a Human Resources Development (HRD) Strategy is to provide a plan to ensure that people are equipped to participate fully in society, to be able to find or create work, and to benefit fairly from it. The organising principle, which has been used to cohere the various components of this strategy, is the concept

of “work”. This is not a narrow understanding of work, and must be understood as being the full range of activities that underpin human dignity by achieving self-sufficiency, freedom from hunger and poverty, self expression and full citizenship. Nationhood and productive citizenship are inter-dependent, and it is in this sense that we speak of a nation at work for a better life for all. Stahl(1997,82)

### **Training**

Training involves identifying and helping to develop in a planned manner the key competencies that enable an individual to perform current or future jobs. Training and development concentrates on people in organisational roles or jobs, and it uses a variety of methods, including on-and off-site training Nigro (2006: 324) “Training is widely accepted as a necessary function of managing a large enterprise. The development of staff is the very essence of supervision, and it clearly assumes a role of great significance to the quality of service and long range effectiveness.” Stahl (1983,225)

## **1.13 FRAMEWORK**

### **Chapter 1 (Histography)**

Chapter one provides an overview of South Africa’s transition to democracy as well as the need for redress in the form of affirmative action policies. It explains the type of public service the ruling government of the day has inherited and the challenges that the new governments must grapple with. It elaborates on the impact of the sun set clause and its implications for skills in the public service. Lastly a brief overview of the framework of the study was provided and concluding remarks will be made.

### **Chapter 2 (Methodology)**

Chapter two describes the methodology of research that was followed for gathering and analysing information for the study. This chapter deals with the statement of the

problem, the research objectives, the research question, research design, significance of the study, limitations of the study, research methods that will be employed and various data collection techniques that will be used.

### **Chapter 3 (Theoretical framework)**

Chapter three provides the theoretical framework for the study. It describes the development of the practice of public administration and the theories of public administration. The challenges that the current administration faces is also examined in this chapter. A review of some of the relevant literature associated with public administration will be discussed. The significance of public administration theories in South Africa's modern public service will also be expanded upon.

### **Chapter 4 (Developmentalism and the state of skills readiness in South Africa)**

This chapters aims to explore the relationship between the state of skills readiness in South Africa and the needs of a "Developmental State". The administrative capacity of the South African state and the attendant problem of rational policymaking in the presence of severe limitations on administrative capacity form the subject matter of this chapter. This chapter focuses on the question of state capacity and its role in the economic and social development of South Africa in the context of the Ncholo Report (1997) and the broader literature on government failure. This chapter examines the policy background to the Ncholo Report, and provides a synoptic overview of the economic literature on the generic problem of government failure, with the emphasis falling on the ways in which public choice theorists have categorised government failure. The findings of the Ncholo Report (1997) and other empirical evidence in the context of public choice theory will be examined. The need for state intervention in the economy and the need for adequate state capacity will be clarified by explaining the theory of a developmental state.

The legislative framework for skills development and training in the public service in South Africa will be elaborated. This chapter will also explain the current state of skills development in the public service. The phenomenon of skills migration and brain drain will also be discussed. This chapter will provide a background on the role that key institutions such as Higher Education Institutions (HEI) South African Management and Development Institute (SAMDI) and the Public Services Sector Education and Training Authority (PSETA) play in public service training and education.

### **Chapter 5 (Analysis of case)**

This chapter aims to give an analysis of the state of skills in the South African public service. The chapter will begin by discussing findings on employment experiences of graduates; thereafter an evaluation of the higher education framework in South Africa will be undertaken. A closer look at the framework for skills development and training in the public service will also be explored. The findings relating to graduate employment experiences includes the period it takes them to find employment, the factors that influence employability, the types of jobs they find, their own perceptions of the relation of the level of jobs they found both to their qualification and the sectors of employment.

This section also explores the mobility in the South African labour market as well as moving abroad and the reasons for this choice. The role of the public sector as an employer will also be explored. This chapter will also to give a comprehensive analysis of the Higher education initiatives, specifically Further Education Training colleges (FET). A critical analysis of institutions created to promote training and skills development in the public service such Public Service Sector Education and Training Authority (PSETA), South African Management and Development Institute (SAMDI), will be explored adjacent to their performance against their mandates with the objective of establishing their effectiveness.

The case of the Department of Provincial and Local Government (DPLG) will be used to demonstrate the point that career management programmes are lacking in the public service and this fuels the increase in turnover of staff. Also the DPLG will be used to illustrate that external consultants are used to provide training and not SAMDI and PSETA, these occurrences within the DPLG will be interrogated. Finally the National Skills Development Strategy (NSDS) will be evaluated to determine its effectiveness in tackling the serious challenge of skills in South Africa.

## **Chapter 6 (Concluding Chapter)**

Chapter six encapsulates the dialogue generated in previous chapters; it discusses research findings and propose recommendations to the challenges identified in chapter five.

### **1.14 Summary**

This chapter presented a history of developments in South Africa's transition from apartheid to a democratic country. Chapter one provides the context for the study, it depicts the complexities introduced by the "sunset clause" which provided for the retention of civil servants within the line departments of government structures. This presented a challenge which has shaped developments within governance in South Africa in the years which have followed. Furthermore, the retention of key personnel within state departments, also laid bare the challenge of building and transforming state institutions which had to overcome the public mistrust often associated with them under apartheid. This chapter also expanded upon the fragmented public service the present government inherited from its predecessors and the challenge of building a unified public service which will meet the needs of a development state.

## **CHAPTER 2: METHODOLOGY**

### **2.1 Introduction**

The purpose of this chapter is to describe the methodology of research that was followed for gathering and analysing information for the purpose of this study.

It should be noted that the final topic chosen is usually the outcome of a long internal debate by the researcher. It will have passed through a number of stages of enhancement, which may include deviation from the topic originally conceived. It is advisable not to formulate the final title at the beginning of the study, since experience has proven that the first title is usually a preliminary draft. Botha & Engelbrecht (1992, 37)

All research topics are subjected to the changing circumstances within which the study takes place. A researcher should factor some flexibility into the design phase of the project. It is therefore not advisable for the researcher to confine him or herself to one method during the planning phase. This will allow for a proactive possible alteration or direction in the research project, should circumstances demand. Examples of the circumstances that may necessitate an alteration to a topic may include, among others, insufficient responses to a postal survey or inadequate provisions of answers to questions that the researcher may ask. It maybe that the researcher is unable to get access to the intended interviewees or to the sites where observations were to be carried out. It may also happen that as the researcher continues to read the literature, he or she establishes that the research questions have already been addressed thoroughly by others, thereby rendering the intended study obsolete.

## **2.2 Description of research process and delineation of study**

The first stage in the research process is to identify the problem that manifests itself as a challenge for society, thereby creating justification for a study. The identification of the problem requires good exposition or communication skills to elucidate what is required, and the ability to realize the research goal. It is advisable to delineate a study in such a way as to give focus to the time and context within which the study takes place. The terrain of investigation should be carefully circumscribed and delineated.

## **2.3 The definition and nature of research**

Research is simply the gathering of required information to solve a stated problem (Booth, Colomb & Williams, 1995:6). While science refers to the system of scientific knowledge, research refers to the process by means of which a system of this nature is established and extended. Botha & Engelbrecht (1992, 18)

Research and its results are determined by the statement of the problem. Research outcomes should be aimed at influencing the overall decision making process and the way that things are done, although the result of the research process may not necessarily result in a change in the way of doing things. The change, if desirable and necessitated by the research outcomes, should be justifiable. Changes in working practice can be justified by the reports of in house research teams, or those of external consultant. Research can also vary in terms of magnitude. To arrive at credible and meaningful findings in a research project poses a huge challenge to any researcher. Furthermore, it should be emphasized that research can be a subjective exercise. Blaxter, Huges & Tight (1995, 5)

## 2.4 Research paradigm

The purpose of conducting research is to contribute towards a particular paradigm. Research outcomes can either reinforce or negate a specific paradigm. A paradigm is a worldview, a general perspective, a way of breaking down the complexity of the real world. As such, paradigms are deeply embedded in the socialization of adherents and practitioners. Paradigms tell us what is important, legitimate and reasonable. Paradigms are also normative, telling the practitioner what to do, eliminating the need for long existential or epistemological consideration. Kuhns & Martorana (1982;4).

Practical and political constraint, as well as theoretical and research paradigms all influence both the choice of methodology and the practice of the researcher itself (Brannen, 1992:149). The very first step in the research process is to select a topic for the research work. In this respect, it becomes necessary to ascertain the type and amount of work already done in the area of interest. This is critical in order to contribute to an existing pool of knowledge, while avoiding duplication of work already done in a particular field. The research process, therefore, should be preceded by a thorough consultation not only of completed dissertations and theses, but also of a variety of other sources, in order to make a meaningful academic contribution. Consulting these sources means not merely taking cognizance of them, but scrutinising them critically with a view to identifying linkages and arrears of commonality with the researcher's intended topic. It is the view of the researcher that no research topic can be conceived in isolation of the academic and external environment.

It is important that the researcher should adhere to the highest research standards possible. This should take into account the fact that there will always be a need for application of new paradigms of understanding and new procedures of research on existing data. Botha & Engelbrecht (1992:37)

Paradigms make it possible for researchers to engage in normal science, the work of filling in the details and testing the individual hypotheses of major theories. Scientists work from models acquired through education and through subsequent exposure to the literature, often without quite knowing or needing to know what makes a particular problem or solution legitimate, tempts researchers to suppose that, at least intuitively, they know the answer is relevant to their research. Paradigms may be more binding and more complete than any set of rules for research that could be unequivocally abstracted from them. Kuhns & Martorana (1982,4)

## **2.5 Statement of the problem**

Consolidation of South Africa's new democracy requires that political change find's meaningful expression in civil society. As the transformation process moves beyond political institutions it will directly affect individuals and organisations in which they must participate.

The workplace has been an important locus of change and will continue to be so into the future. Internationally, public and private sector organisations are under pressure to reduce their costs, and to upgrade their efficiencies and quality of service to a demanding public within the context of a global economy. All indications are that this is no easy task and South Africa faces special problems in this regard. The challenge of reengineer public service institutions to move within the realm of world-class standards of delivery is no easy task.

Over and above this, following decades of entrenched racial discrimination, South Africa seeks to bring about greater equity and representivity within public service institutions. The drive is not simply one of quality, efficiency and cost- it is also about stabilising a new democracy while ensuring equal opportunities and redressing past discrimination. In short South Africa's transformation is driven by both economic and political imperatives.

Special problems reside in the areas of developing an organisational culture which facilitates change, but these are aggravated when they must occur in a job scarce environment in which affirmative action is a central change imperative.

Skills are the backbones on which every successful country rests on. Countries such as Malaysia, India, Ireland and Japan confirm this essential truth. In all these countries their economic revival and turn around had the skills revolution at its core. As a country, South Africa has not yet taken the matter of skills to a skills revolution. The quest to be a competitive economy and a winning nation depends on equipping the nation with the appropriate skills.

The issue of skills in South Africa cannot be divorced from its historical context. When addressing the issue of skills in South Africa it is important to reconcile the present state of skills with the historical imbalances caused by Apartheid. It is therefore, clear that any examination of the issue of skills in South Africa cannot be discussed in isolation but must be explained in the context of South Africa's history.

The Government has embarked on a number of intervention strategies to address the disparities of skills in South Africa; such interventions include policy interventions as well as legislative measures, to address imbalances caused by apartheid.

The local municipal government elections of 2006, further highlighted the growing concern expressed by many citizens, especially in rural areas of ineffective service delivery. The Constitution of the Republic of South Africa (Act 108 of 1996), endorses the right of every citizen to be able to access basic housing, health care, food, water, social security and education. It is therefore, the expectation of each citizen that the present democratic order will yield the results of effective service delivery, which will in turn benefit the lives of all South African citizens. This can only be achieved if the public service has the required skills and expertise to deliver on their mandates.

## 2.6 Research objective

This research study intends to propose solutions to the problem statement and to suggest solutions to remedy the problem. The problem statement informs the research objectives. A problem statement, therefore, can be equated to a statement of intent which clarifies limits and constitutes a very distinct aspect and image of a particular problem in a specific field or particular discipline. A statement of the problem is a declaration of policy which brings to the attention of the researcher and influences the choice of the route to be followed during investigation.

### The key objectives of the study are:

- i. To investigate the broader policy and legislative framework that has been established to facilitate skills development in the public service;
- ii. To examine the role and effectiveness of SAMDI and PSETA in providing training for the public service;
- iii. To examine the effectiveness of Higher Education Institutions and Further Education Training colleges in addressing the skills challenge;
- iv. To unpack the role of career guidance in guiding learners in their choice of career;
- v. To unpack the role of career management as a tool to retain skills in the public service;
- vi. To examine the impact of affirmative action policies on organisational culture and the impact on recruitment practices within the Department of Provincial and Local Government;
- vii. To investigate the employment experiences of graduates in the public service;
- viii. To investigate the mobility of skills in the public service;
- ix. To examine the role of the public sector as an employer of choice.

## 2.7 Research Issues

The topic for a research study must offer the researcher the opportunity to make a contribution to existing knowledge in any of the following instances:

- i. To gather and present new or improved evidence for supporting or disproving existing concepts, theories and models;
- ii. To furnish new or improved methodology for research work with respect to both the subject of investigation as such, and the paradigm of its understanding;
- iii. To conduct new or improved procedures of analysis of the subject and of the topic by virtue of the innovation of new paradigms of understanding and new procedures of investigation; and
- iv. To postulate new or improved concepts or theories on the topic Botha & Engelbrecht (1992,37)

To this end the research question, that emerges,

***“The interventions strategies implemented by Government aim to address the skills issue in South Africa, but are these strategies in line with the underlying problem of skills in the public service and are the interventions yielding any positive results?”***

## 2.8 Research Design

The research design of an investigation refers to a plan or strategy for the study. It is based on a notion in the mind of the investigator as to how he or she perceives the way in which he or she will go about the statement of the problem and how solutions will be accomplished. It is therefore a description of how information will be generated including the collation and processing of such information. As is the case with the other aspects of research work, the researcher starts with a preliminary draft design which is finalized during the

course of the investigation. In such a design, the researcher will commence with an explanation of which data are needed to address the problem and also where the data are to be obtained. This close interrelationship between the statement of the problem and the design of the study cannot be overemphasized. The strategy of the investigation, as spelled out in the design, must be completely in line with the research questions, hypotheses and the statement of the problem. Botha & Engelbrecht (1992;40)

The aim of theoretical and conceptual studies is to review and to discuss the most relevant and appropriate theories, models or definitions of a particular phenomenon. In many empirical studies, a review of the most pertinent theoretical positions or schools is seen as the first step in the research process and should influence the design.

This means that the researcher requires some theoretical premise on which to base the study. A review of some theoretical positions forms the theoretical framework for the empirical study, usually by deriving the hypotheses from one or more of the accepted theories or models. Mouton (2001,92).

## **2.9 Significance of study**

The issue of skills has been a hotly debated subject in public and private circles; it is also an issue, which elicits an emotional response from many. This emotional response can be attributed to the nexus between skills, employment and the ability of an individual to contribute meaningfully to society while also providing an income to support a family.

At the core of the debate has been the issue of service delivery, which is intertwined with the issue of skills to effectively deliver such services. Much debate has also centered on, the introduction of affirmative action policies and legislation and whether such methods creates further divisions in South Africa or in actual fact embrace the ideology of addressing the labour imbalances caused by Apartheid.

This study is significant as it serves to put the skills debate in its historical context while also examining the interventions adopted by the government to determine their effectiveness in addressing the problem. It is the realisation that if South Africa is to succeed in building a country, which can compete in an international playing field, then each and every citizen must positively participate in the growth and development of this country.

### **2.10 Limitations of study**

Having motivated the significance for the study, the research acknowledges the following limitations of the study; the timeframe of the study is limited to post 1994 to 2006. Due to time constraints the researcher could not fully analyse the impact of ASIGISA and JIPSA on skills. The state of informatics on skills acquisition is continuously subject to many changes. In addition most historical issues experience a bias. Also current trends in globalisation are expected to impact on this study.

### **2.11 Research Methods**

Research methods are an important component or aspect of the research process and are determined by the purpose of the study. The researcher aligns himself with the school of thought that holds that one must first identify a research problem and then decide on a methodological perspective that is superior to others for studying it, namely, that the nature of the stated problem should determine the methods to be used. Methods are tools used to obtain information about a study being undertaken determine the type of tools to be used. It is these tools that also determine the reliability of the data collected, upon which findings are made. The methodology to be used is very important, as the basic virtue of research is accuracy. The methods chosen are also influenced by the theories under investigation.

The research method answers the question of how the researcher intends to go about conducting the research. It is important for a researcher to adopt a methodological perspective that will guide his or her work. The researcher should also state clearly the reason for preferring one method of collecting the data over the others.

According to (Blaxter et al, 1996:78), thinking methodologically can significantly enhance research, because:

- i. it provided a better appreciation of the advantages and disadvantages of particular methods, on their own or in combination;
- ii. it allows a researcher to relate it to similar projects undertaken by other researchers;
- iii. it may provide an interesting perspective on the research, and
- iv. it provides a range of possible research strategies, approaches and techniques available to the researcher in undertaking research.

Whatever the methods a researcher chooses, he or she should know in advance what the main sources of information required for his or her topic are and most importantly where to locate them. The most important factors influencing the choice of research methods are the purpose of the research (Brannen, 1992: 140).

## **2.12 Research method chosen for this study**

Silverman (2005, 109) defines a methodology as a general approach to studying research topics. In this sense the choice of method should reflect an overall research strategy. The research methodology focuses on the research process and the kind of tools and procedures to be used; it also makes use of the most objective procedures to be employed.

This study will make use of a triangulation methodology. Silverman (2005, 121) describes a triangulation method as enabling the researcher to use different methods or sources to corroborate each other. By having a cumulative view of data drawn from different contexts enables one to triangulate the 'true' state of affairs by examining where the different data intersect. Triangulation may improve reliability of a single method.

Such triangulation of data seeks to overcome the context of the researcher's materials at the cost of analyzing their sense in context. For the purpose of social research, it may simply not be useful to conceive of an overarching reality to which data, gathered in different contexts

For the purpose of this study the researcher also selected the literature review method as a qualitative approach to study the problem encapsulated by the problem statement. The advantages of the selected method are that a lot of quality information can be accumulated within a short space of time and at a reasonable cost. This method cites only books and articles relevant to the specific issue; it creates a distinction between the study under review and any other study already conducted (Lester, 1999:134). It is also a systematic, explicit and reproducible method for identifying, evaluating and interpreting the existing body of recorded work produced by researchers, scholars and practitioners Fink (1998, 3)

However a literature review is not simply driven by the research question, so the opposite also applies: the more one reads the more clarity one obtains, which may often lead to a change in the formulation of the research problem. It is truly an interactive cyclical process (Mouton, 2001:91)

The following subset of Baileys (1987,11) stages of research was followed

- i. choosing the research problem;
- ii. formulating the research design
- iii. gathering data;

- iv. summarizing and analysing data
- v. interpreting the findings; and
- vi. formulating recommendations

Against the above background, the present research will be conducted within a qualitative paradigm while using historical data and quantitative findings to support the research.

### **2.13 Types of research methods**

This section discusses various types of research methods, namely quantitative, qualitative and action research. A combination of these methods can in some cases be used depending on the topic been researched.

Qualitative and quantitative methods represent distinctive approaches to social research. Each approach is associated with a certain cluster of data collection techniques. Quantitative research is strongly associated with social survey techniques such as structured interviewing, self administered questionnaires, experiments, structured observations, content analysis, analysis of official statistics and so on. Qualitative research, on the other hand, is typically associated with participant observation, semi and unstructured interviewing and disclosure analysis Brannon (1992, 59).

#### **Quantitative research**

Quantitative research refers to those studies in which the data collected can be analysed numerically. Quantitative work implies the application of measurement or a numerical approach to the nature of the issue under scrutiny, as well as the analysis of data (Brannen, 1992, 85). An example of a quantitative research is the use of questionnaires in which the data collected is analysed numerically.

Quantitative research is based more directly on its original plans and its results can be scientifically analysed and interpreted. This interpretation will inform the findings and recommendations.

### **Qualitative research**

Qualitative research on the other hand, is concerned with collecting and analysing information that can describe events, persons, and so forth, without the use of numerical data. It tends to focus on exploring, in as much detail as possible, smaller numbers of instances or examples which are seen as being interesting or illuminating, and aims to achieve depth rather than breadth Blaxter et al (1996,60)

Qualitative research is more open and responsive to its subjects. It is often a micro perspective, which relies upon case studies or evidence gleaned from individuals or particular situations (Brannen, 1992, 85). Examples of qualitative research techniques may include inter alia, interview and observations. However, although an interview is qualitative in nature, it could also be structured and analysed in a quantitative manner.

Qualitative research designs require that the researcher gets close to the people and situations being studied, in order to understand the issues being investigated in their totality. This means that researchers who use qualitative methods strive to understand phenomena and situations as a whole Kuhns & Martorana (1982, 8-9).

Blaxter et al. (1996, 60) argues that qualitative research is harder, more stressful and more time consuming than other types of research. The detailed descriptions, direct quotations and case documentation obtained by qualitative methods are raw data from the empirical world. Qualitative data emerge from a process of naturalistic inquiry. Qualitative designs are naturalistic and do not allow for manipulation of the research setting by the researcher.

According to (Kuhns & Martorana, 1982,6-7), naturalistic inquiry is an approach aimed at understating actualities, social realities, and human perceptions that exist untainted by the obtrusiveness of formal measurement or preconceived questions. It is a process geared to the uncovering of many idiosyncratic, but nonetheless important, stories told by real people, about real events, in real and natural ways. The more general the provocation, the more these stories will reflect what respondents view as salient issues, meaningful evidence, and appropriate inferences. Naturalistic inquiry presents real life scenarios about the state of affairs in real time. This takes into account peoples feelings, knowledge, concerns, beliefs, perceptions and understandings.

The researcher who uses a qualitative approach seeks to capture actual point of view of the respondents. Qualitative data describes in depth the experiences of people. The data are open ended in order to establish what peoples lives, experiences and interactions imply, in terms of their natural settings. Qualitative descriptions permit the institutional researcher to record and understand people on their own terms. Qualitative data provide depth and detail. This emerges through direct quotation and careful description and will vary depending upon the nature and purpose of the particular study.

According to Kuhns and Martorana (1982, 6-7), the following six characteristics of qualitative research may be discerned:

- i. Events can be understood adequately only if they are seen in context. Therefore, a qualitative researcher immerses her/himself in the setting
- ii. The contexts of inquiry are not contrived but are natural.
- iii. Nothing is predefined or taken for granted.
- iv. Qualitative researchers want those being studied to speak for themselves, to provide their perspectives in words and other actions. Therefore qualitative research is an interactive process, in which the person being studied teaches the researcher about their lives

- v. Qualitative researchers attend to the experience as a whole, not as separate variables. The aim of qualitative research is to understand experience as a unified event.
- vi. Finally, for many qualitative researchers, the process entails appraisal about what was studied.

Blaxter et al (1996, 61) argue that qualitative research implies a direct concern with experience as it is lived or felt or undergone. In contrast, quantitative research, often taken to be the opposite approach, is indirect and abstract, and treats experienced as similar, adding or multiplying them together, or quantifying them. The aim of qualitative research, then, is understanding experiences as nearly as possible as its participants feel it or live it.

The merits and demerits of the use of one research technique over the other are debatable and to a great extent depend on the topic under investigation. The debate and competition between paradigms is best replaced by a new paradigm of choice. The paradigm of choices recognizes that different methods are appropriate for different situations Kuhns & Martorana (1982, 5)

The approach and subjectivity of individual researchers will always differ, taking into account the various schools of thought from which they were nurtured. For example, a view has been states that quantitative strategies tend to be more scientific or objective while qualitative research tends to be dominated by an element of subjectivism.

Quantitative and qualitative approaches differ not only in methods employed but also in the perception of the problem and the type of data they produce (Brannern, 1992, 85). Nevertheless, there are a number of ways in which both qualitative and quantitative approaches can be combined or used simultaneously. Both types of research can bring about valid results and can be

usefully applied- they are not mutually exclusive, but can be used to mutually reinforce each other during an investigation of a particular problem.

### **Action Research**

Blaxter et al (1996, 85) define action research as the study of a social situation with a view to improving the equality of action within it. It aims to feed practical judgment into concrete situations. The validity of theories or hypotheses it generates depends not so much on scientific tests of truth, as on their usefulness in helping people to act more intelligently and skillfully. In action research, theories are not validated independently and then applied to practice. They are validated through practice.

Action research is an increasingly popular approach among small scale researchers in the social science, particularly for those working in professional areas such as education, health and social care. It is well suited to the needs of people conducting research in their workplaces, who have a focus on improving aspects of their own and their colleagues practice.

According to Blaxter et al (1996, 65), there are seven criteria to distinguish different types of action research. Action research:

- i. Is educative;
- ii. Deals with individuals as members of social groups;
- iii. Is problem focused, context specific and future orientated;
- iv. Involves a change intervention;
- v. Aims at improvement and involvement;
- vi. Involves a cyclical process in which research, action and evaluation are interlinked; and
- vii. Is founded on a research relationship in which those involved are participants in the change process.

Action research is clearly an applied approach, one which could be seen as experimental. It offers a research design which links the research process closely to its context, and is predicated upon the idea of research having a practical purpose in view, leading to change. It also fits well with the idea of the research process as a spiral activity, going through repeated cycles and changing each time (Blaxter et al, 1996, 64)

## **2.14 Data collection techniques**

There are various social science research techniques that can be used to collect data, for example literature review, document analysis, interviews, observations, case studies and questionnaires. Blaxter et al (1996, 63).

For the purpose of this study the researcher chose the literature review, and case study method as an instrument of collecting data.

Depending on the topic under investigation, the researcher may use more than one method. This is even more feasible if a research topic is investigated by a team of researchers individually, targeting different stakeholders. One researcher may, for example, use a survey, or a set of interviews, or even a series of observations. The advantage of using more than one method is that complementary findings may be confirmed. Thus, if well managed, a multifaceted approach to the research process may yield a more comprehensive result for the topic under investigation.

There should be good reasons why the researcher opts to use more than one research method, as this may demand more resources, such as time and money. The process whereby two or more methods are used to verify the validity of the information being collected is referred to as triangulation, in which the findings of one method can be checked against the findings yielded by another method. For example, the result of a qualitative investigation might be checked against those

resulting from a quantitative study. The aim is generally to enhance the validity of the findings. Brannen (1992, 60)

Triangulation may involve mixing quantitative and qualitative research methods. There are three kinds of triangulation, namely, triangulation between methods, within, methods and holistic triangulation (Kuhns & Maratorana, 1982, 45). The notion of triangulation is drawn from the idea of “multiple operationalisation”, which suggests that the validity of the findings and the degree of confidence in them will be enhanced by the deployment of more than one approach to data collection.

### **Literature review**

There are two perspectives to reviewing the literature: either as a study on its own, which some people prefer to call a literature study, or as the first phase of an empirical study. Either way, it is essential that every research project begins with a review of the existing literature. Therefore a literature review forms an essential component of any study. The terms “literature review” does not, in fact, encapsulate all the meaning that it intends to convey. To illustrate this point, any research is preceded by an acknowledgement of some work already done in a specific field. The initial step is to explore and review the existing scholarship or available body of knowledge, in order to learn how other scholars have investigated the research problem. This then informs the investigation to be conducted.

It is a constructive exercise to learn from other scholars: how they theorized and conceptualised issues, what they found empirically, what instruments they used and to what effect. In short, a researcher is interested in the most recent, credible and relevant scholarship in his or her area of interest. For this reason, the term “scholarship review” would be more appropriate. Ultimately, it should be the aim of all researchers to minimize the effect of error during each stage of the

research process, thereby increasing the likelihood of achieving minimum standards of validity in scholarship. Mouton (2001,110).

One reason why a review of the existing scholarship is crucial is that the terms denote far more than what is under investigation. So when reference is made to reviewing a body of scholarship (a literature review), the researcher is in fact interested in a whole range of research outputs that have been produced by other scholars. Literature refers to the record of earlier work in any field. Barzun & Graff (1985, 21).

According to (Mouton, 2001, 86-87), there are a number of reasons why a review of the existing scholarship is so important, some of which are listed below:

- i. To ensure that one does not merely duplicate a previous study;
- ii. To discover the most recent and authoritative theorizing about the subject;
- iii. To find out what the most widely accepted empirical findings in the field of study are;
- iv. To identify the available instrumentation that has proven validity and reliability
- v. To ascertain what the most widely accepted definitions of key concepts in the field are, and
- vi. To save time and avoid duplication and unnecessary repetition.

A good review of the available scholarship not only saves time in the sense that it avoids errors and duplication of previous results, but it also provided clues and suggestions about what avenues require further attention.

## **Interviews**

The unstructured or nondirective interview is an event less structured than the life history interview and the focused interview. The chief feature of the nondirective interview is its almost total reliance upon neutral probes that are generally very

short. They are intended to probe the respondent's deepest and most subjective feelings. Unstructured interviews can sometimes be more valid than the highly structured interview, even though the latter is more commonly used and probably thought to be more valid. The unstructured interview may also be more valid if the universe of discourse varies from respondent to respondent .Bailey (1994, 194-5).

Unstructured interviewing involves direct interaction between the researcher and a respondent or group of respondents. The advantage of this method is that the interviewer is free to move the conversation in any direction of interest that may emerge. Consequently, unstructured interviewing is particularly useful for exploring a topic broadly (Trochin, 2001,161). Field researchers typically employ unstructured interview to ask open questions. This conversational approach yields flexibility in that an answer to one question may influence the next question the researcher wishes to ask. Probing is essential. Wagenaar & Babbie (1992, 171)

### **Deskwork**

This method of research consists of those research processes which do not necessitate going into the field. It consists, literally, of those things which can be done while sitting at a desk. These may include, for example, the administration, collection and analysis of postal surveys, the analysis of data collected by others, certain kinds of experimental or laboratory work, literature searches in the library, and, of course writing research reports.

As in the case of the qualitative-quantitative divide, the fieldwork-desktop distinction is something of a false dichotomy, since most, if not all, research projects will make use of both sets of approaches. No matter how much time a researcher spends in the field, it is still necessary to summaries and writes up the findings. Similarly, though it is possible to carry out useful research without ever

leaving an office environment, information is usually still being accessed in some sort of field setting.

### **Case studies**

The case study technique uses a mixture of methods: personal observation, which for some periods or events may develop into participation, the use of informant for current and historical data, straightforward interviewing, and the tracing and study of relevant documents and records from local and central government, travelers or other sources. Blaxter et al (1996,66)

The case study is the method of choice when the phenomenon under study is not really distinguishable from its context. A case study is an intensive study of a specific individual or specific context. Trochin (2001,161)

The case study is, in many ways, ideally suited to the needs and resources of the small scale researcher. It allows, indeed endorses, a focus on just one example, or perhaps two or three. This might be the researcher's place of work, or another institution or organization with which they have a connection, a company, a voluntary organization, or a school. Most of the research conducted will be preceded by a discussion of sampling and selection issues, and use a range of data collection techniques, including interviews and observation. Researchers should avoid the temptation of immersing themselves wholly in the case study details.

The researcher should be explicit about how he or she will collect the data (observation, reading files and interviews), and how people have been selected for interviews. It is imperative that a researcher documents the data collected as accurately as possible for the use as a historical record for the researcher himself or herself, and for other possible researchers. Mouton, (2001, 104)

The tendency for small scale researchers, particularly those in employment who are receiving support from their employers, is to locate their research projects in their place of employment. While there may in practice be little or no choice about this, if an element of choice does exist, one should consider various alternatives.

## **2.15 Summary**

In summary the research methodology is a broad field of study in itself. This chapter identified various research methods and data collection techniques. It was mentioned that more than one research method and data collection technique may be used in a study, depending on the problem statement and the topic under investigation. For example, a particular investigation may involve both experiments and surveys.

It is possible to use case study or survey approaches within either a qualitative or quantitative research strategy, though experiments tend to be quantitative in nature. Similarly, case studies, experiments and survey approaches might be employed as part of desk based or field based research strategies. Documents, interviews, observations and questionnaires may be used as part of all the research strategies and approaches identified, though they may be used and analysed differently. The researcher may use alternatives from the different dimensions in combination as appropriate to study a particular set of questions. In the final analysis, approaches and techniques represent various dimensions of the overall research process.

A good literature review should be well organised and not only a mere covering of the information sources and summarising them one after the other. The search of the literature must be structured and logical in order to optimize on the review process. The key concepts in the research problem statement and in the detail

research questions that are asked constitute an important guide to the review process.

## **CHAPTER 3: REVIEW OF RELATED LITERATURE: A THEORETICAL FRAMEWORK**

### **3.1 Introduction**

The transformation of South Africa into a democratic country has brought into sharp focus the need to develop the public service as a key instrument of reform. In line with expectations of democratic governance, new assumptions have emerged, regarding the nature and role of government and the involvement of the public in governmental practice. The nature and purpose of the public service must also be redefined in order to meet new demands.

Building an effective developmental state is a central objective of the current government in South Africa. A developmental state is pro-poor and must intervene decisively and coherently in the economy and society to address social and economic developmental goals. These fundamentally include bridging the historical racial-based divide between the developed first economy and the underdeveloped second economy.

The African National Congress's (ANC) 2004 Election Manifesto, the "People's Contract", calls for the establishment of a common system of public services. This common system, a unified system of public administration, is a key goal of the South African developmental state.

In the above context public administration should be given enhanced importance as it serves as the nexus between government policy and the effective delivery of services in South Africa. As such the development of the practice of public administration will be explored and the theories of public administration will also be discussed. The challenges that the current administration faces will also be examined in this chapter. A review of some of the relevant literature associated with public administration will be discussed. The significance of public

administration theories in South Africa's modern public service will also be expanded upon.

### **3.2 Defining Administration**

Administration is an ambiguous word and definitions of it abound. Berkley (2004, 23) came to the conclusion that administration is a process involving human beings jointly engaged in working towards common goals. Cloete (1981, 23) puts it clearly that administration will be found in all spheres of human activity. Gordon (1947, 65) conclude that administration is a cooperative human action that has a high degree of rationality, which means that cooperative action is intended to maximize certain goals.

The word administration is indeed used with a number of meanings or to refer to a number of matters. As used in different situations, the word administration is used to refer to almost every sphere of activity and can be taken to mean anything ranging from the direction of the affairs of an enterprise (public or private). According to a cross section of basic dictionary definitions the verb administers means, inter alia to govern, rule, control, direct, operate or make something work. Gordon (1947, 69)

According to Gordon (1947, 70) administration can also be likened to the operational area of government. A number of definitions point in this direction, they emphasize the operational or implementation side of administration. For example, Widrow Wilson asserted that "administration is the most obvious part of government, it is government in action, and it is the executive, the operative, the most visible side of government.

### **3.3 Defining Public Administration**

The nature of Public Administration has been the subject for debate as it has been studied. People argue over whether it is an art, craft, science, profession, field of study or discipline. While there has been a great deal of debate over

these issues, there are few definitive agreements or answers to the debates. In reality, Public Administration is each of these things to some degree although individuals may differ on how they view it. Cayer (2003, 10)

Fry (1989, 78) argues that Public administration refers to two distinguishable but closely related activities. It refers on one hand to the administration or management of matters which have principally to do with society, politics, and its subparts which are not essentially private, commercial, or individualistic. On the other hand it refers to the disciplined study of such matters. In this simplest meaning, public administration has to do with managing the realm of governmental and other public activities. This simple definition conveys the essence of public administration and probably covers the vast majority of activities and concerns of contemporary public administration.

According to Kuye *et al* (2002, 5) “Public Administration is a terms used to “mean the study of selective practice of the tasks associated with the behaviour, conduct and protocol of the affairs of the administrative state.”

Cotzee (1988, 16) is of the view that public administration is concerned with the execution of the laws, rules and regulations of the government of the country. Public administration is also concerned with policy formulation and execution. Public administration deals with the formulation and implementation of policy of governmental and other public programmes and the management of organisations and activities involved.

What a government accomplishes for a society depends on what policies it formulates and adopts and on how effectively these are put into practice. Public administration contributes to both the shaping and execution of policies (policies which find expression in, rules and regulations. Cotzee (1988, 45)

Cayer ( 2003, 1) compares public administration to life in a swamp, footing is uncertain, the path is unclear, the terrain keeps shifting, and the alligators are mean and hungry. In such a setting a person is hard pressed to survive. Public administrators must conduct their activities in a much more unstable environment than business administrators. They are affected by politics, changing political power relationships, economic swings, and volatile social issues. Public administrators are accountable to numerous authorities including politically elected officials and the general public. Their accountability includes requirements to use financial resources responsibly but also to be responsive to the democratic values of the governmental system.

Cayer ( 2003, 32) describes the administrative swamp as been inhabited by changing political forces, changing economic conditions, the media, interest groups and citizen demands. Additionally internal forces such as employee concerns, interagency conflict, and bureaucratic routines lie in wait for the manager who attempts to drain the swamp and establish firm ground on which to work.

In addition to having an uncertain environment in which to operate, public administration is difficult to define because its boundaries are nuclear. Government is involved in almost everything people do because it is the ultimate provider of services that keep society together and the final arbiter that ensures that the activities of one person are not detrimental to the other. Government tries to stabilize the environment and maintain social cohesion and social tranquillity. It creates the structure for civility and civil order. Cayer (2003, 37)

As governments get involved, agencies are created with administrators to see that government policy is implemented. In policy implementation, administrators also become policy formulators as they develop expertise in what should be done or what will work best in any given situation. Administrators are in a good position to shape the future development of policy through their recommendations to

policy making bodies. At the same time they make policy by implementing elected officials general policy to specific situations. Cayer (2003, 38)

### **3.4 Public Administration as collective Human endeavour**

According to Cayer (2003, 4) all administration including public administration, depends on the cooperative effort of the individuals who make up the administrative organisation. In order to accomplish most objectives, the organisation needs to attract members and gain their cooperation. Securing compliance and support of members requires that they interact with and adjust to each other. Therefore, administration is affected by all the complexities of human nature.

In public administration, the administrators deal not only with those people who make up the organisation but must also work with the interested members of political environments. Included are elected political leaders, citizens, interest groups, and clients of organisations. These elements of the political environment affect the ability of the organisation to accomplish its purpose. Along with the internal human interaction, these external elements create ever changing, often perplexing setting for public administration Cayer (2003, 39)

### **3.5 Public Administration as Art, Science, and Craft**

The scientific management movement crystallized the debate by attempting to establish public administration as a science with universal laws or tendencies that could be applied in any situation Peters ( 2003, 35) argues that Public Administration is part of the social science, which is inexact as measured by the standard of the physical sciences. That caveat does not mean that public administration should not strive for as much certainty as possible. Rather scientific approaches are incorporated as appropriate while public administrators understand that much of their success depends on adaptation to ever changing circumstances.

Some scholars suggest that rather than using positivist, rational approaches, public administration would be better served by a post-modern approach, which emphasizes discourse and collaboration among citizens, administrators and public officials.

Those who perceive that public administration should aspire to be a practical science believe that political values can be separated from the administrative process. Values are represented by the policy makers who are separated from the administrators. Thus the policy/ administrative dichotomy evolved from the effort to establish public administration as a separate entity. Woodrow Wilson's essay, "The study of Administration" (1887), gave intellectual legitimacy to the concept of separating politics and administration.

While the separation is continually challenged and public administration now eschews the reality of separation, it is an important analytical distinction for understanding many aspects of public administration. Until the 1950s and 1960s the separation of policy and administration was accepted as a given in the field. Peters (2003, 54)

In the post World War 2 eras, scholars began to challenge the purported scientific nature of the Scientific Management School. Herbert Simon (1997) characterised the principles of administration advocated by the Scientific Management School as proverbs that often conflicted with one another or whose opposites were just plausible. Simon favoured attempting to develop a truly scientific approach to administration but also developed a fact value distinction as a guide to the new science. The fact/ value distinction led to a renewed interest in the policy/administration dichotomy. The major impact of Simons work was to stimulate a renewed interest in more scientific approaches to analyzing public administration. Jun (2002, 45)

According to Jun (2002, 46) as public administration achieved an identity and attempted to utilize the methods of science, it also began to assume some of the characteristics of a profession. As professionalism developed in the field of public administration, new debates emerged. During the 1940s, a debate raged between Herman Finer (1941) and Carl Frederich (1940) and their respective followers. Finer saw a responsibility in public administration requiring responsiveness to elected officials and adaptation to changing environmental forces. Fredrich took the position that administrators must answer to scientific standards as represented by professional organisation standards and accepted practice.

The debate over responsiveness and accountability had implications for the science vs. craft debate about public administration as well as for the development of it as a profession. Those who wish to ascribe strict profession standards to public administration reflect Fredrich's perspective while those who are more concerned with it as a craft and proactive are likely to feel more comfortable with the Finers perspective

### **3.6 Similarities between public and private administration**

Luther Gulick suggested that public administration and private administration are part of a single broad science despite differences in objectives and emphases. Both deal with groups of men working towards specified goals with division of labour, both arrive at policy decisions through planning, both coordinate, direct, hold accountable, both seek to maximize results through incentives and the best use of men, materials and time, both must be sensitive to public opinion and to the continuity of the enterprise in a changing environment. Lerner (1992, 43)

The similarities between public and private administration are great, because administration as a process is by no means limited to the public sector. Administration is cooperative group effort in a public or private setting. Whereas

the common factor is the element of cooperation, the purposes or aims of institutions would vary because the problems of private enterprise vary from company to company. Public or private institutions must meet the challenges of its particular environment. Therefore, the form of administration varies according to the kind of undertaking. However, the administration of a large scale business enterprise and a comprehensive government service is conducted in more or less the same way. Cotzee (1988, 29)

Cotzee (1988, 39) argues that efficient and effective administration of a big enterprise, whether public or private, requires inter alia, policy making, organisation, financing, staffing, determining work methods, coordination and control. Irrespective of whether administration is of public affairs or private business, certain general principles and procedures must be followed to achieve the objectives. Many techniques of management and organisations are common to both the public and private administration. However in spite of these similarities there are some basic differences in approach, attitude and the scope of activities performed by public and private administration.

### **3.7 Theories of public administration**

There are at least three broadly identifiable approaches in the study of public administration, namely the Classic approach, the Behavioural approach and the Administration as Politics. The impact of these three approaches on public administration will be discussed.

The beginning of the self-conscious study of public administration in the United States can be traced back to Woodrow Wilson's 1887 essay "The Study of Administration." Wilson's definition of administration was widely accepted during the Classical period. Writing in response to an age of widespread governmental corruption and in the spirit of the reform movement, Wilson argued that administration should be separated from political and policy concerns. According to Wilson public administration should be concerned solely with the "detailed and

systematic execution of public law'. As for political officials and politics, they should set the task for administration, but not be "suffered to manipulate its offices". Given this separation of administration from politics, Wilson suggested that the task of the public administrator was not significantly different from that of any administrator which entails the selection of appropriate means to accomplish given ends.

Based on the preceding postulates, Wilson called for the development of a science of administration, the objective of which should be the discovery of general principles to guide administrators in the efficient performance of their duties.

In Wilson's words, "the field of administration is a field of business. It is removed from the hurry and strife of politics." Wilson separation of politics from administration, his proposed search for a science of administration, and his assertion that business techniques are applicable in the public sector all became part of the dominant image of public administration in the Classic period. Policy and political matters were conceptually divorced from administrative matters and efficiency in execution seen as the legitimate area of concern for students and practitioners of public administration. Scientific procedures were espoused and many of the techniques suggested to improve the efficiency of public sector operations were based on private sector practices.

#### **4.9.1 Classic approach to administration**

Two major groups in the Classical period were the Scientific Management movement and the Departmentalists. Together they formed what was considered the "administrative theory" of the day.

Scientific management which was founded by Frederick Taylor, focused on the performance of routine and repetitive physical tasks. The objective of Scientific Management was to discover the basic principles of motion involved in the

performance of physical tasks and then to determine the "one best way" of performing any task. The primary tool of analysis in this endeavour was the time and motion study. Though its analyses were conducted largely in the private sector, Scientific Management attracted a large number of enthusiasts in the public sector. Fry (1989, 2)

According to Fry (1989, 12) the Departmentalist approach formed a logical complement to Scientific Management movement and was represented by the works of Luther Gulick. Whereas the primary focus of Scientific Management was the performance of physical tasks, the Departmentalist focused on organisational structure. Accordingly, while the basic tool of analysis of Scientific Management was the time and motion study, the Departmentalist made use of the formal organisational chart.

The general problem addressed by the departmentalist was the identification of the tasks necessary to accomplish an organisational objective and the grouping and coordination of those tasks in a way that would maximize organisational efficiency. Terms such as chain of command, span of control, and line staff are common fare even for those acquainted only peripherally with the literature on organisations. The principles deduced by the Departmentalist are equally familiar. Principles such as authority should be commensurate with responsibility, there should be unity of command in the organisation, and the chain of command should not be circumvented having become deeply engrained in organisational culture. Fry (1989, 22)

The Departmentalist, as had Scientific Management sought to establish a science of administration equally applicable in the public and private sectors. They differed from Scientific Management, however, in that their analyses were not as systematic as those of Scientific Management. Moreover, the Departmentalist attempted to derive specific applications from preordained general principles rather than rely on generalizations built inductively from an

accumulation of specific observations as has Scientific Management. Fry (1989, 22)

The combination of the definition of the field as proposed by Wilson and the Scientific Management and the Departmentalist prescriptions for organisational management and structure relying heavily on hierarchy as a primary mechanism for control and coordination constituted the core of the Classical approach to public administration.

Max Weber can also be related to the Classical approach in two basic ways. First Weber takes the same position as the Classical authors on the appropriate relationship between the politician and the administrator. For Weber, the bureaucrat should be the neutral servant of his political Masters, which is the position embodied in the Classical politics administration dichotomy. Fry (1989, 22)

Second Weber's formulation of the ideal type bureaucracy is perhaps the most famous summary statement of those attributes and bears a close resemblance to the kind of organisational widely prescribed in the Classical approach. Despite those similarities, it would be a mistake to suggest that Weber's influence was limited to the Classical approach. His influence has been pervasive. Weber's support for a value free social science and his sociological interests are related to similar concerns in the Behavioural approach. His concern with power relationships in society is similar to the basic focus of Administration as Politics approach. Fry (1989, 32)

#### 4.9.1 Behavioural Approach

According to Bekker (1996, 34) though the Classical approach was dominated in the United States before 1940, it did not go unchallenged. In this period, the seeds were sown for the subsequent flowering of the Behavioural approach. The Behavioural Approach which entails the study of actual behaviour, usually with the individual as the preferred unit of analysis is multidisciplinary in focus; it calls for rigor in the use of scientific procedures, and is primarily descriptive in intent.

Behaviourism incorporates a diversity of perspective, including the Human Relations movement. The Behavioural approach was not much concerned with the Classical definition of the field of public administration. As had the Classical authors, the Behaviourist sought an organisation theory that would be applicable in both public and private settings. The political environment was more ignored that conceptually separated as it had been in the Classic approach. Bekker (1996, 35)

Simon, one of the few students of public administration who identified himself with the Behavioural approach, did suggest that the fact-value dichotomy be substituted for the politics-administration dichotomy, but this was generally viewed at the times as simply another twofold division of the administrative world closely akin to that of politics-administration. The major thrust of the Behavioural approach was organisation structure and management, not the definition of the field and here the differences from the classical approach are substantial. Bekker (1996, 38)

The Behavioural approach sought to modify, though seldom to eliminate, the hierarchical organisational structures so ardently espoused by Classic authors. This was thought to be necessary to appeal to a wider range of human needs and thus effectively motivate man in the organisation. Accordingly the

Behavioural approach supported a number of changes in organizational structure and process. Whereas the Classical approach emphasized executive decision making responsibilities, the Behavioural approach argued for a more participatory decision making procedures.

Supervision under the Classical approach was to be “production orientated” while the Behavioural approach supported a more “employee orientated” style of supervision. The Classical approach preached the benefits of specialization, but the Behavioural approach counselled job enlargement to give employees more sense of satisfaction from the performance of their tasks. The Classic approach urged a restricted span of control to ensure close supervision. The Behavioural approach suggested a wider span of control to prevent close supervision and allow sufficient latitude for the expression of self initiative and self control on the part of the worker. Fry (1989, 34)

These contrasts in management style were derived from more fundamental conceptual differences between the two approaches. The approaches differ most basically in their notions about the relationship between man and the organisation. In the Classic approach, there was what might be called a “mechanical view” of man in the organisation. It was assumed that man was involved only segmental in the organisation, and the member of the organisation sought instrumental rewards that could be used to obtain basic satisfactions elsewhere. Given this conceptualization of the relationship between man and the organisation and assuming that money is the primary instrumental reward, it was felt that mans behaviour in the organisation could be controlled by the judicious manipulation of monetary incentives. Fry (1989, 34)

The Behaviourist constructs a substantially different scenario. For the Behaviourlist, mans behaviour is more visible then had been presumed by Classic authors. In part, this is because man is more totally involved in the organisation and should expect intrinsic, rather than instrumental rewards from

the organisational experience. These social and psychological rewards extend beyond money and are less easily manipulated than are monetary incentives. Moreover there are forces affecting mans behaviour in the organisation that are either beyond the control of the organisation or at least more difficult for the organisation to control. Fry (1989, 34)

According to the Behaviourists, the organisation must learn to respond to a wider range of human needs if it is effectively to motivate man in the organisation, let alone control his behaviour.

There were also some major differences between the Classical and Behavioural approaches in the methods employed to realize the common ambition of constructing a science of administration. The Classical approach was largely deductive and normative in its emphasis. The Behavioural approach, in contrast was more inductive and descriptive in emphasis. The Behavioural approach pursued such of its researching the logical positivist tradition stressing the operational concepts, the use of systematic techniques of analysis and generalization of empirical findings. Normative attributions about organisations were not so much abandoned as deferred pending the acquisition of more descriptive information. Fry (1989, 34)

The work of Mary Parker Follet, Elton Mayo and Chester Barnard are all integral to the developing challenge to the Classical organisational paradigm and precursors to the development of the Behavioural approach. Follett's work was the earliest of these, and her work anticipated by more tan two decades some of the central themes of the Behavioural period. Most prominent among them were Follett's ideas about the nature of authority in the organisation. Fry (1989, 34)

In contrast to Classical literature, which maintained that coordination flows from the exercise of authority and that authority resides in the apex of the organisational pyramid, Follet argues that authority flows from coordination and

that authority is neither supreme nor is it delegated. Instead authority is pluralistic. Moreover, Follet argues that authority is exercised increasingly on the basis of the objective demands of the situation rather than personal arbitrary mandates. Fry (1989, 38)

Mayo's famous research at the Hawthorn Plant of the Western Electric Company in the late 1920s laid much of the conceptual and empirical foundation for the behavioural approach. This research led directly the Human Relations movement, a major component of the Behavioural approach. Mayo's research focused on social and psychological factors in human behaviour in the organisation with particular emphasis on informal group activity. Mayo asserts that informal groups develop within the organisation in response to needs and expectations not effectively served by the formal organisation and adopt norms of behaviour that are not necessarily the same as the organisations. Fry (1989, 39)

By directing attention to the social and psychological aspects of organisational behaviour, the Western Electric researchers set the stage for a continuing empirical investigation of the relationship between changes in the organisation, worker satisfaction, and productivity as emphasis shifted to precisely those elements of human feelings, that were largely ignored in the Classical literature

Barnard provides a conceptualization of the organisation supportive of both Follet's ideas on authority and Mayo's assertions that the subordinate needs, as they perceive them, must be satisfied to achieve organizational effectiveness. Barnard asserts that the organisation is a system of exchange in which each participant makes contributions in return for inducements offered by the organisation. Both organisational inducements and individual contributions are subjectively evaluated by each participant, and an individual's participation will continue only as long as the participant perceives the value of the value of the inducement required by the organisation.

This view lead Barnard to formulate a concept of authority which he defines as “the character of a communication in a formal organisation by virtue of which it is accepted by a member of an organisation as governing the action he contributes. As such authority lies in the relationship between a superior and a subordinate, not on its issuance. By doing so, Barnard emphasis the role of subordinate and the importance of compliance. Fry (1989, 39)

According to Fry (1982, 39) Simon was also an important part of the change itself. Simon’s distinctive contribution was to shift the focus of analysis to decision making in the organisation. More specifically Simon argued that the science of administration should be founded n the factual premises of administrative decision making. In examining decision making, Simon sought to reconcile the rational choice model of economic theory with emergent findings n human behaviour in the organisation.

This revised the view that the decision maker is relevant to the organisation in that the organisation must devise ways to cope with the probable limits on rationality in human decision making. The primary organisational strategy for dealing with human decision making fragilities is to devise appropriate decision premises so that organisationally rational decisions can be made despite the likelihood of individual non rational processes. This mans that the organisation should alert the individual to decision situations and provide decision rules that can be mechanically applied to render an organisationally correct outcome. Fry (1982, 43)

#### **4.9.1 Human Relations Movement**

The ideas of this set of authors have also had a substantial impact on their successors in the Behavioural approach. According to Safritz (2000, 34) the Human Relations movement was a direct outgrowth of research at the Western Electric company. This movement sought ways of restructuring the organisation

and revamping managerial styles to become more responsive to a wider range of social and psychological needs in the organisation. The human Relations approach found that the suggested changes in the organisational characteristics did not as had been expected always lead to a higher level of satisfaction always associated with increased productivity.

The response to these empirical difficulties came in from the Contingency approach. The Contingency theory suggested the Human Relations approach made the same mistake as had the Classical authors in assuming that there is one best way of managing all organisations. The Contingency approach suggested that management is relative and adaptive process and that the appropriate style is contingent on a number of organizational considerations. Shafritz (2000, 39)

A second response to Human Relations has been what has been called organisational humanism. Based originally on the conceptual apparatus of human psychologists Abraham Maslow, organisational Humanism is more concerned with the morality of the Human Relations movement than its empirical difficulties. Here it is argued that the Human relations approach as was the Classical approach, is simple concerned with the raising productivity. The only difference it is argued is that whereas the Classical approach relied primarily on command, the Human Relations approach employs a more sophisticated form of psychological manipulation. Organisational humanism attempts to establish the intrinsic value of the satisfaction of human needs in the organisation, rather than view it simply as a means for increasing productivity. Shafritz (2000, 40)

#### **4.9.1 Administration as politics approach**

The second major challenge to the Classic paradigm came in the form of the Administration as Politics approach, and in combination with the Behavioural approach questioned every fundamental premise of the Classic perspective. Whereas the basic difference between the Classical and Behavioural approaches

concerns the way organisations should be structured and managed, the basic difference between the Classical approach and Administration as Politics approach lies in their differing definitions of the field of public administration. Minogue (1998, 67)

Minogue (1998, 67) argues that in direct contrast to the Classical approach, the Administration as Politics Approach, maintains that it is impossible to separate politics from administration. Consequently, public administration is different from private administration with the distinguishing characteristic of public administration being the political milieu in which the public administrator is required to operate. Moreover, this approach questions the possibility of separating facts and values. The combination of the rejection of the politics-administration dichotomy and the reservations about the fact value dichotomy mean that the Administration as Politics approach considers public administration to be both art and science, and perhaps more art than science.

The politics administration dichotomy is rejected on both empirical and normative grounds. Empirically it is argued that even casual observations reveal that administrators are involved in political and policy concerns. An age of size and complexity requires the exercise of administrative initiative in the formulation of policy and the exercise of administrative discretion in its implementation, and both activities involve the administrator in policy and political processes. Normatively, it is maintained that separating the administrator from policy and political matters deprives society of the creative input of those likely to be best informed about the programs they administer and tends to insulate the administrator from the legitimate demands of the public he is charged with serving. Minogue (1998, 66)

Minogue (1998, 66) concludes that with the rejection of Administration as politics dichotomy, the central challenge for the Administration as Politics Approach is to seek a satisfactory reconciliation of the necessity of administration and the

requirements of democracy. This concern manifests itself in two forms namely a focus on the concept of administrative responsibility and an emphasis on the public policy process itself. The former a focus on administrative responsibility, has concentrated on defining an appropriate role for the administrator in a pluralistic political environment. The Classical approach had stressed a role of neutrality regarding policy matters.

Hood (2004, 191) describes the second development in the Administration as Politics approach has been an analytical interest in the process by which policy is formulated adopted, implemented and evaluated. In part this has led to increasing concern with the techniques of policy analysis, such as planning and evaluation. More generally there has been a focus on the policy process with particular emphasis on the role of the administrator at various stages of the process.

Cotezee (1988, 34), argues that the rise of Public Administration can, in no small measure be ascribed to the rise of the disciple of Political Science. The founding fathers of Public Administration were trained as political scientist and tended to view Public Administration as part of Political Science. However, the year 1900 is generally recognised as the starting point of the separation between politics and administration.

Gulick's own position on the matter on the politics administration dichotomy was that it is impractical and undesirable to separate politics and policy from administration. For Gulick administration involves the determination of major policy, the development and adoption of specific programs, the creation of the organisation, provision of personnel, authorization of finance, administrative supervision, coordination and control of activities and the audit and review of results. Under this broad definition Gulick maintains that administration is necessarily involved in both politics and the policy process. Fry (1989, 65)

### 3.8 The functions of public administration

Various scientists studying the field of administration have compiled frameworks of analysis of the activities, which constitute administration and this led to the current existence of various classification models. For example Luther Gulicks well known POSDCORB classification pointing to the administrative functions, namely planning, organising, staffing, directing, coordinating, reporting and budgeting has been widely adopted. Berkley (2004, 54)

The phenomenon known as administration can also be divided into six main groups of functions, namely policy making, organising, financing, staffing, determination of work procedures and the exercise of control over the progress being made to ensure that the objective will be attained. Cloete (1981, 34)

**Planning** can be defined as the act of outlining a series of steps to be carried out to achieve an identified goal or attain a desired result. It is the means by which purpose is translated into programmes and involves the identification of key controllable items that are to be manipulated to achieve organisational objectives. Lerner (1992, 56) Planning is the fundamental function of management the need for planning is often apparent after the fact.

The organising, staffing, leading and controlling functions stem from the planning function. The manager is ready to organise and staff only after goals and plans to reach the goals are in place. Finally, in the controlling function, the determination of whether or not goals are being accomplished and standards met is based on the planning function. The planning function provides the goals and standards that drive the controlling function. Lerner (1992, 56)

Planning is important at all levels of management. However, its characteristics vary by level of management. Strategic planning is one specific type of planning. Strategies are the outcome of strategic planning. An organisation's strategies

define the business the firm is in, the criteria for entering the business, and the basic actions the organisation will follow in conducting its business. Strategies are major plans that commit large amounts of the organisation's resources to proposed actions, designed to achieve its major objectives and goals. Strategic planning is the process by which the organisation's strategies are determined.

The theory of **organisation** has to do with the structure of co-ordination imposed upon the work division units of the organisation composed of people and groups of people. In order to achieve some shared purpose; through a division of labour; integrated by information-based decision processes; continuously through time. Hence it is not possible to determine how an activity is to be organised without, at the same time considering how the work in question is to be divided. Michelle (1996, 12)

Work division is the foundation of an organisation and planning form the heart of any institutional structure. It is for this purpose that organising can be defined as all those activities that grouped or allocated into functional divisions. These activities are grouped in a specific manner so as to achieve institutional objectives. Michelle (1996, 13)

There is no general definition of the term organisation that will satisfy all the different organisational schools of thought such as the scientific management school established by Taylor, Fayol's administrative school, or the bureaucratic school of Weber.

A commonly established view is to understand organisation as goal attainment systems. Michelle defines organisation as special types of social systems characterised by their "primacy of orientation to the attainment of a specific goal." Michelle (1996, 16). A similar view is expressed by Malan, seeing an organisation as "a co-ordinated body (or system) of individuals (and perhaps machines) arranged to reach some goal or perform some function or service."

Malan (2001 33) this may be generalised, saying that organisation emerge when there is a shared set of beliefs about a state of affairs to be achieved among people.

In order to do so, work is distributed and patterns develop in the relationships between people to coordinate this division of labour. This structure, often perceived in the form of hierarchies of authority, is what emerges when organisation are formed. The concept of organisational goal attainment to the concept of structure by saying that all organisations have to make provision for continuing activities directed towards the achievement of given aims. Malan (2001, 35)

Regularities in activities such as task allocation, supervision, and co-ordination are developed. Such regularities constitute the organisation's structure, and the fact that these activities can be arranged in various ways means that organisations can have differing structures.

There are many characteristics, which define a **policy**, some of these characteristics that describe a policy are that it defines organisational principles, policy sets out the way that things are done, policy creates a framework for the way work is performed and it sets the standards for the organisation and it generally is formed from best practice. Malan (2001, 54)

According to Malan (2001, 55) a policy has a range of elements, which include:

- i. policy creates a framework for action within the organisation;
- ii. policy is a decision;
- iii. policy is grounded in legitimate authority;
- iv. policy is a written product;
- v. policy creation is an ongoing process;
- vi. policy is a wider framework within which the organisation operates

No administrative action can be taken if specific goals and objectives have not been set; therefore policies provide the framework that guides the daily actions on the job.

People are needed to do the actual work, personnel are required to give effect to government policy, and must therefore be favourably disposed towards that policy. All institutions, either in the public sector or private sector, are dependent on people, money and an organisational structure of some sort with responsibility allocation for accomplishing their missions. It therefore stands to reason that human resources management is central to the functioning of each and every public service institution as well as the rendering of various public services.

Performance and human resources development plans for staff cannot be separated from the goals and service objectives of the employing organisation, and goals and organisational structure cannot be disconnected from an understanding of the policy framework, including demand for services from the respective citizens. At the same time, the goals, priorities and performance objectives of an organisation cannot be determined outside the broader national and government policy agenda and macro-socio-economic framework. Malan (2001, 26).

Although the major activities covered by the terms “personnel administration” vary, they consist of a body of duties, which must be performed by someone in every organisation.

Some of the activities that the personnel manager carries out include Malan (2001, 26):

- I. job analysis and position classification: the description of the work to be performed in a given job which provides the basis for effective recruitment;

- II. recruitment and placement: the process of matching individual skills and aptitudes with job or class specifications;
- III. evaluation, promotion and transfer: the procedures used to recognize accomplishment and to use individual abilities to greatest advantage;
- IV. compensation scales: plan for assuring equal pay for equal work, with salary gradations based on skills required for the job;
- V. training, counselling and improvement of working conditions: designed to motivate employees;
- VI. relations with employee organisations and unions: handling relations within these groups;
- VII. disciplinary actions: the supervision of individual suspension and dismissal cases;
- VIII. personnel records: maintaining such employee records as rosters, time cards, sick and vacation leave records, payrolls and employee folders;
- IX. recruiting people with the relevant skills (generalists as opposed to specialists);
- X. motivating;
- XI. performance agreements/ appraisals;
- XII. career patching;
- XIII. conflict management;

No goal can be achieved without effective **work procedures** and it is essential that these should be standardised in public institutions. Cloete (1981:59) defines this function as the compilation of procedural codes and instructions as well as the design of work study systems and methods to increase productivity.

No objective can be reached unless funds are budgeted for that purpose. Cloete (1981:59) purports that **financing** is the function through which monies are obtained, spent and controlled. All public institutions are dependant on finance in order to execute their policies. Government is responsible for the collection of money from the public in the form of taxes, tariffs, levies, fines and loans. Thus,

government is responsible for the accountable appropriation of public money with the aim of ensuring service deliver. This practice therefore requires government officials to be capacitated with the relevant skills in order to identify projects and manage the allocation of funds in an efficient and effectively manner.

Just as organisations have goals describing their primary business objectives, they also have goals with respect to controlling how these objectives are met. These are the **control** goals of an organisation, which are enforced through a system of internal control. Such a system enables them to adhere to internal regulations. Independent of the type of organisation, these internal control systems use common underlying principles to establish and achieve control over business activities. Michelle (1996, 62)

Control is a central organisational function and results out of decentralisation efforts. It is the means by which activities and resources are coordinated and directed towards the achievement of an organisation's goal and implies a degree of monitoring and feedback. Salman (2000, 75), argues that "Control means that members of the organisation have their actions, determined, or influenced, by membership of the organisation."

Coetzee (1988, 61) proposes that the functional activities are performed to attain the purpose of an institution, in contrast with administrative functions, which are performed as enabling functions for the performance of functional activities. Gulick maintains that functions must be defined, work divided, structures and relationships formalized, staff professionalized, and activities rationalized.

Accordingly the theory of organisations is concerned with the structure of coordination imposed on the divided work of the organisation. One ingredient of integration is the grouping of similar tasks in the organisation. Gulick identifies four bases on which the unit tasks of an organisation may be grouped namely purpose (tasks grouped by the service rendered), process (tasks grouped by the skill or technology employed), clientele and place. Although Gulick emphasises

he importance of purpose in coordinating efforts in the organisation, he notes that the selection of any particular base will depend on the stage of organisational development, technological changes, the size of the organisation, and the specific advantages and disadvantages attached to the use of a particular base in a given organisation.

### **3.9 Current status of public administration in South Africa**

Integrated service delivery, especially delivery aimed at bringing services closer to the people, is an undisputed goal for government. Innovative modes of service delivery, especially at integrated service delivery sites, are creating an impetus for institutional integration. At the same time the need for services to be delivered at the most appropriate level requires that functions and staff be transferred from one sphere to another, or to or from public entities. The harmonization of conditions of service, systems and norms will facilitate these transfers.

Government's broad vision of a unified system of public administration seeks to respond to these practical needs. A unified system of public administration does not seek to undermine the distinctiveness of local government, nor does it seek to inhibit the freedoms that public entities legitimately require to be effective. Achieving greater harmony between the spheres of government and public entities will enable the South African developmental state to increase the effectiveness and impact of its service delivery.

In seeking to achieve developmental goals the country will need to ensure that public administration remains coordinated and planned. This will require a better balance between centralised and decentralised modes of internal and external service delivery in order to optimise the use and deployment of resources. The new public management practices should increasingly be seen as a toolbox of progressive management practices and innovations (popular participation, citizen-oriented service delivery, management empowerment) rather than as a

paradigm linked to the weakening of the state to allow markets to operate more freely and efficiently.

### **3.10 Framework legislation for a unified public administration**

The Constitution provides for certain basic values and principles governing public administration:

- I. A high standard of professional ethics must be promoted and maintained;
- II. Efficient, economic and effective use of resources must be promoted;
- III. Public administration must be development- orientated;
- IV. Services must be provided impartially, fairly, equitably and without bias;
- V. People's needs must be responded to, and the public must be encouraged to participate in policy-making;
- VI. Public administration must be accountable;
- VII. Transparency must be fostered by, providing the public with timely, accessible and accurate information;
- VIII. Good human-resource management and career-development practices, to maximise human potential, must be cultivated; and
- IX. Public administration must be broadly representative of the South African people, with employment and personnel management based on objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.

These principles form the basis for overarching framework legislation for public administration. The Constitution also provides that legislation regulating public administration may differentiate between different sectors, administrations and institutions. The nature and functions of the different sectors, administrations or institutions of public administration are relevant factors to be taken into account in legislation regulating public administration. These provisions provide the constitutional basis for a unified system of public administration.

The Intergovernmental Relations Act 2005 (Act 13 of 2005) outlines the organisation of government, including national, provincial and local governments, as well as public entities and the categories within public entities. Mechanisms that are required to create public entities and for public entities to change their corporate form. There are also mechanisms for the transfer of functions and personnel within the spheres and between spheres and public entities.

The objectives of the Intergovernmental Relations Act 2005 include:

- I. To ensure effective, efficient and seamless service delivery;
- II. To create a broad framework of norms and standards for public administration;
- III. To allow for a degree of autonomy and differentiation within public administration; and
- IV. To provide for mobility within public administration.

### **3.11 A unified public service and new public management in a developmental state**

It would seem logical to suggest that a unified public service is consistent with the goals and objectives of the developmental state. This is because the central objective of a unified public service as has been argued is improved and integrated service delivery, which in turn is a central goal of the developmental state. The constitutional principles of good governance focus largely on improved citizen-centred service delivery. The principles of new public management (NPM) also resonate with the paradigm that dominated public administration. The term NPM is often used to describe a public management culture that puts citizens and the delivery of services to them at the centre and which emphasizes accountability for results and outcomes. Decentralisation and the use of agencies for the delivery of services are often promoted to ensure that things get done better. (Department of Public Service and Administration, 2004)

Typical features of NPM and the related approach to governance include the following (Department of Public Service and Administration, 2004)

- I. freeing markets from state intervention;
- II. downsizing the state;
- III. privatisation of state assets;
- IV. transparency and accountability;
- V. elections;
- VI. public participation;
- VII. impartiality in service delivery;
- VIII. efficient and effective use of state resources;
- IX. sound human resource management;
- X. performance management; and
- XI. customer orientated service delivery.

This would indicate that while the goals of NPM and the developmental state of citizen-centred service delivery coincide, the route to attaining these diverge. While NPM emphasises free markets and a weak state, the developmental state is premised on a strong interventionist “activist” state. Public management and public service reform in the democratic South Africa has been shaped by the tenets of NPM, including a strong focus on decentralised management of human resources and finance. Decentralisation in the context of a streamlined, relatively “weak” state has not really empowered managers, who have been granted delegations without being equipped with the necessary resources to utilise these delegations effectively. (Department of Public Service and Administration, 2004)

The developmental state has taken a variety of historical forms, and is clearly historically contingent and not ideal typical. Post World War construction in Germany under the Marshall Plan, Japan, Taiwan, Korea and Malaysia are all cited as successful examples of the developmental state. Planning and central

coordination have to greater and lesser degrees been characteristics of all of these developmental states. South Africa is in the process of building its own model of developmentalism, in which greater alignment of planning as well as central coordination is being sought. This approach does not of necessity exclude decentralisation. Nevertheless, in a context where skills and managerial capacity are scarce, decentralisation can undermine effectiveness by giving responsibilities to managers and systems that are simply not ready for them, leading to breakdowns in service delivery. (Department of Public Service and Administration, 2004)

### **3.12 Challenges that public administration faces in South Africa**

Over the past 10 years, a major new architecture of institutions has been created for the State, spanning the three spheres of government. Many of government's procedures and practices have been revised in line with international best practice. Significant personnel mobility has brought in new skills and motivated people, though it has also led to the loss of experience and institutional memory, especially with regard to civil servants recruited after 1994. The combined impact of these changes has meant that State institutions are still undergoing significant growing pains and face the danger of a permanent and debilitating state of flux.

The 10 year review conducted by the Policy Coordinating and Advisory services for the Presidency (2003), suggests that the capacity and performance of all spheres of the State need to be more critically assessed, and that national or provincial government may need to intervene much more quickly where there is evidence of poor performance. The national Government may have to show its strong commitment to improving performance where institutions persistently demonstrate weaknesses of governance. This should happen as an evolutionary process of creating a uniform public service across all three spheres unfolds.

The State has made significant progress in recent years in improving policy coordination within and across spheres of government, but these efforts need to be

further consolidated with greater attention to implementation, now that the basic policy frameworks of the democratic dispensation have been created.

Research commissioned for the 10 year Review suggests that the needs of local government are most critical, with most municipalities not having the requisite capacity to perform their service delivery functions. This means that while government should make every effort to work within the current framework of institutions and practices, where serious capacity constraints persist, government may need to consider changing responsibilities and structures, as is being done with the introduction of a National Social Security Agency. Government also needs to further promote the participation and interaction of the people with the State.

### **3.12.1 Managing diversity in the workplace**

South Africa can be characterised as a nation, which is steeped in cultural, religious and political diversity. The people of this country are unique and subscribe to various sets of values and belief. Considering that the public service is representative of all South African citizens, this essentially means that there will inevitably be instances of conflict, which will arise. The public service must be geared to deal with difference and this can be effectively dealt with by instituting proper mechanisms of communication.

### **3.12.2 Lack of representativeness**

Discriminatory practices and lack of representativeness in management positions will not be erased overnight. Whites still occupy key decision-making positions (Department of Public Service and Administration, 2004). In 1994, even after the population register had been abolished, it was indicated that 36 per cent of the public-sector employees were white but that some 90 per cent of middle and senior management positions were held by whites.

Democratization of the civil service requires urgent attention to the need of representativeness, particularly in a society where government had deliberately developed imbalances. Redressing racial and gender imbalances is high on the agenda of the new Government.

### **3.12.3 Lack of development culture**

The lack of a developmental culture and an inherent tendency to treat communities as passive recipients of service is in direct conflict with the new spirit of community involvement and self-reliance. This is linked to a lack of transparency and accountability to communities. Centralised control and top down management comes as part of the legacy of the past, encouraging rule-bound approaches and limiting efficiency and productivity. A paradigm shift has occurred, demanding a move away from administration and control towards the management of development.

There is a need to reorient civil service towards the community. Unresponsiveness to citizen consumers has been identified as a problem. The standard services rendered by the administration machinery did not cater for the differentiated needs of consumers. Increasing demands by civil society to be actively involved in governance impinge on the traditional monopoly of the civil service.

The implications of transformation and the renewal of the public service and democratization of the country require that a new framework of governance be established. The relationship between state and society is being redefined, allowing those who are governed to have more say in governance. It is important to establish the implications of a shift from government to governance with regard to the purpose and function of the public service.

### **3.12.4 Management information systems**

The absence of reliable, relevant, open and effective management information and financial control systems is also a limitation. The lack of appropriate information systems leads to inappropriate mobilization and utilization of human resources.

### **3.12.5 Career paths**

Human resource development has to address the lack of adequately defined career paths and under-provisioning of related training. This becomes more crucial in view of the policy of affirmative action, which presents a greater need to hasten the development of disadvantaged groups to ensure that they can occupy higher positions and succeed in their work.

### **3.12.6 Lack of a professional ethos**

A sad legacy of apartheid is the lack of professional ethos and poor work ethics, which developed out of a sense of helplessness created by lack of opportunities. It is also said that a lack of commitment can be viewed as a subtle sabotage of the apartheid Government. With the establishment of a democratic Government, the aspirations and energies that were suppressed need to be revitalized.

### **3.12.7 Rule-driven approaches**

Inappropriate principles and management approaches present a challenge. International experiences indicate an increasing need to shift from administration and bureaucracy to management and professionalism. Traditionally the South African civil service has operated as a rule-driven bureaucracy. This undermines innovation by emphasizing adherence to rules and red tape over achievement of results. Management techniques have lagged behind international thinking by being authoritarian and fear-driven.

Increasing recognition of the need to focus on programme results instead of structures and administration deserves notice. Productivity in the civil service can benefit from the emphasis on results rather than rules and procedures. Appropriate systems of evaluation are required to promote productivity and a sense of achievement. A performance-oriented public service, as espoused by the present Minister of Public Service, requires mechanisms to make it a reality.

### **3.12.8 Lack of transparency and accountability**

Transparency and accountability are critical as civil society positions itself to be a watchdog of the public service. With the demand to be involved comes the need of communities to be informed about reconstruction and development. Thus, lack of transparency is being challenged. Information has traditionally been left in the hands of senior officials, denying both the public and the front-line workers access to information on which key decisions are based. Access to information is critical to enable meaningful participation of citizens in governance.

The international shift towards operational accountability promotes the accountability of State employees. In the past accountability was practiced largely as bureaucratic accountability, making employees accountable to a hierarchy and rules. Greater accountability of the civil service to the public is essential in order to enhance credibility.

### **3.12.9 Corruption and mismanagement**

Corruption and the mismanagement of resources have been noted as problems. The misappropriation of funds often occurred, due to an ethical vacuum created by the illegitimacy of the State. A legitimate Government has to ensure the eradication of such practices.

### **3.12.10 Issues relating to training and development**

The current challenges facing government departments in many African countries are quite complex and should not all be referred to training as the one size- fits-all solution; training is not a panacea but only one option for dealing with the myriad challenges affecting human resource management in African public organisations. However, the shortage of skilled personnel in many African countries is sometimes related to training and development matters; this habitually results in inappropriate recruitments and appointments that lead to bad governance, maladministration, and mismanagement.

Frequently, this is because of a combination of several factors that ultimately undermine training and development in government departments. Among others, these include inappropriate training or training materials, lack of training, unqualified and inexperienced trainers, public service managers who undervalue or ignore the value of training, and public servants who disregard or do not understand the strategic importance of training to the advancement of the vision and mission of their departments.

The key questions that must be asked (and answered) by African public servants, especially those who work in human resource management sections of their departments, are: what kind of training is appropriate for our department? Who provides training for us? What kind of courses will ensure the success of our programmes? What standards should we use to evaluate and monitor training; what kind of training institutions do we need to ensure that we deliver services efficiently and effectively? Where should such training be provided, e.g. in-house or externally? More important, public servants must examine the supply and demand issues with regard to the availability of human resources with relevant skills that they need for their departments.

Needless to add, public servants have to collaborate with a variety of relevant

stakeholders from civil society and private sector to be able to provide appropriate answers to these questions. A starting point in this regard could be that all the above factors have to be examined strategically through the establishment of well-organized and resourceful departments that have specific policies and long-term visions in relation to training.

### **3.12.11 Cooperative governance**

To respond to challenges, it is necessary that government organises itself in such a way that as many government services are concentrated in a single location. In the light of this vision of future service delivery, it is necessary to take stock of the constitutional framework in terms of which we currently deliver services. Underpinning our system of governance is the concept of cooperative governance, which is enshrined in the Constitution. As a function of cooperative governance, the spheres are required to coordinate their actions so as to provide coherent government for the country as a whole. This mandate provides the backdrop for both integrated service delivery and institutional integration.

One of the key principles contained in the Constitution is that the spheres of government are “distinctive, interdependent and interrelated”. A system of unified public administration would not seek to undermine the distinctiveness of local government as a sphere; rather, it seeks to improve the manner in which the spheres interrelate. The recently published Intergovernmental Framework Bill will assist by formalising the intergovernmental forums and regulating dispute resolution. However, it is necessary to do more than this in order to facilitate seamless service delivery.

### **3.12.12 Mobility of staff**

One of the strongest arguments for a unified public administration is the facilitation of mobility between the institutions of government. Greater mobility facilitates the transfer of functions between spheres, to allow services to be

delivered at the most appropriate level, and also enables the deployment of managers to where they are most needed in government.

Numerous complications have arisen in transferring personnel between the spheres. The conditions of service in the public service and local government are significantly different. In the public service, a job is evaluated and calculated to have a certain job weight, which corresponds to a salary grade. The job weight determines the salary, and the salary grades are uniform throughout the public service, with some sectoral exceptions. In a municipality, remuneration is determined in line with the revenue collected by the municipality. Affordability to a large extent determines the salary level. In practice this means that there is a multiplicity of pay scales in local government.

This makes the transfer of staff very complex; given those overall conditions of service must be retained. The harmonisation of conditions of service requires initially that local government rationalise its conditions of service.

### **3.13 Public Administration and the Future**

Cayer (2003, 56) observes that a particular problem for public administration will be the challenge of new form of administration responsibilities. Organisations of the future will be less bureaucratic, increasingly of amid public-private nature, more systems of organisation, than unitary organisation band more international in their operations. These organisational styles raise questions about how to develop less bureaucratic organisations without encouraging chaos, how to deal with increasing ethical complexity, and how to cope with the increasing likelihood of conflict and crisis. Moreover, public administration is apt to be called on to perform even more functions. This raises the danger of overload in a system that already has responsibility beyond the authority it commands or the virtue it can summon.

The implication of this future for public administration is manifold. Cayer (2003, 59) contends that public administration is primary mechanism for dealing with inherent forces. It will thus be centrally involved in change and transformation. The decisions of public administrators will necessarily be a combination of policy judgments, instrumental judgments, legal judgments and moral judgments. The enterprise of public administration will be marked by philosophical, disciplinary and methodological pluralism as we attempt to survive, adapt and control change

### **3.14 Summary**

People are the lifeblood of any organisation and the agents of reform and renewal in public administration. The knowledge, skills, values and attitudes of public servants are at the heart of State performance. The revitalisation of public administration, however, must be seen from a holistic perspective. For example, the training of individuals cannot be isolated from the performance expectations of a specific function or position.

Performance and human resources development plans for staff cannot be separated from the goals and service objectives of the employing organisation, and goals and organisational structure cannot be disconnected from an understanding of the policy framework, including demand for services from the respective citizens. At the same time, the goals, priorities and performance objectives of an organisation cannot be determined outside the broader national and government policy agenda and macro-socio-economic framework.

Political leadership is the prime mover in bringing about alignment between capacity-building efforts of the public administration system and national development goals. Without effective and determined leadership, it is difficult to revitalize public administration in any country.

While the importance of developing sound policy and institutional frameworks for revitalizing public administration cannot be overemphasized, it is leadership that primarily drives the change process. A major weakness of many public sector reform programmes, in fact, has been the lack of genuine leadership commitment to those efforts. These ingredients, policy and institutional reform and leadership commitment, are therefore essential prerequisites for the formulation of a strategy to strengthen the capacity of human capital in order to revitalize public administration at the national level.

The reform of public administration is a long-term process, requiring the adoption of a comprehensive strategy that fosters the development of core capacities to provide leadership; to formulate sound public policies; to foster greater performance-orientation in service delivery; and to enhance professionalism in public management.

## **CHAPTER 4: DEVELOPMENTALISM AND THE STATE OF SKILLS READINESS IN SOUTH AFRICA**

### **4.1 Introduction**

A growing awareness exists that although governments cannot create wealth, they nevertheless can play a key role in the process of economic development. Economic growth represents an essential prerequisite for political stability in South Africa; however, efforts aimed at stimulating growth rates can be hampered by a lack of administrative capacity. The lack of administrative capacity can also impose a dominant constraint on policymaking in contemporary South Africa.

This chapters aims explore the relationship between the state of skills readiness in South Africa and the needs of a “Developmental State”. The political economic and social objectives of South Africa, is ultimately underpinned by the ability of the administrative arm of government to execute policies into relevant programmes in order to fulfill developmental goals. It is common to refer to the “Developmental State” as a crucial ingredient in achieving higher rates of economic growth (World Bank Development Report, 1997). A "Developmental State" can also play a decisive role in economic development. There is a wide spread realisation in government that without strong public service delivery mechanisms and capabilities, none of the reforms and government initiatives will be possible. Improving public sector delivery is therefore, pivotal for the entire package of social, economic and skills developmental reform. In order for the state to play an effective catalytic role in the process of economic development, it must possess some minimal level of administrative capacity. Levy (1997, 21) argues that for the state to intervene constructively government officials must have the ability to manage technical complexity.

The administrative capacity of the South African state and the attendant problem of rational policymaking in the presence of severe limitations on administrative

capacity form the subject matter of this chapter. This chapter focuses on the question of state capacity and its role in the economic and social development of South Africa in the context of the Ncholo Report (1997) and the broader literature on government failure. This chapter examines the policy background to the Ncholo Report, and provides a synoptic overview of the economic literature on the generic problem of government failure, with the emphasis falling on the ways in which public choice theorists have categorised government failure. The findings of the Ncholo Report (1997) and other empirical evidence in the context of public choice theory will be examined. The need for state intervention in the economy and the need for adequate state capacity will be clarified by explaining the theory of a developmental state.

The legislative framework for skills development and training in the public service in South Africa will be elaborated. This chapter will also explain the current state of skills development in the public service. The phenomenon of skills migration and brain drain will also be discussed. This chapter will provide a background on the role that key institutions such as Higher Education Institutions(HEI) South African Management and Development Institute (SAMDI) and the Public Services Sector Education and Training Authority (PSETA) play in public service training and education.

## **4.2 The Theory of a Developmental State**

This section will examine the concept of a “Developmental State”. It will explore the justification and the rationale behind the “Developmental State”. This section also provides the foundation for explaining why state intervention is important and by implication why there needs to be adequate administrative capacity to fulfill government mandates.

The period 2002-2004 reflected a watershed moment in South Africa’s post apartheid history. Having established macroeconomic stability based largely on orthodox measures of fiscal discipline imposed on first economy, and having

realized the depth of structural inequalities between the first and second economies, government has resorted to a more interventionist role aimed at resolving the problems of joblessness and poverty.

The concept of a 'Developmental State' is a core element in government programmatic armoury. The concept goes back to some of the African National Congress' (ANC's) original policy texts developed in the early 1990s. These are now gaining ascendancy in the implementation phase. A 'Developmental State' is an enabling State that is able to intervene strategically while carefully marshalling scarce resources. State intervention will be selective and targeted, based on sectoral planning. However, where the state chooses to intervene, its intervention would be pervasive and far-reaching Erwin (1992, 38). At the heart of many ANC government policies is a strong emphasis on State coordination that will strategically steer the system via a regulatory framework of legislation, financial incentives, reporting and monitoring requirements. Much of this steering requires high levels of management information, State planning and cross, departmental coordination. Chang (1994, 23)

The conventional economic rationale for government intervention rests heavily on the concept of market failure. According to Peters (1997, 34), market failure can be narrowly defined in terms of economic efficiency or more broadly defined to include both economic efficiency and equity considerations. In the narrow definition, market failure refers to the inability of a market or system of markets to provide goods either at all or in an optimal manner. A somewhat broader definition is contained in Wolfs (1989, 19) observation that "... markets may fail to produce either economically optimal (efficient) or socially desirable (equitable) outcomes..." serves this purpose. In the real-world government intervention occurs to ameliorate both forms of market failure. Traditionally economists argued that the existence of market failure justified state intervention in those areas of economic activity where market failure was deemed present. Evidence of market failure thus provided a prima facie case for microeconomic policy

intervention, and the purpose of such policy intervention was to induce allocative efficiency in market outcomes. Chang (1994, 34)

In addition to government intervention aimed at generating economic efficiency in cases of perceived market failure, common ethical arguments are often used to justify government intervention. Widespread support exists for the contention that the distributive results of efficient markets may not meet socially accepted standards of equity, or accord with a desire to reduce extremes of wealth and poverty. A common ethical argument for public policy intrusion into economically efficient market outcomes is based on the idea of equal economic opportunity. It is sometimes claimed markets resort to ethnic, gender or racial stereotypes as a filtering device in labour markets, and that these biases are reflected in employment patterns. Exponents of these arguments call for government intervention in labour markets in the form of equal opportunity programs and affirmative action schemes. Chang (1994, 35)

As a comparative analytical concept, the 'Developmental state' was first coined by Chalmers Johnson as a concept descriptive of how Post-Second World War Japan was able to reconstruct itself successfully. It was subsequently, used to describe the significant development strides made by the 'Asian Tigers' (South Korea, Singapore, Taiwan and Hong Kong). A distinctive feature of these countries was the centrality of government in leading a concerted drive for economic growth, and ensuring the mobilisation of national resources toward national development priorities.

In summary, a developmental state is one where government plays a central and dynamic role in shaping the economy domestically while asserting its international autonomy. Critical for a government to fulfill this role is strong capacity and capability, which enable it to respond proactively to domestic and global challenges and opportunities. The route and approaches followed by individual developmental states will not necessarily be identical and will be

shaped by their national histories and current realities, as well as by the choices made by citizens and leaders. However, a common feature of all developmental states is the need to establish a coherent and effective system of public administration and public sector training and capacity building.

#### **4.3 The impact of administrative capacity on developmental policy**

Economic development plays a pivotal role in the alleviation of endemic poverty in South Africa and the attendant success or failure of South Africa's fledgling democracy. Rapid economic development is crucially dependent inter alia on an efficient public service, which can effectively implement government policy. The economic literature on government failure generally, and public choice theory specifically, can shed considerable light on the nature and limitations of government intervention in market economies. Both anecdotal evidence and the Ncholo Report (1997) provide graphic illustrations of widespread attempts by government to intervene through the creation of policy. In South Africa administrative capacity represents an important role in developmental policy-making.

#### **4.4 The theory of government failure**

The most significant approach to the phenomenon of government failure is public choice theory. In essence, public choice theory applies the postulate of non-market or political processes underlying policy formulation and implementation, and has developed a critique of government intervention flowing from the application of this methodology. (O'Dowd 1978, 67)

O'Dowd (1978, 69) argued that all forms of government failure fell into a generic tripartite classification; namely "inherent impossibilities", "political failures", and "bureaucratic failures". The first type covers the cases where a government attempts to do something which simply cannot be done; the second, where although what is attempted is theoretically possible, the political constraints

under which the government operates make it impossible in practice that they should follow the necessary policies with the necessary degree of consistency and persistence to achieve their stated aim. The third type covers the cases where although the political heads of the government are capable of both forming and persisting with the genuine intention of carrying out a policy, the administrative machinery at their disposal is fundamentally incapable of implementing it in accordance with their intentions. In the present context, O'Dowd's (1978) "bureaucratic failures" category is especially salient since it encapsulates the problem of state incapacity dealt with by the Ncholo Report (1997).

The public choice perspective on government failure draws heavily on agency theory, which views the public sector in a representative democracy as an interlocking series of principal-agent relationships. For instance, Moe (1984, 765) observes that "the whole of politics can be seen as a chain of principal agent relationships, from citizen to politician to bureaucratic superior to bureaucratic subordinate and on down the hierarchy of government to the lowest-level bureaucrats who actually deliver services directly to citizens". This view leads to an approach to public sector reform, which seeks to reduce the scope for agency failure in these relationships. Agency failure basically arises because agents lack the incentives to act in their principal's interest.

The most prominent approach to this problem has been a contractualist one. Perhaps the most radical application of this approach has been followed in New Zealand, although the wide range of contractualist instruments introduced in that country have mainly sought to govern relationships in which bureaucrats function as agents either of elected officials, funding agencies, or civil servants placed further up the hierarchy of government. These contracts have included performance agreements between departmental heads and their portfolio ministers, contracts between funders and purchasers, purchasers and providers, funders and regulators. Although the legal status of these contracts varies, with

only some being legally binding, their general aim has been to specify as precisely as possible the requirements of the principal and to ensure that agents can be held to account for their performance. Moe (1984, 765)

This contractualist approach can often only be followed after a major restructuring of the public sector has occurred with large-scale bureaucratic structures being broken up into single-objective, trackable and manageable units so that it is easier to devolve managerial responsibility and establish clear lines of accountability. Agents can then be held accountable to single rather than multiple principals, resources can be matched to defined tasks, and agency failure can be addressed by shifting from controlling the input to monitoring the output of these organisations. (Moe 1984, 34). The managerialist emphasis on organisational restructuring, and giving managers "the freedom to manage", would seem to be an important aspect of what (Hood 1991, 3) calls the "New Public Management" (NPM); that is, "the set of broadly similar administrative doctrines which dominated the bureaucratic reform agenda in many of the OECD group of countries from the late 1970's" which prepared the way for New Zealand-style contractualism.

The difference between the widely applied managerialist approach and the contractualist approach, which has been distinctive to New Zealand parallels the contrast between "letting managers manage" and "making managers manage". The managerial approach assumes that once public managers have been released from detailed regulation of their resource decisions, they will be empowered to search for and implement more efficient ways of delivering their department's services. The impact on organisational efficiency of managerialist reforms does, however, depend crucially on the generic management skills and commitment to efficiency values of the people appointed to management positions in the public sector. (Moe 1984, 45). From a contractualist perspective, there is always the risk that managers will opportunistically prefer the *status quo* to the difficulties of uprooting established practices and "downsizing" their

workforce. To reduce this risk, managers need to be made accountable for outputs which are specified through contractualist instruments, since the supply of such outputs can be directly attributed to public managers and their departments whereas the outcomes of their activities tend to be influenced by many factors, some of which are beyond their control.

#### **4.5 Ncholo Report findings**

The release of the *Provincial Review Report* by the Department of Public Service and Administration in September 1997 marked the beginning of a new era of transparency in South African civil administration. The Ncholo Report (1997) provides a frank analysis of state capacity in South Africa. Although claims by Simkins (1996) that state incapacity has been a crucial factor in constraining economic development in post-apartheid South Africa have validity, it must nevertheless be recognised that numerous other domestic, regional and international influences have also contributed to retarding the rate of economic development. For instance, since the mid-1990s South Africa has experienced a massive out migration of skilled human capital, chiefly young educated middle-class English-speaking whites. Similarly, during the transition period from apartheid, senior Afrikaner bureaucrats designed and implemented lavish redundancy schemes and pension plans which they then took advantage of once the new administration assumed office, thus depleting the public sector of experienced managers. Simkins (1996)

The stated intentions of the Report (Ncholo Report, 1997,10),

- I. to inform the wider public, Public Servants, Parliament and Cabinet on the state of the administration and progress of reform in South Africa's provinces;
- II. identify key problems and issues which require attention so that provincial administrations may improve the quality of the services they deliver to the public;

- III. identify problems experienced in provinces which derive from the national level; and stimulate development, remedial programmes and the building of capacity in the Public Service.

Emphasis fell on the provincial level of government "... because of the fact that more than 60% of public servants are employed in the provinces" (Ncholo Report, 1997, p.3). The authors of the Report took as their foundation the "Constitutional Principles for public administration", notably (Ncholo Report, 1997, 10):

- I. that a high standard of professional ethics is promoted and maintained;
- II. there is efficient, economic and effective use of resources;
- III. public administration is development-oriented;
- IV. public administration must be accountable;
- V. good human resources management and career development practices, to maximize human potential, must be cultivated; and that the
- VI. public administration must be broadly representative of the South African people.

Since April 1994 considerable progress has been made in the consolidation and reorganisation of these inherited structures. The Ncholo Report (1997, 2) has outlined the main features of this reorganisation as follows:

- I. Amalgamation of the previous racially based administrations (RSA, Own Affairs administrations, Homelands, Self-Governing Territories, and previous provincial administrations) into a single public service split between nine provinces and the new national departments,
- II. reallocation of staff and resources by the provinces into new departments based on the national structures,
- III. creation (in some cases) of new district level services, and

IV. rationalisation of provincial departments in line with the allocation of resources.

At the same time, the GNU has sought to change the objectives and priorities of the South African public service along the following lines (Ncholo Report, 1997, 2). It has begun the longer and more difficult process of improving service delivery whilst at the same time having to cut expenditure. Provincial administrations have reprioritised services in accordance with the policies of the new government, begun to develop management skills to make sure that services are delivered better, improved the representativeness of the Public Service, especially at senior levels, made efforts to bring services closer to the people of the country, especially in rural areas, and begun to re-orientate services to focus on the disadvantaged groups in society.

In addition to the severe constraints imposed by the negotiated guarantee of job security for all serving civil servants, the transformation process was further constricted by a deliberate policy of changing the employment profile to better reflect the demography of South African society. In practice, this has meant hiring people of colour and women wherever possible. The instrument used to circumvent the job security guarantee has been a "voluntary severance package (VSP) scheme", in terms of which substantial payments are made to bureaucrats who decide to leave the public service. The effects of these constraints have been to severely damage the administrative capacity of the South African public sector. In many key departments, virtually all of the former top managers, predominantly white male Afrikaners, have taken voluntary redundancy. The result is a dearth of expertise, with national and provincial departments competing for scarce experienced public administrators. Ncholo Report (1997, 23)

Ramatlhodi (1997, 21) has summarised the latter problem as follows, the situation at the moment is far from ideal. Some national departments appear to

be more determined to siphon off what little capacity we have left rather than to strengthen our structures. Far too often, provinces work hard to find suitable managers to serve their various administrations, only to find that their most capable people are "hijacked" by a national department - sometimes with a mere three days' notice.

#### **4.6 Conceptualising the Ncholo reports findings**

One way of comprehending the myriad of findings of the Ncholo Report is to conceptualise them in the language of public choice theory. This not only enables one to reduce an exceptionally long list of government failures to manageable proportions, but also paves the way for a useful discussion of rational policy formulation in the face of constraints on administrative capacity.

A broader perspective would locate the problem of government failure and its role in retarding economic development in South Africa within a more universal state-economy-society set of relationships, both nationally and internationally. After all, the demise of the apartheid state has coincided with the intensification of globalisation and the widespread adoption of "neo-liberal" policy prescriptions by international financial agencies. South Africa is by no means alone amongst transitional economies in experiencing economic and social difficulties and many of these can doubtless be traced back to changes in the structures of international economic exchange processes. Simkins (1996, 34)

#### **4.7 Policy implications**

The Ncholo Report illustrates government failure, although the nature of this government failure appears predominantly in the form of bureaucratic failure and is overwhelmingly concentrated at the provincial level; other kinds of government failure are also evident. Moreover, notwithstanding the promising prospects for the GEAR macroeconomic strategy of the GNU, the current degree of bureaucratic failure has already severely inhibited development-orientated

microeconomic policy making (like the RDP) and seems set to preclude the formation of a "Developmental State" in South Africa. By retarding the rate of economic growth and undermining the success of development projects aimed at poor South Africans, state incapacity could threaten the very basis of political stability in South Africa. Simkins (1996, 39)

Accordingly, the question arises as to how policy makers should react to government failure. The 1997 *World Bank Development Report* identifies two generic approaches to this problem. Firstly, policy makers can attempt to "... match the state's role to its existing capability, to improve the effectiveness and efficiency of public resource use" (*World Bank Development Report*, 1997, 25). Secondly, they can seek to "... reinvigorate the state's capability through rules, partnerships, and competing pressures outside and within the state" (*World Bank Development Report*, 1997, 25). Although these approaches can be employed as alternative strategies, they can also be used in tangent as complementary strategies as in the *World Bank Development Report's* conception.

The development of state capacity in South Africa is not a controversial issue and represented an important dimension of the Ncholo Report. At least three possibilities seem feasible, two of which have been extensively canvassed in the Ncholo Report. Firstly, the administrative doctrines of New Public Management (NPM) could be invoked that is, a contractualist approach emphasising performance monitoring, managerial responsibility, output rather than input evaluation, and other organisational restructuring strategies could be adopted. Much of this is recommended by the Ncholo Report, for example, the Report (1997,15) notes that "monitoring of provincial administrations and their departments does not focus on using the information gathered to improve service delivery". Similarly, it argues that "... regulations and the resulting culture of a lack of initiative and not holding individuals accountable ..." must be changed in favour of the NPM stratagem of "letting managers manage". Ncholo Report (1997,16)

Whilst the introduction of NPM techniques should reduce the degree of bureaucratic failure in the South African public sector, good reasons exist for believing that it will not be as successful as it seems to have been in advanced industrial democracies. Chief amongst these is the lack of administrative training and experience in the South African civil service attendant upon its transformation. It follows that NPM policies should be augmented by a second approach aimed at building up administrative skills through educational programs. This is well-recognised in the Ncholo Report, for instance offers the following diagnosis of incapacity, "the staffing of new department structures in some provinces has resulted in an unevenness in skills among staff, especially at the lower levels. This lack of skills in addition to the numerous vacancies in many provinces, has created an urgent need for capacity building in the areas of management, finance, administration, technical and professional staff. Ncholo Report (1997, 16)

However, experience in other less developed countries has indicated these kinds of reforms seldom effectively reduce bureaucratic failure. Grindle (1997) has examined the behaviour of public organisations in several countries and has argued that organisational culture plays a decisive role in organisational performance. This line of argument has a conceptual counterpart in the debate over the NPM-inspired reforms in advanced countries, where it has been argued that leadership can have decisive effects (Dollery, 1997). The significance of leadership has been endorsed in a series of case studies of cultural transformation in New Zealand government agencies. These writers found that the primary catalysts for the development of a "commercialist" culture in these agencies have been the "change agents" who were recruited from the private sector to fill the chief executive positions in these organizations. (Spicer *et al.* 1996)

To break the hold of a bureaucratic public service culture at the senior levels of these organisations, many of these chief executives took the radical step of requiring all managers to reapply for positions. This enabled them to rapidly build up a management team comprising senior managers drawn from outside the organisation as well as relatively junior staff who were not only expected to be less resistant to change but also to welcome the opportunity to leapfrog their more senior colleagues into management positions. They clearly saw their leadership role as being to transform their organisations but also to "infiltrate" these organisations with "followers" who could strive with them to affect this transformation by overcoming resistance to change from those individuals with an interest in protecting their jobs, careers, "turf", professional standards and cherished organizational beliefs. It would thus appear that cultural change would have to accompany NPM policies and administrative capacity building in the South African civil service for these latter two strategies to prove successful. Regardless of whether this overall approach of raising "... state capacity by reinvigorating public institutions" (*World Bank Development Report, 1997, 3*) does indeed ameliorate bureaucratic failure in South Africa, what cannot be doubted is that it is a medium-term strategy. But the fledgling transformational democracy in South Africa is too fragile and the need for state-enhanced economic growth too urgent for time-consuming policies to be allowed to run their course. Accordingly, the second broad approach of "matching the state's role to its capacity ..." should be employed in the special circumstances of contemporary South Africa, at least in the short-term. (*World Bank Development Report, 1997, 3*)

In essence, limiting the role of the state in South Africa to perform only vital core functions follows the second public choice policy prescription for decreasing the extent of government failure. It accepts the reality that in modern South Africa the scarcity of administrative capacity represents an important constraint on developmental policy making. This assumption has the implicit support of the Ncholo Report. Over and over again its authors stress the inhibitory character of

the skills shortage in the public service. The following extract (Ncholo Report, 1997, 49) exemplifies this line of reasoning, but there are similar sentiments expressed elsewhere in the Report "Whilst there are many skilled and capable people in the provincial Departments, there is a serious skills deficit. This has been compounded by a loss of experienced staff through the granting of unplanned and non-systematic voluntary severance packages, and the restrictions of the Public Service Regulations on the numbers of senior posts. Competition from the private sector for professionals with suitable financial qualifications and the limit on the salaries, which provinces may offer has further reduced the availability of these staff. Provinces have no mechanism for providing incentives for such staff to join them. "

Given conventional wisdom on the crucial role the "Developmental State" can play in the development process (Chhibber, 1997), the demands on national resources for poverty alleviation and other vital tasks are so acute that South Africa simply cannot afford the vast resource-intensive and highly inefficient public sector that it has inherited. Accordingly, scarce public administrative skills should be concentrated in those areas where they can yield the greatest social benefits. The *World Bank Development Report* (1997, 4) identifies the core functions of the state to include the establishment and maintenance of law and order, the maintenance of macroeconomic stability and "a nondistortionary policy environment", the provision of basic services and infrastructure, environmental protection, and "protecting the vulnerable".

It could be argued that focusing the South African public sector on vital core functions and "privatising" the delivery of other public goods, like social welfare services, might well serve to enhance the economic and political power of the white community who have traditionally controlled many of the most important non-government organisations. Moreover, given the existing highly unequal distribution of wealth and power in South African society, any further concentration of economic control towards the white community could have a

serious destabilising effect on the process of democratic transition. What is abundantly clear from both the Ncholo Report itself and the present analysis is that the status quo in South African public administration is untenable. Not only has state incapacity frustrated efforts to date to ameliorate the lot of poor communities in South Africa, but unless urgent steps are taken to improve matters this is likely to remain the case. Moreover, in the developing world South Africa is by no means alone in facing the problem of state incapacity. As 1997 *World Bank Development Report* has argued, state incapacity has inhibited numerous attempts by poor countries to deal effectively with the problem of poverty. Accordingly, the problem of state incapacity deserves far more attention from scholars in policy analysis and public administration.

#### **4.8 The Legislative and policy framework for skills development in South Africa**

The South African state, through the Department of Labour has largely responded to the skills challenges by inaugurating a National Skills Development Strategy (NSDS) of 2001. The NSDS is driven through legislation promulgated since 1998, and attempts to align the participation of workers and employers around the initiative to broaden and deepen the profile of skills in the economy.

Most of these anticipated outcomes are as relevant today and have been given further expression by the Human Resource Development Strategy (HRDS) for the Public Service 2002-2006 that was introduced in 2002. The NSDS sets out a broad national framework for skills development and the development of a lifelong learning culture in the country as a whole, and was complemented by skills legislation (such as the Skills Development Act of 1998 and the Skills Development Levies Act of 1999) which, amongst other things, established the Sector Education and Training Authorities (SETAs) and set out the basis for the introduction of work-place skills plans.

#### 4.8.1 National skills development strategy

The NSDS is built on legislation that was promulgated to advance the process of skills development in South Africa. The importance of the strategy is that it shifts focus towards target setting, monitoring and evaluation of the process of skills development in South Africa (Department of Labour, Preliminary Annual Report 2001/2002, 7).

The NSDS identifies the priorities for skills development and provides a mechanism for measuring progress. It also charts the way forward for the Department of Labour, the Sector Education and Training Authorities (SETAs) and other key institutions. The strategy is made up of five strategic objectives. A synopsis of these objectives is shown below:

- I. Strategic Objective 1: Developing a culture of high quality life-long learning.
- II. Strategic Objective 2: Fostering skills development in the formal economy for productivity and employment growth.
- III. Strategic Objective 3: Stimulating and supporting skills development in small business.
- IV. Strategic Objective 4: Promoting skills development for employability and sustainable livelihoods through social development initiatives.
- V. Strategic Objective 5: Assisting new entrants into employment.

The objectives of the *National Skills Development Strategy (NSDS)* are articulated in *Skills for productive citizenship for all (April 2001-March 2005)* which is a strategy that is underpinned by a number of key principles:

- I. Lifelong learning;
- II. Promotion of equity;
- III. Demand-led skills provision;
- IV. Flexibility and decentralisation; and
- V. Partnership and co-operation at a national, sectoral, provincial, community and workplace level.

These objectives are primarily driven by a few key pieces of legislation. These consist of:

- I. The Skills Development Act (SDA), (no. 97 of 1998), which aims to address South Africa's skills needs across and within the country's social and economic sectors; and
- II. The Skills Development Levies Act (SDLA), (no. 9 of 1999), which ensures that industry contributes to the skills development strategy in the form of a monthly levy.

#### **4.8.2 The Skills Development Act of 1998**

The SDA is designed to link the worlds of education and work, and in so doing, to the fluctuating needs of the economy. The SDA aims to develop the South African workforce and to encourage employers to become active contributors to education and training in the workplace. The SDA also establishes the requirements for developing learnerships and skills programmes, an important part of the National Skills Development Strategy.

The purposes of the SDA, as expressed in the legislation are:

- I. To develop the skills of the South African workforce
- II. To improve the quality life of workers, their prospects of work and labour mobility
- III. To improve productivity in the workplace and competitiveness of employers
- IV. To promote self-employment
- V. To encourage employers
- VI. To use the workplace as an active learning environment
- VII. To provide employees with the opportunities to acquire new skills
- VIII. To provide opportunities for new entrants to the labour market
- IX. To employ persons who find it difficult to be employed
- X. To encourage workers to participate in learnerships and other training programmes

To improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through education and training. The SDA made provision for the establishment of the National Skills Authority (NSA), which is a national stakeholder body that allows all stakeholders to participate in the Skills Development Strategy. The representatives on the NSA include organised labour, organised business and community and development interests (women, youth, people with disabilities, etc). The NSA is required to advise the Minister of Labour on:

- I. A national skills development policy;
- II. A national skills development strategy;
- III. Guidelines for the implementation of the national skills development strategy;
- IV. The allocation of monies from the National Skills Fund.

The NSA also liaises with SETAs on the national skills development policy and strategy. The SDA also resulted in the establishment of the National Skills Fund. In terms of the SDLA, approximately 20% of skills development levies paid, is allocated to the NSF. This money is to be used for projects, many of which are aimed at specific social target groups, i.e. women, youth, the unemployed, people with disabilities and so on, in order to encourage access, equity and redress at this level.

The Skills Development Act of 1998 led to the formation of Sector Education Training Authorities (SETAs) and the Skills Levies Act, which was promulgated a year later made provision for the collection and transfer of levies to SETAs. The SETAs are vested with the power and responsibility to compensate firms for costs incurred on training that has been undertaken. Thus, the policy with respect to skills development and training has been concerned to amalgamate basic generic and job specific skills throughout the working population and the

presumption for this is that it provides the basics for more continuous forms of learning to take place.

The skills development strategy is also concerned with the retraining of the existing workforce and the growth of a wider layer of incumbents with higher level skills. The legislative interventions tailored to advance the process of skills development, however, were preceded and supported by earlier laws that were concerned to reform particular aspects of the vocational and professional education and training. These include the South African Qualifications Authority Act (1995), the Further Education and Training (FET) Act (1998) and the Employment Equity Act (1998).

The South African Qualifications Authority Act contributed to the creation of the South African Qualifications Authority (SAQA) and in addition established the National Qualifications Framework (NQF) and empowered a wide spectrum of stakeholder groups to become involved in the generation of standards for qualifications. The Further Education Act aims to transform further education institutions so that they are in alignment with the National Qualifications Framework. The Employment Equity Act largely seeks to end discrimination in the workplace and provide for equality of opportunity in the sphere of employment.

The initiatives around the national skills development strategy, therefore, led to the formation of new institutions to support the process of skills development in South Africa and through it a new configuration of institutions came to the fore. Among these, was the formation of specific organisational entities that are referred to as Sector Education Training Authorities (SETAs) to drive the process and the present report will be focusing on the activities and performance of these in particular.

Although there is a significant degree of overlap between the labour market and human resource development policies, and the instruments of legislation, which are designed to put these policies into practice, the organs from which directives of command and authority is owed, rests within different state departments. The overlaps, which embody coherence in policy and practice is referred to within state strategic planning parlance as 'transversal' activities. Transversal responsibilities are contrasted with functional responsibilities or the responsibilities and authority which is specific to particular departments of the state bureaucracy (DoE & DoL 2001, 17)

Within the auspices of a large state bureaucracy, the concept of the 'transversal' can therefore be interpreted as contributing to interventions that are directed to the amelioration of similar problems. However, in the absence of sufficient levels of co-ordination, different solutions are often formulated to reach the desired solution to the problem, resulting effectively in a duplication of effort. Under such circumstances, the subsequent wastage of resources is unavoidable. Thus, the outcomes have a high propensity to reach solutions that are mixed or even incompatible and therefore, transversal responsibilities within public policy require an integration of strategies within state departments, especially when the overlap in functions and roles of responsibility is significant.

In the formulation of a Human Resource Development Strategy for South Africa, the Department of Education and the Department of Labour have synchronized and aligned their respective strategic action interventions into one document under the clarion of 'A nation at work for a better life for all'. The report embodies the educational strategies of the DoE with the skills development strategies of the DoL and was released jointly by the ministers of each Department who provided a joint forward to the document.

A perusal of the strategic objectives and the indicators of those objectives shows that the Human Resource Development Strategy for South Africa designates the

principle responsible agents as the DoE and the DoL. However, there are a large number of public institutions that are tasked with the responsibility of contributing to the attainment of particular indicators. These agencies include other government departments, statutory bodies, universities and technikons as well as national research agencies such as the Human Sciences Research Council.

#### **4.9 Policy Background of Public Sector Training and Education**

The White Paper on Public Sector Training and Education (WPPSTE) sets out a compelling case for the need to transform public service training and education into “a dynamic, needs-based and pro-active instrument, capable of playing an integral and strategic part in the processes of building a new public service for a new and democratic society in South Africa” (WPPSTE, para 1.1).

The HR Development Strategy for the Public Service seeks to “...maximise people development, management and empowerment through quality skills development to accelerate transformation and service delivery that will benefit the people of South Africa.” It seeks to achieve this by increasing employer participation in lifelong learning and improving the supply of high quality (scarce) skills that are responsive to societal and economic needs. Skills development in this context is seen not only as a way to improve capacity for individual employees of the state, but also as a means of strengthening the most important vehicle available to the state to achieve its goals for changing the entire South African society in accordance with the principles of a developmental state. Particular emphasis is placed on the way in which effective skills development can help to transform the less tangible aspects of public servants - their attitudes, their commitment and the manner in which they relate to the people of the country.

The HRD strategy for the public service puts forward key strategic objectives and a programme of action to address the human resource capacity constraints that

continue to hamper the effective and equitable delivery of public services. The strategic objectives are:

- I. To drive full commitment to promote human resource development in all public service institutions.
- II. To establish effective strategic and operational planning in the public service.
- III. To establish competencies in the public service that are critical for service delivery.
- IV. To drive effective management and coordination of developmental interventions in the public service.

The strategic priorities that flow from the HRD strategy in the current period include, amongst other things:

- I. Refining and accelerating implementation of the Government's comprehensive, credible and outcomes-focused programme for capacity development within the framework of the HRD strategy.
- II. Improving the coherence, coordination and efficacy of all government policies, institutions and mechanisms that are responsible for training and capacity development of the public service.
- III. Implementing a credible and comprehensive programme to address strategically scarce skills, such as financial management, communication skills, and project management.
- IV. Ensuring that this programme pays equal and sufficient attention to the critically important areas of norms, values, attitudes and orientations of public servants that are in line with the objectives of the developmental state.
- V. Ensuring the effective integration between strategic planning, budgeting, HR strategy, HR development, institutional systems and structures and monitoring and evaluation.

The WPPSTE considered a number of possible models for public service training, from highly centralised to highly decentralised. The model that was recommended for South Africa and subsequently enshrined in the Public Service Regulations was one, which combined strong central strategic direction and the adherence to national norms and standards, with the increasing decentralisation to departments and provincial administrations of day-to-day managerial responsibility and decision-making. Such an approach would be based on the principle that the actual provision of training would be delivered by in-house providers (SAMDI and provincial training institutions) and external providers (such as higher education institutions) on an equal and competitive basis.

The policy and legislative framework for the NSDS and the public service HRD strategy is supported by a number of statutory institutions that bear responsibility for the formulation, monitoring, management, implementation, and quality assurance of skills development. With respect to the national skills development as a whole, the SETAs and the Department of Labour have the key responsibility. With respect to the public service HRD strategy, and specifically public service training, the Department of Public Service and Administration has the overall responsibility for formulating policy and, together with the South African Management Development Institute, for its effective implementation. The Public Service Commission is tasked with the investigation, monitoring and evaluation of public service training, as part of its broader constitutional mandate.

The Department of Provincial and Local Government is responsible for capacity development in the local government sphere, in collaboration with other stakeholders, notably the South African Local Government Association (SALGA). The Department of Education has overall responsibility for the higher education sector and through the Council for Higher Education (and its Higher Education Quality Committee) for its quality assurance. Many line departments, such as Education, Health, and Police are actively involved in capacity development of personnel and institutions within their specific areas. For the successful

implementation of the NSDS and the public sector HRD strategy, it is clearly vital that all these institutions collaborate and work together effectively.

#### **4.9.1 Mapping the Public Service SETA**

The Public Service Sector Education and Training Authority (PSETA) is one of the twenty five SETAs established in accordance with Section 9&13 of the Skills Development Act. In terms of the Skills Development Act of 1998, the (PSETA) was established in March 2000 with the goal of providing SAQA-accredited training and education services. However, PSETA (a schedule 3A public entity) was delisted with effect from 30 November 2001.

#### **4.9.2 Vision of PSETA**

Contribute towards the development of a dedicated, productive and people-centred public service staffed by public servants whose performance is maximised and whose potential is fully developed through the comprehensive provision of appropriate, adequate and accessible training and education at all levels.

#### **4.9.3 Mission of PSETA**

To create a coordinated structure for ensuring the provision of appropriate, adequate and accessible public service training and education that will meet the current and future needs of public servants, the public service and the public and thereby contribute positively to the realisation of the vision.

#### **4.9.4 Scope of PSETA**

Employer bodies

- I. National and provincial departments
- II. Provincial administrations
- III. Parliament

- IV. National legislatures
- V. Identified parastatals
- VI. Minerals and Energy Affairs

#### **4.9.5 Composition of PSETA**

- I. All nine Offices of the Premiers in all the provinces
- II. Office of the Presidency
- III. The Department of Public Service and Administration
- IV. The Public Service Commission
- V. The Department of Home Affairs
- VI. The Department of Labour
- VII. Statistics South Africa
- VIII. Provincial and Local Government
- IX. Housing
- X. Public Enterprise
- XI. Arts, Culture, Science and Technology
- XII. Minerals and Energy Affairs

#### **4.9.6 Organised Labour represented in the PSETA:**

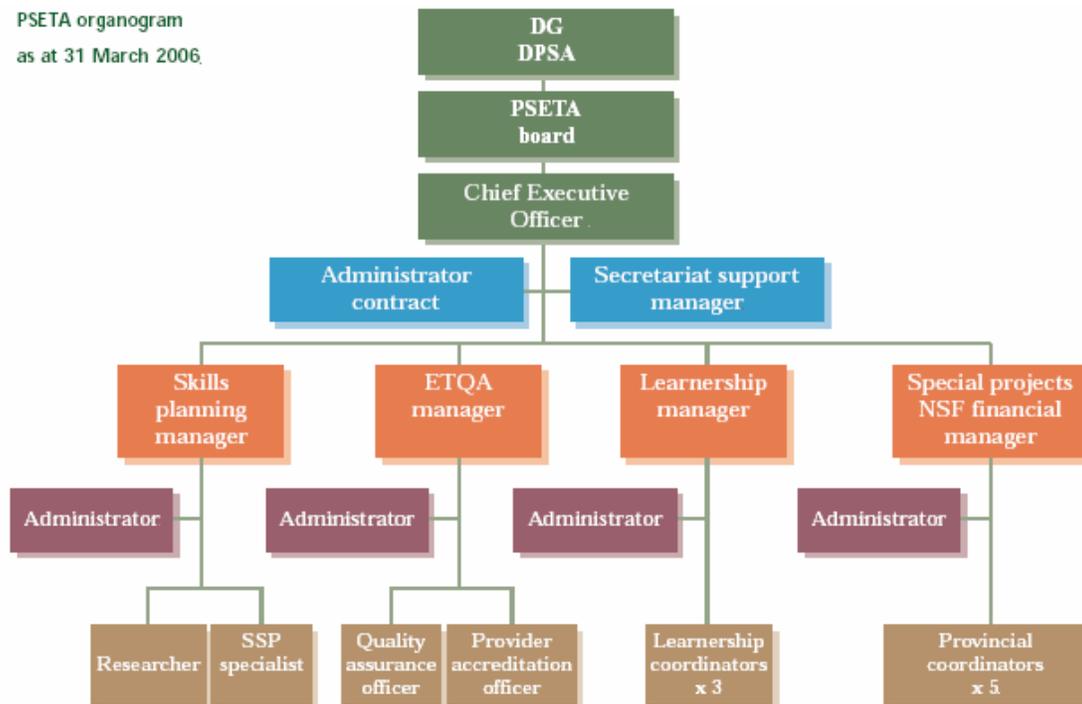
- I. Hospital Personnel of SA (HOSPERSA)
- II. National Education and Allied Workers Union (NEHAWU)
- III. National Public Service Workers Union (NPSWU)
- IV. National Union of Public Service and Allied Workers (NUPSAW)
- V. Police and Prisons Civil Rights Union (POPCRU)
- VI. Public Servants Association of SA (PSA)

#### **4.9.7 Functioning of PSETA**

- I. The Board, elected in June 2000, representing core members of the PSETA and the Public Service Trade Unions,
- II. The Secretariat made up of employees of the Department of Public Service and Administration, Directorate: Capacity Building

- III. Three Standing Committees consisting of members from the Board, namely:
- a. Learnerships Education and Training Quality Assurance
  - b. Workplace Skills Plans and Sector Skills Plan
  - c. Communication, Marketing and Funding

PSETA organogram  
as at 31 March 2006.



Source: PSETA annual report 2006

The relatively recent history in which SETAs in South Africa have been constituted and have come into existence has meant that the overall system of organisational, operational and training process that has been placed into motion still has to be critically assessed and documented. Consequently, there are only a limited number of sources out of which this significant process can be understood. The legislation requires information to be exchanged between the SETAs and various government agencies. Starting at the top, there is an obligation for the various units and components within the Department of Labour to be kept abreast of developments through periodic reporting mechanisms. As a result, the Skills Development Planning Unit releases reports that monitor the progress that SETAs have made and this is done on an ongoing basis. As legal

and statutory entities, all the SETAs are subject to reporting requirements contained in the Public Finance Management Act and are therefore required to issue an annual report containing audited financial statements approved by the Office of the Auditor General.

PSETAs mission is to develop a co-ordinated framework for ensuring the provision of appropriate and adequate public service education and training implementation, which will meet the current and future needs of the public service. This it seeks to do, amongst other things, by:

- I. Developing a sector wide skill plan for the public service for submission to the Department of Labour.
- II. Approving workplace skills plans from employers and assisting them in the preparation of such plans.
- III. Identifying appropriate learnerships for the public service.
- IV. Carrying out workplace assessments.
- V. Advising employers on how to access funds from the skills levy.
- VI. Acting as an Education and Training Quality Assurer (ETQA) under the SAQA framework, by registering qualifications, accrediting providers and registering assessors.

Unlike most of the other SETAs, the PSETA does not have an autonomous standing of its own, currently being a part of the DPSA. As government departments are currently exempted from the skills levy, the PSETA has also experienced some difficulties in accessing the level of funds required to meet its mandate. This poses challenges for its effective management and accountability, with the result that it had not been able to perform as well as expected. The PSETA is currently in the process of registering as a public entity. This would enable it to receive appropriate funding to ensure that it meets the NSDS requirements and overcome problems around accountability and governance.

The PSETA has submitted a sector skills plan to the Department of Labour (DoL); over 18 learnerships have been established (covering approximately 4000 learners); national and provincial skills development facilitators have been trained to develop work place skills plans; and competencies have been developed for the Senior Management Service. The PSETA is also in the process of developing a policy on how to deal with the retention and recruitment of learners into permanent appointments after training, and has taken up this issue with the DPSA and the DoL.

The PSETA is also making progress with regard to improved collaboration with other SETAs involved in the public sector. In addition to problems surrounding the organisation's current legal status these included the fact that quite a number of public service departments were spending large amounts of money from their training budgets on private sector courses that were not accredited with PSETA. Moreover, PSETA was experiencing great difficulty in persuading departments to spend more of their 1% training budget (from the skills levy) on learnerships rather than other activities. It was also acknowledged that not enough had been done so far to identify appropriate skills development opportunities for junior managers and officials at lower levels (more had been done at the middle and senior management levels).

Although collaboration with SAMDI, government departments, and other SETAs is showing signs of improvement, it was also acknowledged that much more needs to be done in this respect. The fact that the affiliation of government entities is spread across a number of SETA's has contributed to fragmentation and incoherence in the public sector human resource development strategy.

#### **4.10 Learnership agreements**

One of the central obligations, which the Skills Development Act requires SETAs to fulfill, is the promotion and establishment of learnerships. Learnerships are spread over a number of NQF levels ranging from levels in further education to levels in higher education and although related to apprenticeship agreements in form, are entirely different in its content and coverage of learning requirements and are ultimately determined through the exhibition of a specified competence from the learner. Essentially SETAs are required to broker a learnership agreement between the learner/s, the employer/s and the training provider. All three in turn have to fulfill certain obligations for the learnership to be completed

The PSETA is also responsible for developing Sector Skills Plans (SSPs) according to Workplace Skills Plans (WSPs) to meet the needs of the demand-side of their sector. The SETA SSPs are the best way for determining the specific economic needs of any particular sector. Providers need to be aware of what the primary skills needs of the sector are, and to ensure that their education and training programmes respond to these needs. Education and training quality assurance (ETQA) Quality-assuring the supply-side (i.e. provision of education and training) by developing and accrediting providers, registered assessors and moderating assessment. The SETA ETQAs are accredited and regulated by SAQA.

#### **4.11 SAQA and the NQF**

The South Africans Qualifications Authority (SAQA) is responsible for overseeing and regulating the National Qualifications Framework (NQF), an eight-level framework on which qualifications and standards are registered.

The table below outlines this framework:

NQF Level	Band	Qualification Type
<b>Higher Education and Training Certificate (HETC)</b>		
8 7 6 5	Higher Education And Training	<ul style="list-style-type: none"> <li>• Post-doctoral research degrees</li> <li>• Doctorates</li> <li>• Masters degrees</li> <li>• Professional qualifications</li> <li>• Honours degrees</li> <li>• National first degrees</li> <li>• Higher diplomas</li> <li>• National diplomas</li> <li>• National certificates</li> </ul>
<b>Further Education and Training Certificate (FETC)</b>		
4 3 2	Further Education And Training	<ul style="list-style-type: none"> <li>• National certificates</li> </ul>
<b>General Education and Training Certificate (GETC)</b>		
1	General Education and Training	<ul style="list-style-type: none"> <li>• Grade 9/ABET Level 4</li> <li>• National certificates</li> </ul>

Source: South African Qualifications framework 2005

#### 4.12 The roles of the SETA ETQA

- I. Accredit providers for specific standards or qualifications
- II. Promote quality amongst providers
- III. Monitor provision by providers
- IV. Evaluate assessment and facilitate moderation amongst providers
- V. Register assessors
- VI. Take responsibility for the certification of learners
- VII. Co-operate with the relevant body or bodies appointed to moderate across ETQAs
- VIII. Recommend new standards or qualifications to National Standards Bodies for consideration
- IX. Maintain a database acceptable to the Authority
- X. Submit reports to the Authority
- XI. Perform such other functions assigned to it by the Authority

#### **4.13 Background to the accreditation process**

In its widest sense, the term “accreditation” refers to the act of giving an individual or an organisation formal recognition of some sort or another. In the South African education and training context, accreditation is essentially a stamp of approval, indicating that the accrediting body (e.g. the PSETA ETQA) is satisfied that the accredited organisation (e.g. the provider) meets their requirements and can offer quality learning programmes against national standards registered on the NQF. SETA ETQAs are there to ensure that education and training providers applying for accreditation meet the required standards of quality in providing education and training to learners, and where providers meet these standards to recognise this by accrediting the provider.

#### **4.14 The Role of SAMDI in capacity building in the public service**

The South African Management Development Institute was established by the Public Service Act of 1994 and is the most important statutory body in the provisioning of public sector training and education. As part of the effort to promote the improvement and quality of its courses, SAMDI is required to compete with other providers. In the past, SAMDI’s predecessor, the Public Service Training Institute (PSTI), had a near monopoly over in-service management training in the public service. The need to challenge this monopoly by encouraging wider participation in the provision of training and development in the public service was advocated in the 1997 White Paper on Public Service Training and Education and is now enshrined in the Public Service Regulations.

The rationale was that if SAMDI competed with other providers this would serve to promote the improved quality of its courses. Since the end of 1994, the composition, structure and the role of SAMDI has been under review and an extensive process of restructuring has been carried out to enhance the relevance, quality and effectiveness of its programmes and to pave the way for

successful operation in a more competitive environment. To ensure self-sufficiency in the longer term, SAMDI charges departments for services rendered and operates on a trading account to compete equally with other training providers. It is anticipated that this process will lead to a gradual reduction in funding from government until it has sufficient capacity to be completely self-sufficient.

SAMDI was originally established as Schedule 2 department (with a Deputy-Director General as its head). After a number of years, the Ministry of Public Service and Administration took the decision in mid-1998 to incorporate SAMDI into the DPSA as a Chief Directorate. This de-scheduling of SAMDI was intended to lead to an improved alignment of its training activities with government priorities. In October 1999, however, SAMDI was re-scheduled as a fully-fledged Schedule 1 department. This elevation by Cabinet meant that, as a department, SAMDI was to be headed by a Director General. Cabinet also gave the directive that SAMDI should play a broader and critical role in management and organisation development, with the specific mandate to provide quality, customised training and development to the public service so as to ensure increased capacity for service delivery and the implementation of government initiatives aligned to national priorities.

Since 1999 SAMDI has transformed its exclusive training focus to a broader organisational development and performance perspective, designed to improve the quality and relevance of its programmes. In addition to training, this includes the provision of guidance, advice and mentoring on various aspects of management and organisational development. This new approach has entailed, amongst other things:

- I. Developing collaborative working relationships with managers in government departments (in particular HR departments) and other stakeholders

- II. Seeking to have a clear understanding of the vision and strategies that departments are striving to achieve
- III. Identifying the performance required of employees, if accelerated service delivery is to be achieved
- IV. Working with management and other personnel to determine the kind of training and other interventions required to deliver high quality performance.

#### **4.15 SAMDI's key objectives**

- I. To develop management and leadership skills across the public service
- II. To improve the provision of management and administration systems in the public service
- III. To enhance project and financial management competencies through an increased focus and understanding of customer services and the across the continent in support of government's NEPAD priorities, one of which is the development of effective and efficient public services
- IV. To fulfil the prescripts of its mandate, SAMDI is committed to working with and supporting the following primary clients:
  - V. Management, across all three spheres of government
  - VI. Line function managers, responsible for meeting service delivery objectives
  - VII. Line function managers, responsible for executing effective financial management practices
  - VIII. Human Resource Management and Development practitioners within government, who support the development of public sector learning organisations and facilitate the transfer of knowledge and workplace learning and development
  - IX. Frontline staff, who act as first point of contact to those accessing government services

- X. Provincial training institutes and Departmental training components.

#### **4.16 SAMDI Vision, Mission and Objectives**

SAMDI's **vision** is the creation of a self-sustaining Organisation Transformation Centre of Excellence for public sector service delivery. Its **mission** is to provide customer driven training and organisational development interventions that lead to improved public service performance and serviced delivery. Its **values** are to achieve quality, to respond to customer needs, to be effective and efficient, to promote a culture of learning, and to value and empower staff.

In working towards this vision and mission, SAMDI's key objectives are:

- I. To facilitate the building of a learning, innovative and accountable public sector.
- II. To work towards the ultimate self-sustainability of SAMDI through the implementation of a realistic cost recovery strategy in the next three to five years.
- III. To provide effective training, development and coordination of public service trainers in pursuance of a needs driven and value adding service.
- IV. To promote effective and efficient service delivery through.

#### **4.17 SAMDI Legislative Mandate**

The South African Management Development Institute is a Schedule 1 Department, established in terms of the Public Service Act of 1994, as amended by Public Service Amendment Act 5 of 1999, and in terms of Section 197 (1) of the Constitution, which provides that public services must function, and be structured, in terms of national legislation, and must loyally execute the lawful policies of the government of the day. SAMDI embraces and executes these directives. Chapter II of the Public Service Act mandates SAMDI to “..... provide such training or cause such training to be provided or conduct such examinations or tests or cause such examinations or tests to be conducted as the Head: South

African Management and Development Institute may with the approval of the Minister decide or as may be prescribed as a qualification for the appointment, promotion or transfer of persons in or to the public service.” This provision is encapsulated in SAMDI’s mission statement. Associated with the delivery of training and related services to national and provincial government Departments, as per a 1999 Cabinet Directive.

Cost recovery refers to the recouping of all or partial expenses incurred in the provision of training and development services from the recipients of such services. In addition, Cabinet stipulated that SAMDI should be self-sufficient, but the decision was not explicit on the sphere or scope of application. However, when this decision is read in conjunction with the Public Service Act, it can be concluded that SAMDI has to recover the cost of training and related services offered to the public service and government institutions.

However, some challenges remain in relation to the implementation of important ‘public good’ training programmes, for which Departments and Provinces have not budgeted, but which SAMDI is required to take forward by Cabinet or other directives. SAMDI’s legislative mandate has been substantially enhanced by the current focus within government on improving the capacity of the state to deliver on our developmental objectives. SAMDI understands that the building of human resource capacity within government must take place within a context of improving capacity levels within the organisation, as well as within the enabling environment. The Ministry for Public Service and Administration is uniquely placed to influence capacity improvement at all three of these spheres, and SAMDI is working with its colleagues within the Ministry, and within government more broadly, to meet these challenges.

#### **4.18 Historical overview on the development of SAMDI on the development of SAMDI**

In the Annual Report of 1999/00 it was recognised that SAMDI had come a long way. The report stated: *“We are moving (SAMDI) into a year with even greater challenges of transformation and change. SAMDI has now become a fully fledged department . . .”*. Previously, SAMDI shared facilities with the DPSA (in terms of a building, telephone system and information technology facilities). Eventually it became an independent department with its own infrastructure and facilities. However, this was a slow process and SAMDI was always seen as part of DPSA. SAMDI’s spending declined from R 24,6 million in 1998/99 to R 14,5 million in 1999/00 as a result of the suspension of training programmes and its incorporation into DPSA.

In the strategic overview of SAMDI in the Annual Report of 2000/01 it was stated that: *“Almost all training courses except provisioning administration were suspended at the end of 1998. SAMDI then functioned as an integral part of the Department of Public Service and Administration. Following a directive from Cabinet and the Minister for Public Service and Administration, the appointed Director-General was tasked with the development and implementation of a turnaround strategy for SAMDI. The strategy would aim to transform SAMDI into an effective organisation responsible for management development and training throughout the Public Service. As part of this strategy SAMDI would charge for some of its services and recover an increasing portion of its cost”*.

SAMDI received approval from the Minister of Finance to operate a Trading Account from 1 April 2002. It was a challenge to implement the cost-recovery strategy and there was resistance by government departments who could not understand the need to pay another department (i.e. SAMDI) for services rendered. Consequently, some scheduled courses were cancelled.<sup>5</sup> During 2001/02 SAMDI also received donor funding and its systems were aligned to

ensure compliance to the European Commission modalities. This turned out to be in conflict with the cost recovery strategy. Integrated procurement and financial systems were, as a result, not established. The revenue generated was R 1 782 685 and payments of R 258 213 were effected.

In the 2002/03 financial year, SAMDI encountered the following challenges: *“Firstly the cost-recovery strategy required adjustments of the structure, but also a paradigm modification in terms of culture, values and customer focus.*

*The need to accelerate and enhance the quality assurance in the products and services that SAMDI offers became an inevitable reality. Programmes had to be aligned according to SAQA requirements and in compliance with skills development legislation (Annual Report, 2002/03)”. SAMDI developed a strategy and for the first time progress was made by the establishment of integrated systems whose key functions were in line with government transformation imperatives.*

A review of the 2003/04 financial year indicated that SAMDI had moved to a new level. Significant progress was made within the Institute to establish appropriate curricula development and quality assurance mechanisms that take into consideration the SAQA alignment and the need to meet the requirements of accreditation agreements with PSETA. There was also the standardisation of systems and procedures and the recognition of the need for appropriate information technology infrastructure to support SAMDI's business operations.

The training model allowed SAMDI to formulate and implement a set of comprehensive skills and institutional development solutions, which derive from an assessment of the institutional needs of clients. In the design configuration, the assumption is made that SAMDI will become a supportive and knowledge intensive organisation.

By the end of 2005, institutional mechanisms were established to support and enhance the internal processes related to the delivery of training and development programmes in the public sector. These mechanisms included the redesign of SAMDI's quality development and assurance system and the streamlining of the monitoring and evaluation function through the implementation of an electronic statistics system, and the development of a blueprint to establish e-learning capacity for SAMDI. The first signs of the effort put into the delivery of training and development was clear from statistics provided. SAMDI trained 15 494 public servants which translates into 70 552 person training days (PTDs).

During 2005/06 the focus on improved systems for delivery of training continued with the establishment of a quality management system for training delivery. Attention was paid to strengthening partnerships and improving the management of SAMDI's associates, for example, developing proper contracts. The evaluation of training programmes indicated that SAMDI's training had improved in terms of relevance and, consequently, was being well received by the client departments. The implementation of learning in the workplace was viewed as a responsibility of both individuals and departments.

In the period since 1999, SAMDI has undergone a process of repositioning and realignment. In addition to its own internal capacity building, this has entailed the development and adoption of new models for training and development, based on an extensive evaluation of past performance and an assessment of current and future challenges. Amongst other things, this evaluation demonstrated that the traditional approach of marketing a set of predetermined courses from which departments make their choices has had a limited impact on performance, productivity and service delivery. SAMDI's new model entails active collaboration with client organisations to formulate a set of comprehensive skills and institutional development solutions, and to assist in delivering these. These

activities are explicitly grounded in the strategic plan of the client organisation and seek to foster a convergence between mission, strategic plan, HR plan and skills development strategy. The new model therefore seeks to locate the skills development strategies of individual client organisations within the overall skills development strategy for the public sector and the Government's programme of action.

#### **4.19 The Role of Higher Education Institutions in Public Service Training and Education**

This section focuses on the process of higher education policy development in post- election South Africa during the period 1994-2006. Aspects of the policy development process that focused on eliminating the legacies of apartheid and those that are typical of countries committed to broadly based, quality higher education will be discussed.

Higher education is one of the most important activities organised in modern societies. It creates a demanding but rewarding environment in which individuals may realise their creative and intellectual potential. Through high-level training across the disciplines, it equips people with the necessary knowledge, skills and values to play a wide range of social roles and to become effective citizens. Through research and the production of knowledge, higher education provides a society with the capacity to innovate, adapt and advance.

In fact, the ability of any higher education system to discharge these functions - to meet people's learning needs, to develop and transmit appropriate skills, and to create relevant and useful knowledge - is a key index of a society's cultural, social and economic vitality and well-being. There is a high correlation, globally, between excellent higher education and overall national achievements in development, growth, competitiveness and welfare. In South Africa, the crucial challenge is to ensure that higher education can play this role, that it can

succeed in stimulating, directing and utilising the creative and intellectual energies of the entire population.

The contribution of HEIs to the public sector lies in their ability and potential (Mulumba 2002, 54):

- i. To equip students, through their formal undergraduate and postgraduate programmes, with high-level critical and analytical skills and competencies, as well appropriate attitudes and values that can enable them to become successful leaders, managers and change agents in the public service.
- ii. To carry out critical and innovative research and knowledge generation on the broad issues of governance, public policy, and public administration and management, that not only informs their own teaching but can also usefully inform policy making in the public sector.
- iii. To provide more specialised short courses, based on their particular expertise, that are tailored more specifically than their formal academic programmes to the professional and technical competencies and skills required by the public sector

The ability of institutions of higher learning to fulfil this potential depends on a number of conditions, including the calibre and commitment of their staff and students, as well as the quantity and quality of their facilities and resources. Another key condition, however, is the development of successful partnerships between HEIs and government institutions (and particularly training institutions), based on respect and trust, and the mutual recognition of the related but distinct roles that the two kinds of institutions play in society. Government needs to recognise that academics, though publicly funded, not only value their academic freedom but need it to carry out their work effectively, even if this means that their teaching programmes and research are not designed primarily to serve the specific, immediate and instrumental needs of the public sector.

According to the Green Paper on higher education transformation (1996) the purpose of higher education is:

- i. To meet the learning needs and aspirations of individuals through the development of their intellectual abilities and aptitudes. Higher education equips individuals to make the best use of their talents and of the opportunities offered by society for self-fulfilment. Higher education is thus a key allocate of life chances.
- ii. Higher education provides the labour market, in a knowledge-driven and knowledge-dependent society, with the high-level competencies and expertise necessary for the growth and prosperity of a modern economy. It teaches and trains people to fulfil specialised social functions, enter the learned professions, or pursue vocations in administration, trade, industry and the arts.
- iii. Higher education is responsible for the socialisation of enlightened, responsible and constructively critical citizens. Citizenship of this nature presupposes a commitment to the common good, but it also implies a reflective capacity and a willingness to review and renew prevailing ideas, policies and practices.
- iv. Higher education is directly engaged in the creation, transmission and evaluation of knowledge. Its purpose is to ensure the continued pursuit of academic scholarship and intellectual inquiry in all fields of human understanding, through research and teaching.

South African higher education should be planned, governed and funded as a single coordinated system. This requires the adoption of a range of new governing, planning and funding arrangements. The task is enormous, and will require sustained commitment to transformation from all who work in higher education. Yet while the challenge is great, so too is the opportunity that higher education can provide the cutting edge of the larger transformation of the nation's political, social and economic order.

To preserve what is valuable and to address what is defective requires transformation. The system of higher education must be reshaped to serve a new social order, to meet pressing national needs, and to respond to a context of new realities and opportunities.

In order for such expansion and transformation to be effective, and to deliver the required results, redress is a further imperative. Redress must operate partly in terms of access: it must ensure that no-one with the capacities to succeed in higher education is barred from doing so. And redress must also operate at the institutional level, in ensuring that inherited inequities and disparities are identified and addressed.

#### **4.20 Higher Education's Apartheid Legacy**

The existing higher education system in South Africa is profoundly shaped by its past. A highly unequal society evolved during centuries of colonialism and exploitation, and was stamped with extreme forms of segregation and discrimination during the decades of apartheid. Racial differentiation and discrimination within higher education created a divided and fragmented system in which:

- I. Resources were inequitably and inefficiently allocated.
- II. Governance structures were undemocratic.
- III. Access was highly skewed on racial lines.
- IV. There was a lack of coordination, common goals or systematic planning.
- V. There was an inability to respond to the economic and social needs of the majority of the population.

These are the negative consequences of the apartheid legacy on higher education. At the same time, it must be noted that these distortions do not mean South African higher education has no positive features. The country possesses the most developed and best resourced system of education and training in

Africa, and some higher education institutions have developed internationally competitive research and teaching capacities. Their academic expertise and infrastructure should be regarded as national assets. It would be detrimental to the national interest and the future provision of quality higher education if the valuable features and achievements of the existing system were not identified, retained and used in the restructuring process.

Under apartheid, education was divided along racial/ethnic lines, excluding blacks from quality academic education and technical training. The Extension of University Education Act of 1959 applied this ideology to higher education. New universities were created, for African, coloured and Indian students, who were permitted entry to white universities only to pursue programmes not offered at black universities. Technikons, created from 1978 onwards, were also developed within the apartheid framework. The higher education sector reviewed by the NCHE comprised 21 universities, 15 technikons and about 140 single discipline vocational colleges (education, nursing and agriculture), all divided on racial lines.

Boundaries between the university, technikon and college sectors were defined according to their different functions:

- I. Universities educate students in scholarly disciplines with a view to high-level professional training, and engage in basic scientific research.
- II. Technikons train students in the application of knowledge with a view to high-level career training, and engage in developmental scientific research.
- III. Colleges prepare students for specific vocations such as nursing, teaching and policing, and are not expected to conduct research.

The existing higher education system has been described as an 'inverted pyramid' in that the enrolment figures for students in the college, technikon and university sectors respectively are in inverse proportions to patterns in many other countries. That black students are underrepresented at technikons and

technical colleges is a direct result of those apartheid policies that reserved certain occupations and the acquisition of the relevant skills for whites. Furthermore, there has to be a shift in programmes largely from the humanities towards the natural sciences, engineering and technology at these institutions.

**Inequalities in the system:** The system outlined above has generated many racial and gender inequalities in higher education (which also give rise to inefficiencies and ineffectiveness within the system). These include:

**Access:** The first and most obvious inequality concerns access to higher education. Participation rates indicate stark and persistent racial inequalities in student access. Racial inequalities in access also exist across disciplines and are most pronounced at the more senior levels of study. Black students are notably underrepresented in natural sciences, technology and engineering.

**Outputs and throughputs:** Student access and student outputs are uneven across the higher education system. In 1993, 42% of qualifying students from the Historically Black Universities (HBUs) earned undergraduate diplomas - indicating that many did not meet the entrance requirements for degree studies - while only 2% of qualifying students from the Historically White Universities (HWUs) were in this category. The throughput rate (which measures the proportion of enrolments graduating in a given year) is an internationally accepted indicator of efficiency in higher education. Low throughput indicates high drop-out and/or failure rates, and HBUs have significantly poorer throughput rates than HWUs, from bachelor to doctoral degrees.

**Staff:** The staff composition in higher education bears little relation to demographic realities in South Africa, but reflects the racial and gender inequalities of the broader society. Taking the sector as a whole, the trend is that positions with greater prestige, status and influence are dominated by whites and men. The prevailing underrepresentation of black people and women in

academic positions is of great concern for two broad reasons. Firstly, it flies in the face of equity and cannot be justified on moral grounds. Secondly, by artificially narrowing the potential skills base it flies in the face of successful development.

**Research and research outputs:** Further evidence of unjustifiable inequalities in the higher education system is provided by the research outputs of universities and technikons. The HWUs appear to have an overwhelming dominance in most fields of research. In 1993 they employed 51% of academic staff in the university and technikon sectors, but produced 83% of research articles and 81% of all masters and doctors graduates. The Ministry is concerned that research in South Africa is insufficiently connected to the needs of society. The White Paper on Science and Technology demonstrated the extent to which South African research has failed to keep up with the demands of technological progress and to address, in particular, the social and economic needs of the majority of the population.

**Governance:** In keeping with apartheid policy, universities, technikons and colleges were racially segregated and placed under the control of different departments. No fewer than fifteen departments of education were responsible for aspects or sections of the higher education system. This resulted in a fragmented, inefficient and ineffective system, with little coordination, few common goals and negligible systematic planning. Further divisions within the system sprang from the differential relations between the state and institutions. At the level of institutional governance, democracy and participation have been limited. The participation and representation of staff and students in institutional governance structures and procedures have varied from limited to nonexistent.

#### **4.21 The policy challenges of transition and globalisation**

The transformation of higher education must be conceptually located, and carried out, within the broader process of South Africa's political, social and economic transition. That broader process includes political democratisation, economic development and reconstruction, and social policies aimed at redistributive equity. This national agenda, in turn, must be pursued within a distinctive set of pressures and demands characteristic of the late twentieth century - often typified as globalisation. This term refers to the intensification of worldwide social relations and to multiple changes in the economy, culture and communications of advanced economies. The associated 'knowledge society' has particular implications for the higher education system. Particularly in the context of higher education, developments in information technology effectively break down national boundaries and those between institutions. Access to higher education is not necessarily determined by physical space and location.

#### **4.22 Development of a policy framework for transformation of the higher education in South Africa**

There have been extensive discussions post 1994, which have formed the basis of many Green and White papers. These discussion papers deliberate on the development of a coherent framework for transformation of higher education in the country. The central focus in all White Papers and Green papers rests on the integration of the education and training system. In all the papers emphasis was expressed for the development of Further Education Training (FET) to be implemented with a view to be planned and co-ordinated as a comprehensive, interlocking sector that provides meaningful educational experiences to learners at the postcompulsory phase. All White Papers provides a vision and policy framework for this nationally co-ordinated system of FET.

Some of the Green and White papers which have given expression for the need to establish a FET include:

- I. White Paper on Education and Training, March 1995,
- II. Green paper on Further Education and training Preparing for the Twenty First Century Through Education, Training and Work 15 April
- III. White Paper 3- A Programme for Higher Education Transformation,
- IV. Education White Paper 4- A programme for the Transformation of Further Education and Training 1998
- V. Green paper on higher education transformation December 1996
- VI. Education White paper 6 Special Needs Education Building an inclusive education and training system July 2001

According to the White Paper 4- A programme for the Transformation of Further Education and Training 1998 the concept of FET is broad and inclusive. It is designed to promote the integration of education and training, and to enhance learner mobility and progression, which are at the heart of the NQF. FET includes learning programmed that will be registered on the NQF from levels 2 to 4, and that will correspond with the present Grades 10 to 12 in the school system and N1 to N3 in the technical college system.

The most significant conceptual change from the current system is that the development of the nationally co-ordinated system will be premised on a programme-based definition of FET. This approach is consistent with the development of the NQF as provided for in the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995) and the programme-based definition of the HE system, as provided for in the Higher Education Act, 1997 (Act No. 101 of 1 997).

Therefore, FET comprises all learning programmed leading to qualifications above the proposed General Education and Training Certificate (or the current Grade 9 level) up to and including the Further Education and Training Certificate (or the current Senior Certificate or Grade 12 level).

This definition recognises that FET:

- I. Takes place in a multiplicity of institutions, such as senior secondary schools, technical schools, 'finishing schools', technical, community and youth colleges, public adult learning centres, non-governmental organisations, training trusts, regional training centres and private providers that deliver training funded by the Department of Labour and private, for profit colleges;
- II. takes place through the use of different modes of learning, attracting a diverse body of learners; and is fully compatible with all the modes and functions of FET, including learning and teaching in education and training institutions, distance learning and work-based education and training, with a view to career development, access to HE, lifelong learning and personal and community development.

**The central features of the new system are:**

- I. A new governance framework;
- II. A new framework for programmed and qualifications;
- III. A new quality improvement and assurance institution; and
- IV. A new funding system that will provide an important lever for system change.

#### **4.23 A new governance framework**

This new framework will be based on the principles of co-operative governance. It will provide for a strong steering, co-ordinating and developmental role for Government, substantial powers for FET institutions, and partnerships between Government, organised business and labour, and communities.

A regulatory framework will be established under the Further Education and Training Act, 1998, to ensure that only private institutions with the necessary infrastructure and resources to provide and sustain quality FET programmed will be registered. Such programmes will need to be accredited through procedures

established by regulations in terms of the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995).

#### **4.24 Changing learning and teaching through the NQF**

The NQF is designed to promote the integration of education and training, offer multiple entry and exit points to learners and ensure learner mobility and the portability of credits. The NQF provides the framework for the development of a new, integrated FET curriculum, which will offer a flexible mix of fundamental, core and elective learning to meet the needs and requirements of learners, employers and HE institutions.

In keeping with the requirements of the regulations under the South African Qualifications Authority Act, 1995 (Act No. 58 of 1995), all FET qualifications will comprise three basic components, namely fundamental, core and elective learning.

- I. Fundamental learning will provide the knowledge and skills that are the foundation for all learning at the level concerned. It includes language and communication, life skills and mathematical literacy.
- II. Core learning is concerned with the specific, core knowledge and competencies required for the completion of a particular qualification.
- III. Elective learning will offer the learner the opportunity to complete additional, optional credits, which may be of personal interest or professional relevance, or which open the door to a range of possible career and occupational choices.

The new FET curriculum will offer multiple entry and exit points and a diversity of learning programmes and qualifications to meet the varied needs of learners in different fields and at different stages of their lives. The combination of fundamental, core and elective learning will determine the breadth and depth of a learning programme and a qualification. A more flexible approach to the determination of programmes and qualifications will be introduced. Learner

choice will only be limited by the need for coherence, adequate depth of learning, the requirements of further and higher learning, and work.

A modern and progressive framework for the recognition of prior learning (RPL) will be developed, so that those who have been denied formal opportunities for learning and those who have developed their knowledge and skills through self-study or work experience, can be given credit and obtain a qualification without unnecessary duplication of effort, expense or wastage of time.

The FETQA will collaborate with the Sector Education and Training Authorities provided for in the Department of Labour's Skills Development Act to ensure quality assurance across the FET band.

#### **4.25 A new funding framework**

Funding will be a key instrument for influencing the responsiveness of FET institutions to the achievement of national goals, the enhancement of the performance of the system, the widening of participation and the promotion of equity and redress. since the public funding of the FET system is the responsibility of provincial education departments, the new funding framework must be expressed in tie form of national policy, including norms and minimum standards, by the Minister of Education after proper investigation and consultation. This will be done in terms of the Further Education and Training Act, 1998. Actual budgetary allocations to FET institutions will be made by provincial education departments in terms of the Medium-Term Expenditure Framework (MTEF) budgetary principles and in line with agreed plans and priorities.

#### **4.26 The Need for Change**

The role, functioning and performance of SAMDI, HEIs, the PSETA, provincial training institutions and other training providers shows that visible progress has

been made in the area of public sector training and education in the period since 1994. However, this has nevertheless fallen way short of the expectations and strategic priorities set out in the White Paper on Public Service Training and Education (WPPSTE), the DPSA's HRD strategy for the public service, and other policy documents related to national skills development.

The system of public service training that currently operates in South Africa clearly fails to demonstrate, for example, that it is "strategically planned and well coordinated, effectively organised, coordinated and accredited nor has it come close as yet to meeting the requirements in the public service human resource development strategy to ensure that the "norms, values, attitudes and orientations of public servants," are in line with the objectives of the development state, or to ensure "the effective integration between strategic planning, budgeting, HR strategy, HR development, institutional systems and structures and monitoring and evaluation."

The outcome, in many ways, is that the current system of public service training continues to be characterised by many of the weaknesses, particularly in relation to the sub-optimal efficacy of the institutions charged with skills development in the public sector, inadequate linkages and partnerships between government and training providers, and the fact that training is very often of doubtful relevance, rarely focused on carry-through impact or accompanied by post-course support, and often facilitated or taught by people who have a very limited understanding of the public sector. If these continuing weaknesses are not resolved, the consequences for the Government's development objectives will clearly be obvious.

#### **4.27 History of DPLG Development**

The Department of Provincial and Local Government previously known as the Department of Constitutional Development started as a mere think-tank in the

Office of the President in the early 1980s. Its responsibilities were defined in terms of constitutional advice to the then government to transform South Africa to a multiparty democratic state. In 1983, when tasked with the implementation of the 1983 Constitution, this think-tank was amalgamated with a number of chief directorates from various state departments to become the Department of Constitutional Development and Planning. Throughout the latter part of the 1980s it continued to advise the government of the day on the structuring of the eventual process of constitutional development in South Africa. DPLG annual report (2003-2004, 5)

In the early 1990s the think-tank was further amalgamated and was officially named the Constitutional Development Service (CDS). The aim of the CDS was to render an administrative, planning and advisory service. In 1991 the emphasis fell on the approach to negotiations in South Africa, in 1992 substantive negotiations commenced. During that year the staff of the CDS provided secretarial, logistical and administrative services to the activities of the Convention for a Democratic South Africa (Codesa) and its various working groups. Simultaneously staff members rendered support services for bilateral discussions between the then government and various political parties and organisations that had participated in Codesa, as well as talks with parties which had at that stage not yet taken part in the negotiating process. DPLG annual report (2003-2004, 5)

Complementary to these services, the CDS continued its constitutional literacy and election information campaigns, which were initiated in 1991. In February 1992, although there was no change to its name, the CDS became a full department. In 1993 the CDS, in addition to the logistical, financial and procurement services rendered to the negotiating process, rendered specialist inputs to the negotiating process through research and advice on constitutional issues. It also prepared legislation and provided support services for multilateral

and bilateral negotiations between the then government and various political parties, organisations and groupings. DPLG annual report (2003-2004, 5)

In 1993 the negotiating process culminated in a historic session of Parliament, at which the Constitution of the Republic of South Africa, 1993 (Act 200 of 1993) was tabled on 17 December 1993. Together with other departments, the CDS also made preparatory arrangements for the establishment of the Transitional Executive Council, which was brought into being with a view to levelling the political playing field in the run-up to the historic elections held in April 1994. DPLG annual report (2003-2004, 5)

In 1994 the CDS became known as the Department of Constitutional Development. Its objective was defined as the management of the implementation of a democratic constitutional dispensation for all tiers of government in South Africa.

In terms of its objective it assumed overall responsibility for the implementation of the Constitution of 1993, which came into operation on 27 April 1994. Components of the department also contributed in various ways to the implementation of the new democratic government's reconstruction and development programme. During the first few months of 1994, the department continued to provide support to the constitutional negotiating process. DPLG annual report (2003-2004, 5)

The period 1995-96 was important because of the first democratic local government elections. The department's staff was involved in supporting the elections task group and the national finance, demarcation, communication and voter-education task teams. The department also assisted financially essential local government services and the extension and upgrading of municipal infrastructure. The most important projects in the field of intergovernmental relations in 1995 were a provincial capacity-building programme and the creation of the Intergovernmental Forum. In 1995 preparatory steps were taken for the

establishment of the Council of Traditional Leaders and the houses of traditional leaders in the various provinces. DPLG annual report (2003-2004, 5)

The primary **mandate** of the Department is-

To develop and monitor the implementation of national policy and legislation seeking to transform and strengthen institutions of governance to fulfil their developmental role;

To develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery within government; and

To promote sustainable development by providing support to provincial and local government.

The **vision** of the department

The vision of the Department of Provincial and Local Government is to have an effective and integrated system of government consisting of three spheres working together to achieve sustainable development and service delivery.

The **mission** of the Department is to:

- I. Develop and promote systems and structures of effective governance, particularly at the local sphere; and
- II. Develop and promote a system of integrated government between the spheres of government.

The Department of Provincial and Local Government plays a significant role in the overall functioning of government as a whole. Its **core functions** are to:

- I. Facilitate and promote coordination among National Departments, Provincial Governments and Local Governments; and
- II. Provide support to Provincial and Local Governments in fulfilling their constitutional mandates.

The mandate of the Department of Provincial and Local Government places it at the coalface of government interaction with municipalities in the country. The Department is spearheading and leading the transformation of local government. In the last few years, an enabling legislative environment has been created for the transformation of local government through the passing and implementation of the following Acts of Parliament:

Local Government: Municipal Demarcation Act, No 27 of 1998.

Local Government: Municipal Structures Act, No 117 of 1998.

Local Government: Municipal Systems Act, No 32 of 2000.

These Acts were based on the principles contained in the White Paper on Local Government, which sets out the basis for the establishment of a democratic and developmental local government.

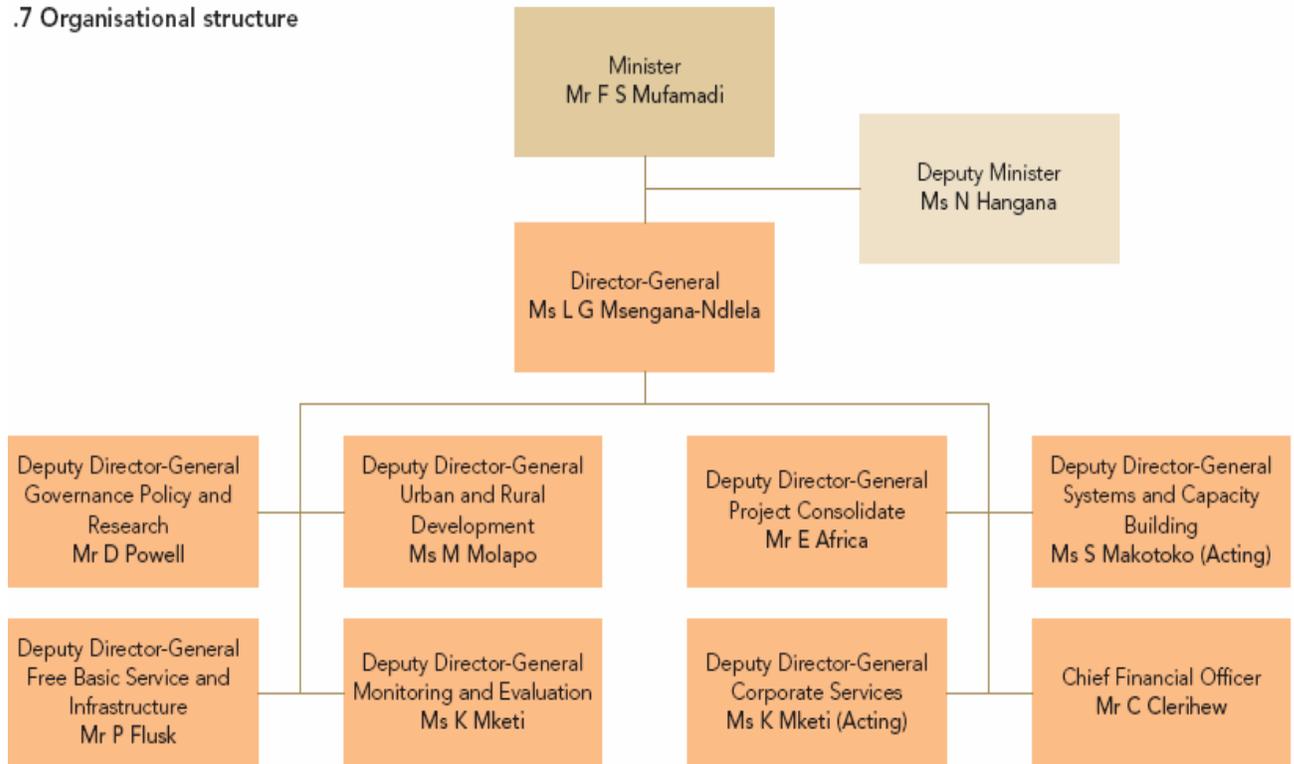
Parallel to changing the legislative environment, a number of support mechanisms and systems have been put in place, such as:

- I. The Equitable Share for Local Government.
- II. The Consolidated Municipal Infrastructure Programme.
- III. The Municipal Infrastructure Investment Unit.

In order to address the challenges of poverty and unequal development in the country the Department has been given a role to co-ordinate and oversee the implementation of both the Integrated Sustainable Rural Development and Urban Renewal Programmes.

To strengthen the system of Inter Governmental Relations, a number of institutional mechanisms have been identified and established such as the President's Coordinating Council. In addition, a new approach has been adopted to the manner of government which emphasizes integration.

.7 Organisational structure



Source: DPLG annual report 2006

4.28 Summary

This chapter aimed to provide a detailed explanation of how economic growth is dependant on an efficient public service and consequently how the lack of administrative capacity can impose serious constraints on developmental policy. In doing so the need for state intervention was clarified by explaining the theory of a developmental state. The various theories of government failure to execute policies were also expanded upon. One of the significant theories that were discussed was the public choice theory, which draws heavily on agency theory, which views the public sector as an interlocking series of principal agents. Agency failure arises because agents lack the incentives needed to enter into contracts. The Ncholo Report finding provided an analysis of state incapacity. The report was also conceptualized in the language of public choice theory. The report emphasised that policy makers can react to governmental failure by

promoting practices of New Public Management, which essentially is contractualist approach.

The critical need for the implementation of Affirmative Action policies and the need for redress were also discussed. The legislative framework for skills development was explained. The National Skills Developmental strategy, which is driven through various legislation and further given expression through Human Resource Developmental Strategies was elaborated on. Some of the skills that are required to fulfill the needs of a developmental state include hard skills such as leadership, policy formulation and analysis, strategic thinking and planning, project management, business planning and financial and human resource management. Some of the soft skills required include numeracy, customer service, computer skills, interpersonal relations, conflict resolution, public service ethics and race and gender awareness

The framework for training in the Public Service was elaborated upon. This chapter also explained the current state of skills development in the public service. There have been encouraging signs of progress in working towards the policy objectives for training and skills development. Despite these positive indicative trends, there is no doubt, however, that the public service, continues to experience serious skills shortages and constraints. If not addressed urgently, this situation will clearly undermine the processes of transforming society and building a developmental state in South Africa. A much more concerted effort will be needed from all stakeholders if the above constraints are to be addressed in ways which enable the public service to meet its objectives and strategic priorities for public service training, skills development and HRD, and to create the kind of multi-skilled, flexible, adaptable and versatile organisation that is required to meet the challenges of the developmental state.

The phenomenon of skills migration and brain drain was also examined. The Public Sector is the hardest hit in this phenomenon in that it faces a brain drain

into the Private Sector and to the world. The Public Sector competes with Private Sector on scarce skills. To win the game the Public Sector will have to improve on its salary packages, address the deteriorating working conditions or compensate for lower standards and engage professional bodies for recognition of public sector experience. HIV and AIDs also remain to be a key threat to planned and targeted strategies for attraction and retention of scarce skills,

The role of higher education institutions in public service training and education was discussed and the role and performance of SAMDI. The ability of institutions of higher learning to fulfill this potential depends on a number of conditions, including the calibre and commitment of their staff and students, as well as the quantity and quality of their facilities and resources. Another key condition, however, is the development of successful partnerships between HEIs and government institutions. HEIs are often too far removed from the 'coal face' and are thus out of touch with the needs of a rapidly evolving modern public service, the high number of graduates unemployed in the country is indicative of a misalignment of their programmes with skill requirements of the public (and private) sectors. HEIs do not necessarily fully understand or embrace the values of the public sector and are therefore not in a position to fully build the sense or mission, purpose and corporate identity those public servants require.

HEIs and other training providers have made a definite, though variable, contribution to meeting the training and skills development needs of the public service, however, the situation remains far from satisfactory. Of particular concern is the fact that these various training providers have been operating without a coherent and well-coordinated national institutional framework to guide and integrate their work, to mobilise them around a set of common goals, standards and sense of purpose, to measure and address the impact of their activities, or to guarantee quality assurance.

The system of public service training that currently operates in South Africa clearly fails to demonstrate, for example, that it is “strategically planned and well coordinated, effectively organised, coordinated and accredited nor has it come close as yet to meeting the requirements in the public service human resource development strategy to ensure that the “norms, values, attitudes and orientations of public servants,” are in line with the objectives of the development state, or to ensure “the effective integration between strategic planning, budgeting, HR strategy, HR development, institutional systems and structures and monitoring and evaluation.” The outcome, in many ways, is that the current system of public service training continues to be characterised by many of the weaknesses that were outlined earlier, particularly in relation to the sub-optimal efficacy of the institutions charged with skills development in the public sector, inadequate linkages and partnerships between government and training providers, and the fact that training is very often of doubtful relevance, rarely focused on carry-through impact or accompanied by post-course support, and often facilitated or taught by people who have a very limited understanding of the public sector. If these continuing weaknesses are not resolved, the consequences for the Government’s development objectives will clearly be obvious.

## CHAPTER 5: ANALYSIS OF CASE

### 5.1 Introduction

The past thirteen years of democratic rule in South Africa have been characterised by policy making and legislative reform aimed at meeting constitutional imperatives. One of the central programmes of reconstruction is the development of human resources. Within the public service this programme has been addressed by a number of policies and laws, however the building of the developmental state remains a challenge for South Africa. The Ten Year Review conducted by the Presidency of the Republic of South Africa identifies the need for delivery within the public service during the second decade of democracy and urges government departments to “focus on practical implementation as distinct from setting out a policy framework which now exists, through the adoption of project management practices and community development works”. To enhance the implementation of strategic objectives and outputs in departments, capacity building coupled with enabling processes for improving the delivery of services on provincial and local government levels is critical.

It is within the above context that this chapter aims to give an analysis of the state of skills in the South African public service. The chapter will begin by discussing findings on employment experiences of graduates; thereafter an evaluation of the higher education framework in South Africa will be undertaken. A closer look at the framework for skills development and training in the public service will also be explored. The findings relating to graduate employment experiences includes the period it takes them to find employment, the factors that influence employability, the types of jobs they find, their own perceptions of the relation of the level of jobs they found both to their qualification and the sectors of employment. This section also explores the mobility in the South African labour market as well as moving abroad and the reasons for this choice. The role of the public sector as an employer will also be explored. This chapter will also to give a comprehensive analysis of the Higher education initiatives, specifically Further

Education Training colleges (FET). A critical analysis of institutions created to promote training and skills development in the public service such Public Service Sector Education and Training Authority (PSETA), South African Management and Development Institute (SAMDI), will be explored adjacent to their performance against their mandates with the objective of establishing their effectiveness. The case of the Department of Provincial and Local Government (DPLG) will be used to demonstrate the point that career management programmes are lacking in the public service and this fuels the increase in turnover of staff. Also the DPLG will be used to illustrate that external consultants are used to provide training and not SAMDI and PSETA, these occurrences within the DPLG will be interrogated. Finally the National Skills Development Strategy (NSDS) will be evaluated to determine its effectiveness in tackling the serious challenge of skills in South Africa.

## **5.2 Employment Experiences of Graduates**

People with higher education experience a persistent advantage in the labour market. Their likelihood of being unemployed is low; and when this does occur, the period of unemployment is of relatively short duration. When they are employed it is often in relatively better paid jobs. Such employees also gain in terms of knowledge and experience, which further benefit them in the job market. However, this advantage is not experienced by all segments of people with higher education, as there are differentiations by race and gender. By regularly surveying graduates, a picture can be built up of their entry into and progression through the labour market. McGrath (2004, 24)

A regular graduate tracking system can potentially provide prospective and current students, as well as employers, with in-depth information on the way in which the graduate labour market works, thus helping them to make realistic plans. It would also help planners to develop longer-term strategies for the development and retention of people with the necessary levels of knowledge and

skill. This focus on graduates is essential, given the considerable resources invested in their education by both the public and private individuals.

This section presents findings on employment of graduates and includes the period it takes them to find employment, the factors that influence employability, the types of jobs they find, their own perceptions of the relation of the level of jobs they found both to their qualification and the sectors of employment. This section also explores the mobility in the South African labour market and its influences as well as moving abroad and the reasons for this choice.

According to McGrath (2004, 25) the outlook for graduate employment is influenced by three important demand and supply factors. The first is the growth in the number of jobs requiring graduate level education, the second is the number of new graduates coming on to the market, third is the ability of new graduates to make connections with the job openings. Increases in the number of jobs requiring graduate level education arises largely from growth in industries with occupations requiring a degree, and upgrading of jobs as skills required become more complex because of technological change or new business practices.

The structural changes in the economy, which is influenced by varying patterns of demand as some sectors expand while others contract, also impact on the demand for people with higher qualifications. Structural changes in the economy, such as the decline in the contribution of primary sectors to Gross Domestic Product (GDP) and the increasing share provided by the secondary and tertiary sectors, have played a major role in influencing changes in the structure of demand (Mazumbdar and van Seventer, 2002). These in turn are significant drivers of employment trends, consequently affecting the demand for people with higher qualifications.

Changes in the occupational structure of the workforce indicate a strong growth in employment of people with higher qualifications. Labour market employment trends in South Africa indicate that employment is skills biased, and that professionals are among the fastest growing occupational category (Bhorat et al, 2001). Between 1995 and 1999 professionals (72.6%), managers (37.8%) and crafters (25.2%) had the highest increases in employment, compared with an increase of only 7.6% increase in elementary work employment, and a decline of 4.5% in the employment of clerks (Poswell, 2002). However while employment of professionals has increased during this period, there were differences within racial groups. African professionals experienced a decline in employment while all other race groups experienced an increase in employment between 1995 and 1999 (see table below). While the increase in the employment of whites, Asians and coloureds has been the result of technological and business changes, the drop for Africans has been as a result of structural changes.

Poswell (2002) attributes the decline in employment of African professionals during this period to restructuring that resulted in a decline in total employment in the public sector which is the largest employer of African professionals. There were also differences in employment patterns by gender. Women have increased their participation in the labour force by 29.8% compared to 18.5% for men. This increase, however translates into poor labour absorption rates as 42.8% of women seeking work were unable to find it in 1999, compared to 29.7% of men.

Tertiary Employment Growth by Race, 1995 to 1999		
Race	Change	% Change
African	-77 121	-11.84%
Asian	9 193	15.16%
Coloured	2 606	3.10%
White	66 741	10.25%
Total	6 380	0.45%

Source: Bhorat (2001) cited in Poswell (2002)

The supply side also has a significant impact on the outlook for graduates. There was a significant increase in the percentage of the economically active population during the period 1994-1998. Africans had the largest increase in both absolute and percentage terms (27.2%), compared to 22.1%, 18.3% and 10.0%, for Asians, coloureds and whites respectively (Poswell, 2002). The number of degrees and diplomas awarded by public institutions of higher learning also increased by about 29% between 1992 and 1996, but declined by about 5% between 1996 and 1998. The number of degrees, diplomas and certificates awarded to Africans increased from 30% to 49% between 1994 and 1998, whereas those awarded to whites during the same period decreased from 56% to 40% (SAIRR, 2002). However, this increase in numbers of African graduates and decline of white graduates is skewed. Most African students still graduate with a three-year university bachelor's degree, thrusting them into middle-level bureaucratic or technical positions in industry and the civil service Cooper (2001, 45).

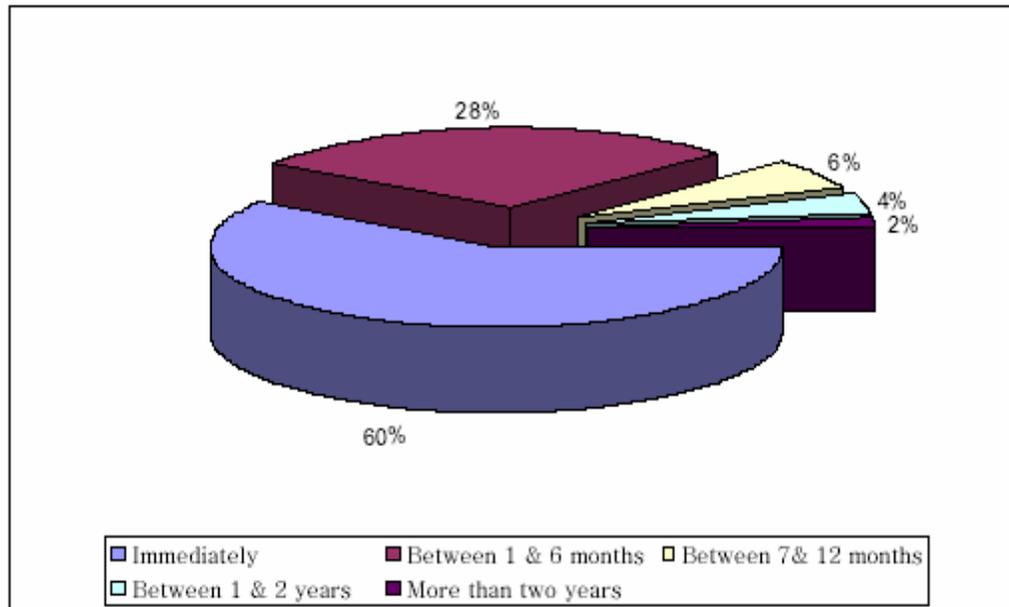
Students begin their studies with the hope that a higher education qualification will help them get a job. This hope is influenced by important changes in the occupational and industry structure and changes in the supply of higher education graduates. These factors do to a large extent influence the employment experiences of graduates. Graduates' experiences are also influenced by the relationship between their qualifications and the information they convey in the labour market. McGrath (2004, 29)

Some fields of study (such as engineering), impart certain job-specific skills that are clearly understood in the labour market, and hence provide some evidence that these graduates possess 'tools' needed to be productive at work. In more general fields graduates' qualifications indicate to employers that they are workers who possess character traits necessary for success on the job. Thus, for example, those who possess qualifications that are commerce related are expected to do better in business than those with humanities and arts

qualifications. Whereas the latter impart certain skills to graduates, employers are less certain about their 'potential level of productivity'. Thus employers identify qualifications and characteristics that are correlated with performance on the job. This is why graduates from humanities and arts often have lower employment prospects and tend to take longer to settle in jobs. The process of finding a 'suitable' job for some is as a result not easily accomplished. Nevertheless, it is generally accepted that graduates have an advantage in the labour market. Their unemployment rate is low, and where it exists, it is of a short duration. However, this advantage is not equally enjoyed by all graduates. This is partly due to individual circumstances, and mismatches between employers and jobseekers. But it is also due to there being more people with degrees than there are degree level job openings. Moseleke (2004, 56)

The employment experiences of graduates reflect not only that sector of the labour market in which graduates participate but also the wider economic reality. There is a clear skill bias, where despite the high unemployment rate in the general population, the unemployment rate of people with higher education is relatively low. It was found that 60% of graduates found employment immediately. (Employment immediately is defined as finding a job/employment immediately after obtaining a degree.) This implies that no unemployment was experienced by these graduates employment between a month and six months after qualifying, 6% did so between 7 and 12 months and 6% took more that a year after obtaining their qualifications (Figure 1.1). McGrath ( 2004, 41)

Figure 1.1: Period before finding employment



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Whereas higher education confers upon the graduates an advantage in the labour market, there are other important factors or characteristics that influence economic outcomes. These are, for example, occupation, industry/sector of employment, geographic area, and choice of institution of learning, gender and race. Of these, occupational differentials are the most important because they reflect the influence of several of the principal determinants of economic outcomes. Chief among these are differences between workers in levels of education and training, and differences between jobs in terms of various non-economic attributes, such as status, prestige, and quality of working conditions.

Graduates in fields with a more professional focus, such as medical sciences (79%) and engineering (77%) had higher rates of rapid employment than those who studied in fields that were largely of a general nature (Table 1.1). However, not all professional fields were untouched by labour market forces of demand and supply. For example the field of law which is profession orientated and thus could be expected to have better rewards in terms of employability had a higher

rate of graduates who took longer to find employment than other profession-orientated fields. The difference might be due to the nature of law as a profession compared to medicine, for example in medicine-related fields, graduates can normally move into immediately after completing their studies if they choose to. In law, however, graduates have to initially go through articles/clerkship before they can qualify. They are thus subjected to the functioning of the forces of the labour market, i.e. the demand for and supply of articulated clerks, before becoming fully professionally accredited as lawyers.

Looking at the more general fields, it appears that there are clear differences in the signals these degrees convey to employers. When comparing humanities and arts with economic and management sciences and natural sciences for example, fewer humanities and arts graduates found employment rapidly after obtaining their qualifications. Economic and management sciences and natural sciences degrees usually have majors associated with character traits correlated with the skills and performances which employers require. Hence these graduates have an advantage over those from humanities and arts. The experiences of the latter group reflect the disadvantage that their qualifications do not have a particular professional focus, which makes it more difficult to find jobs. Some of these graduates took longer than a year to find employment, which is a matter of concern.

**Table 1.1: Period before finding employment, by field of study**

Field of study	Immediately	Between 1 & 6 months	Between 7 & 12 months	Between 1 & 2 years	More than 2 years	Total
	%	%	%	%	%	%
Natural sciences	55,0	38,8	3,8	2,1	0,4	100
Engineering	77,2	18,3	3,0	1,0	0,5	100
Agriculture	61,6	31,4	5,8	1,2	0,0	100
Medical sciences	79,3	18,5	2,2	0,0	0,0	100
Humanities and arts	46,8	33,1	8,5	7,3	4,2	100
Education	57,0	33,8	3,9	4,4	0,9	100
Law	49,6	30,2	8,6	7,2	4,1	100
EMS*	65,4	23,3	6,2	3,7	4,3	100
Total	59,5	28,4	5,9	4,2	2,0	100

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

The above analysis reflects the generally accepted facts relating to differentials in economic outcomes in the labour market for graduates. There are, however, other differentials affecting the employment outcomes and prospects of graduates in the labour market besides the field of study. In general, it was found that race; gender and institution attended (defined as historically black and/or historically white university) had a significant impact on graduates' employment prospects. Whereas Africans were concentrated in fields of study with less employment 'prospects', a comparison within the study fields indicated that their white counterparts had better prospects. For example, white graduates made up a high proportion of those who found immediate employment (70%) compared with 57.8% of Africans, 57% of coloureds and 52% of Asians. In other words within study fields the differences varied according to race. More than 50% of white graduates found immediate employment in all study fields, whereas the only fields where more than 50% of Africans found employment immediately were engineering (88%), medical sciences (66%) and agriculture (53%). It was only in engineering that African graduates experienced the highest proportion of

those in immediate employment (88.9%) compared to 78.3%, 50%, and 50% for whites, Asians, and coloureds respectively. The disadvantage of Africans and coloureds in the labour market was clearly shown evident in this analysis. While in fields with a professional focus there were insignificant differences in terms of being absorbed into the labour market, there were significant differences in general fields like humanities and arts and economic and management sciences. (Table 1.2). There were small differences between gender groups. While more than half of male and female graduates gained immediate employment in almost all study fields except for law and humanities and arts, the proportions were slightly higher for males than females. Moseleke (2004, 23)

The total for males who gained immediate employment was 62.3% compared to 57% for females. The only study fields where the proportion of females (58.7%) in immediate employment was higher than that of males (54.9%) was education. The rate at which each gender is absorbed into the labour market is also not very different (Table 1.3). There were small differences between gender groups. While more than half of male and female graduates gained immediate employment in almost all study fields except for law and humanities and arts, the proportions were slightly higher for males than females. The total for males who gained immediate employment was 62.3% compared to 57% for females. The only study fields where the proportion of females (58.7%) in immediate employment was higher than that of males (54.9%) was education. The rate at which each gender is absorbed into the labour market is also not very different (Table 1.3). Moseleke (2004, 34)

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Table 1. 2: Immediate employment by race

Field of study	Asian		African		Coloured		White	
	Not immediately employed	Immediately employed						
	%	%	%	%	%	%	%	%
Natural sciences	70.0	30.0	54.1	45.9	47.8	52.2	40.1	59.9
Engineering	50.0	50.0	11.1	88.9	50.0	50.0	21.7	78.3
Agriculture	100.0		46.7	53.3	16.7	83.3	35.7	64.3
Medical sciences	54.0	46.0	34.3	65.7	67.5	32.5	8.8	91.2
Humanities and arts	46.4	53.6	61.3	38.7	66.7	33.3	43.6	56.4
Education	28.6	71.4	50.7	49.3	71.4	28.6	25.0	75.0
Law	63.6	36.4	73.2	26.8	48.4	51.6	30.4	69.6
EMS*	46.5	53.5	62.5	37.5	57.8	42.2	25.2	74.8
Total	52.4	47.6	57.0	43.0	57.8	42.2	29.6	70.4

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

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Table 1. 3: Period before finding employment by gender

Field of study	Immediately		Between 1 & 6 months		Between 7 & 12 months		Between 1 & 2 years		More than 2 years	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Natural sciences	58.7	50.9	35.7	42.1	3.2	4.4	1.6	2.6	0.8	
Engineering	78.5	70.0	16.9	26.7	3.5		0.6	3.3	0.6	
Agriculture	67.3	54.1	28.6	35.1	2.0	10.8	2.0			
Medical sciences	81.3	78.5	16.0	19.5	2.7	2.1				
Humanities and arts	48.0	46.1	30.2	34.9	8.2	8.8	7.5	7.2	6.0	3.1

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Figure 1.2

Field of study	Immediately		Between 1 & 6 months		Between 7 & 12 months		Between 1 & 2 years		More than 2 years	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Education	54.9	58.7	32.4	34.9	6.9	1.6	3.9	4.8	2.0	
Law	50.0	49.2	25.0	37.3	8.8	8.5	8.8	5.1	7.5	
EMS*	67.9	62.6	18.4	29.0	8.2	3.8	3.6	3.8	2.0	0.8
Total	62.3	57.0	24.7	31.9	6.3	5.5	3.9	4.4	2.8	1.3

\*EMS: Economic and Management sciences

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Differences by institution attended indicate that graduates from historically white universities (HWUs) had better prospects than those from historically black universities (HBUs). The field of study also influences institutional differences. HBUs had higher proportions of those graduating in the fields with lower employment prospects, i.e. humanities and arts, and education. Hence HBUs had a higher proportion of those with lower prospects. Overall, of those who found employment immediately only about 40% were from HBU compared to 69% from HWU. While field of study influences institutional differences, there are indications of disadvantage for those graduating from HBUs. For example, there is a big difference in law, in which only 27% of those who found employment immediately were from HBUs, compared to 67.5% from HWUs. In economic and management sciences the figures were 38.5% for HBUs, and 73.5% for HWUs respectively. Moseleke (2004, 34)

In any labour market it could be expected that graduates in general fields will take longer to find employment. In these cases the period immediately after obtaining a qualification cannot necessarily be used as a correct measure of unemployment. The interesting difference is thus the rate at which these graduates are absorbed into the labour market. As can be seen from the table below, the disadvantage experienced by those from HBUs is evident. Higher proportions of those from HWUs get absorbed in the labour market fairly quickly (within the first 6 months of graduating) whereas those from HBUs take longer to find employment. (table 1.4). It is likely that institutions serve as a signal in the labour market, whereby graduates from HWUs are assumed to have characters that are correlated with higher performance in the labour market, compared to those in HBU. Moseleke (2004, 34)

**Table 1. 4: Period before finding employment by field of study and institution attended**

Field of study	Immediately		Between 1 & 6 months		Between 7 & 12 months		Between 1 & 2 years		More than 2 years	
	HBU	HWU	HBU	HWU	HBU	HWU	HBU	HWU	HBU	HWU
	%	%	%	%	%	%	%	%	%	%
Natural sciences	40,0	59,5	47,3	36,2	10,9	1,6	1,8	2,2	0,0	0,5
Engineering	60,0	77,7	20,0	18,3	0,0	3,0	20,0	0,5	0,0	0,5
Agriculture	53,3	63,4	33,3	31,0	13,3	4,2	0,0	1,4	0,0	0,0
Medical sciences	57,3	88,8	37,8	10,1	4,9	1,1	0,0	0,0	0,0	0,0
Humanities and arts	34,0	55,8	36,3	30,9	10,9	6,9	11,2	4,6	7,6	1,8

	Immediately		Between 1 & 6 months		Between 7 & 12 months		Between 1 & 2 years		More than 2 years	
	HBU	HWU	HBU	HWU	HBU	HWU	HBU	HWU	HBU	HWU
	Education	49,7	72,6	38,1	24,7	5,8	0,0	5,2	2,7	1,3
Law	27,4	67,5	37,1	24,7	14,5	3,9	12,9	2,6	8,1	1,3
EMS*	38,5	73,5	26,9	22,2	16,9	3,0	13,1	0,9	4,6	0,5
Total	40,5	68,8	35,9	24,8	10,5	3,6	8,6	2,0	4,5	0,8

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

### 5.2.1 Types of jobs graduates find

While being employed is an important indicator of economic outcome, the type of job one holds is just as important. It can be expected that the type of jobs that graduates hold not only reflects the utilisation of their education but also contributes towards paying off their investment in education. Types of job described here are based on graduates' own perceptions, and are not measured through purely objective variables. Whereas subjective variables should for good reasons be treated with caution, they cannot be entirely ignored as they provide useful information about how people feel about their jobs. These answers provide

meaningful and useful information about economic life that should not be ignored (Freeman, 1989). For 66% of graduates, their first job was permanent, while 19% found temporary and 15% contract employment. Only in the field of law did less than half (47%) of graduates find permanent immediate employment after qualifying (Table 1.5). Moseleke (2004, 39)

**Table 1. 5: Status of first job by field of study**

Field of study	Status of first job		
	Permanent	Temporary	Contract
Natural sciences	62.0	19.0	19.0
Engineering	88.1	7.5	4.5
Agriculture	77.0	17.2	5.7
Medical sciences	70.6	16.2	13.2
Humanities and arts	59.0	26.1	14.8
Education	60.6	29.6	9.7
Law	46.7	20.4	32.8
EMS*	72.3	11.3	16.4
Total	66.1	19.1	14.8

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

The permanent jobs graduates found were also related to their field of study. Humanities and arts graduates had the lowest figures (73.9%) for finding jobs related to their studies. The temporary jobs found were also related to the field of study, with economic and management sciences scoring lowest with only 58% of graduates in jobs related to the study field (Table 1.6). This perhaps suggests that the disciplines of the humanities and arts, and economic and management sciences are not preparing graduates adequately for the job market. It also reflects the willingness of these graduates to accept any employment, even outside their fields of study.

**Table 1. 6: Status of first job related to field of study**

Field of study	Percentage in jobs related to study field		
	Permanent	Temporary	Contract
	%	%	%
Natural sciences	83.7	75.6	86.7
Engineering	96.6	66.7	100.0
Agriculture	95.5	86.7	100.0
Medical sciences	99.5	97.7	100.0
Humanities and arts	73.9	62.3	72.2
Education	94.9	86.6	72.7
Law	84.4	78.6	84.4
EMS	82.8	58.7	91.2

*\*EMS: Economic and Management sciences*

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

Those whose jobs were not related to their field of study indicated the extent of use of skills acquired in their studies to the jobs they held. Only 10% indicated that they use their acquired skills to a great extent, whereas 21.6% said they did not use their skills at all, and a further 68.3% indicated that they use their acquired skills to some or a small extent. Assessing the requirement level of the jobs they held over half of graduates (59,7) felt that they were in jobs that required graduate level ability, whereas 33,3% said they were in jobs that required a lower-level ability, and 7% were in jobs that required higher-level ability (post-graduate of specialist). Humanities and arts (42,7%), economic and management sciences (39,4), and natural sciences (36,5%) were the fields with the highest numbers of graduates indicating that they were in jobs which required a lower level of ability (Table 1.7). Moseleke (2004, 45)

The phenomenon of graduates taking jobs that require lower levels of ability is related to the level of qualification with which graduates enter the labour market.

Due to the general nature of the degrees in humanities and arts, economic and management sciences and natural sciences study fields, graduates in these fields are likely to be in positions in which they feel underemployed. Their fields of study do not necessarily prepare them for a profession or specific career. Graduates who entered the labour market with post-graduate qualifications were more likely to find themselves in jobs requiring graduate level ability (see Table 1.8). A post-graduate qualification does to a large extent supplement the first degree and it is at this level that some form of specialization occurs. Hence better labour market prospects and the optimal utilization of their education and skills. The phenomenon of graduates taking jobs that require lower levels of ability is related to the level of qualification with which graduates enter the labour market.

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degree and it is at this level that some form of specialization occurs. Hence better labour market prospects and the optimal utilization of their education and skills.

**Table 1. 7: Requirement level of first job by field of study**

Field of study	Requirement level			Total %
	Entry level %	Higher level %	Lower level %	
Natural sciences	56,7	6,9	36,5	100
Engineering	63,8	7,1	29,1	100
Agriculture	66,3	10,8	22,9	100
Medical sciences	84,7	8,4	6,9	100
Humanities and arts	50,8	6,6	42,7	100
Education	68,5	2,7	28,8	100
Law	64,6	4,7	30,7	100
EMS*	51,8	8,8	39,4	100
Total	59,7	7,0	33,3	100

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

**Table 1. 8: Level of qualification of entry to labour market for those in jobs requiring graduate level ability**

Field of study	Bachelors	Honours	Masters	Total %
	%	%	%	
Natural sciences	55,7	30,0	14,3	100
Engineering	78,7	10,6	10,6	100
Agriculture	82,4	11,8	5,9	100
Medical sciences	86,7	6,7	6,7	100
Humanities and arts	66,2	32,4	1,4	100
Education	76,3	22,0	1,7	100
Law	61,9	38,1	0	100
EMS*	74,6	25,4	0	100
Total	69,7	26,5	3,7	100

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

The majority of graduates were in professional jobs (58%), with 19% in managerial positions. There were, however, 11% who were in administrative jobs. Engineering had the largest proportion of those in management (35%), whereas economic and management sciences and humanities and arts had the highest proportion of those in administrative jobs (17% and 15% respectively

**Table 1. 9: Level of function by field of study**

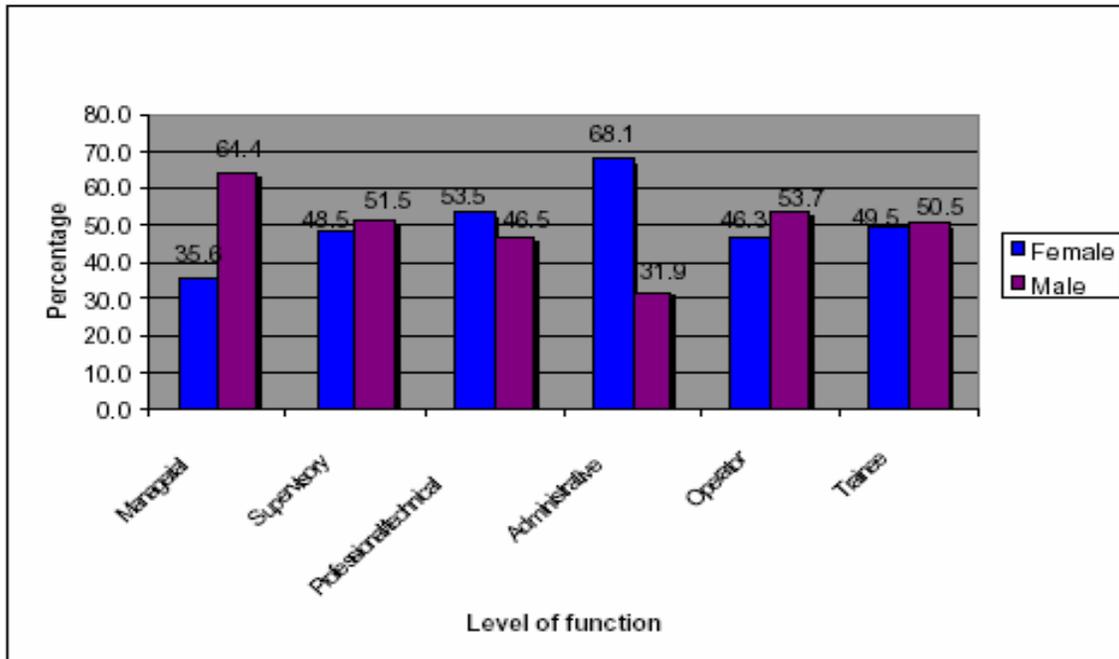
Field of study	Level of function					
	Managerial %	Supervisory %	Professional / technical %	Administra- tive %	Operator %	Trainee %
Natural sciences	14.2	4.7	72,0	4,7	0,9	3,4
Engineering	34.7	2	58,3	4,0	0,0	1,0
Agriculture	31.8	3.5	57,6	3,5	1,2	2,4
Medical sciences	14.3	3.1	77,2	1,5	2,7	1,2
Humanities and arts	12.9	6	59,6	15,2	2,4	3,9
Education	10.1	6.7	69,7	8,2	1,9	3,4
Law	12.8	4.5	64,7	12,8	0,8	4,5
EMS*	28.8	8.2	36,8	17,1	1,8	7,3
Total	19.3	5.6	58.3	11	1.7	4.1

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

Levels at which graduates functioned were different by gender. A larger proportion of males were in managerial functions, while a larger proportion of females were in administrative functions. Females had a slightly higher proportion of those in professional jobs compared to males (Figure1.3).

Figure 1.3 Level of function by gender



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Within race groups there were differences as well. While in all race groups there were more graduates in professional jobs, whites made up the highest proportion of those in managerial positions (23.6%), followed by Asians (19.6%), Africans (10.8%) and coloureds (10.6%) (Table1.10).

Table 1.10: Level of function by race

Level of function	Asian	Black	Coloured	White	Other
Managerial	19.6	10.8	10.6	23.6	21.4
Supervisory	6.3	7.7	8.1	4.4	7.1
Professional/technical	63.9	59.9	55.0	57.2	67.9
Administrative	5.1	13.1	16.3	10.4	
Operator	0.6	3.8	3.1	0.8	3.6
Trainee	4.4	4.6	6.9	3.5	
Total	100.0	100.0	100.0	100.0	100.0

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

It could be expected that the period spent in the labour market would largely influence the level at which graduates function. This is especially so for higher levels such as management. An investigation of those who indicated that they were functioning at management level and the number of years they had worked did not reveal any differences that might account for more white and Asian graduates being in management, compared to their African and coloured counterparts. The proportion of white and Asian graduates within each category of number of years worked is not as high compared to that of other race groups, (see Table 1.11).

Table 1.11: Number of years worked by those in management by race

Number of years worked	Race			
	Asian	African	Coloured	White
0-5 years	46.7	34.4	58.8	38.6
6-10 years	36.7	50.8	35.3	51.8
11-15 years	16.7	14.8	5.9	7.5

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Looking at fields of study once more the differences reflect the concentration of African graduates in certain fields. However it also shows the unevenness of the distribution of graduates within management levels. Not only is the proportion of white graduates higher in all fields of study, but other race groups do not have graduates functioning at this level in certain fields (Table 1.12).

Table 1.12 Racial distribution of those at management level by number of years worked

Field of study	Asian			African			Coloured			White		
	0-5	6-10	11-15	0-5	6-10	11-15	0-5	6-10	11-15	0-5	6-10	11-15
	yrs	yrs	yrs	yrs	yrs	yrs	yrs	yrs	yrs	yrs	yrs	yrs
Natural sciences	5.3	16.7		5.3			5.3	8.3		84.2	75.0	
Engineering		2.4		8.0	4.9					92.0	92.7	100
Agriculture										100	100	100
Medical sciences	40.0	33.3		6.7	11.1	33.3	6.7			46.7	50.0	66.7
Humanities & arts			8.3	30.3	30.8	58.3	9.1	5.1		60.6	64.1	33.3
Education					73.3		20.0			80.0	26.7	100
Law				50.0	16.7		12.5	16.7		37.5	66.7	
EMS*	11.9	2.6	17.4	5.1	3.9	4.3	5.1	33.3	4.3	78.0	88.3	69.6
Total												

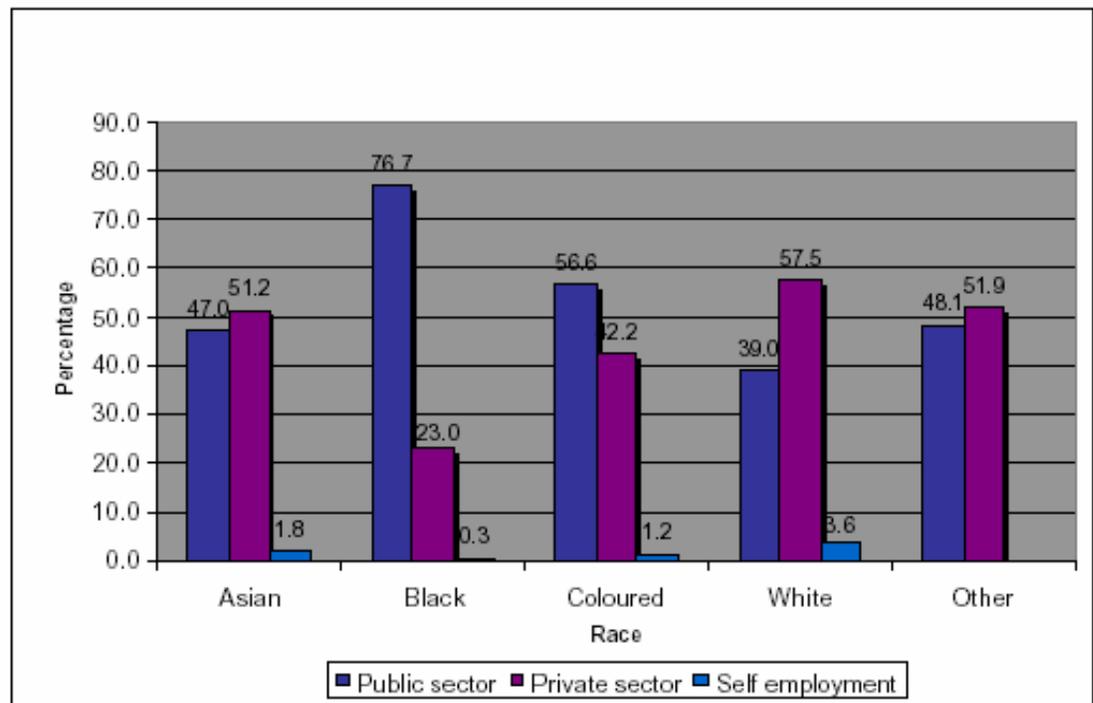
\*EMS: Economic and Management sciences

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

## 5.2.2 Sectors of Employment

Half of all graduates (50.9%) had their first job in the public sector, with 46.8% in the private sector and only 2.4% in self employment. Most African graduates (76.6%) and coloured graduates (56.6%) found their first job in the public sector, by contrast 57.7% of white graduates and 51.2% of Asians found their first job in the private sector (Figure 1.4).

Figure 1.4: Sector of first job by race



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

While the public sector was the greatest provider of first jobs for most graduates, especially for Africans, there were differences within sectors in the current occupations given. The proportions of African graduates increased in the public sector, while that of other race groups decreased. Whereas the public sector can

be expected to employ more African graduates, given that a larger proportion of them are 'crowded' into fields like education, the trend can be seen in other fields as well. Thus, in almost all fields of study, there were more Africans employed in the public sector whereas in almost all fields of study except education, there were more white graduates employed in the private sector (Table 1.13).

Table 1.13: Current job sector, by race and field of study

Field of study	Asian			African			Coloured			White		
	Public sector	Private sector	Self employ	Public sector	Private sector	Self employ	Public sector	Private sector	Self employ	Public sector	Private sector	Self employ
Natural sciences	50.0	44.4	5.6	70.6	29.4		54.5	40.9	4.5	35.9	56.9	7.2
Engineering	28.6	71.4		62.5	37.5			100.0		19.6	69.8	10.6
Agriculture		100.0		100.0						26.8	47.9	25.4
Medical sciences	40.0	40.0	20.0	68.6	14.3	17.1	50.0	41.7	8.3	35.2	46.9	17.9
Humanities & arts	70.4	22.2	7.4	86.5	11.9	1.6	62.9	35.7	1.4	38.2	50.8	11.0
Education	80.0		20.0	96.1	3.9		100.0			61.9	22.2	15.9
Law	18.2	45.5	36.4	64.9	27.0	8.1	41.7	33.3	25.0	24.6	59.4	15.9
EMS*	34.9	60.5	4.7	64.0	34.9	1.2	46.7	53.3		16.4	74.5	9.1
Total	43.9	43.9	12.1	82.0	15.7	2.4	57.1	39.1	3.7	29.0	59.0	12.0

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

Looking at the levels at which graduates were functioning in various sectors reveals an interesting picture. While the proportions of whites and Asians in professional levels were higher in the public sector (71.5% and 79.4% respectively), there were almost equal proportions of those functioning at managerial levels for all race groups. However, when one looks at the private sector, not only is the proportion of those functioning on professional levels higher for whites and Asians (51% and 47.8% respectively), but their proportions in management are higher as well (about 27% for both race groups), compared to Africans and coloureds (11.9% and 9.7% respectively) (Table 1.14).

Table 1.14 Level of function within sector of employment

Level of function	Public sector				Private sector				Self employed			
	Asian	Black	Colour ed	White	Asian	Black	Colour ed	White	Asian	Black	Colour ed	White
	%	%	%	%	%	%	%	%	%	%	%	%
Managerial	8.8	10.3	11.0	10.2	27.5	9.8	11.3	27.2	26.3	38.5		39.1
Supervisory	5.9	8.2	9.9	5.1	7.2	6.5	6.5	4.4	5.3			1.8
Professional/ technical	79.4	63.8	58.2	71.5	47.8	42.4	46.8	51.1	68.4	46.2	100	52.7
Administrative	2.9	11.6	9.9	9.5	8.7	21.7	25.8	12.1		7.7		4.1
Operator	1.5	2.9	3.3			7.6	3.2	1.2		7.7		1.2
Trainee	1.5	3.2	7.7	3.6	8.7	12.0	6.5	4.0				1.2

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

### 5.3 Mobility in the Labour market

There are several categories of labour market mobility;

- I. from one job to another within the same labour market; between employers or within a-firm; from one industry to another, or from one level of skill to another,
- II. from unemployment to employment or vice versa, or from student to employment or vice versa
- III. migration between different local labour markets

In theory most labour mobility is associated with differences in demand and supply of labour both at regional and local levels, differences that create various forms of unemployment and vacancy chains. Through rational decisions individuals are supposed to move from low-paid to well-paid jobs, from unemployment to employment, from declining industries to expanding ones. Younger people with higher education tend to be more mobile. According to human capital theory these persons would benefit more from changing their labour market situation, as their investment in education has to be paid off. A decision on whether to move or not is usually based on the difference between

the total expected income and the present income. Income differences are however not the only factors that determine decisions influencing labour mobility. The possibility of obtaining better employment is also of central importance. In particular the possibility of entering full-time, and higher-level job are some of the pull factors for labour mobility. Moleke (2004, 59)

#### 5.4 Changing jobs in labour market

About 56% of graduates have changed jobs since entering the labour market. A majority (52.6%) have changed jobs once. This has been the case across all fields of study. For many the most number of jobs they have held is three, with only a few (less than 5%) in most fields holding more than three (Table 3.1). This indicates less job-hopping, which might imply that obtaining employment presented difficulties for some so that those who found jobs stuck to them. For others this might be because they found satisfactory jobs fairly quickly and easily.

Table 3.1: Number of times graduates changed jobs since graduation by field of study

Field of study	Number of times changed jobs						
	1	2	3	4	5	6	
Natural sciences	53.1	26.9	10.0	6.9	1.5	1.5	100.0
Engineering	51.4	32.4	9.9	2.7	1.8	1.8	100.0
Agriculture	56.3	27.1	10.4	4.2	2.1		100.0
Medical sciences	42.2	28.6	14.3	7.5	4.3	3.1	100.0
Humanities and arts	51.1	27.1	15.7	3.1	1.5	1.5	100.0
Education	60.3	27.9	5.9	2.9		2.9	100.0

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

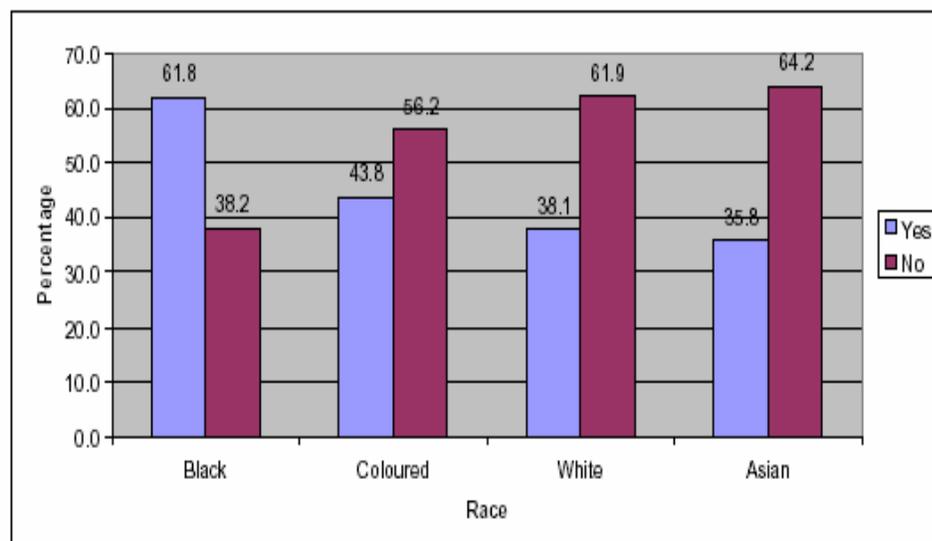
Field of study	Number of times changed jobs					
	1	2	3	4	5	6
Law	67.9	19.2	10.3	1.3	1.3	100.0
EMS*	53.6	29.7	11.1	3.3	1.4	0.8
Total	52.6	28.0	12.1	4.0	1.8	1.5

\*EMS: Economic and Management sciences

Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

Racial differences in terms of mobility indicate that despite popular perceptions that recent African graduates are participating eagerly in 'job-hopping' to obtain better salaries, 61.8% were still in their first job since graduation. By contrast, this figure was much lower for White (38.1%) and Asian graduates (35.8%). This partially reflects the disciplines studied by the different race groups; Africans are more likely to have graduated in the education field where job turnover is lower; however, it also reflects the difficulties African graduates experience in obtaining employment in the first place (Figure 3.1).

Figure 3.1: Number of graduates in first job since graduation, by race

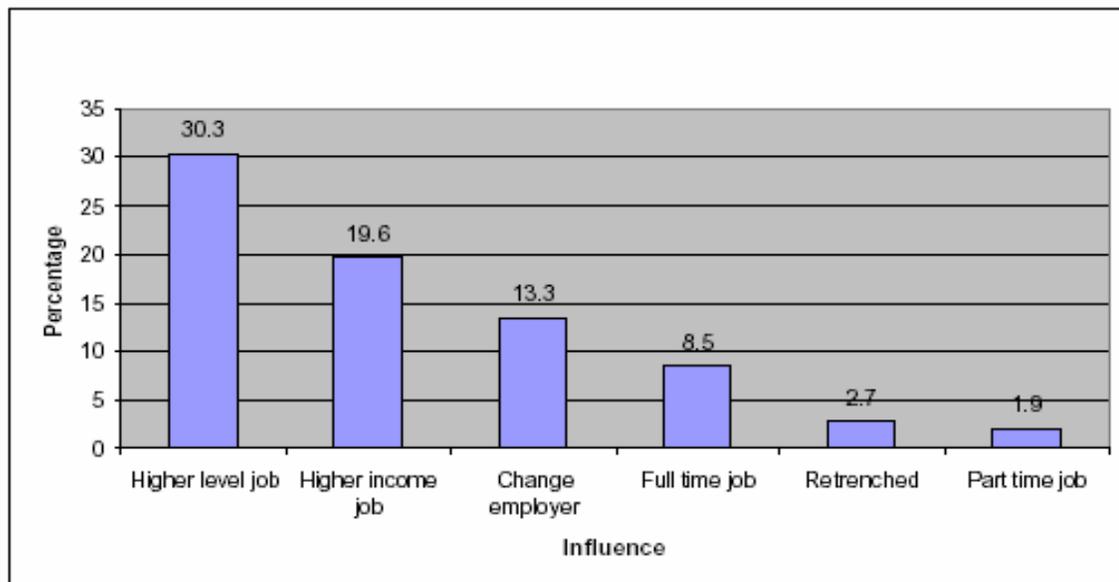


Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

### 5.4.1 Reasons for changing jobs

The interesting question is what influences mobility. Most respondents (30%) indicated that an opportunity to occupy a higher level position was the main influence on their decision to change jobs. While a job on a higher level could be expected to yield with higher earnings it is interesting that even when given an option of choosing higher earnings as the main influence for changing a job, only 20% of the graduates indicated this preference (Figure 3.2).

Figure 3.2: Main influence in decision to change job



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

The majority of those who changed jobs to a higher level were from those study fields with higher proportions of underemployment in the first job, i.e. economic and management sciences (35%) and humanities and arts (23%) (Figure 3.3).

Graduates prefer to be under-employed rather than unemployed when searching for a suitable job. Being in a less preferred job means that they can switch to a preferred without experiencing any periods of unemployment. This also indicates that graduates have a lower reservation/acceptance wage (i.e. the lowest wage that an unemployed person will consider accepting). It is also indicative of the broadness of their scope of search. It can be assumed from the data that graduates make job contacts in a sequential order and accept the first offer that exceeds their minimum aspiration level. Because they have a lower acceptance wage, they find job offers quickly and the period of unemployment is shortened. A low acceptance wage is used as a benchmark by which to accept or reject offers, with the anticipation that after a certain period a satisfactory job will be found. Hence the main influence in the decision to change jobs for most was an opportunity to occupy a job on a higher level.

This is also apparent when comparing current jobs with previous jobs. Overall, in all fields, most graduates were in jobs that were on a higher level than the previous one. Within fields education had the highest proportion of graduates (11%) in jobs at a level lower than their previous jobs (Table 3.2)

**Table 3.2: Level of current job compared to the previous job**

Field of study	Same level	Higher level	Lower level
Natural sciences	23.5	74.2	2.3
Engineering	15.9	78.8	5.3
Agriculture	31.9	63.8	4.3
Medical sciences	31.7	61.6	6.7
Humanities and arts	19.6	71.0	9.4
Education	25.4	63.4	11.3
Law	20.0	71.3	8.8
EMS*	12.6	81.9	5.5

\*EMS: *Economic and Management sciences*

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

## 5.5 Matching jobs with education

As graduates changed jobs, the matching of jobs and their field of education improved. Most graduates (85.9%) moved to jobs that were related to their field of study, which was the case in all study fields. Only humanities and arts (23%) had a high proportion of those whose current jobs were not related to their study field (Table 3.3), which reflects the general nature of this field.

Table 3.3: Relation of current job to field of study

Field of study	Yes %	No %	Total %
Natural sciences	86.5	13.5	100
Engineering	88.9	11.1	100
Agriculture	89.4	10.6	100
Medical sciences	97.7	2.3	100
Humanities and arts	76.9	23.1	100
Education	90.3	9.7	100
Law	87.9	12.1	100
EMS*	87.4	12.6	100
Total	85.9	14.1	100

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

In the current job category the number of respondents who indicated some level of under-employment decreased. Job matching improved as they moved to better jobs. Matching job requirement by field of study, 67% of graduates in current job were in jobs which required graduate level ability, compared to 59.7% in the first job; and 24% were in jobs that required lower level ability compared to 33% in the first job.

The improvement was also evident across all fields of studies. This was especially so in fields that experienced higher levels of under-employment. The proportion of those who were in jobs that required lower level ability decreased from 39.4% to 22.4% in economic and management sciences, from 42.7% to 31.3% in humanities and arts, and from 30.7 to 15.9% in law

**Table 3.4: Requirement level of current job, by field of study**

Field of study	Entry level	Lower level	Higher level	Total
Natural sciences	59,1	30,4	10,4	100
Engineering	69,8	23,6	6,5	100
Agriculture	69,4	20,0	10,6	100
Medical sciences	85,8	5,8	8,5	100
Humanities and arts	60,1	31,3	8,5	100
Education	65,7	28,5	5,8	100
Law	75,8	15,9	8,3	100
EMS*	67,5	22,4	10,1	100
Total	67,2	24,1	8,7	100

\*EMS: *Economic and Management sciences*

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

The improvement in prospects is evident in all study fields, especially so in economic and management sciences, humanities and arts, and law where most graduates seem to experience longer periods of unemployment and under-employment. For those who changed jobs the numbers of those entering graduate level jobs improved for all racial groups while those in jobs which required lower level ability decreased (compare Table 3.5 with 3.6 below).

Table 3.5 Requirement level of first job

Requirement level of first job	Race			
	Asian	African	Coloured	White
Graduate level	61.8	57.7	51.1	56.3
Lower level	30.4	34.2	47.7	37.5
Higher level	7.8	8.1	1.1	6.1

Table 3.6 Requirement level of current job

Requirement level of current job	Race			
	Asian	African	Coloured	White
Graduate level	66.7	60.6	66.7	69.7
Lower level	18.6	24.8	24.4	22.0
Higher level	14.7	14.6	8.9	8.3

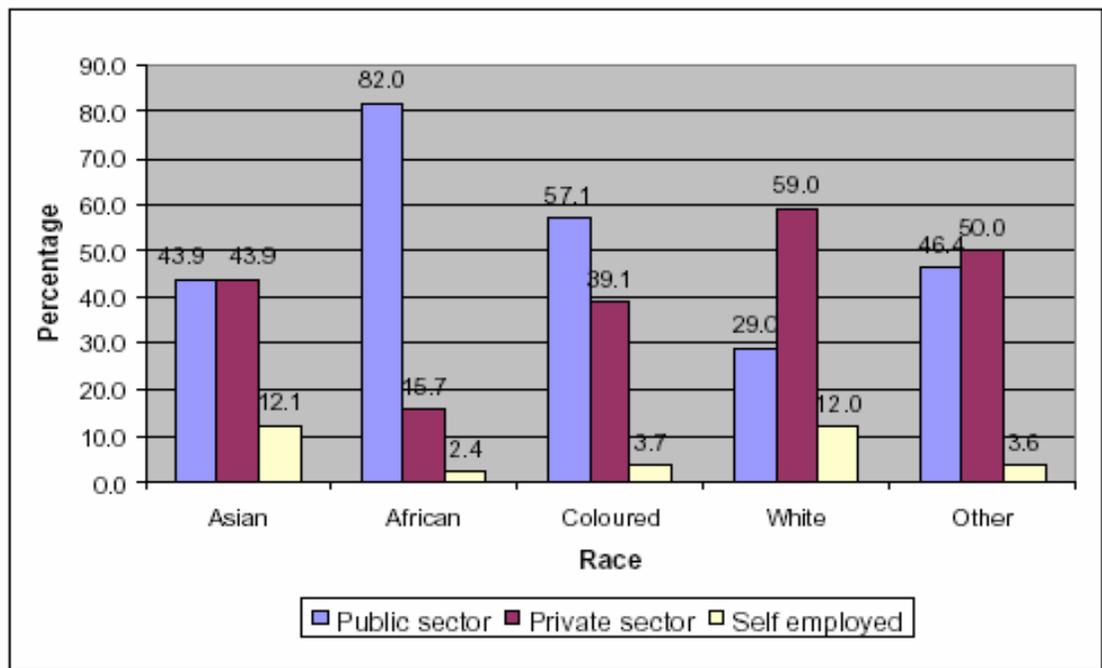
**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

## 5.6 Mobility between sectors of employment

When comparing the current sector of employment with the first sector of employment, there was a decline in proportions in employment in both the private and the public sector and an increase in self employment with 45% of graduates employed in both the private and public sector and 8% self-employed. However, there are clear differences within fields of study and racial groups. White graduates showed a movement from the public to the private sector; (57.5% to 59%) and a significant increase in the self employment (3.6% to 12%). On the other hand, the proportion of African graduates in public sector employment increased from 76.7% to 82% with an increase in self employment from 0.3% to 2.4%. The proportion of Asians increased from 47% and 51.2% to 43.9% for both sectors (public and private) with an increase from 1.8% to 12.1% in self-employment, and the proportions of Coloureds increased moderately from 56.6% to 57% in the public sector, went down from 42.2% to 39.1% in the private sector, and showed an increase from 1.2% to 3.7% in self-employment (compare Figure

3.4)

Figure 3.4: Sector of current job by race



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

The movement from public sector employment to private sector employment and self employment was different for graduates in different fields of study. All race groups increased their proportions in self-employment, this was especially so in the medical sciences, and law. Within racial groups, the proportions of white graduates in the public sector decreased in all fields of study associated with an increase in the private sector. It was only in humanities and arts, agriculture, and economic and management . First sector of employment refers here to the sector where the first job was held, and current sector of employment refers to the sector of employment for the job held at the time of responding to the survey. sciences that there was a decrease in both sectors, which was accompanied by an increase in self-employment. For African graduates, the proportions in public sector employment increased while those in private sector employment decreased in all fields except natural sciences, which showed an increase in the

private sector and a decrease in public sector. While there were no self-employed African law graduates in the first job category, the proportion was 8% in the current job category. The proportion of Asian and Coloured graduates showed almost half of the study fields with decreased proportions in private sector employment with another half decreasing their proportions in the public sector (compare Table 3.5 and Table 3.6 below). It is not clear what the growth in self-employment can be attributed to, especially as this study could not establish what kinds of self-employment graduates move into. However, it is clear that after some employment experience is gained, self-employment is seen as viable. Moseleke (2004, 65)

**Table 3.5: First job sector, by race and field of study**

Field of study	Asian			African			Coloured			White		
	Public	Private	Self-employ	Public	Private	Self-employ	Public	Private	Self-employ	Public	Private	Self-employ
Natural science	60.0	40.0		79.5	20.5		47.8	47.8	4.3	47.1	52.3	0.6
Engineering	37.5	62.5		33.3	66.7			100.0		31.3	63.7	5.0
Agriculture	100.0			86.7	13.3		81.8	18.2		36.6	49.3	14.1
Medical science	55.1	42.9	2.0	65.7	31.4	2.9	64.9	33.8	1.4	62.7	34.9	2.4
Humanities & arts	62.1	34.5	3.4	82.6	17.4		81.8	18.2		44.0	52.5	3.5
Education	100.0			89.4	10.6		42.9	57.1		72.7	22.7	4.5
Law	9.1	90.9		51.2	48.8		37.9	62.1		43.3	55.2	1.5
EMS	23.3	74.4	2.3	54.1	44.7	1.2	56.6	42.2	1.2	18.5	78.7	2.8
Total	47.0	51.2	1.8	76.7	23.0	0.3	56.6	42.2	1.2	39.0	57.5	3.6

**Table 3.6: Current job sector, by race and field of study**

Field of study	Asian			African			Coloured			White		
	Public	Private	Self employ	Public	Private	Self employ	Public	Private	Self employ	Public sector	Private sector	Self employ
Natural science	50.0	44.4	5.6	70.6	29.4		54.5	40.9	4.5	35.9	56.9	7.2
Engineering	28.6	71.4		62.5	37.5			100.0		19.6	69.8	10.6
Agriculture		100.0		100.0						26.8	47.9	25.4
Medical science	40.0	40.0	20.0	68.6	14.3	17.1	50.0	41.7	8.3	35.2	46.9	17.9
Humanities & arts	70.4	22.2	7.4	86.5	11.9	1.6	62.9	35.7	1.4	38.2	50.8	11.0
Education	80.0		20.0	96.1	3.9		100.0			61.9	22.2	15.9
Law	18.2	45.5	36.4	64.9	27.0	8.1	41.7	33.3	25.0	24.6	59.4	15.9
EMS	34.9	60.5	4.7	64.0	34.9	1.2	46.7	53.3		16.4	74.5	9.1
Total	43.9	43.9	12.1	82.0	15.7	2.4	57.1	39.1	3.7	29.0	59.0	12.0

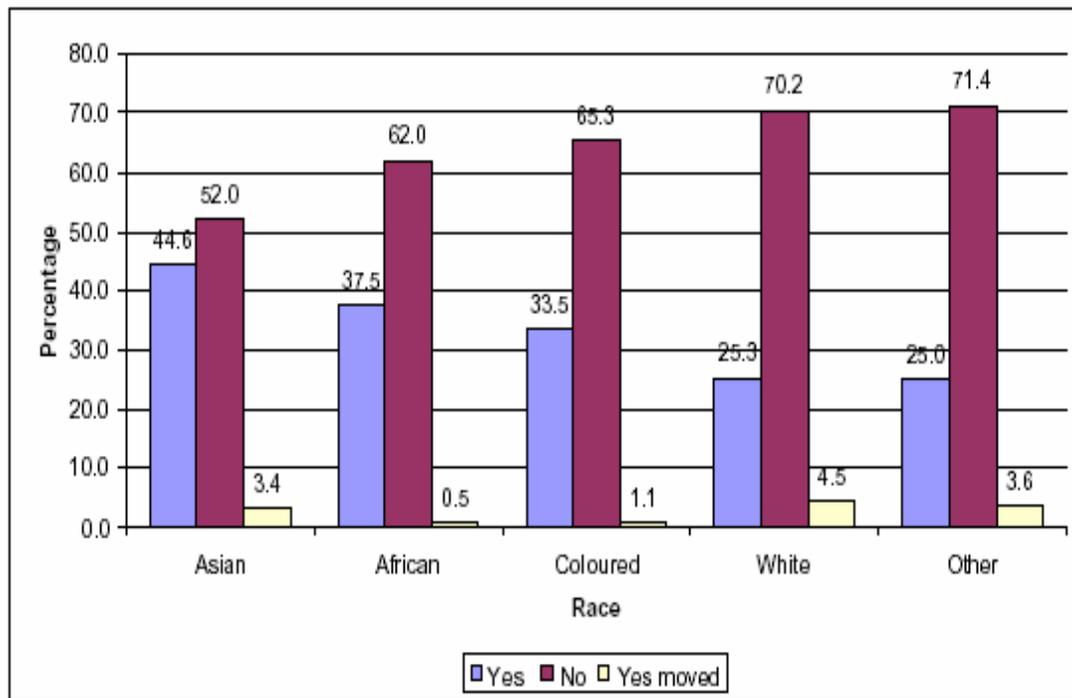
**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

Graduates have an advantage in the labour market and can afford to be mobile. This mobility is due to a number of factors, notably a search for better prospects, be it a better job or higher income. Lower levels of mobility reported by graduates in this study can be partly attributed to the fact that they achieve better outcomes in terms of their occupational attainment matching studies and expectations. It also partly reflects the difficulties experienced by other segments of graduates in the labour market with some still experiencing under-employment. Graduates tend to choose underemployment rather than unemployment. In their search for employment, they are thus likely to accept a lower level job, then continue with

their search for a suitable job. Job mobility tends to improve job matching with field of study. However, while more than half of graduates have professional jobs, it is of concern that some graduates hold administrative jobs, while some are still underemployed. There is clearly limited mobility between sectors for different race groups. Africans and Coloureds appear to be concentrated in the public sector (and doing well in this sector) rather than in the private sector, whereas whites and Asians appear to have better prospects in the private sector. Asians and whites are also more likely to move to selfemployment, compared to Africans and Coloureds. Moseleke (2004, 68)

People with higher education are relatively mobile compared to those with less education. This mobility is not only limited to the labour market within the country. While the conditions of the local labour market (inside the country in this case) could be expected to have a great influence on the decision to move abroad, some graduates still decide to move irrespective to these conditions. Labour flows across international labour markets are central to the understanding of demand for and supply of labour. In South Africa the loss of skilled people to more developed countries is of major concern. Without a study of the differences in labour market conditions abroad compared to in South Africa it is difficult to make any conclusion on whether this mobility is due to better labour conditions abroad, 30.6% of graduates indicated that they planned to move abroad, while 3% indicated that they had already done so. Asians (44.6%) and Africans (37.5%) had the higher proportions of those intending to move abroad, whereas higher proportions of white graduates (4.5%) had already moved abroad (Figure 4.1: Table 4.1). Moleke (2004, 68),

Figure 4.1: Graduates who plan to move abroad



Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004

It was largely in the fields of education (38.1%) and humanities and arts (33.1%) that higher proportions of graduates indicated that they intended moving abroad. Graduates from these fields have few labour market prospects in the South Africa, due (in the case of humanities and arts) to the general nature of their study field, and in the case of teachers, a previous oversupply in certain subjects. They could therefore be expected to want to move to other labour markets in search of better prospects. Given the drive by countries like the United States of America and the United Kingdom to recruit teachers and nurses from this country, a perception might be created that the labour market is better in these countries than in South Africa. This could partly explain the higher proportion of those in education indicating that they intended moving abroad. Medical sciences (8%) and agriculture (5.5%) had the higher proportions of those who had already moved abroad (Table 4.1).

**Table 4.1: Graduates planning to or already moved abroad**

Field of study	Plan to move abroad		Have moved
	Yes	No	
Natural sciences	28.4	67.9	3.7
Engineering	31.7	66.8	1.5
Agriculture	22.0	72.5	5.5
Medical sciences	31.6	60.0	8.4
Humanities and arts	33.1	64.6	2.3
Education	38.1	60.7	1.2
Law	27.1	71.6	1.3
EMS*	26.5	70.8	2.7
Total	30.6	66.3	3.0

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

### 5.7 Reasons for moving abroad

More than half of the graduates who intend moving abroad plan to do so for a short period of time, as they intend returning to South Africa. Those who intend to return, plan to go abroad to work temporarily (35.7%), to study (16.4%), and to study and work (15.6%). Within the various fields of study, most graduates intend to return after temporarily working abroad. A disturbing finding is the higher proportion of those in engineering (30%) and medical sciences (28.6%) who intend to work abroad permanently. This is especially so in light of the brain drain already experienced in these occupations and indications of shortages of these professionals in the country. This indicates that the mobility of these graduates is influenced by factors other than lack of employment prospects in the local labour market (Table 4.2). Moseleke (2004, 70)

Table 4.2: Reasons for moving

Field of study	Working abroad permanently	Stay abroad permanently for reasons other than work	Work temp abroad then return to SA	Study abroad then return to SA	Study and work abroad then return to SA	Other	Total
Natural sciences	20.7	8.0	46.0	12.6	8.0	4.6	100.0
Engineering	30.0	12.9	42.9	4.3	5.7	4.3	100.0
Agriculture	11.1	3.7	44.4	11.1	25.9	3.7	100.0
Medical sciences	28.2	9.1	40.9	2.7	13.6	5.5	100.0
Humanities & arts	15.3	6.4	30.8	21.0	22.4	4.1	100.0
Education	11.5	2.1	17.7	45.8	20.8	2.1	100.0
Law	28.6		31.0	21.4	11.9	7.1	100.0
EMS*	24.3	10.7	42.4	7.3	9.6	5.6	100.0
Total	20.4	7.4	35.7	16.4	15.6	4.5	100.0

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

Most of those who were intending to move abroad and return (43.2%), had anticipated that they would not stay abroad for more than five years (43.2%). Only 8% planned to stay for more than five years.

Table 4.3: Period before returning

Field of study	One year or less	More than one year but up to five years	More than five years	Do not know
Natural sciences	11.0	46.3	3.7	39.0
Engineering	6.7	48.3	10.0	35.0
Agriculture	15.4	46.2	7.7	30.8
Medical sciences	8.2	46.4	13.4	32.0
Humanities and arts	19.9	39.9	8.0	32.2
Education	22.0	42.9	8.8	26.4
Law	13.9	44.4		41.7
EMS*	13.5	42.9	12.2	31.4
Total	15.3	43.2	8.9	32.6

\*EMS: Economic and Management sciences

**Source: Employment Experiences of graduates in Human Science Sciences Research journal 2004**

A small proportion (3%) of graduates indicated that they have already moved abroad and a further 30.6% indicated that they plan to move abroad. The good news is that most of the latter group intend to come back to South Africa. Most graduates move abroad to work or to study and intend to come back after gaining some experience and knowledge. While this is a temporary loss for the country, especially in light of deep concerns about skills shortages, it will be beneficial later when they return. The proportion (27.8%) who indicated that they intend going abroad permanently, is, however a cause for concern. Engineering (42.9%) and medical sciences (37.3%) had higher proportions of those intending to work or stay abroad permanently. It cannot be argued that graduates from these fields have few labour market prospects in South Africa. Thus it can be assumed that they intend moving for reasons other than labour market prospects. Media reports have indicated that people in medical professions are moving abroad be

## 5.8 Skills migration and brain drain

One of the crucial problems confronting the Public Service Human Resource Management is the recruitment and retention of scarce skills. This problem is also common with the municipalities and parastatals. Of course the problem is not unique with the public sector; the private sector is also grappling with the migration of scarce skills. Skills migration and brain drain in the public sector may be best understood if first looked at as a national problem affecting the South African economy. The loss of highly skilled citizens to other countries through emigration has been a cause of concern in South Africa for many years. Contrary to popular perception, the brain drain in South Africa started long before the inception of the new government in 1994, and the figures suggest that the flow of professionals from this country continues to increase rapidly (HRD Review 2003).

The next and important question is which skills the country is losing to other countries. The official statistics released by Statistics SA (2004) indicate that the greatest mobility of skilled people has been in those in education and humanities occupations, followed by engineers, architects, top executives and managerial personnel. Emigration amongst those in the natural sciences and medical professions has also been steadily increasing. Statistics further show that skilled South Africans who choose to emigrate head for some of the most industrialised countries in the world — the United Kingdom, the United States and Canada, and more recently to Australia and New Zealand (Stats SA 2004). Current records also indicate that over the past thirty years, the vast majority of emigrants from South Africa to other countries have been in the most productive age groups 25 to 45 years. Emigration wouldn't be a problem on its own if it was accompanied by an equal or more immigration of highly skilled people into the country which does not seem to be the case thus far. The country has just been experiencing a brain drain without a corresponding brain gain; hence the current phenomenon is regarded as problematic. (HRD Review 2003).

Listed hereunder are some of the factors that have contributed and still contribute to the loss of scarce skills by the country through drainage to other countries (HRD Review 2003):

- I. Apartheid era political upheavals, Soweto uprisings in 1976 and the states of emergency in the late 1980s;
- II. Rising crime rates in the country;
- III. Perceptions of high cost of living and taxation levels;
- IV. Perceived decline in the standard of public services in the country;
- V. Attractive salary packages and career opportunities in the advanced industrialized countries;
- VI. The pervasive influence of a globalizing economy characterised by a global market for employment and career advancement for highly skilled employees.

The Public Sector is the hardest hit in this phenomenon in that it faces a brain drain into the Private Sector and to the world. The Public Sector competes with Private Sector on scarce skills like Engineers, occupations whose pool are said to be steadily declining and the Public Sector is expected to compete for its share of professionals. Perceived poor working conditions in the Public Service, a greatest Public Sector employer, make the Public Sector not an organisation of choice. To win the game the Public Sector will have to improve on its salary packages; address the deteriorating working conditions or compensate for lower standards and engage professional bodies for recognition of public sector experience for admission as an attorney, chartered accountant, engineer etc. (HRD Review 2003).

A new trend has emerged after 1998 of more middle management and entry level employees departing to other countries in search of quick money through casualisation and moonlighting. Educators, police and clerks are leaving the country for United Kingdom, Saudi Arabia and Canada. Many are said to be pursuing different careers when arriving in those countries, working unfixed hours

under strenuous conditions but with bigger pay come back and settle their mortgage bonds and car bonds and return to dig further Euros and dollars. This new trend further challenges stability in the Public Sector training and education programmes to fill the gap of lost scarce skills. Sooner or later the public institutions' succession and equity plans will be null and void with the increase mobility of employees across sectors and countries across all occupational levels. (HRD Review 2003).

### **5.9 The growing impact of HIV and Aids on skills**

HIV and Aids is known for attacking young and old, male and female, rich and poor, learned and illiterate, highly-skilled and unskilled without any bias. This epidemic has serious implications for the scarce skills in the Public Sector. Any attempts to attract and retain highly skilled staff must build within them HIV and Aids impact considerations. Statistics from the HRD Review 2003 report indicate that by 1997 an estimated 30, 6 million people around the world were infected with HIV and Aids. By 2001 that number had climbed to 40 million. Africa constitutes 10% of the world population, but 70% of the people living with HIV/Aids in the world are in the Sub-Saharan Africa (Msiska 2002,12). UNAIDS estimates that 4, 8 million people in South Africa are living with HIV/Aids, and 70 000 babies are born with HIV. 1, 7 million children in Sub- Saharan Africa have lost either one or both parents to HIV and Aids (Nhlapo 2002, 22). Further to this, the South African Economic Research indicates that in the 40,1 million people who were living with HIV/Aids around the world by 2001, 27,1 million fall within the 16 - 65 age category, 16,1 million of which were economically- active; 11,8 million employed and 4,2 million being unemployed. Statistics further reveal that there is a greater concentration of infection by the epidemic within the age group 20 – 35 years (Mulumba 2002, 10).

The Public Service is said to be the largest employer, not only in the Public Sector but in the South African economy as a whole, with a staff complement of

not less than 1, 1 million (Stats SA 2004). Thinking about the Human Resource Planning risks for the Public Sector the HIV/Aids impact comes first. Having forecaste the Public Sector's staff requirements and availability in the future, and beginning to introduce planned and targeted strategies for attraction and retention of scarce skills, HIV and Aids impact seems to defeat the globalisation effect by comparison. Planning for the efficient and effective utilisation of staff considerations of the likely higher impact of HIV and Aids on staff productivity, increased absenteeism rates, workload and burn-out, strenuous workplaces, resignations, turnover and repeated death emerge for consideration.

### **5.10 Career guidance and employment services**

The role or function of career guidance and employment services has been extensively researched in developing countries. In a comprehensive study by the Organisation for Economic Co-operation and Development (OECD, 2003) that was conducted on career guidance and public policy issues, public policy objectives regarding career guidance focused on learning, labour market- and equity goals. The indicators for learning goals relate *inter alia* to the contribution of developing human resources, the improvement of the efficiency of education systems, as well as the improvement of the match between education and the labour market. Some of the pointers for labour market goals are the contribution to labour market policy objectives such as mobility, and support with the changes or adjustment of the labour market. The equity goals of career guidance and employment services speak directly to addressing social imperfections such as gender, race and education inequalities. It is quite evident then that career guidance services are a strategic policy mechanism that works well in unrestricted and democratic societies. These goals can therefore supposedly be reached in a developed country context where unemployment rates are relatively low, where all people have access to education and training opportunities, and formal economies are well developed. In addition in developed countries, labour

markets are not over controlled and function effectively, and equity issues are prioritised.

Watts (1996, 34) indicated in a study for the World Bank in developing and transitional economies that regardless of their problematic issues, there are signs of a more dynamic approach emerging with respect to career guidance. The main reason for this is the increasing awareness by these countries of the importance of career guidance as a facilitation process for their overall human resource development strategies if they want to be competitive in global markets. The following examples in Africa and Asia are evidence of this awareness. In April 1997, a Board of Governors consisting of African Ministers of Education was established. The people serving on this board are responsible for policy decisions as well as for establishing a *modus operandi* for the development of Guidance and Counselling Programmes. Even though the guidance movement in Africa is relatively new and many services are still on a trial-and error basis, the establishment of such a Board is an indication of the greater awareness of the need for career guidance in schools. Although career guidance in Asia seems to be rather a new development, a special section on Challenges for Career Counselling in Asia was published in March 2002. The publication consisted of articles on career guidance issues in Japan, Taiwan, China, Hong Kong, Philippines, Singapore, and Malaysia. The last article in the publication by Leong proposes a conceptual model that fits the Asian cultural context. Notwithstanding these developments, developing countries still have to contemplate their challenging *milieus*.

Watts (1996) calls attention to the fact that the priority level for career guidance and employment services is closely linked to the economic development of a country. If this is the case, there are consequently quite a number of distinctive issues that loom large in a developing country that have an impact on the forming of efficient policies in career guidance and correspondingly on the development of systems and services. These issues include high unemployment and

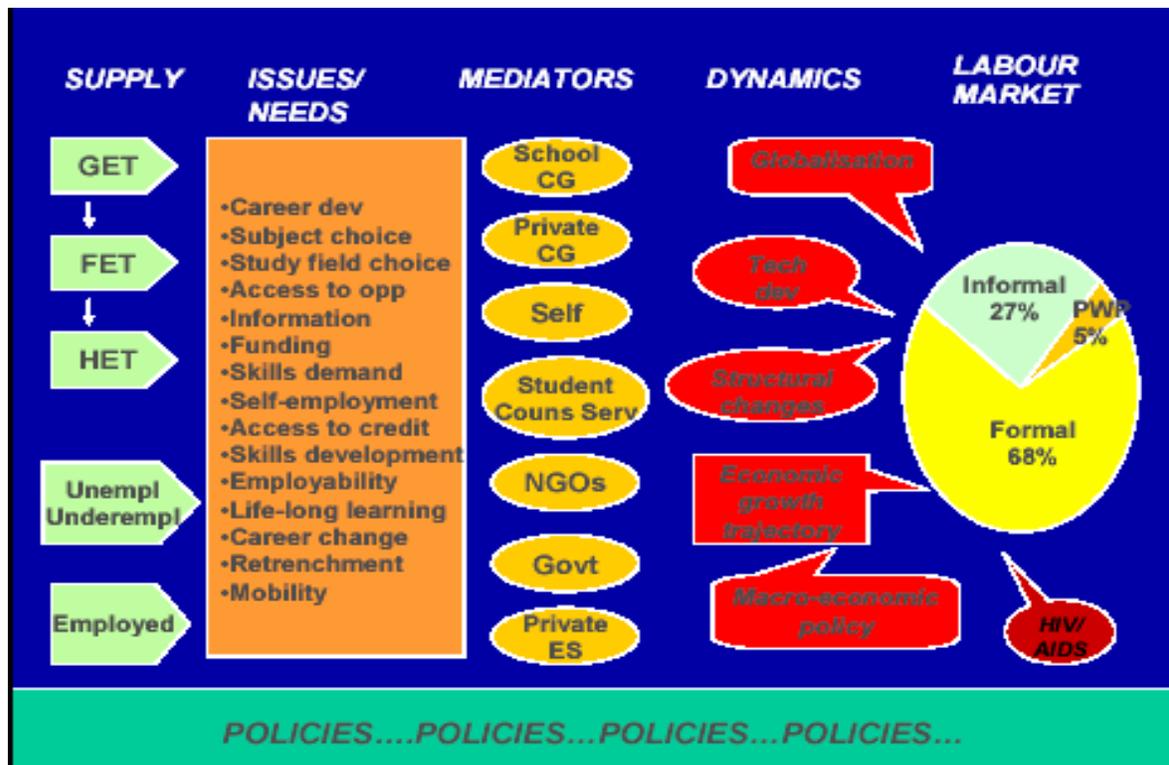
accompanying poverty, extensive informal economies, the over-supply of unskilled or semi-skilled people, the loss of *Career guidance and employment services* highly skilled people, limited resources such as knowledge, finance, information, technology, human capacity and lastly, equity issues. Added to this are various cultural factors.

The development of any policies, systems and services in this context therefore needs to take into consideration the realities of national demographic, educational, social and economic conditions.

The figure below is a graphical presentation of the subject, trying to identify the factors or elements of the inclusive process of school-to-work transition and labour market intermediation. This picture includes the following: on the supply side cohorts of people or clients who are either skilled or unskilled wanting to gain access to the labour market; these cohorts of people or clients have issues, needs and topics of concern in terms of transition and intermediation; there are mediators or agents involved in the process assisting the clients; and specific dynamics play a role influencing the labour market over which they have no control. Policies underpin the whole process of school-to-work transition and labour market intermediation. It is important that these policies are designed in such a way that they can act as enablers of this process.

## Inclusive process of school-to-work transition and labour market intermediation

Figure 4.2



Source: Career management in Human Science research council 2005

### Career guidance and employment services

People leaving school or a training institution with a Grade 9 qualification (GET), a Grade 12 qualification (FET), or a certificate, degree or diploma (HET); Unemployed, underemployed people wanting access to employment or skills development opportunities; and Employed people who want to change jobs, and/or retrain and re-skill themselves.

**Needs of the clients:** The cohorts of people have specific issues or needs in terms of their transition into the world of work. These needs depend on their status and readiness and might include issues such as the following:

**Career development:** People wanting to gain knowledge about their potential and vocational interests, their decision-making styles, their level of career maturity.

**Information:** People needing information on subject choice at school, study fields at FETs and HETs, funding opportunities for further training, career opportunities, demand for certain skills in the labour market, self-employment opportunities, access to credit, etc.

**Placement in job opportunities:** People needing access to agencies that facilitate their placement in job opportunities.

**Major mediators or agents:** There is an array of mediators or agents involved in the process of delivering services and addressing the topics of concern and facilitating the transition or intermediation. In the field of career guidance and employment services these include for example the following:

*Department of Labour.* Prior to 1990, the Department of Manpower was responsible for services to white people exclusively. It was only after 1990 that services became more inclusive and since 1994 the department has radically restructured its focus and services (Kay & Fretwell 2003). Currently the Department of Labour has 10 provincial offices and labour centres through which 120 employment services practitioners render a service. Their client base consists of specific groups such as short and long-term unemployed, underemployed, youth, women, people with disabilities, retrenches and communities. Their service ratio is 1: 34 458, and this only applies to assisting

the unemployed, who is their major client-base. The rationale for career guidance in this context is that through these public employment services a labour brokerage service is offered and the unemployed are also directed to skills development programmes and learnerships. The delivering of a career guidance service was limited when new legislation brought a shift in focus from elaborate career guidance services to skills development. The challenge now is to create a balance between guiding people into demand areas in the labour market versus considering the traditional *Employment and Economic Policy Research Programme HSRC* model of choice. It is also required in this set-up that guidance should address the notion of lifelong learning as stated in the Human Resources Development Strategy of the department.

The Department of Labour has accordingly developed a career guidance model based on a systems approach. At the first level services are delivered to individuals by frontline staff. These services are direct and involve a computerised database of work seekers at the different labour centres, an employability measure, and a skills profile and vocational interest questionnaire developed for them by PACE Career Centre. At the next level lies group intervention that includes life skills programmes such as retrenchment counselling, group assessments and career information sessions at the labour centres or special exhibitions. The last level of service delivery accommodates communities and primarily routes community members into skills development projects. Their major challenges are to: deliver a meaningful services to the large numbers of clients – over four million potential clients if the strict definition is applied; bridge the gap for rural clients, adapt the services for designated groups such as people with disabilities, focusing on the youth; and ensure that policies cover other labour market forces impacting on the client (Crafford 2005).

*Department of Education:* Historically most of the privileged white schools offered career guidance opportunities to their learners. These opportunities included guidance with the selection of school subjects and study field choices. Many of

these schools used the services of psychologists who conducted psychometric testing in order to determine learners' potential and vocational interests. Currently the Revised National Curriculum Statement Policy of 2002 of the Department of Education makes provision for career guidance from Grade 1 to 9 under the learning area *Life Orientation*. Policy has been planned and prepared for quite some time to give career guidance the status of a school subject from Grades 10 to 12. This policy is now ready and will be implemented in 2006. The Department of Education categorises subjects as core, fundamental, or elective. Career guidance is now classified as a fundamental subject and all learners will have access to it and any services that are offered in this regard (Seckle, 2005).

*Student counselling services in the higher education sector.* Student counselling services at public higher education institutions operates under the leaderships of the Society for Student Counselling in Southern Africa (SSCSA) and offer a wide range of comprehensive services. These services include counselling and career guidance and development services aimed at empowering students in all their major transitions phases related to higher education. The SSCSA develops and monitors the delivery of these services at institutions for higher and further education in Southern Africa. This is done through guideline documents, the provision of a quality assurance programme, facilitating training and networking between members through annual conferences and regional activities. The Education White Paper, 1997 included support services with specific reference to the need for career guidance. The Department of Education is envisaging a national higher education information and administration service that would provide career guidance.

### **5.11 Career guidance and employment services**

Many of the higher education institutions are often found to offer good services and examples of best practices are available. What is noteworthy about career guidance services provided at some of these institutions is the good contact that

such entities have with certain industries in the labour market and the consequent successful placement of their graduates. Most of these institutions have special units that specialise in graduate placement (Van der Walt, 2005). *Private career guidance and employment services:* The private sector consists of career guidance services offered mostly by psychologists and career guidance practitioners and employment services delivered by private employment agencies. The career guidance part is mostly aimed at learners and the focus is usually on subject choices at school and study field choices for training after school. The employment services are usually aimed at youths and adults who have completed school and further training and focus more on recruitment, selection and placement. Historically public employment services enjoyed a monopoly in labour markets in most countries, but this situation has changed dramatically over the years. Market liberalisation and demonopolisation have resulted in the acceptance of and an increase in private employment services due to the fact that many countries have permitted private employment agencies to function with different degrees of regulation. According to Thuy, et al (2001, 44), quite a number of developed countries in the EU have eradicated public employment services monopolies. Convention 181 of 1997 regarding private employment services is seen as the official recognition of the role of private employment agencies in the employment services sector.

Some of the main reasons for this change relate to the growing inability of public employment services to render an effective service in the changing labour market, and to the financial constraints experienced by public institutions. History has also shown that through the years companies and work seekers have used various other contacts and networks to gain access to job opportunities. Convention 181 endeavoured to provide general guidelines for a framework for agencies with particular emphasis on temporary worker agencies (TWAs). Private employment agencies are an essential part of efficient labour markets because they meet the demands of employers and work seekers. In South Africa the private employment agencies in the industry are currently regulated by the

Skills Development Act of 1998, which replaced the Guidance and Placement Act of 1981. The SDA defines these private employment agencies as “any person wishing to provide employment services for gain” and imposes only a few requirements on them in respect of the applicable regulations. These agencies also have to register with the Department of Labour. One of the major professional bodies for the recruitment industry in South Africa is The Association of Personnel Services Organisations (APSO). APSO is internationally recognised as the representative for the industry in South Africa through its membership with the International Confederation of Temporary Work Business (CIETT).

It is estimated that only half of the operations in the recruitment industry belong to any professional or representative association. Other associations include the National Staff Association of South Africa, the Labour Broker’s Association of Southern Africa, the Employment Bureau for Africa (TEBA), the Association of Nursing Agencies in South Africa and the Construction Engineering Association. The Confederation of Associations of the Private Employment Sector (CAPES) was established in February 2001 to bring together all these relevant associations operating independently of one another and to address self-regulatory issues. The confederation became a fully constituted body in September 2000. While lower-skilled unemployed people use the services of the labour centres in the public domain, more highly skilled work seekers make use of the services of private agencies. One of the major issues in the industry at the moment is the casualisation of labour – labour taken on not through staffing services, and the externalisation of labour (Jack, 2005).

A worldwide phenomenon that is mentionable is online recruitment services. The characteristics and functions of these operators are totally dependent on the rate at which technology is introduced and used in South Africa. A major problem experienced by online recruitment services is the issue of confidentiality. Many work seekers are scared that confidential information about them will be compromised. Some of the advantages of online recruitment services are

enhanced reference checking and skills matching, and reduced consultant time and cost. Online services are mostly developed for work seekers who have no difficulty with self-help models. Online recruitment practitioners do not see themselves as employment agencies. They argue that they do not engage in actual recruitment, assessment and selection, but only provide the tools and channels for work seekers and employers to make contact

*Non-governmental organisations (NGOs) and non-profit organisations (NPOs):* These have played an important role in the development of career guidance and placement services for the unemployed work seekers, especially first-time work seekers. They normally offer services to those who have a low level of education and skill, i.e. young adults who have completed Grades 7, 8, 9 or 10. These are usually unemployed youth who have endured difficult socioeconomic conditions. The NGOs train them in core life skills and then negotiate further development with technical colleges or skills training programmes in order to give them a minimum level of skills with which to enter the job market. The non-governmental environment was very active in the early 1990s. The South African Vocational Guidance and Education Association were established in 1991 with donor funds and a number of NGOs provided services under their auspices. After the democratic elections in 1994 donor funds became scarce and most of them had to close down. Most of the current agencies that continued to operate in the informal sector do training for work placement, work placement, employment through job creation in collaboration with business partnerships, and employment through job creation via SMMEs. Some examples of these NGOs are the Youth

## **5.12 Unemployment and accompanying poverty and social exclusion**

The unemployment and accompanying poverty rates are some of the major problems which developing countries face. At the extreme end lies a country like South Africa where the official unemployment rate is 26% and the expanded rate 42%. This latter figure includes workers who have given up hope and who are

not looking for jobs anymore (Stats SA, 2004). Unemployment rates of such proportions mean people will take whatever work they can get. The most vulnerable groups in this unemployment equation are the youth, who are wasting their time at a formative age, and low-skilled black women.

The related policy questions in this instance would therefore focus on the key issue of unemployment and how government policy should respond in order to address this issue. The impact of unemployment on career guidance is that relevant services will only be available to privileged groups who are able to access the labour market. A policy response may well be to provide sufficient services for the privileged groups in order to match them effectively with the labour market, but also to provide services of another kind to the aforementioned disadvantaged work seekers such as unemployment counselling, and assistance with returning to school in order to up- and re-skill people.

One might find that developing country governments may react on unemployment by putting active labour market policies such as public works programmes into place – the Expanded Public Works Programme is a good example of the South African government's policy reaction on giving the longer-term unskilled unemployed access to temporary job opportunities, attempting to upgrade unskilled and semi-skilled people through special skills development programmes – the National Skills Development Strategy is a good example of this, or simply by providing safety nets through special grants. Some developing countries also have positive labour migration policies and programmes in place to develop skills that can be exported in high unemployment conditions.

Beyond the orthodox causal factors of unemployment lies a range of less tangible factors that have an influence on unemployment, or on the matching of people with jobs. These include such things as lack of labour market information, inexperience with the processes of applying for jobs, and lack of access to the main information networks in the labour market. This creates a dichotomy in

terms of the argument about unemployment and the policy response to it. On the one hand it can be argued that developing countries might respond with public works programmes, special skills development strategies on unemployment, and that they would concentrate on a low- *Career guidance and employment services* skills path to development which would attract investment in labour intensive industries. On the other hand it is argued that the absence of systems that provide information about the world of work has an influence on employment. It seems that in a developing context the balance between these different policies should be kept in mind, and the one should not be prioritised above the other.

### **5.13 Equity of access in a developing context**

There are a number of circumstances that have an impact on equity of access in a developing context. In South Africa the primary one is the legacy of apartheid this political system created high levels of inequality between the different race groups. With reference to the labour market, a policy of job reservation for whites existed which inevitably led to the exclusion of other race groups from certain job opportunities. Access to education and training for these groups was also limited to a certain extent.

Prior to 1994 guidance in schools was compulsory for white learners. Black education operated under the Department of Education and Training and some schools did offer guidance services through their auxiliary services. Since 1994 the Department of Education has been involved in activities and the development of policies to ensure a more equitable and applicable education system for all. Due to this restructuring process many career guidance teachers lost their positions, as career guidance as a learning area is not subject to examinations. However, some attention has been given to career guidance since then. The most recent development is that the Revised National Curriculum Statement Policy of 2002 of the Department of Education makes provision for career guidance from Grade 1 to 9 under the learning area *Life Orientation*. Policy has

been planned and prepared for quite some time to give career guidance the status of a school subject from Grades 10 to 12. This policy is now ready and will be implemented in 2006. The Department of Education categorises subjects as core, fundamental, or elective. Career guidance is now classified as a fundamental subject and all learners will have access to it and any services that are offered in this regard.

Another constraint for equity of access is where circumstances relate to limited resources. Marginalised communities might not have the infrastructure or means to accommodate career guidance systems – this includes access to ICT for example, and communities are therefore excluded from receiving potential services.

#### **5.14 Over-supply of unskilled or semi-skilled people**

The high proportion of unskilled or semi-skilled people among the unemployed in developing countries is attributed to factors such as the displacement of less qualified people by skilled labour, and inequalities of the past where certain marginalised groups did not have access to education and training opportunities. The policy response on such issues is usually to provide training or skills development opportunities or schemes in order to improve the qualifications of the labour force, as well as reforming the certification system. In South Africa relevant policies like the National Skills Development Strategy were put in place after 1994 in order to pursue the goal of skills development. The result of this strategy was the Skills Development Act in 1998, which served as the policy instrument to establish 25 Sector Education and Training Authorities (SETA) across the different sectors of the economy. These bodies are responsible for the upgrading of workers' skills in the workforce, as well as the development of the skills of the unemployed through learnerships. The Department of Labour has also aligned its own services according to the goals of the National Skills Development Strategy. The emphasis is on training unemployed people through

social development projects. The employment and skills development services (ESDS) units are responsible for the delivery of these and a range of other related services. Although the aim of such policies is to improve participants' qualifications and most importantly, their employability, this type of response unfortunately does not always have a significant effect. In a labour-surplus market this might only lead to the redistribution of job opportunities among unemployed and underemployed people. It is therefore of importance that such policies should be developed and planned alongside broader economic growth and job-creation strategies. Policies relating to career guidance in this regard would only refer to the development or improvement of comprehensive information systems that could inform people of all available possibilities for upgrading skills and qualifications. In developed countries the unemployment rates usually fall when the level of education improves. However, in some developing countries it is often found that youth unemployment, for example, is also high among the better educated. This is sometimes attributed to the over supply of "wrongly" skilled people, for example in the social services field (Moseleke, 2003).

### **5.15 Migration of high-level skills**

One of the major problems that developing countries face is the migration of people with high-level skills to developed countries. This usually happens due to the fact that their skills and the benefit of their educational investment are more highly rewarded in developed countries. The open trade of specific services between countries enhances migration. However, there is a positive and a negative impact of migration of highlevel skills. The positive impact lies on the macro level; people with high-level skills migrating from developing countries do so primarily to increase their incomes and to have access to better employment opportunities. Economic impact studies that have been done in this regard show that from a global perspective economic welfare is increased in this way. This includes the often significant contribution to economies derived from repatriated

funds from labour migration. The negative impact, on the other hand, might be devastating to developing countries. The loss of highly skilled people working in essential services in these countries has a damaging effect on their labour market and economy. Migration consequently can lead to the loss of knowledge, creativity, innovation and entrepreneurship which developing countries especially need to progress. According to the World Bank (2003) a policy response on such an issue would rather be political than economic. Pioneering strategies should be developed to try and retain highly skilled manpower in the country and to repatriate the ones who have already left. Current policies to address the brain drain problem usually focus on countermeasures in order to try and prevent migration or eliminate the negative effects.

#### **5.16 Limited resources**

One of the major restrictive issues that confront developing countries is limited resources. This does not only involve financial resources, but might also include knowledge, information, technology and human resources. The restrictions on public resources usually imply meticulous prioritisation of needs. This usually impacts on the existence of career guidance services, as well as the type and level of such services. On the subject of knowledge it is often found that there is a small corps of practitioners and researchers that operates in certain enclaves, usually relating to the sector in which they are active, such as the school environment, tertiary education, and public employment services. The knowledge is, however, not widely shared due to the lack of an overarching and integrative national framework and forum. The lack of information on and in the labour market is another issue of constraint with a deleterious effect for developing environments. This information usually refers to occupations, training opportunities, trends in the labour market, and needs for specific skills in the labour market. There are usually two levels of impact in this regard. Firstly, the resources might not be available to generate this type of information. Secondly, if this type of information is generated, resources might not be available in order to

package it and provide it to all people who have to make relevant decisions. It is often found that information and guidance services are marginal within the priorities of specific institutions like schools or universities. This information is therefore only available to a small exclusive group of clients. This practice definitely suggests a lack of policy coherence in this regard. A key challenge for the policy

### **5.17 Influence of Cultural factors on career guidance**

The influence of cultural factors on career guidance has only recently been given recognition and this is well illustrated in a special edition of *The Career Development Quarterly* in March 2002 on *Challenges for Career Counselling in Asia*. It is evident from this that there are factors that need to be considered in relation to career guidance and cultural diversity. This might include aspects such as the following: different languages; extended family orientation towards decision-making; collectivism versus individualism; and different religious beliefs and value systems. The predication of the traditional Western notion that life is centred around work is usually the first predicament that developing countries face, as this ethic is not always equally shared – family or community based values might be of higher importance. Cultural factors further become a contentious issue for developing countries when Western models of career development and career guidance are imported into their non-Western contexts. Aside from the cultural context, the Western models are usually developed against the backdrop of stable economies and a well-established science and technology framework that allow them to invest in research. The appropriateness of these first world models in third world countries is always questionable. Even though they might include some universal elements, there are always cultural specific elements that might not be applicable cross-culturally. Some form of adaptation and integration has to be provided for before such models can be applied. Leong (2002, 55) refers to a cultural accommodation approach that will allow for the development of culturally sensitive models.

### **5.18 The Current State of HEI Education and Training Provision and impact on public administration and skills development in the public service**

Higher education output is clearly still driven by social demands for education. As a result little attention is paid to the needs of the labour market. There is little or no guidance given to students as they enter higher education. It is not clear how and why students decide which fields to study. In the absence of labour market information on the likely prospects of different fields of study, it could be assumed that these decisions are arbitrary. The study fields with the least stringent requirements fall within humanities and arts and are therefore more easily accessible (Moseleke 2004). This is especially so for those who are entering higher education for the first time, do not have traditional entry qualifications, and have a history of previous under-achievement. Members of this group find themselves later having to change fields of study as the realities of opportunities and constraints in the labour market become clear. Many do this only after spending 3-4 years completing their first degree. Those who cannot afford to continue with their studies are faced with the harsh realities of unemployment and underemployment. One of the goals of higher education is to promote equity, access, and fairness of opportunity. This expectation of higher education is largely driven by the positive correlation between education and economic outcome. Education can afford individuals an equal opportunity to participate in the economy and in society. It therefore has a crucial role to play in redressing inequalities of the past and in the fight against poverty. As a result increased access to higher education has been the focus of much attention. However, while participation has increased for Africans, as Cooper (2000, 44) stated, it has largely been skewed. Most Africans are still graduating in non-professional fields.

Currently 21 Higher Education Institutions (HEI's) in South Africa (universities and the new universities of technology) offer undergraduate and/or postgraduate programmes in public administration and management. Through their main and satellite campuses, they cover all nine provinces. In some instances their buildings are literally adjacent to the provincial legislature, which has helped to

facilitate close working relationship with provincial and local governments. Of the 21 institutions, six have established major postgraduate schools. Between them these 21 institutions of higher learning offer a broad range of formal and short course programmes, not only in general public administration and management but increasingly in more specialised areas of interest to the South African public sector. Much of the short course training offered by the various institutions has either been commissioned by or awarded by tender by national and provincial departments, as well as increasingly by local municipalities. HEIs have also been collaborating more recently with SAMDI, in particular on the delivery and accreditation not only of the Integrated Management Development Programme (IMDP), but also the Presidential Strategic Leadership Management Programme (PSLDP).

A number of inter-institutional networks have also been established. These include the Joint Universities Public Management Education Trust (JUPMET), which comprises the six schools of government and public management. JUPMET was established ten years ago with start up funding from the EU to assist these institutions in the collaborative design and implementation of nationwide programmes (which take advantage of their geographical spread) to build capacity in the public and development sectors. A particular focus of JUPMET's work has been the development of supportive links and partnerships with other institutions involved in the delivery of public sector education and training programmes, including SAMDI. Another key network that has been developed is the Association of South African Schools and Departments of Public Administration and Management (ASSADPAM), a national association to which most of the schools and departments are affiliated. The Association provides both a network for knowledge sharing through conferences and its own journal, and has also been actively involved in shaping unit standards for a range of different modules at the different NQF levels.

The higher education sector is not homogenous and that the various institutions differ in terms of objectives and focus, as well as the relevance and quality of their programmes. HEI institutions had made a definite and positive contribution, particularly with respect to the following:

- I. The development of a rich variety of formal teaching and learning programmes, as well as short course programmes that have been broadly responsive to the needs of the public service in the new democratic dispensation in South Africa.
- II. The accreditation and quality assurance of the formal programmes, and an increasing number of the shorter ones, through the Council for Higher Education (CHE) and its Higher Education Quality Committee (HEQC).
- III. The introduction of new ideas in the field of public administration and management into these programmes.
- IV. The increasing use of more innovative, experiential and interactive teaching and learning methods (such as seminars, syndicate groups, role-play exercises and gother activities), designed to develop critical thinking, problem solving and other related skills and competencies relevant to real working situations in the public sector.

However, HEIs are often too far removed from the 'coal face' and are thus out of touch with the needs of a rapidly evolving modern public service, the high number of graduates unemployed in the country is indicative of a misalignment of their programmes with skill requirements of the public (and private) sectors. HEIs do not necessarily fully understand or embrace the values of the public sector and are therefore not in a position to fully build the sense or mission, purpose and corporate identity those public servants require. HEIs are not suited to implementing new programmes or courses quickly in response to policy changes or revised political agendas. HEIs are better suited to providing beducation and training at the 'high skills' level rather than at the basic skills level where there is currently a critical skills shortage. There is no uniformity in the course offered by

different HEI providers, and no benchmarking of standards among different training providers. Despite the existence of networks such as JUPMET and ASSADPAM, there has been little progress as yet in developing more coherent forms of joint degree programmes (involving, for example, the recognition and transfer of credits), resulting in the duplication rather than the rationalisation of their course offerings. Public servants are mobile and such programmes would be of particular assistance to part-time students who have to relocate to other parts of the country. Cameron (1998, 34)

In explaining the less than fully satisfactory contribution by HEIs to public sector education and training, whilst some responsibility clearly rests on the HEIs themselves and their failure to adapt sufficient to the changing needs of the public service, a major factor was the relative lack of mutual respect and trust between government and HEI institutions that is a vital precondition, for the creation of effective partnerships and a well coordinated system of public sector training. This can be attributed in many ways to the competitive model for public service education and training that was recommended in the White Paper on Public Service Training and Education. The rationale behind this thinking, was that “if SAMDI competes with other providers, this will serve to promote the improvement and quality of its courses.” (WPPSTE, 1998, Para. 6.8.2). Whilst the need to promote greater competition in the delivery of public sector training was influenced by international practice at the time, it also reflected a general lack of trust in SAMDI itself.

The competitive model, from the outset, prescribed SAMDI’s role in the training arena, and reduced it largely to that of a provider of training programmes, rather than the driver and coordinator of the system of public service training as a whole. It also set the organisation up in direct competition with HEIs. As a consequence, its relations with HEIs have frequently been adversarial rather than collaborative. As SAMDI is effectively positioned to compete with the HEIs, there is no regular channel available for a dialogue between government and tertiary

education institutions on issues of teaching and training. As a consequence of this, there has been little or no significant debate on the curricula offered in formal academic programmes, or discussion on the articulation between formal academic programmes and short course training. Linked to this, there has also been no serious discussion on the appropriate content of short courses, nor agreement with government on appropriate training for different job levels.

A similar lack of communication also characterises the relationship between HEIs and government departments more generally, with the result that tertiary institutions often have limited access to the inner workings of these bodies. As a consequence academic knowledge of these inner workings is often fairly weak, giving rise to the kinds of accusations about the irrelevance of courses. Although some training needs analysis is sometimes conducted by HEIs, this is seldom undertaken to the level and depth required to address specific skills needs. Linked to this, HEIs seldom have the opportunity to engage with departments on the all-important need to create a working environment, which is receptive to the training offered.

Another factor is that the short courses offered by HEIs generate no government subsidy. As a consequence of this, HEI units dedicated to the offering of short course training programmes are, of necessity, self-funding. Whilst this arrangement works for the most part, it does place financial pressure on these institutions to respond to calls for training, irrespective of whether or not they have been well conceived or well targeted. An additional factor, at the postgraduate level, is the fact the current government subsidy scheme funds full-research masters programmes to a much greater extent than the kind of structured and career-oriented programmes (such as the MPA) that are of much greater benefit to aspiring or existing public service employees. Some institutions are therefore considering moving more towards the full-thesis approach and away from structured programmes.

### **5.18.1 The new institutional landscape**

The new institutional landscape created through mergers since 2004 is intended to have a substantial impact on the responsiveness of the higher education system to social and economic development needs. Eight universities, primarily those that were historically advantaged, but including Fort Hare and Western Cape, have remained largely independent, while four new universities have been created through mergers of primarily historically disadvantaged universities including Natal and Potchefstroom.

Two technikons will remain independent, and three will be re-created through mergers, with all renamed as 'universities of technology'. A new type of 'comprehensive' institution has been created, two from historically disadvantaged universities and three through the mergers of a university and a technikon. Finally, UNISA, Technikon SA and Vista Distance have merged to form a super distance institution. If headcount enrolments of 2001 are combined, the 'new' UNISA begins with upwards of 210 275 students, a significant 32% of the total national enrolments. Its enrolment and graduation trends will thus have considerable impact on the contribution of the system as a whole. In the short term, the process of merging institutions with different histories, different organisational cultures, different staff and student profiles, will absorb a tremendous amount of energy and resources. In the medium and long term, there is a great deal of potential to address higher education transformation goals.

### **5.18.2 A critical perspective on the quality of FET colleges at the point of merger**

Further Education and Training Colleges face a complex challenge to respond to several competing demands – from individual students, from the present and future labour market, and from government policy on community development – while simultaneously undergoing fundamental transition (Department of

Education, 2004). At the heart of the new vision for the FET sector is the challenge to equip the former technical colleges to become more responsive to development goals and the labour market, providing quality intermediate and higher level skills.

### FET college enrolments

**Table :4.4**

	New FET colleges	Number of campus sites	FTEs NATED	FTEs Non-NATED	Total FTEs	Percentage of total %
Eastern Cape	8	30	12 195	1 293	13 489	9
Free State	4	15	8 973	819	9 792	7
Gauteng	8	32	43 357	3 807	47 163	33
KwaZulu-Natal	9	32	18 425	4 319	22 744	16
Limpopo	7	18	9 920	3 178	13 098	9
Mpumalanga	3	12	7 559	95	7 655	5
North West	3	11	6 583	2 798	9 382	7
NorthernCape	2	6	2 973	155	3 128	2
Western Cape	6	27	13 933	3 530	17 463	12
<b>National total</b>	<b>50</b>	<b>183</b>	<b>123 919</b>	<b>19 995</b>	<b>143 913</b>	<b>100</b>

**Source: Department of Education, 2004**

The majority of the 183 campus sites of the 50 new Further Education and Training colleges are located in urban and peri-urban areas. The sector is growing steadily, with a 25.5% growth in headcount enrolments between 1998 and 2005. As with schooling, there is a significant provincial variation, where three provinces, Gauteng, KwaZulu-Natal and the Western Cape, account for 60% of the total headcount enrolments of 406 144 students in 2002. The table above reflects provincial variation in relation to the total of 143 913 Full Time Equivalent (FTE) enrolments.

Participation in the sector is expanding. In 2002, 2.7% of young people in the age cohort 15-29 years were enrolled in a public FET college, as opposed to 1.6% in

1998 (Department of Education, 2004). In 2002, 73% of headcount enrolments were African students. However, the participation rate for White students (17% of enrolments) was higher at 3.6% than the 2.6% for African students. Male students continue to dominate the sector at 60% of enrolments, particularly in the traditionally male fields of Engineering, while female students are concentrated in the traditionally female fields of Educare/Social Services, Utility Studies and Business Studies.

### **5.18.3 Diversity and competing demands**

FET colleges cater primarily for young people between the ages of 15 and 24, some 65% of total headcount enrolments. Given that 23% of students in 2002 were aged between 15-19, and 81% of this age group were enrolled for NATED programmes, it is evident that increasingly, colleges cater for young people seeking add-ons to the traditional schooling pathway. Simultaneously, there has been growth in the number of students over the age of 35, primarily in non-NATED subjects, which suggests that older students are returning to colleges for further skilling. This is in addition to the traditional constituency of young people seeking a post-schooling qualification at the N4, N5 and N6 levels. These enrolment patterns reflect the competing demands that intensify as colleges strive to become more responsive. There is evidence that while one part of an institution may become more responsive to industry's needs, setting up non-NATED programmes, short courses for adults and learnerships, the core of the college remains focused on young school leavers and traditional NATED programmes. This creates internal divisions and tensions, dealing with which requires complex skills from professional staff that may be beyond current capacity (Department of Education, 2004).

### **5.18.4 Partnership and linkages**

FET colleges have been encouraged to develop partnerships to enhance responsiveness, particularly in relation to curriculum development and work experience. The number of linkages or joint projects with industry, communities,

NGOs and government have grown to a recorded 1 852. The majority is with business, some 51%, and only 3% are with SETAs (Department of Education, 2004).

On average nationally, there are 39 partnership projects per institution, although there is a wide range of between 3 and 150 projects. The purpose of these partnerships is primarily as providers of training, some 42%, whether training for students, for community members or to industry. Only a very small proportion, 7%, of partnerships focused specifically on developing new programmes or curricula. There are encouraging signs of emergent responsiveness, in that 50% of the partnerships with industry focused on learner placements and the provision of training, and more than 50% of partnerships with government focused on community training, provision of training and work placements (Department of Education 2004b).

#### **5.18.5 Employment prospects**

Employment prospects for FET college graduates remain very low, even after attaining additional vocational qualifications to supplement already achieved school matriculation. A study by the HSRC showed that only 33.6% of FET college students found employment after graduation, with 69.7% of African graduates unemployed but only 24.2% of White graduates unemployed (Cosser, 2003). This gross differential between Black and White FET college graduate employment rates would be strongly influenced by the physical location and lack of industrial experience available at many FET colleges with a predominantly Black enrolment. Other causal factors are that these colleges are far from centres of employment and that certain formerly White college/employer recruitment networks would continue to be more advantageous to White graduates.

More significantly, 35% of FET graduates were continuing with their studies at the time of the HSRC survey – 70% of whom continued with college studies. It is

unclear, however, whether improved college qualifications will lead to better chances of employment or whether this high level of continuing education is merely a strategy to avoid the inevitability of unemployment (Cosser et al, 2003).

#### **5.18.6 New policy emphasis**

Government has increasingly shown a strong commitment to improving the conditions facing FET colleges. President Mbeki, in his 'State of the Nation' address in February 2004, has made explicit his desire to align FET colleges to the demands of his socio-economic transformation agenda. In a groundbreaking move to fast track skills development in South Africa, the Minister of Labour, Membathisi Mdladlana and the Deputy Minister of Education, Mr Mohamed Surty, signed a collaborative agreement in the Eastern Cape on 21 February 2005 to facilitate the Umsobomvu Youth Fund's skills development projects for youth through the FET College sector. At the core of the agreement is a partnership between the FET Colleges, the Sector Education and Training Authorities (SETAs), the Umsobomvu Youth Fund and several private sector role players such as employers. The programme, which entails the linkage of education and skills training, follows a recent decision by both the Departments of Labour and Education to develop a system that would enable young learners to acquire, through education, sufficient preparation and relevant skills that are required in the labour market.

#### **5.18.7 Participation rate in higher education**

The participation rate in higher education (the proportion of the 20-24 year age group enrolled in higher education) has been targeted for improvement to 20% by the National Plan for Higher Education (Department of Education, 2001). In 2001 it stood at 15.1%. In 2003, the participation rate improved slightly to 16.7% (Stats SA, Census 2001). There is scope to improve the participation rate. This will require that more school leavers obtain a matriculation pass or exemption,

and also, that a greater proportion of matriculants who qualify to enter higher education do so. Breier (2004) has calculated that only 53.4% of those who passed the Senior Certificate with endorsement in 2002 in fact enrolled in a higher education institution in 2003. This suggests other factors, such as financial constraints,

#### **5.18.8 Analysis FET colleges at the point of merger**

The discussion of the neo-liberal turn in the FET sector highlights the growth of managerialist and technicist understandings of the functions of the sector. Allied to this is a heightened emphasis on quantitative measures of college performance. Whilst it is impossible to conceive of quality in simply quantitative terms, it is clear that a series of quantitative indicators have received increased attention as part of the attempt to analyse and improve college performance. Arising out of current policy concerns, the following are important quantitative indicators of how the South African college sector is performing McGrath (2004, 56):

- I. The number of learners served by the system, disaggregated by race and gender;
- II. Their distribution across learning programmes;
- III. The number of teaching staff, disaggregated by race and gender; Pass rates;
- IV. Throughput rates (reflecting the proportion of those initially enrolled who complete successfully);
- V. Employment rates; and
- VI. Cost per learner (disaggregated by programme).

The most recent statistics collected by the National Business Initiative (NBI) for 2000 (Powell 2002, 22), suggest that colleges have considerable room for improvement. The overall pass rate nationally stood at 53 per cent in 2000 and throughput rate at 47 per cent (Powell 2002, 77). Whilst the student body has

shifted strikingly to reflect overall national demography quite strongly (for example, 13 per cent of students were white; 79 per cent African); white staff still represented 51 per cent of the total numbers (derived from Powell & Hall 2002: 88–9). Gender disparities continue to be stark. Only 38 per cent of learners were female, falling to 18 per cent in Engineering Studies (Powell 2002, 90–1).

In contrast to the race statistics, it is in staffing that more gender equity appears, with women comprising 44 per cent of the academic staff (Powell & Hall 2002, 88). However, there are at least two issues with these statistics. First, the NBI was unable to get data for some of the most important indicators, such as cost per learner and employment rates. From interviews at college level for the Support to Education and Skills Development (SESD) Programme,<sup>2</sup> it appears that the former is an area of relatively good performance in international terms.

A survey of the 1999 cohort of graduates from nationally-accredited college courses at the FET level reveals that only 34 per cent were employed or self-employed two years later (Cosser 2003, 48). The same study reveals that a further 35 per cent of this cohort were engaged in further studies (Cosser 2003, 38). It is likely, but not certain, that much of this further study is motivated by high unemployment levels, but it also appears that employers prefer students with N4 to N6 qualifications (Maja & McGrath 2003). If we look at those who declared themselves to be neither working nor studying, then the figure of 31 per cent is slightly better than the overall unemployment rate of 35 per cent for new matriculants entering the labour market in 1999 (McCord & Bhorat 2003, 16).

Whilst there is clearly a need for employment rates of college graduates to increase significantly, it could be argued that colleges are doing as well as the labour market allows. However, this is a proposition in need of far more rigorous testing. Second, recent fieldwork in colleges for the SESD Programme suggests considerable college-level dissatisfaction with the quality of the data presented in the 2002 *Quantitative Overview*. Nonetheless, these statistics are a valuable

starting point for analysing the state of colleges at the point of merger. The greater challenge, however, is to develop a more complex picture of the quality demands on colleges and a sense of where these institutions are positioned in relation to these.

### **5.19 Analysis of PSETA**

The objectives of the Skills Development Strategy Initiative, launched by the Department of Labour in 1997, are to contribute to the development of human resources and to address skills shortages in South Africa. Since 1994 various departments have also undertaken training initiatives both nationally and provincially. These initiatives have mostly been fragmented and uncoordinated. However, the registration of the Public Service SETA (PSETA) added a new dimension to training in the public service. Departments now have to plan their training interventions in such a way that the training offered complies with the standards that have been set and with the national priorities on human resources development.

The Department of Public Service and Administration (DPSA) is responsible for leading the transformation process by developing appropriate policies and facilitating the implementation of such policies through strategic interventions and partnerships, and by maintaining a functioning public service. This often requires them to have information on various aspects of human resources in the public service in order to address long-term strategic planning, the implementation of policies and the enhancement of job performance and service delivery. In the light of this, the DPSA has a need for baseline information on the state of training and education in the public service. PSETA is also responsible for quality assurance of transversal training among departments across all national and provincial government departments and administrations, although departments such as the Department of Transport are members of their 'line function' SETA.

### 5.19.1 Skills planning

The Sector Skills Plan for 2005-10 was finalised and submitted to the Department of Labour. This plan outlines demand for and supply of skills in the sector and highlights scarce and critical skills that will come into the spotlight. The Workplace Skills Plan (WSP) submission rate relative to that of the SETA's early years reflects the continued increasing emphasis placed on skills development by national and provincial government. Of 140 government departments, 113 submitted WSPs. The number of Annual Training Reports (ATRs) received increased dramatically over the previous period, from 26 to 107. Mpumalanga, Western Cape and Free State performed exceptionally, with a 100% submission rate for both WSPs and ATRs.

The overall totals, however, failed to reach the SETA's 90% target, ending the year at 80,3% (WSPs) and 74% (ATRs). This can be attributed to skills audit difficulties in the departments, poor training budget reconciliation and insufficient management support, among other problems. PSETA, in collaboration with other government SETAs, was tasked with developing new templates for the WSP and ATR forms to be used by all government departments. These common templates will simplify information gathering and collation.

In February and March 2006, the new forms were workshopped to all Skills Development Facilitators (SDFs) from government departments countrywide. The sessions were attended by about 250 SDFs and afforded PSETA the opportunity to discuss the role of SDFs in the NSDS 2 and to encourage an increase in skills planning activities in the sector.

Table 4.5

<b>CONSOLIDATED WORKPLACE SKILLS PLANS RECEIVED FOR 2005/6</b>			
Province	Number received	Expected WSPs	Response rate (%)
Eastern Cape	9	12	75
Free State	12	12	100
Gauteng	10	11	91
KwaZulu Natal	7	12	58
Limpopo	8	11	73
Mpumalanga	11	11	100
Northern Cape	5	12	41.6
North West	9	11	82
Western Cape	12	12	100
National departments	30	36	83.3
<b>Total</b>	<b>113</b>	<b>140</b>	<b>80.3</b>

Source: PSETA annual report 2005/ 2006

Table 4.6

<b>CONSOLIDATED ANNUAL TRAINING REPORTS RECEIVED FOR 2004/5</b>			
Province	Number received	Expected ATRs	Response rate (%)
Eastern Cape	5	12	42
Free State	12	12	100
Gauteng	8	11	73
KwaZulu Natal	5	11	46
Limpopo	8	11	73
Mpumalanga	12	12	100
Northern Cape	11	12	92
North West	2	11	18
Western Cape	12	12	100
National departments	32	36	89
<b>Total</b>	<b>107</b>	<b>140</b>	<b>76,4</b>

Source: PSETA annual report 2005/ 2006

The goal of PSETA for the financial year 2006/7 is to actively encourage departments to invest at least 1% of personnel budget in training as required by the Skills Development Act. Another prerequisite is to update the SSP with more qualitative content, including greater emphasis on identifying skills requirements and gaps.

Table 4.7

TRAINING NEEDS IDENTIFIED FROM WSPS	
Training need	Number
Abet	7 669
Administration skills	4 098
Coaching and mentoring	2 942
Communication skills	7 678
Computer skills	18 956
Customer care	10 766
Diversity management	5 690
Financial management	10 839
HIV/Aids	6 187
Human resources management	8 956
Labour relations	6 240
Policy formulation	2 063
Project management	6 098
Research skills	1 761
Strategic planning	6 230
Monitoring and evaluation	523

Source: PSETA annual report 2005/ 2006

These training needs have also been identified in WSPs of previous years. This indicates that there is consistency in critical skills needs identified every year. As a result the skills planning, learnerships and ETQA units are currently developing a strategy to translate most of these training needs into credit-bearing skills programmes.

### 5.19.2 Learnerships

PSETA made its debut on the learnership implementation stage during 2005/6 with R106-million in National Student Funding (NSF) approved during the previous year. Six providers were contracted and 3 158 learners enrolled (against a target of 3 653) on eight learnerships across five provinces and in the Department of Labour (DoL). By the end of March 2006, 86% of the learners had completed their classes. PSETA annual report (2005-2006, 20)

The Learnership project posed several major challenges, including the management of finances and learner payroll. Plans are in place to boost PSETA's capacity to manage future projects and fine tune the recruitment and selection process to improve the learner competence rate on completion of programmes. Workshops are planned to capacitate government departments to implement learnerships. Special attention will be focused on budgeting, the importance of the learnership agreement and the selection of learners.

An application for a further R28-million in learnership funding for 2006/7 has been submitted to the NSF. PSETA registered a learnership in human resource management and developed a supporting learnership implementation pack. Ultimately, PSETA qualifications that address critical and scarce skills needs will be registered as learnerships and as skills programmes. PSETA annual report (2005-2006, 20)

Table 4.8

NUMBER OF LEARNERS ACTIVE AT MARCH 2006					
	Black	Coloured	Indian	White	DoL
Human resource management	602	114	2	1	
Public sector accounting	126	62	3	2	
Project management	743	107	3	3	
Public administration	143	1	–	1	
Office administration	118	140	–	–	
Information technology*	87	105	–	–	
Employment and skills development services					147
Inspection and enforcement services					185
<b>Total</b>	<b>1847</b>	<b>529</b>	<b>8</b>	<b>7</b>	<b>332</b>

Source: PSETA annual report 2005/ 2006

Table 4.9

NUMBER OF LEARNERS ENROLLED AT END OF NSF-FUNDED LEARNERSHIP PROJECT (MARCH 2006)						
	North West	Northern Cape	Mpumalanga	Eastern Cape	KwaZulu Natal	DoL
Human resource management	172	154	108	257	11	
Public sector accounting	49	44	37	51		
Project management	367	192	161	165		
Public administration			155			
Office administration		276				
Information technology		192				
Employment and skills development services						147
Inspection and enforcement services						185
<b>Total</b>	<b>588</b>	<b>858</b>	<b>461</b>	<b>473</b>	<b>11</b>	<b>332</b>

Source: PSETA annual report 2005/ 2006

The goal of PSETA for the 2006/7 financial year is to promote the enrolment of 18.1 learners in credit-bearing skills programmes and learnerships; also to promote skills programmes to replace non-credit bearing short courses, which currently account for most public sector training. There are initiatives to obtain 1 000 new learners in Gauteng, the Western Cape, Limpopo, Free State and KwaZulu Natal – 600 in public accounting and 400 in public administration, including 40 disabled learners; 40 high-level internships for unemployed graduates and post graduates in scarce and critical skills areas (eg public policy) PSETA annual report (2005-2006, 23)

The ETQA function maintained strong progress to bring it in line with South African Qualifications Authority (SAQA) requirements for a quality assurance body. By September 2005 it had resolved all 55 non compliances uncovered during an April 2004 SAQA audit. It has been accredited as an ETQA until 2008. Full accreditation was awarded to seven providers and provisional status to another five. Eleven existing accreditations lapsed and the providers were removed from the database. An assessor training intervention was held at the end of 2005 to ensure that there were registered assessors to support learnership implementation. Seven of the nine provinces and one national department nominated candidates, the balance being unable to meet the deadline. Of the 127 candidates trained, only 62 submitted Portfolios of Evidence (POEs), but at year end, a provider contracted by PSETA was assisting learners to compile their portfolios. PSETA annual report (2005-2006, 23)

A different methodology was proposed to be adopted in future assessment training, with PSETA consulting the departments on the best approach. In future, PSETA will urge them to use their 1% to fund their own assessor training aligned to the learnerships they want to implement. Moderation and certification systems were implemented and moderation commenced on assessments for 70 learners in Mpumalanga and Gauteng and 162 (18.2) learners in Mpumalanga who were working towards a National Certificate in Public Administration. In addition, 188 learners trained by the Independent Electoral Commission (IEC) in the unit standard 'Manage a voting station' were moderated in readiness for certification in 2006/7. Funds were not available to continue the evaluation of learning programmes already underway, but a model for the training of about 30 learning programme evaluators during 2006/7 was approved by the Department of Public Service and Administration (DPSA). PSETA annual report (2005-2006, 34)

ETQA's spent time supporting departments that deliver their own training to adapt to delivering unit standards-based programmes. The department hosted nine provincial workshops in October and November 2005, using the platform to promote quality, to improve understanding of the ETQA's role and requirements, and to explore accreditation issues, QMS implementation, qualifications and monitoring and auditing of education and training in the public sector.

The first of four public administration qualifications was developed and registered on NQF level 5 through a Joint Implementation Plan (JIP) with SAQA. The remaining three programmes – on levels 4, 6 and 7 – were developed and submitted to key stakeholders for comment. By year end, PSETA was accredited for the qualifications listed alongside and unit standards in general public administration, trade and industry, foreign affairs, housing and election coordination.



**Table 5.1**

<b>Unit standard</b>	<b>NQF level</b>
Manage a voting station to contribute to free and fair elections	5
Apply moral decision making and problem solving strategies	3
Apply government communication processes and assess communication effects	5
Develop holistic productivity improvement strategies and plans	5
Conduct electoral observation and monitoring to enhance the practice and assessment of free and fair elections	5
Demonstrate knowledge of electoral principles, processes and procedures	5
Design electoral processes	7
Design standards and practices for electoral observation and monitoring	6
Evaluate and revise electoral processes	7
Manage voter registration	5
Plan and manage electoral observations to contribute towards free and fair elections	6
Plan and manage electoral processes	6

**Source: PSETA annual report 2005/ 2006**

**Table 5.2**

Qualification	NQF level
National Certificate: Public Administration	3
National Certificate: Inspection and Enforcement Services	5
National Certificate: Local Employment and Skills Development Practices	4
National Certificate: Conflict Management and Transformation	5
Advanced Diploma: Diplomacy	7
Advanced Certificate: Mission Administration	6
National Certificate: Mission Administration	5
National Certificate: Foreign Economic Representation	6

**Source: PSETA annual report 2005/ 2006**

PSETA had done a lot in the major areas to up-skill employees in the learnerships and to ensure that there were appropriate programmes in place for those employees to be better skilled. The SETA had had a problem with public service departments that were spending huge monies of their training budget on allowing employees to attend private sector short courses that were not credited with PSETA, as well as spending on attendance to conferences. With respect to the latter, the Director-General in the Department of Public Service and Administration was tasked with a project of coming up with policy that will regulate the attendance of conferences by public servants. PSETA alluded to the fact that it was still experiencing a great difficulty in getting departments to spend more of their 1% training budget especially in relation to learnerships. The SETA had, however, developed clear guidelines to assist departments in approaching learnerships.

PSETA acknowledged that not much was done in the identification and development of appropriate courses for junior management and officials at lower levels. They also acknowledged that they were currently focusing on the area. The SETA was doing lot of work in the skilling of senior management and middle management in terms of their competencies. However, while these have been a focus of work carried out by PSETA and SAMDI, there was a concerted effort to pay attention to junior management through the development of qualifications at NQF 4 and 5.

With respect to the concern that was raised around the mindset of public servants, PSETA in partnership with the South African Management Development Institute (SAMDI) had developed a comprehensive induction and orientation course that would assist both new and existing employees in orientating them to the new ethos within public service, as well as keeping with the principles of Batho Pele. In relation to its status, PSETA expressed a view that the fact it had been a unit within the Department of Public Service and Administration (DPSA), had posed challenges on its accountability and resulted in it being unable to perform as expected.

PSETA had received a certificate of establishment for 2005 – 2010 and could apply to be established as a legal entity. It has submitted a proposal to Treasury to get a dedicated grant to fund PSETA. There was a need to ensure that each department utilised the allocated skills levy appropriately and effectively.

With respect to the roll out of 18.2 learnerships, PSETA could only fund 4000 learners due to the funding received from the NSF. The first phase of the project was rolled out in the Eastern Cape, Northern Cape, Mpumalanga and North West provinces. Allocation of learners was done as per the needs identified by the provinces. The qualification on the 18.2 learnerships was currently rolled out will be completed by the end of March 2006. PSETA was in the process of approaching the NSF to fund the second phase which will include the other four provinces.

The South African Qualifications Authority (SAQA) together with PSETA do quality assurance on training provided. Regular reports are done and it is ensured that the training provided is valid and meets the needs. The issue of exit opportunities for learners had been raised with DOL and DPSA. The SETA is looking at ensuring that when unemployed youth are brought into learnerships, the question of vacancy requirements, as well as scarce skills requirements are considered.

PSETA is in a process of putting up a clear policy on how to deal with the retention and recruitment of these learners into permanent appointments after training. The issue of skills shortage is dealt with as part of the Skills Database Project which is massively undertaken in the public service as part of the Governance and Administration Cluster. A commitment had been made to the President, as part of the national strategy, the project will be up and running by January 2006. PSETA is also looking at long term strategy to deal with training of professionals in the public service. The recruitment of foreign professionals is a short term strategy.

The public service is perceived as having made progress in the implementation of employment equity, especially at senior management level. The two areas which are identified as lagging behind were females in management positions and employment of people with disabilities in the public service. Government and in particular the DPSA had an active recruitment campaign to increase the number of people with disabilities in the public sector, and PSETA was committed to ensuring that at least 4% of all learners were people with disabilities.

The question of infrastructure development for public servants is a programme that was dealt with. PSETA acknowledged that there was a backlog in this area. The Committee expressed its view on the importance of linking skills development processes in order to improve performance in the public service.

PSETA was looking at ensuring that skills development was in line with the performance management systems within the public service.

Regarding the issue of collaboration amongst SETAs, PSETA has an agreement with the ISETT SETA to implement an NQF level 4 learnership on systems development. There were also learnership agreements with the Health and Welfare SETA around auxiliary nursing healthcare, and the ETDP around Facilitators and Assessors.

The DOL emphasised on the importance of SETAs to work together, as well as the different spheres of government. The NSDS II does emphasise on this work collaboration. The issue around the physical presence of SETA in provinces could be addressed by this collaboration. The PSETA had targeted to meet the 10 000 target set by the Growth and Development Summit (GDS). PSETA was concerned that learnerships were not used to do practical experience. The PSETA board had identified the issue of exit opportunities for learners as a priority and would like to ensure that people were linked to vacancies.

PSETA acknowledged that there was a problem of scarce skills in the country. However, PSETA alluded to the fact that the recruitment of foreign professionals was used as a short- term strategy, there was a need to put a long- term strategy to deal with professionals in the public service. The Committee expressed concern at the public service lagging behind in the implementation of employment equity. The lack of women managers and the employment of people with disabilities were identified as areas where less progress was made. It was suggested that provisions should be made to ensure that training in SETAs include people with disabilities.

The issue of work collaboration is spelt clearly in the 2005-2010 NSDS. The issue of each SETA having an office in each city was seen as costly. Fostering inter-SETA relations could be a solution to the matter. It was also proposed that

DOL provincial offices should look at whether the Sector Skills Plans (SSP) were linked to the Integrated Development Plans (IDP).

In providing for an effective framework in which the accreditation, quality control and delivery of education and training can take place smoothly, a very sophisticated landscape for education and training institutions coupled with labour market institutions are required to be instituted. The process, however, has been complicated and slow. This has contributed to reversals and crucial moments when it appeared that everything was on track causing a great deal of frustration. At the heart of the process is the struggle between licensing and delivery of education and training provision. While the DoL and its supporting institutions have upheld the notion of demand-led training provision, in practice, the stakeholders within the education community adhere to a different interpretation. These differences permeate the entire educational and training system in South Africa.

Some of the largest delays in establishing learnerships are due to the length of time it takes to have standards and qualifications registered through SAQA's structures. South Africa' (Review of the CEO in Service SETA, Annual Report 2002, pp.19-20) It is important that the difficulties in integrating the complex process of accreditation and quality control on the one hand, with the demands that employers and labour has with respect to firm level training on the other hand, are addressed. This is a crucial test for the NSDS and it remains a crucial test of the success towards the over-arching human resource development strategy. Failure to deliver at least on the fundamental indicators would result in the entire process being put under massive scrutiny.

According to a Ministerial committee's (MINCOM's) investigation into the role, scope, mode of operation and the future of SAMDI (August 2006), unlike most of the other SETAs, the PSETA does not have an autonomous standing of its own, currently being a part of the DPSA. As government departments are currently

exempted from the skills levy, even though some do pay over part of the levy to some SETAs (eg health depts) , the PSETA has also experienced some difficulties in accessing the level of funds required to meet its mandate. During a MINCOM's investigation, the PSETA indicated that this situation has posed challenges for its effective management and accountability, with the result that it had not been able to perform as well as expected. The PSETA is currently in the process of registering as a public entity. This would enable it to receive appropriate funding to ensure that it meets the NSDS requirements and overcome problems around accountability and governance.

From the MINCOM's discussions with PSETA it was clear that progress had been made towards achieving its mission. A sector skills plan has been submitted to the Department of Labour (DoL); over 18 learnerships have been established (covering approximately 4000 learners); national and provincial skills development facilitators have been trained to develop work place skills plans; and competencies have been developed for the Senior Management Service. (MINCOM report 2006)

The PSETA is also in the process of developing a policy on how to deal with the retention and recruitment of learners into permanent appointments after training, and has taken up this issue with the DPSA and the DoL. With respect to the concern raised by the Committee about the mindset of public servants, PSETA indicated that it had developed, in partnership with SAMDI, a comprehensive induction and orientation course for new and existing employees to orient them to the new ethos within the public service, and in particular the principles of *Batho Pele*. It also indicated that it had mounted an active recruitment campaign to recruit more women (and especially Black women) and people with disabilities into learnerships. The PSETA is also making progress with regard to improved collaboration with other SETAs involved in the public sector (MINCOM report 2006)

The MINCOM report (2006) identified a number of problems and constraints. In addition to problems surrounding the organisation's current legal status these included the fact that quite a number of public service departments were spending large amounts of money from their training budgets on private sector courses that were not accredited with PSETA. Moreover, PSETA was experiencing great difficulty in persuading departments to spend more of their 1% training budget (from the skills levy) on learnerships rather than other activities. It was also acknowledged that not enough had been done so far to identify appropriate skills development opportunities for junior managers and officials at lower levels (more had been done at the middle and senior management levels). Although collaboration with SAMDI, government departments, and other SETAs is showing signs of improvement, it was also acknowledged that much more needs to be done in this respect. The fact that the affiliation of government entities is spread across a number of SETA's has contributed to fragmentation and incoherence in the public sector human resource development strategy. The widely reported failings of various SETA's, which the Department of Labour is currently addressing, have significantly aggravated the problem.

According to MINCOM's report (2006) while all provincial administrations outsource their transversal and generic training (to a greater or lesser extent) to external providers (SAMDI, HEIs or private providers), a number, including the Free State and the Western Cape, have established their own provincial academies to attend to their own training needs in the field of management and human resource development. Other provinces such as Gauteng are considering doing so. Those that do not have such academies generally have smaller internal training units. This is in many ways a positive development in that it expands overall government capacity to deliver training programmes. However, in order to optimize their efficacy, it will obviously be important to establish explicit mechanisms to ensure coherence and co-ordination within the national framework for HRD in the public service.

Due to time constraints, MINCOM (2006) was unable to carry out a detailed assessment of these in-house institutions. However, the Committee did spend some time deliberating on their potential advantages and disadvantages. With regard to the former, the Committee felt that in-house academies or training units have the following advantages, amongst others:

- I. They are embedded, by their very nature, in the organisation and are therefore able to integrate their activities more effectively with broader organisational and HR planning processes.
- II. They allow the tailoring of training programmes to the specific service delivery needs of the organisation.
- III. They are able to instil the specific values, service culture and corporate identity of the organisation (though there is the risk that these might be particularistic and at variance with the required national ethos and culture).
- IV. They can more readily integrate off the job and experiential on-the-job training.
- V. They allow greater flexibility in adapting training programmes courses to respond to sudden shifts in policy.
- VI. They are very often far more cost effective than the use of external providers, or sending employees away for training (which often has high travel and accommodation costs attached). This is particularly the case where large numbers of participants are involved and the training programme will be repeated on a regular basis.

MINCOM report (2006) highlighted disadvantages and potential risks in the reliance, and especially over-reliance, on in-house training solutions. These included the following.

- I. For most organisations teaching and research (human resource research as opposed to research into new products or new services) is not their core business and thus investing too heavily in developing an internal

- training unit or academy can lead to dilution of the core business process and deflect from the core mandate of an organisation.
- II. Many organisations simply do not have the skills and competencies to manage the complexities involved in establishing and running an effective training unit or academy, and therefore find it more effective and efficient to outsource to those who have greater experience in this regard.
  - III. In-house training units or academies can often find themselves in a survivalist mode if they are forced to embark on cost-recovery schemes to pay for facilities, staff and equipment. This often means that staff become distracted by the need to raise funds and do not focus sufficiently on their core task of developing and delivering training.
  - IV. Academies and In-house units, especially the smaller ones, often find the process of accreditation a time-consuming and laborious one, which can also distract from their core task of designing and delivering training. This is another reason why they often opt to outsource training to external institutions that have the necessary expertise.
  - V. Unlike universities, in-house units and academies are not linked to a nationally recognised framework for quality assurance, and often lack the expertise to design and implement effective quality control measures of their own.
  - VI. In-house programmes can be very specific to the needs of an organisation which can lead to it becoming isolated and not part of national and global knowledge networks with respect to best practice ideas and techniques in the areas of training and human resource development.

In drawing conclusions from the merits and demerits of in-house training units and academies, the MINCOM report (2006) noted advantages in terms of embedding training within an organisation's culture, cost effectiveness and responsiveness. The MINCOM report (2006) concluded that the disadvantages of in-house training in terms of the dilution of core functional specialisation, the absence of quality assurance and weaknesses with respect to knowledge

transfer and best practice techniques, on balance weighed against advocating in-house training solutions as a viable long-term option. Instead, the MINCOM report (2006) endorses the idea of a national training institution, which represents a more appropriate solution for the training needs of the South African public service.

The MINCOM report (2006) acknowledged the rapid growth and use of private training providers in the area of public sector training but, again due largely to time constraints, was unable to probe into this issue in any great depth. With respect to some of the larger and more reputable providers, the Committee noted that they were able to make a positive contribution and had a number of advantages over other external providers such as the HEIs. These included their expertise in specialised niche areas (financial management for example), their willingness to customise programmes to meet the needs of clients, their ability to respond quickly in their course designs to changes in government policy and legislation, and their efficiency and professionalism in their dealings with clients.

Disadvantages included the fact that they are typically very expensive, supply-driven with a tendency to use off-the-shelf products that are not based on a detailed needs analysis, lack a thorough understanding of government, and are geared primarily to the private rather than public sector. In addition, their activities, as private organisations, are difficult to link and integrate effectively with those of the public institutions that have the responsibility for public sector training and development. Of greater concern to MINCOM, however, was the proliferation in recent years of smaller private training consultancies, many of whom lack the skills and experience to deliver quality products but are nevertheless contracted, often and not surprisingly with very disappointing consequences. This indicates the need for more effective quality control checks and tendering processes. MINCOM report (2006)

In addition, private training providers are often given very little guidance from contracting departments as to the nature of the training interventions required, resulting in the delivery of training programmes which are not aligned to the achievement of specific objectives. Together with a relatively low capability within the public service to manage relationships with providers and the aforementioned somewhat patchy quality assurance mechanisms, this has often resulted in a large amount of time and cost being expended on training programmes that in the end have very little impact on departmental performance. MINCOM report (2006)

## **5.20 Analysis of South African Management Development Institute (SAMDI)**

This sections aims to give an overview of South African Management Development Institute (SAMDI) programmes in response to government priorities. In doing so attention will be given to the Organisational Development and Training Services (OD & TS) chief directorate within SAMDI. The human resource training initiatives taken by SAMDI will also be explored. Analysis of the performance of SAMDI, perception of SAMDI training, capacity constraints, human resources profile and skills development will be undertaken in this section.

Civil servants are increasingly confronted with a new range of demands as public policy and governance becomes more complex and contested. In addition to increasingly specialised knowledge and skills, the civil service also needs individuals whose norms, values, attitudes and orientations are consistent with the objectives of the state. SAMDI has a central role to play by undertaking capacity building with a particular focus on management competence, in accordance with the human resource strategy for the public service. The manner in which the skills development legislation and policies are currently implemented by government is somewhat problematic, leading to unsatisfactory returns on government's substantial investment in public sector training. SAMDI is playing a

key role to change the situation through relevant training and development programmes and quality assurance processes as well as programme evaluation to enhance the implementation of relevant learning in the workplace.

There is a clear need to meet three key strategic outcomes, namely:

- I. Improving government's capability for evidence-based and knowledge-managed decision-making;
- II. Ensuring that training is responsive to government priorities including training in scarce and critical skills; and
- III. Ensuring that performance management and skills development are integrally linked.

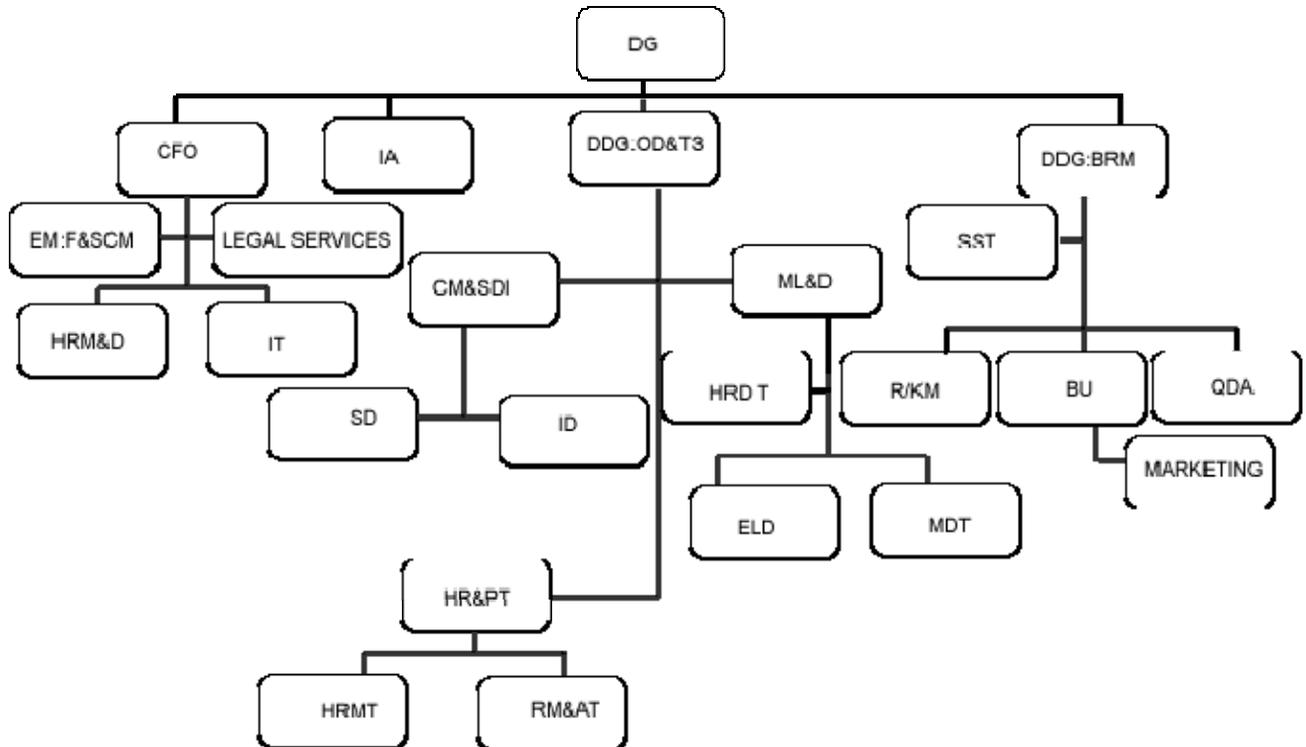
Currently the question is posed as to whether the current training and development demands for the public service may be better served by transforming SAMDI into a Public Service College.

### **5.20.1 Overview of SAMDI programmes in response to government priorities**

SAMDI has realised, through its work with various departments that the provision of training for the sake of responding to training requests does not necessarily lead to service delivery improvement. One of the strategic responses to this challenge is to work with departments in identifying training needs in line with strategic plans and service delivery improvement plans of the departments. This partnership will assist in ensuring enhanced quality and relevance of SAMDI training and development interventions. There are a number of examples in this regard, which includes the introduction of Learning Needs Analysis (LNA) interventions in departments such as Correctional Services and Environmental Affairs and Tourism, including provinces such as KwaZulu-Natal (KZN) and the Northern Cape, as well as countries such as the Democratic Republic of the Congo (DRC). These projects enable SAMDI to craft developmental solutions that contribute towards individual and organisational performance. The

programmes and activities of the branches of SAMDI ensure that the mandate of SAMDI is executed. SAMDI annual report (2005-2006, 34)

Figure 4.3 Organogram SAMDI



Source: SAMDI Annual report 2005/ 2006

### 5.20.2 Organisational Development and Training Services (OD & TS)

The above diagram represents the organogram of SAMDI. This section will focus on the Organisational Development and Training Services (OD & TS) within SAMDI. The OD & TS branch within SAMDI encapsulates the line function activities within the organisation. It therefore responds directly, through the implementation of identified strategic objectives, to SAMDI's mandate to provide high quality, customised training and development to the public service. SAMDI

intends for these interventions to lead to increased capacity within the government departments to implement government initiatives aligned to national priorities and to improve their service delivery accordingly.

The OD & TS branch is structured in such a way that it clusters relevant programmes, initiatives and interventions together in three different Chief Directorates. The three Chief Directorates and its functional Directorates are:

### **Management and Leadership Development (MLD)**

- I. Executive Leadership Development (ELD);
- II. Management Development Training (MDT); and
- III. Human Resource Development Training (HRDT).

### **Change Management and Service Delivery Innovation (CM & SDI)**

- I. Service Delivery (SD); and
- II. Institutional Development (ID).

### **Corporate Resource Management Training**

- I. Human Resource Management Training (HRMT);
- II. Supply Chain Management Training (SCMT); and
- III. Finance and Project Management Training (FPMT).

The Accelerated and Shared Growth Initiative for South Africa (ASGI-SA), which is championed by the Deputy President, strives to achieve the objectives of halving poverty and unemployment by 2014. South Africa's annual growth rate was 4.5% between 2005 and 2006. The recommended growth for the next period has been increased to 6%. The single greatest impediment to this initiative is the shortage of professional skills (such as engineering and science skills); management skills (such as financial, HRD and project management skills) and technical skills (such as artisan and IT skills). SAMDI annual report (2005-2006, 45)

### 5.20.3 Management and Leadership Development (MLD)

The MLD chief directorate consists of three directorates i.e. Management Development Training, Executive Leadership Development and Human Resource Development and Training. In the 2005/06 financial year the Chief Directorate responded to the following three strategic priorities:

- I. Delivery of management and leadership development programmes which enable the development of a fully capacitated management and leadership component within the public sector;
- II. Delivery of human resources management and development training programmes so that the public service has human resources capacity required to deliver on the government priorities; and
- III. Delivery of programmes that mainstream issues of gender, disability and HIV and Aids. SAMDI has made significant progress in terms of its MLD portfolio, which addresses cross-cutting management and leadership competency needs of the public service ranging from strategic management, managing people to delivering results and accountability. The establishment of this portfolio dates back to 2000, when the Presidential Strategic Leadership Development Programme (PSLDP) was introduced. The PSLDP was delivered to SMS members within local government namely, Inkandla Municipal District and Sekhukhune Municipal District. The most significant achievement in this programme was graduation of 170 candidates at the University of North-West (Potchefstroom Campus) in February 2006.

In 2003 the Advanced Management Development Programme (AMDP) for middle managers and the Emerging Management Development Programme (EMDP) for junior managers were initiated. In 2005 the Foundation Management Development Programme (FMDP) for current and aspiring supervisors commenced. With these additions to the Integrated Management Development

Programme (IMDP), SAMDI's management development interventions now cover all levels of management. During 2005/06 SAMDI trained in excess of 1 345 senior managers, 1 697 middle managers, 2 176 junior managers and 117 first line supervisors. More than 72 officials have completed the Mentorship Training Programme. In order to ensure that the content of the materials is continuously updated and in line with latest developments, the Emerging and Advanced Management Development Programmes were subjected to a rigorous review process. SAMDI annual report (2005-2006, 45)

The PSLDP is also in the process of being overhauled, and it is envisaged that an updated, cutting-edge programme for senior managers will be available towards the end of the 2006/07 financial year. Internationally, mentorship is regarded as an important tool in the development of managers, and subsequently SAMDI has developed its own portfolio of mentorship training programmes to supplement its management and leadership portfolio, thus offering its clients a near complete service delivery solution. Three programmes, which jointly cover a broad spectrum of mentorship needs, commenced during February 2006. These programmes cover an introduction to Mentorship, Mentoring Middle and Emerging Managers as well as Executive Mentoring. SAMDI annual report (2005-2006, 45)

Another initiative revolves around the fast-tracking of female middle managers. It is generally realised that traditional methods of succession planning do not always yield the required results, and subsequently Cabinet has approved the establishment of a sustainable pools scheme, which will develop and prepare female managers in middle management levels to take up senior management positions as and when the positions become available. This initiative, which will be known as the Accelerated Development Programme (ADP), takes a long-term approach and it is envisaged that Phase 1 will commence during 2006/07 with the Department of Trade and Industry, the Department of Home Affairs, as well as the KwaZulu- Natal, Western Cape and Mpumalanga provinces. The

objectives of this programme will be to equip female managers with both management and leadership skills and a thorough understanding of the public service and the context in which they will operate. SAMDI annual report (2005-2006, 45)

Progress was also made in terms of the numbers of people trained and the relevance and currency of the materials, SAMDI was also successful in establishing, maintaining and expanding its partnerships with tertiary institutions. Initially only the PSLDP was accredited through the North West University (Potchefstroom Campus), but subsequently, the Emerging and Advanced Management Development Programmes were accredited and presented by the University of Pretoria in partnership with the then University of Durban-Westville. Towards the end of 2005 SAMDI extended its formal partnerships to include the North West University (Potchefstroom Campus), the Universities of Pretoria, the Free State, Fort Hare and Stellenbosch. SAMDI annual report (2005-2006, 45)

These institutions are the lead universities that represent consortia of other tertiary institutions. Partnerships with HEIs will be expanded even further during the review of the PSLDP. Given the capacity of the HEIs to deliver training programmes of the highest quality and their ability to accredit successful delegates and enable their entry into formal training programmes, there is great optimism for the future of management and leadership development throughout the country. A formal strategic partnership between SAMDI and Gordon Institute of Business Science (GIBS) will give impetus to the SAMDI leadership and management development programmes.

Additional to the expansion of strategic partnerships with tertiary institutions, SAMDI has also extended its capacity through the use of associates. Currently there are more than 81 associates employed on a part-time basis by SAMDI, and it is envisaged that these individuals will continue to play a key role in terms of building the capacity of the state to deliver. In the area of Human Resource

Development and Training SAMDI ensured that the course materials used are relevant to the needs of the customers, aligned to the SAQA unit standards and accredited by the relevant Education Training Quality Assuror. To this end, SAMDI through an open process identified a Higher Education Institution to review and accredit a portfolio of programmes such as the Training of Trainers (ToT), Human Resources Development (HRD) and Skills Development Facilitators (SDF). Although the delivery of training to customers was affected by the protracted nature of the review process, progress was made in terms of the number of people trained.

#### **5.20.4 Corporate Resource Management Programmes**

SAMDI's Corporate Resources Management Training responds directly to building capacity in accountability, the delivery of results and managing people. This focus is important in departments as it seeks to address the competencies needed to drive two key internal services like human resources management and development, including financial and project management.

#### **5.20.5 Supply Chain Management**

Supply Chain Management training programmes remain vital in improving the ability of the state to deliver on its developmental goals. In 2005/06, SAMDI continued to roll out its portfolio of Supply Chain Management programmes. The materials were developed in association with the National Treasury, and reflect the critical skills and knowledge needs of officials involved in these processes.

SAMDI specifically concentrated on capacity building in the local government sphere, in line with government's priority focus. In the last financial year, SAMDI presented training to approximately 1 248 local government officials, and 2 294 to officials at other spheres. SAMDI will continue this focus in the forthcoming year. SAMDI has also responded to the need for focused training for members of Bid Committees, and is working with National Treasury to design and implement

a specific workshop for members of Bid Committees, to enable a tighter and more effective procurement process. Again, this will be offered to all three spheres of government. SAMDI annual report (2005-2006, 45)

### **5.20.6 Human Resource Management Training**

SAMDI is actively supporting the Government's focus on realigning human resource management in the public service. A 'learning framework' is in the process of being developed against the new competency framework for human resource management practitioners, which DPSA is championing. This will ultimately involve the complete revision of SAMDI's HRM programmes to meet the newly identified needs in this regard.

A particular focus for SAMDI over the last financial year has been on training public sector officials to accurately evaluate jobs so that government departments may recruit appropriately skilled personnel with the capacity to meet the departments' objectives. SAMDI has provided capacity building and skills transfer interventions to the following national departments during this financial year: Department of Water Affairs and Forestry, Department of Sports and Recreation and Department of Minerals and Energy. SAMDI is presently busy compiling project proposals for capacity building and skills transfer in Job Evaluation (JE) to the Presidency and the Department of Agriculture (national). It is envisaged that these projects will rollout in April 2006. SAMDI has trained 845 persons in job evaluation during this financial year.

SAMDI has also been delivering performance management training so that managers may understand what is expected of them in their particular jobs. To this end, 716 persons have been trained in performance management. The majority of the persons trained were line managers. SAMDI also forms part of the project team established by the DPSA to develop an HR planning tool. As a response to this DPSA initiative, SAMDI received increased requests for the provision of Human Resource Planning training from departments. Training

presented was mostly in the departments of Health in the Eastern Cape, KZN and Limpopo. To date we have trained 83 persons in Human Resource Planning.

In light of the focus on improving service delivery in hospitals, highlighted in the President's State of the Nation address, SAMDI has undertaken to identify a hospital and provide training and capacity building and financial interventions in key HRM areas, namely, Performance Management, Job Evaluation (job analysis and writing of job descriptions) and Disciplinary and Grievance Management. They have already provided training in Performance Management to various hospitals in KZN.

As part of responding to the shortage of skills in labour relations SAMDI has presented training in Hearing procedures to 168 persons (672 PTDs) in the following provinces: Eastern Cape (Office of the Premier and Agriculture); KZN (Department of Health); North West (Public Works). The national department of Public Works was also trained in this area. Two new courses are currently being designed, i.e. Investing Skills and Presiding Skills. It is envisaged that these two courses will be launched during June 2006. In an attempt to establish a closer working relationship and more effective communication and planning regarding labour relations issues, SAMDI has approached the DPSA and PSC with a request to establish an operation task team consisting of representatives from these three departments. SAMDI annual report (2005-2006, 49)

SAMDI has recently finalised training programmes in Contract Management and Project Management. SAMDI is also finalising, with National Treasury, their suite of financial management training programmes. These have been developed against needs analyses commissioned by Treasury, and cover issues such as finance for non-financial managers, planning and budgeting and implementing the PFMA. SAMDI annual report (2005-2006, 45)

In relation to M & E, SAMDI will be rolling-out a series of training programmes in support of the implementation of the government-wide Monitoring and Evaluation Programme. They have already begun to implement a series of workshops, introducing core M & E concepts to officials. The training programmes will be offered at various levels, to ensure that officials are provided with the training that is commensurate with their needs in relation to the implementation of this important programme.

### **5.20.7 Overview of SAMDI's Activities in 2005/06**

SAMDI's core training delivery activity takes place in three Chief Directorates:

- I. Management and Leadership Development (MLD)
- II. Change Management and Service Delivery Improvement (CM & SDI)
- III. Corporate Resource Management Training (CRMT).

During the 2005/06 financial year 85 854 Personal Training Days (PTDs) were achieved by the abovementioned chief directorates. This figure (that is, the total number of PTDs achieved, 85 854) is 21% greater than the comparable figure (70 734) for the 2004/05 financial year. The bulk of the training and development services rendered (almost 75%) have been delivered by SAMDI itself, in conjunction with its IIC associates. Only 25% of the training and development services rendered were delivered by external service providers appointed through the procurement process.

While the achievement of targets is an important component of SAMDI's strategy, even more important is the focus on the quality of training and development services rendered to the public sector. To ensure the quality of its programmes, SAMDI has implemented a Total Quality Management System that has focused on developing an integrated curriculum framework which, has been articulated in the organisation's Learning Methodology and Instructional

A strategy for the institutionalisation of this framework has been developed, and focuses on the process of material design and development (the Quality Circles programme); curriculum review (the Curriculum Review Committee); and accreditation with necessary SAQA aligned bodies (the programme approval process).

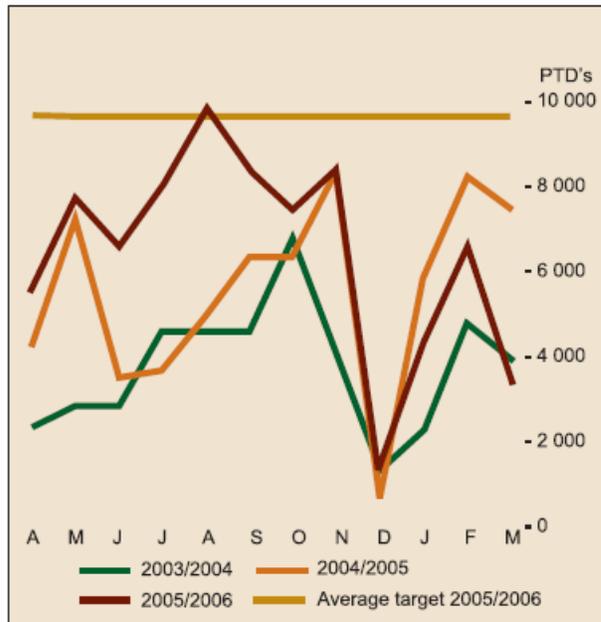
All of these processes are reinforced through a Quality Improvement Manual that defines clearly the internal standards, guidelines, procedures and checklists that must be adhered to in order to achieve total quality in systems, products and services.

The M & E system within SAMDI complements this Total Quality Management System by providing individual, programmatic and institutional data that tracks the implementation of the quality management system.

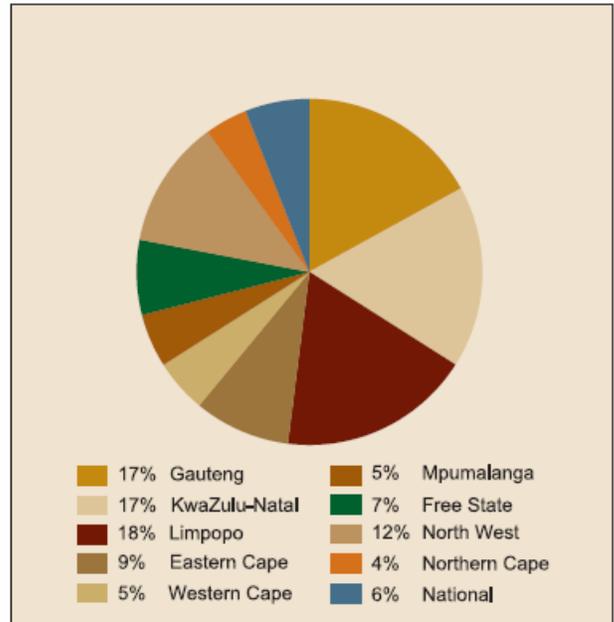
#### **5.20.8 Comparison of Year-on-year Performance**

An examination of the year-on-year comparison of SAMDI's performance as measured by PTDs, and represented in Figure 1 below, provides a clear indication that the performance of SAMDI has improved over the past three years. It is evident training delivery tends to cyclical, with peak training occurring before financial year end and off-peak training occurring during school holiday periods.

**Figure 1: Year-on-year Comparison of SAMDI's Performance**



**Figure 2: Breakdown of SAMDI's Programmes in Provincial and National Departments**



Source: SAMDI annual report 2005/2006  
Figure 5.3

In order to counter-act these seasonal trends, SAMDI has strategically planned Summer and Winter schools to address the declining numbers of training programmes provided during off-peak periods and regulate demand during peak periods. The goals of both of these initiatives are not mutually exclusive, as the achievement of either of them affects the other. Put simply, if more training were done during off-peak periods (through the Winter and Summer schools), demand for training during peak periods would be better regulated with less public sector organisations trying to spend their capacity development budgets before year end, but spreading their budget allocation throughout the financial year.

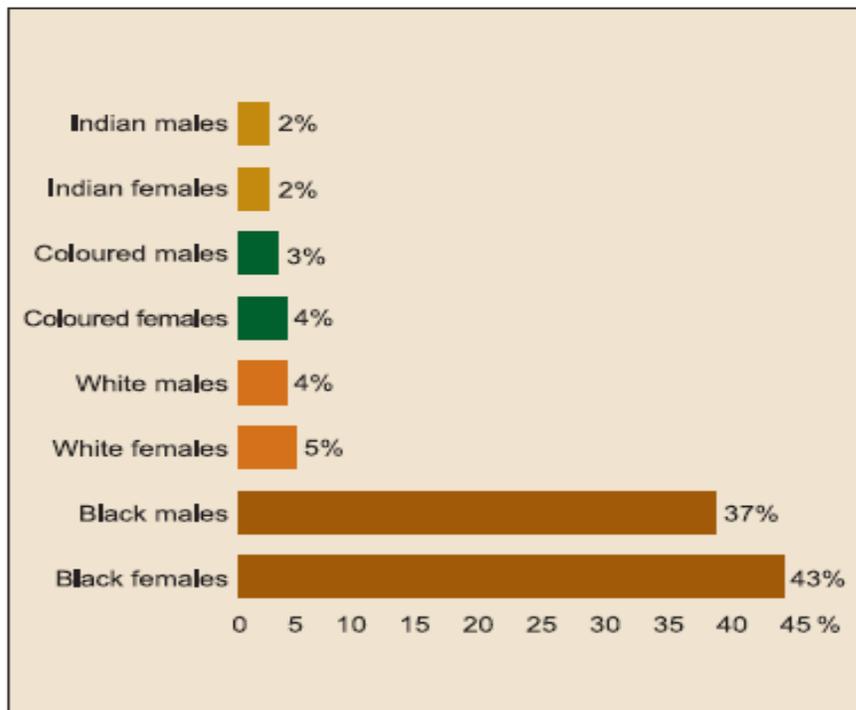
### 5.20.9 National and Provincial Service Delivery Statistics

Ninety-four percent of the training delivered by SAMDI was done in provinces as reflected in Figure 2 above. Over the past few years this figure has been increasing, and this suggests that SAMDI's strategy of strengthening

partnerships with provincial and local government agencies, which have a direct responsibility for service provision, is beginning to pay dividends.

SAMDI actively contributes to the transformation process in Government and does this by aligning its capacity building programmes to the needs of the highest priority groups that require redress and equity both in the private and public sector work environment. The learners that attended SAMDI training were representative of our population demographics and targets set of transformation in the public sector. Figure 3 (below) provides a breakdown of SAMDI beneficiaries.

**Figure 3: Breakdown of Beneficiaries Attending SAMDI Programmes**



Source: SAMDI annual report 2005/2006

### **5.20.10 Perceptions of SAMDI Training**

Overall, most SAMDI programmes that were subjected to an on-site monitoring assessment programme conducted by internal monitoring and evaluation experts were positively reviewed. Participant assessment of SAMDI training programmes contained in reaction evaluation reports compiled by every person that attended SAMDI training, are also extremely positive about the quality of materials and training provided by SAMDI. The findings of an impact evaluation commissioned by SAMDI on the EMDP and AMDP were discussed during a work session with managers to ensure the learning from the evaluation was fed into the Integrated Management Development Programme (IMDP). Participants in this evaluation indicated that they found the programme content to be needs-based and therefore applicable to their work situations. There were very few suggestions to make changes to the current programme content. SAMDI annual report (2005-2006, 45)

### **5.20.11 Major projects undertaken**

In order to improve SAMDI's efforts to respond to national policy, and in response to National Treasury requirements, SAMDI underwent an extensive review of its current 5-year strategic plan (2005/06 to 2009/10) in January 2006. Utilising the results-based planning methodology, SAMDI was able to analyse its progress in terms of the previously published strategic plan 2005/06 – 2009/10 and develop detailed outputs for the next five years. SAMDI also developed and implemented a financial management improvement plan during November 2005 with the following as outputs of which most will realize during the 2006/07 financial year SAMDI annual report (2005-2006, 45) :

- I. The successful implementation/ improvement of a system of financial management and internal control;
- II. The effective, efficient, economical and transparent planning and utilisation of resources;

- III. . Implement/improve appropriate steps to prevent unauthorised, irregular and fruitless and wasteful expenditure;
- IV. . Fulfilment of financial management responsibility on all levels; and
- V. The effective management of assets and liabilities.

#### **5.20.12 Spending trends for SAMDI**

SAMDI has achieved a spending rate of 98,63% (expenditure of R 55 387 million plus commitment of R 876 thousand equals R 56 263 million over a budget of R 57 047 million). The under-spending is mainly due to vacancies that existed as a result of resignations during the financial year. SAMDI applied to National Treasury for the rollover to the 2006/07 financial year. The SAMDI Trading Entity accomplishes a cash surplus amount of R 15 920 million as a result of improvements in its cost recovery strategy. SAMDI annual report (2005-2006, 60)

#### **5.20.13 List of services rendered and key outputs achieved**

The training and development statistics for the period 1 April 2005 to 31 March 2006 reflect that 85 854 person training days (PTDs) have been delivered. Person training days are calculated by multiplying the number of persons trained with the number of training days provided on a course by course basis. This represents a total number of 20 461 persons trained during the 2005/06 financial year. The person training days are 21,7% more than the PTDs of 70 552 provided during 2004/05. SAMDI utilises different models of delivery i.e. own training officers, strategic partnerships with tertiary institutions appointed through the supply chain process and associates appointed through a strict selection process to support SAMDI trainers with training and development. Some programmes were redesigned and upgraded due to the changing environment and legislation in departments. SAMDI annual report (2005-2006, 45)

*Training and development statistics, 1 April 2005  
to 31 March 2006*

<b>Delivery Units</b>	<b>PTDs</b>
Change Management and Service Delivery Improvement	32 324
Corporate Resource Management Training	25 399
Management and Leadership Development	28 131
<b>Total</b>	<b>85 854</b>

**Source: SAMDI annual report 2005/2006  
Table 5.4**

### **Capacity constraints**

The implementation of the cost-recovery strategy is still being hampered by delayed settlement from client departments or a refusal by client departments to settle outstanding amounts in time. The Institute has improved its efforts to collect outstanding amounts and raise awareness in client departments for the need to pay for the services provided to them.

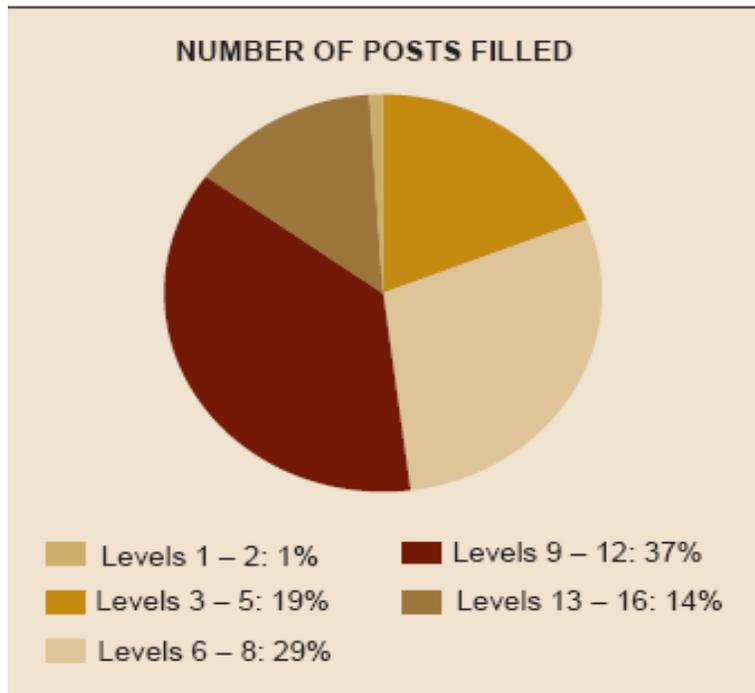
### **Human resource capacity**

SAMDI has a post establishment of 179 posts of which, 141 are filled and 38 are vacant as a result of continuous resignations, therefore a vacancy rate of 21%. Actions are continuously taken to fill the 38 vacancies, of which most have been advertised and are in the process of being filled. SAMDI continuously revises the organogram to align it with the strategic plan for the next five financial years from 2006/07 to 2010/11. SAMDI annual report (2005-2006, 45)

**Employment and vacancies by salary bands, 31 March 2006**

Salary band	Number of posts	Number of posts	Vacancy rate	Number of posts
Lower skilled (Levels 1 – 2)	2	2	-	-
Skilled (Levels 3 – 5)	35	27	23	3
Highly skilled production (Levels 6 – 8)	48	41	15	-
Highly skilled supervision (Levels 9 – 12)	69	51	26	1
Senior management (Levels 13 – 16)	25	20	20	1
<b>Total</b>	<b>179</b>	<b>141</b>	<b>21</b>	<b>5</b>

Source: SAMDI annual report 2005/2006



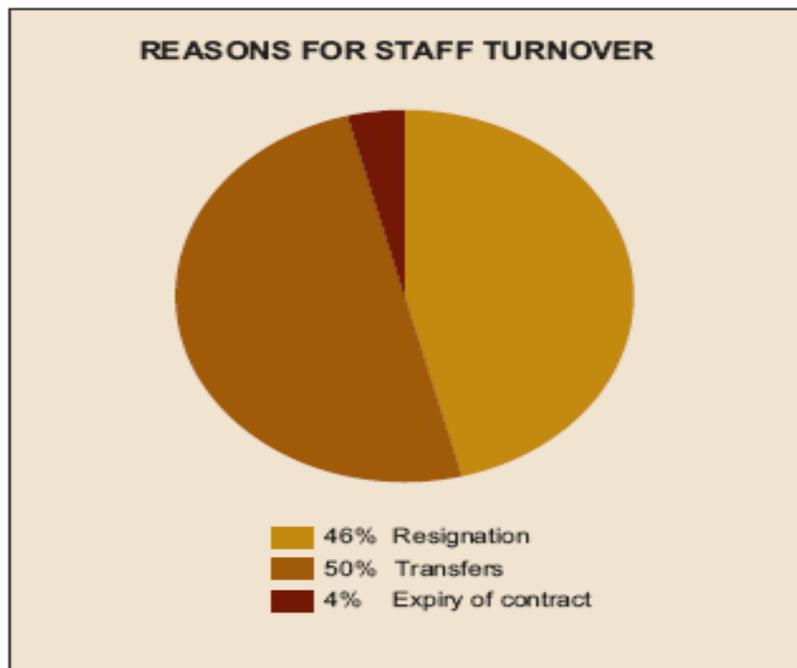
Source: SAMDI annual report 2005/2006  
Figure 4.5

**Reasons why staff left the department**

Termination type	Number	% of total %
Death	-	-
Resignation	12	46
Expiry of contract	1	4
Dismissal – operational changes	-	-
Dismissal – misconduct	-	-
Dismissal – inefficiency	-	-
Discharged due to ill-health	-	-
Retirement	-	-
Transfers to other Public Service Departments	13	50
<b>Total</b>	<b>26</b>	<b>100</b>
<b>Total number of employees who left as a % of the total employment</b>		<b>21</b>

Source: SAMDI annual report 2005/2006

Table 5.5



Source: SAMDI annual report 2005/2006

Figure 4.6

### Employment equity

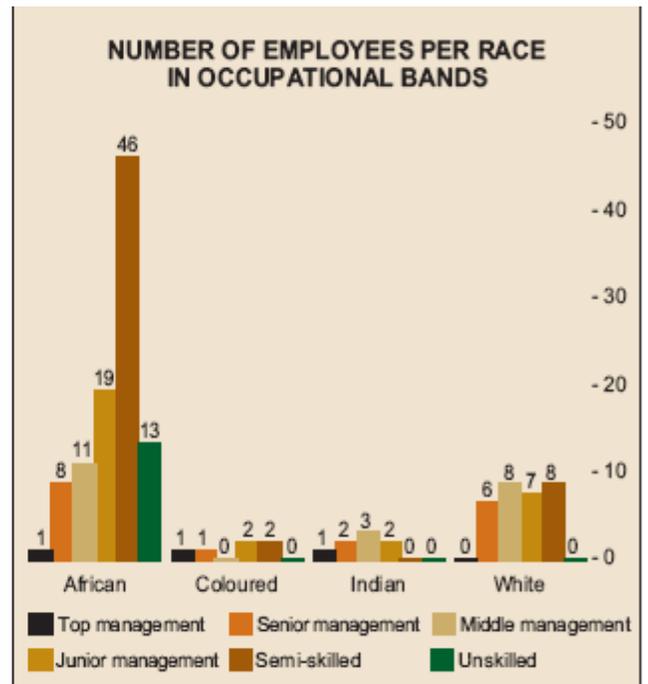
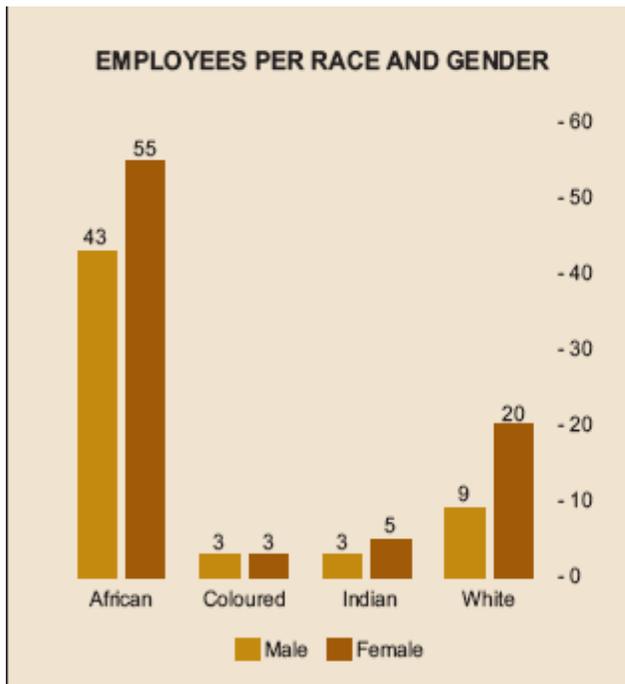
The tables in this section are based on the formats prescribed by the Employment Equity Act, 55 of 1998.

**Number of employees (including employees with disabilities) per race and gender in each occupational category as at 31 March 2006**

Occupational categories (SASCO)	Male				Female				Total
	A	C	I	W	A	C	I	W	
Legislators, senior officials and managers	5	2	1	3	4	-	2	3	20
Professionals	14	-	2	5	16	2	3	10	52
Clerks	16	1	-	1	30	1	-	7	56
Plant and machine operators and assemblers	-	-	-	-	-	-	-	-	-
Elementary occupations	8	-	-	-	5	-	-	-	13
<b>Total</b>	<b>43</b>	<b>3</b>	<b>3</b>	<b>9</b>	<b>55</b>	<b>3</b>	<b>5</b>	<b>20</b>	<b>141</b>
Employees with disabilities	-	-	-	-	-	-	-	1	1

Source: SAMDI annual report 2005/2006

Table 6.1



Source: SAMDI annual report 2005/2006

## Skills development

This section highlights the efforts of the department with regard to skills development.

**Table 6.2**

### *Training needs identified, 1 April 2005 to 31 March 2006*

Occupational categories	Gender	Number of employees as at 1 April 2005	Training needs identified at start of reporting period			Total
			Learnerships	Skills programmes and other short courses	Other forms of training	
Legislators, senior officials and managers	Female	5	–	8	–	8
	Male	11	–	24	–	24
Professionals	Female	22	–	54	–	54
	Male	20	–	59	–	59
Clerks	Female	33	–	59	–	59
	Male	18	–	15	–	15
Elementary occupations	Female	6	–	–	–	–
	Male	6	–	–	–	–
Sub-total	Female	66	–	121	–	121
	Male	55	–	98	–	98
<b>Total</b>		<b>121</b>	<b>–</b>	<b>219</b>	<b>–</b>	<b>219</b>

### *Training provided, 1 April 2005 to 31 March 2006*

Occupational categories	Gender	Number of employees as at 1 April 2005	Training provided within the reporting period			Total
			Learnerships	Skills programmes and other short courses	Other forms of training	
Legislators, senior officials and managers	Female	5	–	5	–	5
	Male	11	–	5	3	8
Professionals	Female	22	–	13	7	20
	Male	20	–	8	3	11
Clerks	Female	33	–	16	11	27
	Male	18	–	2	4	6
Elementary occupations	Female	6	–	–	–	–
	Male	6	–	–	–	–
Sub-total	Female	66	–	34	18	52
	Male	55	–	15	10	25
<b>Total</b>		<b>121</b>	<b>–</b>	<b>49</b>	<b>28</b>	<b>77</b>

Source: SAMDI annual report 2005/2006

There needs to be a focus on project management, financial management and supply chain management programmes. The under expenditure within government departments further disadvantages poor communities. Training and development at all three spheres of government should be guided by a comprehensive government wide programme with SAMDI, as part of the MPSA, playing a central role in the delivery process. The co-ordination of training and development programmes between SAMDI, and provincial training academies and the creation of a development network to support and prevent duplication needs to be established to enhance the building of the developmental state at the local sphere.

#### **5.20.14 Evaluation of SAMDI's Performance**

A Ministerial Committee (MINCOM) 2006 was established to carry out a detailed evaluation of SAMDI's performance against its current mandate. The MINCOM focused in particular on issues such as (i) the efficiency of resource use; (ii) responsiveness to national public service training imperatives; (iii) appropriateness of organizational structure; (iv) effectiveness and responsiveness to quality assurance mechanisms; (v) the appropriateness of SAMDI's current funding model; (vi) patterns in terms of accredited/non-accredited SAMDI programmes; (vii) SAMDI's 'reach' within the public service (horizontally, vertically, geographically); and (viii) the strategic direction of the organisation. MINCOM report (2006)

The evaluation comprised three related elements:

- I. A review of a very detailed self-assessment report prepared by SAMDI at the request of MINCOM.
- II. A review of a detailed and independent critique of this self-assessment report commissioned by MINCOM from an acknowledged expert in the field of public management.

- III. A review of the views and perceptions about SAMDI of 34 clients in 17 different government departments which were obtained by means of telephonic interviews.

The SAMDI self-assessment report and the detailed critique are contained in a separate annex to this report. The sections below provide a summary of the key findings from these three related reviews and MINCOM's deliberations on them.

#### **5.20.15 Strengths and Achievements of SAMDI**

MINCOM acknowledged that in the period since 1999 SAMDI has taken a number of proactive and self-critical steps to restructure and reposition itself to fulfil its mandate as a key driver and implementer of the training and human resources strategies that are required to build public sector capacity for the developmental state. In the process the credibility and status of SAMDI has clearly improved since the low ebb in 1998-99. In telephonic interviews, positive feedback about the value of SAMDI's programmes was received from client organisations, in particular from those provincial administrations that have limited access to alternative training providers (for example, Mpumalanga, Limpopo and the Northern Cape). Programmes that deal with more specific skills and competences that are in demand in the public sector (such as Supply Chain Management) were especially appreciated.

At a more specific level, MINCOM noted in particular the achievements that have been made with regard to:

The steps that have been taken to try and improve SAMDI's internal management structure, work processes and procedures, information communication technology, financial management and monitoring and evaluation systems.

- I. The marketing and branding of the organisation, in particular through the development of a new website and the production of new marketing materials.
- II. The development, albeit with some limitations, of a more effective research and knowledge management system for SAMDI.
- III. The increase in the staff establishment (from 53 in 1999 to 144 in 2006).
- IV. The growing output in the area of training delivery. In 2004/05 SAMDI's output of person training days represented a 33% improvement on the previous year.
- V. Extending the reach of SAMDI from senior and middle management to junior management and lower levels where skills development is critically needed. This includes the recent development of an ABET and basic skills programme for unskilled workers at the lowest levels.
- VI. The development of new instructional and curriculum design methodologies that seek to achieve more effective forms of 'blended learning' that combine formal training with a much greater emphasis than previously on workplace-based experiential learning. SAMDI has also developed an e-Learning model, with an emphasis on learning as opposed to an emphasis on technology, which forms part of this blended learning approach.
- VII. The representivity of its training participants. In 2004/05 seventy seven percent of participants were Black (38% male and 39% female). And, for the first time, the majority of participants were women (52% of participants on management training programmes compared to 25% in 2003/04).
- VIII. The high take-up rates for the Supply Chain training programmes, as well as for particular courses by particular departments in particular provinces (for example, performance management in the health sector for KZN; and the AMDP and EMDP programmes for the health sector in KZN and Limpopo and the education department in Mpumalanga).
- IX. The introduction and development of new programmes in response to changing needs and in areas of considerable skills shortage (supply chain

- management and financial management for example), as well as in areas such as gender and disability mainstreaming, and ethics.
- X. The development, though still at an early stage, of more effective links between SAMDI and individual departments (eg SAMDI's agreement with DEAT) designed to ensure that skills development is needs-based, dovetailed effectively with strategic and human resources plans, and supported by a range of additional support mechanisms from SAMDI (such as mentoring and professional advice on the establishment of improved HR systems and procedures).
  - XI. Improved relationships with the public sector SETAs. In partnership with the PSETA, for example, SAMDI has developed a comprehensive induction and orientation course to assist both new and existing employees in orientating them to the new ethos of the public service and the principles of *Batho Pele*.
  - XII. The development of strategic partnerships with a number of HEIs (for example, the Universities of Pretoria, KwaZulu-Natal and Fort Hare for the presentation of the EMDP and AMDP programmes, and the University of the North West for the accreditation of the PSLDP).
  - XIII. The extension of SAMDI's reach into the African continent and the development of other international linkages.

#### **5.20.16 Shortcomings and Constraints**

Despite the progress made by SAMDI in recent years, MINCOM's research and deliberations identified a number of critical shortcomings and constraints that, if not addressed, will continue to inhibit the organization from playing the dynamic leadership and coordinating role in the field of public sector training and education envisaged in its mandate. Of particular importance is the fact that the competitive training model on which SAMDi is based is clearly not working, primarily because of the inevitable tensions and role-confusion that ensue when trying to be a leader and manager at the same time as being a player. This is a

critical point and one to which we will return again later in the report. MINCOM report (2006, 35)

Other related and serious shortcomings and constraints observed by MINCOM are summarised below. These are based on SAMDI's self-evaluation report and the commissioned critique of this report, as well as on the telephonic interviews with SAMDI clients. MINCOM report (2006, 35)

**With respect its structure:** MINCOM noted that, as a fully-fledged Schedule 1 department, SAMDI is structured like other line function departments. In the view of the Committee, this has seriously limited its ability to fulfil the role assigned to it by Cabinet to play a broad and critical role in management and organisation development, with the specific mandate to provide quality, customised training and development to the public service so as to ensure increased capacity for service delivery and the implementation of government initiatives aligned to national priorities. A departmental structure, with all its inherent bureaucratic procedures and rigidities, is hardly an ideal structure for a training entity which needs to display flexibility, responsiveness and pro-activeness. MINCOM report (2006)

**With respect to its competition with other training providers:** The opening up of the training of the public service to participation by a plethora of providers (in accordance with 1997 White Paper on Public Service Training and Education and the Public Service Regulations), has had a seriously limiting impact on SAMDI as the key capacity building arm of the developmental state. In essence it has locked SAMDI into a demand driven form of operation where departments determine their needs in accordance with the most fashionable offerings in the market rather than with what is necessary and consistent with the central challenge of building the capacity of the state. The undermining impact of this on the ability of SAMDI to sustain programmes in a consistent manner cannot be overstated. In addition, the inconsistencies and confusion introduced into the

public service by a variety of private players whose approaches are in themselves varied, is something that should be of concern to government. MINCOM report (2006)

**With respect to cost recovery as a primary basis for its funding:** The fact that SAMDI operates primarily on a cost recovery basis necessarily limits its reach, creativity, responsiveness and pro-activeness. By forcing it to go for those products that will yield income and not necessarily those that are critical for the capacity of the state, this impacts seriously on its ability to contribute in a sustained, coherent and consistent manner to the strengthening of the capacity of the developmental state. MINCOM report (2006)

**With respect to staffing:** MINCOM noted that the significant increase in recent years in SAMDI's establishment had not been accompanied by a commensurate increase in the organization's professional credentials and standing. While most SAMDI managers have the requisite undergraduate and postgraduate qualifications for their respective positions, there is limited evidence that SAMDI senior managers have significant prior experience in management education or public service training. There is also a disproportionately high number of administrative/bureaucratic posts at this level compared to the number of professional posts related to managing the delivery of training programmes. Concerns continue to persist about the general competency levels of the organisation, as evidenced by an internal document written in 2003 by one of SAMDI's Chief Executive Managers, indicating amongst other things that there is a serious lack of research and writing skills on the part of SAMDI training personnel. Such problems have been compounded in some of SAMDI's directorates by the high turnover of staff. In 2004/05, for example, 75% of the staff of the Research and Knowledge Management directorate left (some from the organisation and some to other directorates), with obvious implications for the workload of those remaining and the overall functioning of the directorate in this important and much needed area of work. Staff morale is also low, a fact that

can be explained largely by the unsettling processes of change that the organisation has experienced in the past few years. MINCOM report (2006)

**With respect to finance and the effectiveness of resource use:** Overall details about SAMDI's budget vote and course fees are provided above. From the information provided to MINCOM, however, it is not possible to say with any degree of accuracy how the SAMDI funds were utilized in terms of expenditure on training programmes, as compared to expenditure on salaries and administration. In addition no information was provided to illustrate how annual expenditure relates to numbers of people trained per annum, numbers of programmes, or any other set of efficiency indicators. It was therefore not possible for MINCOM to comment meaningfully on current overall cost effectiveness, or whether there have been efficiency gains or reductions in the past few years. MINCOM report (2006)

**With respect to administrative and operational efficiency:** Although SAMDI has made efforts to improve its operational and administrative efficiency, scope for further improvement clearly exists, especially in SAMDI's relationship with its clients. MINCOM's telephonic interviews, for example, revealed a number of areas where improvement and streamlining of existing processes and procedures is needed. These relate in particular to the cumbersome procedures surrounding the Memorandum of Understanding required for each new project (a short service level agreement might be a better option), as well as problems associated with the timeous presentation of invoices and acknowledgement of payments, lack of clarity about who pays for training venues, and delays in the marking of assignments and awarding of certificates. MINCOM report (2006)

**With respect to SAMDI's reach** (horizontally, vertically and geographically): Although SAMDI is well established in certain provinces and in the provinces more generally, many national departments make little use of its services. Nor do most members of the Senior Management Service at both the national and

provincial levels. Its current menu of courses is also not sufficiently extended horizontally, in a strategic and coherent way, to a number of skill clusters pertinent to the management of the public service. In addition SAMDI has failed as yet to realise the potential of untapped markets, such as the municipalities who have thousands of staff in severe need of a range of basic and middle-level skills. MINCOM report (2006)

**With respect to the number and post level of participants:** While the number of person training days has been increasing, the information provided in the mass of spreadsheets in the self-evaluation report was not presented in such a way that MINCOM could get a really clear idea of the actual numbers involved. With respect to the post level of participants, it was felt that SAMDI could well be over-extending itself, and denying itself an appropriate niche market, by attempting to train public servants from post levels 3-16, as is currently the case. There is therefore a need for a much clearer focus. MINCOM report (2006)

**With respect to the curriculum:** Although improvements in curriculum design and delivery are currently underway, SAMDI's 2003 Curriculum Development Working Paper (alluded to earlier) identifies a number of serious defects, & since then SAMDI has developed an Instructional Design and Learning Methodology which is to form the basis of all curriculum development.. In addition to the lack of appropriate writing and research skills by training personnel, these include the fact that many short course offerings are not outcome-based, are ineffectively monitored and evaluated, and are mostly ad hoc, incoherent, and do not fit with the Further and Higher Education frameworks. Only limited evidence is provided in the SAMDI self-evaluation report that things have improved dramatically since 2003. MINCOM report (2006)

**With respect to accreditation:** With the exception of the IMDP programmes (which are accredited through HEIs), few of SAMDI's are accredited, in particular as full qualifications under the SAQA framework. According to the telephonic

interviews, this is one of the reasons why departments are attracted to other providers who can offer such accreditation. Although participants on SAMDI courses can attend a selection of short courses and can gain some basic knowledge in a narrow competency, they cannot currently in most cases complete a set of programmes to acquire a specific professional qualification (for example, a Certificate in HR Practice, Service Delivery Improvement or Financial Management). Such non-degree certificate level programmes would be very important to forming a professional public service, whose knowledge base could be translated into greater efficiency and effectiveness in the delivery and management of public services. While accreditation can be sought for individual modular courses, this is often a time-consuming process and risks the danger that an overinvestment of time in meeting the necessary requirements could shift SAMDI even further into a bureaucratic mode and further away from effective training delivery. MINCOM report (2006)

**With respect to quality assurance:** Accreditation would not necessarily be a problem if SAMDI programmes were based on effective curriculum design and annual upgrading, complemented by a sophisticated quality assurance framework that is transparent to user departments. Currently, however, this would appear to be far from the case. While episodic evaluations are carried out and meetings are held from time to time to discuss various quality related issues (according to the SAMDI self-evaluation report), this is clearly inadequate within the current human development and training environment. Although SAMDI is showing some signs of moving in the right direction, there is clearly an urgent need to accelerate the introduction of comprehensive quality assurance policies and procedures, which are a *sine-qua-non* for the credibility of any contemporary training and educational institution. Recently SAMDI has engaged in consultation with SAQA and PSETA to develop a joint implementation plan for quality assurance. In addition SAMDI has embarked on a comprehensive Quality Management System which will consist of transversal Quality Circle Teams including all managers of the Department. MINCOM report (2006)

**With respect to retention and completion rates:** The information supplied by SAMDI with respect to accredited programmes (such as the IMDP) indicates that the cohort completion rate for the EMDP is 71.4% and for the AMDP 40.6%. The indications are that the completion rate for the PSLDP is less than 40%, although complicated by the fact that many participants simply sign on for a module or two. There is no indication in the evidence supplied by SAMDI of why the completion rates on such programmes should not be higher and whether this matter has been identified as a serious problem. As the SAMDI information is not broken down according to factors such as race, gender, prior educational experience, or geographical location, it was not possible to come to any conclusions on such matters. MINCOM report (2006)

**With respect to relevance and impact:** Although the evidence from SAMDI suggests that it is moving towards more effective and systematic forms on needs analysis in the development of some of its newer programmes, to ensure their relevance to current and future skill needs, this issue remains a matter of concern. Information acquired by MINCOM from other sources (including the telephonic interviews with clients) points to the continuation in some programmes of outdated training materials (sometimes including incorrect and/or outdated legislation, policies and procedures), conservative and/or poor training methodology, and incorrect conceptual levels in regard to specific audiences. In addition, there is little evidence that regular and systematic forms of monitoring and evaluation, including post-course impact studies, are being used to evaluate performance and inform the re-design and relevance of training programmes. MINCOM report (2006)

**With respect to the provision of support to departments:** As noted earlier, SAMDI claims to have adopted a new approach to business development and training delivery based on partnerships with client departments in finding solutions to service delivery challenges. However, the self-evaluation report

does not state clearly what this entails, nor does it provide much by way of practical examples of the actual implementation and operation of this model. From the telephonic interviews with clients, it is evident that most departments would welcome more practical advice and support from SAMDI on a range of HR management and development matters, but that such support is currently lacking in most cases. MINCOM report (2006)

**With respect to collaboration and partnerships:** Despite some improvement in recent years in the linkages and partnerships between SAMDI and other training providers, the situation is still deficient in many respects. There is still little structured engagement between SAMDI and higher education institutions and other training providers on the capacity development priorities of government, or on the quality and relevance of the training programmes offered by these institutions. More positive forms of engagement are also needed between SAMDI and other public institutions, including the public sector SETAs, the Department of Provincial and Local Government (DPLG) and the Department of Education (DoE). MINCOM report (2006)

**With respect to research and knowledge management:** SAMDI does not have a good track record with respect to research, whether research into the training needs of government departments or, equally important, research into international trends and best practice in the field of management training and human resources development. The high turnover of staff in the Research and Knowledge Management Directorate has compounded what was already quite a serious problem for the country's leading institute of management training. SAMDI recently appointed an Executive Manager for Research & Knowledge Management who will assist in working towards addressing the challenges mentioned above. MINCOM report (2006)

**With respect to SAMDI's strategic direction and responsiveness to national public service training imperatives:** Ideally, for a developmental state, SAMDI should occupy a highly strategic niche in the South African capacity-building landscape but, for the reasons outlined above, it is unable to do so in its current form and structure. In general, MINCOM feels that, despite recent signs of progress, SAMDI needs to be re-orientated to the real world of human capital development and to become much less parochial and much more connected to contemporary training methodologies and techniques. SAMDI does have a foot in the door in regard to an audience in serious need of skills and knowledge upgrading, and its task is to reposition itself accordingly. MINCOM report (2006)

### **5.30 Analysis of the human resources profile of the DPLG**

This section gives a background of the development of the Department of Provincial and Local Government (DPLG). This section will also illustrate the critical role that the DPLG plays in intergovernmental relations; consequently in order for the DPLG to fulfill its strategic objectives it must have the adequate capacity. The case of the DPLG will also be used to illustrate the issue of turnover of employees which subjects the DPLG to constraints in fulfilling its strategic objectives. From the analysis of its human resources profile it becomes evident that the DPLG does not make use of PSETA or SAMDI to fulfill its training needs, the underlying reasons for this occurrence will be explored. The analysis of the DPLG will be limited to the Corporate Service division specifically the Human Resources and Development division which falls within the ambit of the Corporate Service division.

#### **5.30.1 Strategic objectives of DPLG 2004- 2007**

The priorities which emerge that guide the Department's Strategic Plan

- I. Ensure stability, predictability and efficiency of the governance system
- II. Strengthen Provincial governance and accountability

- III. Ensure effective functioning and stability of Local government
- IV. Monitor performance and evaluate service delivery
- V. Strengthen the DPLG corporate capability

The Strategic Plan of the Department of Provincial and Local Government is guided by the following Key Focus Areas:

**Integrated governance** for sustainable development is a core priority of government that seeks to link planning, budgeting, resource allocation and executive decision-making across the three spheres, and accelerating service delivery. Integrated governance is a new style of governing that consciously involves civil society partners, communities, the private sector and relevant stakeholders in the business of government. For the Department of Provincial and Local Government integrated governance is specifically focused on strengthening the relationship between the various spheres of government, primarily to promote the objectives of developmental local government.

**Provincial and Local Government Support:** Transforming and building strong systems and structures of government at provincial and local government level is crucial to improving service delivery and promoting sustainable development. In this key focus area the Department will attend to issues pertaining to the strengthening of provincial governments and consolidating the transformation of local government.

**Strengthening Corporate Capacity of the Department** In order to achieve its strategic objectives, the Department will need to strengthen its own capacity by focusing on developing skills and competencies of its employees; developing its operational systems; changing its organisational culture in line with the aims of the strategic direction; improving its capacity and competencies to manage resources efficiently and effectively.

The activities of the Department of Provincial and Local Government are organised under the following seven Programmes:

- I. Programme 1: Administration
- II. Programme 2: Governance, Policy and Research
- III. Programme 3: Urban and Rural Development
- IV. Programme 4: Systems and Capacity Building
- V. Programme 5: Free Basic Services and Infrastructure
- VI. Programme 6: Provincial and Local Government Transfers
- VII. Programme 7: Fiscal Transfers

### **5.30.2 Human Resource Management and Development**

The sub-programme Human Resource Management and Development has focused on the provision of an integrated Human Resource Management and Development service and solutions. Key amongst these was the implementation of a competency-based recruitment system and the performance management and development system. These ensured that the DPLG recruited and retained suitable staff. Considerable effort went into implementing the DPLG structure and filling of core senior management positions. The Human Resource Development (HRD) Strategy has been approved. As part of the HRD strategy, the DPLG developed a competency framework for all levels and implemented a structured training curriculum. The finalisation of the skills audit at macro level contributed towards the approval of the Leadership and Management Development model.

An enhanced employee wellness Programme aimed at ensuring that employees maintain a healthy work and life balance is being implemented. The revised organisational structure for the 2005/06 financial year has resulted in the vacancy rate of 22,7%. Out of the total turnover rate of 21,4% resignations constitute 7% and the remaining 14,4% is largely due to transfers to other departments, retirements and natural attrition.

**Employment and vacancies at end of 2006**

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Programme 1 Administration, Permanent	160	124	22,5	9
Programme 2 Government Policy and Research, Permanent	89	68	23,6	3
Programme 3 Urban and Rural Development, Permanent	16	14	12,5	-
Programme 4 Systems and Capacity Build, Permanent	93	71	23,7	1
Programme 5 Free Basic Service and Infrastructure, Permanent	50	39	22,0	14
Programme 7 Fiscal Transfers, Permanent	33	24	27,3	7
Unknown, Permanent	31	25	19,4	-
<b>TOTAL</b>	<b>472</b>	<b>365</b>	<b>22,7</b>	<b>34</b>

**Source: DPLG annual report 2005/2006  
Table 7.1**

**Employment and vacancies by critical occupation at end of 2006**

Salary bands	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	28	26	7,1	-
Skilled (Levels 3-5), Permanent	98	84	14,3	1
Highly skilled production (Levels 6-8), Permanent	87	74	14,9	-
Highly skilled supervision (Levels 9-12), Permanent	137	101	26,3	1
Senior management (Levels 13-16), Permanent	122	80	34,4	-
Contract (Levels 1-2)	-	-	-	1
Contract (Levels 3-5)	-	-	-	6
Contract (Levels 6-8)	-	-	-	2
Contract (Levels 9-12)	-	-	-	11
Contract (Levels 13-16)	-	-	-	12
<b>TOTAL</b>	<b>472</b>	<b>365</b>	<b>22,7</b>	<b>34</b>

**Source: DPLG annual report 2005/2006**

**Table 7.2: Job evaluation**

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	28	1	3,6	-	-	-	-
Contract (Levels 1-2)	-	-	-	-	-	-	-
Contract (Levels 3-5)	-	-	-	-	-	-	-
Contract (Levels 6-8)	-	-	-	-	-	-	-
Contract (Levels 9-12)	-	-	-	-	-	-	-
Contract (Band A)	-	-	-	-	-	-	-
Contract (Band B)	-	-	-	-	-	-	-
Contract (Band D)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	98	6	6,1	-	-	-	-
Highly skilled production (Levels 6-8)	87	1	1,1	2	200	-	-
Highly skilled supervision (Levels 9-12)	137	4	2,9	-	-	-	-
Senior Management Service Band A	74	4	5,4	-	-	-	-
Senior Management Service Band B	41	2	4,9	2	100	-	-
Senior Management Service Band C	6	1	-	-	-	-	-
Senior Management Service Band D	1	-	-	-	-	-	-
<b>TOTAL</b>	<b>472</b>	<b>19</b>	<b>3,8</b>	<b>4</b>	<b>22</b>	<b>-</b>	<b>-</b>

**Source: DPLG annual report 2005/2006**

**Table 7.3: Annual turnover by salary band**

Salary Band	Employment at Beginning of Period (April 2005)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	22	4	1	4,5
Skilled (Levels 3-5), Permanent	78	18	14	17,9
Highly skilled production (Levels 6-8), Permanent	49	15	3	6,1
Highly skilled supervision (Levels 9-12), Permanent	103	23	12	11,7
Senior Management Service Band A, Permanent	46	13	2	4,3
Senior Management Service Band B, Permanent	24	1	5	20,8
Senior Management Service Band C, Permanent	8	-	1	12,5
Senior Management Service Band D, Permanent	1	-	-	-
Contract (Levels 1-2)	5	6	10	200
Contract (Levels 3-5)	6	6	11	183,3
Contract (Levels 6-8)	8	6	8	100
Contract (Levels 9-12)	6	13	8	133,3
Contract (Band A)	1	-	-	-
Contract (Band B)	1	12	2	200
Contract (Band C)	1	-	-	-
<b>TOTAL</b>	<b>359</b>	<b>117</b>	<b>77</b>	<b>21,4</b>

Source: DPLG annual report 2005/2006

**Table 7.4: Annual turnover rates by critical occupation**

Occupation	Employment at Beginning of Period (April 2005)	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	91	25	14	15,4
Other administrative policy and related officers, Permanent	15	3	-	-
Secretaries and other keyboard operating clerks, Permanent	63	15	10	15,9
Senior managers, Permanent	79	14	8	10,1
<b>TOTAL</b>	<b>248</b>	<b>58</b>	<b>32</b>	<b>12,9</b>

Source: DPLG annual report 2005/2006

It is evident from the human resources profile of the DPLG that there capacity constraints. The high turnover of staff will inevitably result in DPLG being unable to meet its strategic objectives.

**Table 7.5: Reason why staff are leaving the department**

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Resignation, Permanent	18	23,4	7,0	77	359
Expiry of contract	39	50,6	8,4	77	359
Discharged due to ill health, Permanent	1	1,3	0,3	77	359
Dismissal-misconduct, Permanent	2	2,6	0,6	77	359
Retirement, Permanent	2	2,6	0,6	77	359
Transfers to other Departments	15	19,5	4,2	77	359
<b>TOTAL</b>	<b>77</b>	<b>100</b>	<b>16,7</b>	<b>77</b>	<b>359</b>

**Source: DPLG annual report 2005/2006**

**Table 7.6 : Recruitment**

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Total Blacks
Senior Management, Permanent	6	-	1	7
Professionally qualified and experienced specialists and mid-management, Permanent	11	-	-	11
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	6	-	-	6
Semi-skilled and discretionary decision making, Permanent	5	1	-	6
Unskilled and defined decision making, Permanent	4	-	-	4
Contract (Senior Management)	6	1	-	7
Contract (Professionally qualified)	5	-	-	5
Contract (Skilled technical)	1	-	-	1
Contract (Semi-skilled)	4	-	-	4
Contract (Unskilled)	1	-	-	1
<b>TOTAL</b>	<b>49</b>	<b>2</b>	<b>1</b>	<b>52</b>
Employees with disabilities	-	-	-	-

**Source: DPLG annual report 2005/2006**

Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
20	64	7	1	72	14	196
-	-	1	-	1	-	2
-	79	1	1	81	19	137
1	-	-	-	-	-	3
1	-	-	-	-	-	1
-	14	-	-	14	-	26
<b>22</b>	<b>157</b>	<b>9</b>	<b>2</b>	<b>168</b>	<b>33</b>	<b>365</b>
1	-	-	-	-	-	2

**Source: DPLG annual report 2005/2006**

Male, White	Female, African	Female, Coloured	Female, Indian	Female, Total Blacks	Female, White	Total
1	3	-	-	3	-	6
10	22	5	-	27	3	82
9	39	3	1	43	12	111
2	26	1	-	27	16	61
-	53	-	1	54	1	78
-	14	-	-	14	-	26
-	-	-	-	-	1	2
-	-	-	-	-	1	3
-	7	1	-	8	-	15
-	3	-	-	3	-	4
-	3	-	-	3	1	8
-	2	-	-	2	-	3
22	172	10	2	184	35	399

Source: DPLG annual report 2005/2006

**Table 7.7 : Training needs identified**

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	78	-	9	-	9
	Male	101	-	22	-	22
Professionals	Female	1	-	35	-	35
	Male	2	-	11	-	11
Technicians and associate professionals	Female	-	-	15	-	15
	Male	-	-	11	-	11
Clerks	Female	99	-	16	-	16
	Male	23	-	20	-	20
Service and sales workers	Female	-	-	-	-	-
	Male	8	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	16	-	-	7	7
	Male	13	-	-	5	5
Gender sub totals	Female	194	-	75	7	82
	Male	148	-	64	5	69
<b>TOTAL</b>		<b>684</b>	<b>-</b>	<b>278</b>	<b>24</b>	<b>302</b>

**Source: DPLG annual report 2005/2006**

**Table 7.8: Training provided**

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes and other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	95	-	90	-	90
	Male	120	-	91	-	91
Professionals	Female	1	-	-	-	-
	Male	1	-	-	-	-
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	42	-	59	-	62
	Male	107	-	26	-	29
Service and sales workers	Female	-	-	-	-	-
	Male	3	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	16	-	-	5	5
	Male	13	-	1	7	8
Gender sub totals	Female	154	3	149	5	157
	Male	245	3	118	7	128
TOTAL		798	6	534	24	570

Source: DPLG annual report 2005/2006

**Table 7.9: Report on consultant appointment using appropriated funds**

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
FQ74/2005: Training Programme 7 Habits of Highly Effective People	4	10 days	R200 000,00
FQ73/2005: Development of Property Rates Policy Model tool for municipalities	3	21 days	R91 656,00
FQ88/2005: Competency Framework for Senior Managers in local government	2	546 days	R1 727 893,44
FQ80/2005: Constitutional Expert for the Development of the Intergovernmental Relations Framework Act in pocket size booklet	3	23,5 days	R234 840,00
FQ85/2005: Audit on Intervention and possible development of a policy framework that will manage implementation of Section 100/139 of the Constitution	2	7 days	R21 000,00
The implementation strategy roadmap for municipal infrastructure investment and strengthening of municipal infrastructure practices towards sustainable service delivery	1	150 days	R669 989,00
T05/2005: Performance Management Systems implementation audit	1	120 days	R419 556,48
FQ72/2005: Development of capacity building plan for Lepelle Nkumpi Municipality in Capricorn District Municipality and Mutale Municipality in Vhembe District Municipality, Limpopo	5	14 days	R60 000,00
FQ90/2005: Refinement of the local government anti-corruption strategy and development of the implementation plan	3	15 days	R149 793,78
FQ04/2005: Service provider to develop the M&E System into the FBS portal of the <b>dplg</b>	3	44 days	R346 560,00
FQ94/2005: Service provider to develop a change management strategy for the <b>dplg</b>	1	90 days	R189 240,00
FQ93/2005: Design and implementation of the community mobilisation and perception management strategy for Project Consolidate	4	158 days	R585 188,08
FQ89/2005: Compiling a competency framework for senior local government officials to address the Project Consolidate key performance areas	2	23,5 days	R234 840,00
FQ96/2005: Developing a fully functional equitable share model determining allocation to individual municipalities for the 2006/07 to 2008/09 financial years and 2007/08 to 2009/10 financial years.	2	720 days	R199 975,40
FQ01/2006: Event Management for Ward Committee handbook and resource book launch	5	25 days	R76 500,00
T07/2005: Drafting and implementation of Stakeholder mobilisation strategy for Project Consolidate	4	720 days	R4 972 299,00
T01/2005: The development of a baseline information document on the current distribution of powers and functions and the impact thereof in terms of devolution to the local government sphere and strategy for management of this process	4	60 days	R299 501,00
T10/2005: Compilation of lessons learnt resource book on urban renewal practices	3	120 days	R490 656,00

**Source: DPLG annual report 2005/2006**

The DPLG have not made use of PSETA and SAMDI to role out training initiatives. The Human Resources Department has made extensive use of external consultants to fulfill training objectives. The view expressed by the DPLG in relation to SAMDI and PSETA, was that these institutions have not understood the needs and requirements of government and as such the role out of programmes take a long time to meet the requirements of government departments.

### **5.30.3 Analysis of DPLG findings**

The DPLG has for some time been challenged by a lack of strategic needs based and outcomes-based training and development programmes. This is a poor planning issue that thrives in circumstances where training and development of employees is divorced from the broader, high-level planning processes. Service delivery imperatives relate to the operational competence needs, that is, a synopsis of the core capabilities and key competences that a public institution would be required to deliver optimally and cost-effectively on its mandate. These needs are termed strategic in the sense that they are determined after the institution has adopted its long-term vision, mission, and core values and has determined its strategic goals and objectives for the next five to ten years. Based on a long-range planning of performance outputs key competences are determined that will take the organisation to where it wants to be in terms of service delivery.

The DPLGs technology, the methods and techniques used to produce goods and services, profoundly affects the skills and abilities that the DPLG employees must possess. The whole emphasis on e-governance in government policies has serious skill implications for the DPLG employees. A high level monitoring and reporting systems introduced in the DPLG are increasingly computer technology-based. Budget Planning and Control Directorates of public institutions require line

managers to report on the expenditure on allocated funds and concurrently review their budget spending projections from month to month on an already adapted template. In circumstances, managers are expected to be in close contact with the information and communication technology world. Quite interestingly, management is by its nature a delegating function hence the employees in general should be ICT-skilled. Computer literacy is no longer a simple know-how of Ms Word, Excel, PowerPoint and Access. The DPLG have moved towards Ms Project planning and reporting, and utilisation of software packages. Traditional typing pools have long been disestablished with workers and the equipment for such units integrated within line functions. All offices have been computerised with each employee having an electronic mail address and a Financial Accounting System password.

#### **5.30.4 Foundations for skills development in DPLG**

Given the demanding role the DPLG plays, its operation at different levels, the challenges of service delivery the DPLG faces, and the changing needs that it must respond to, the DPLG needs a professional, multi-skilled, flexible, high performance, adaptable and versatile range of employees, with the appropriate knowledge, administrative skills, ethos and commitment to implement its policies effectively. The capability, capacity and competencies of DPLG will clearly need to be continually re-examined in the context of the developing discourse on the developmental state to ensure that these needs are met.

In terms of the more practical or 'harder' skills, training would be especially needed at the senior management level to develop and refine skills in leadership, policy formulation and analysis, as well as strategic thinking and planning in accordance with the Constitutional principles and values for the public service. At all management levels there would be a need for skills in areas such as project management, business planning, financial and human resource management. At the lower levels there is a critical need for basic skills training (in numeracy and

especially literacy through ABET programmes), as well as in customer service. At all levels there will be a need for computer and IT training. It will be important, however, to ensure that these 'harder' skills are complemented by the development of 'softer' skills in areas such as interpersonal relations, conflict resolution, public service ethics, race and gender awareness, and respect for human dignity and rights. Training in these and other related areas will need to be designed in accordance with the Constitutional and Batho Pele principles to develop the kind of attitudes, ethos and commitment that will be essential component in building effective public service capacity for the developmental state.

### **5.31 The Current State of Skills Development in the Public service**

There is no doubt that there have been encouraging signs of progress in working towards the policy objectives for training and skills development by the DPLG. The National Skills Development Strategy Implementation Report (2003/04) commissioned by the Department of Labour, indicates positive trends in the following areas:

- I. An encouraging growth in training expenditure by government departments.
- II. Relatively high training rates – 16.5% of personnel in national departments, 24.3% in provincial departments, and between 12%-28% at the local government level.
- III. Training opportunities are delivered to an estimated 40% of lower level public servants.
- IV. Relatively high levels of training in information technology is currently offered to an estimated 30% of middle managers and administrative officers.
- V. The majority of Skills Development Facilitators have received training.

- VI. Skills development committees have been established in 80% of government departments.
- VII. An encouraging growth in the submission of workplace skills plans (despite the fact some that government departments are not required to pay the skills development levy), which indicates that education and training is being taken quite seriously by the public service.
- VIII. A number of departments are exploring ways to support a culture of skills development in the public service.

Despite these positive indicative trends, there is no doubt, however, that the public service, and the country as a whole continues to experience serious skills shortages and constraints. If not addressed urgently, this situation will clearly undermine the processes of transforming society and building a developmental state in South Africa. Critical skills shortages exist at all levels in the public service. Financial and computer skills are needed in particular, while literacy skills and skills for managing projects, human resources and communication are all required. Skills gaps include transversal skills ('hard' skills such as project management skills and 'soft' skills such as conflict management and communication skills), as well as specific skills associated with particular job profiles or occupational categories. There are also visible but hard to measure skill constraints, particularly regarding soft-skills including numeracy, writing, communication, customer service, strategic thinking, logical reasoning, lateral thinking and public sector employees attitudes towards their work. Muchinsky et al (2002, 56)

According to the National Skills Development Strategy Implementation Report (2003/04), while serious skills shortages exist throughout the public service, a particular concern is the lack of basic skills at the lower levels. Ninety percent of public sector employees presently fall into the low skilled category, the vast majority being Black and many of them women. This constrains efforts to improve productivity. Improving the skills level of civil servants and local

government employees within the low skills category will make a substantial and clearly discernable contribution to government capacity and productivity. Such interventions will also impact on social inclusion as they reduce skills differentials across the population, improve the aggregate qualifications of the workforce as a whole and facilitate people's contributions to society. Much of the responsibility for the low level of skills development in South Africa can be attributed to the damaging effects of the apartheid system, in particular its educational system, which contributed in a major way to the fact that in 1996 South Africa ranked last out of 46 countries (at a similar stage of development) in terms of its human resources development performance. With respect to the public service, there is no doubt, however, that efforts to improve the levels of skill formation in the period since 1994 have been constrained by a range of additional factors. These factors include:

- I. The sub-optimal efficacy of the institutions charged with skills development in the public sector
- II. Poor capacity for human resources management, planning and development across all spheres of government.
- III. Widespread lapses in the quality and relevance of training and learning programmes and of service providers in government, the private training provider market, as well as certain parts of higher education.
- IV. Poor linkages and partnerships between government and training providers.
- V. Little effective focus on the development of norms, values, attitudes and orientation of public officials, which are necessary to create a common ethos and sense of purpose.
- VI. The lack of comprehensive and credible data which compounds the already limited capacity for basic analysis, planning and modelling relating to public sector HRD.
- VII. Failure to monitor the cost effectiveness of training.

- VIII. The fact that curriculum quality varies considerably, as do training methodologies, assessment strategies and training materials for training programmes implemented for the public sector.
- IX. The fact that training is very often of doubtful relevance, rarely focused on carry-through impact or accompanied by post-course support, and often facilitated or taught by people who have a very limited understanding of the public sector.
- X. The fact that the institutional mechanisms put in place to manage and coordinate the HRD strategy are not functioning together in a sufficiently coherent manner to meet the HRD challenges of the public service.

These constraints have persisted despite the fact that government spending on training in the public service has escalated in recent years (from R457 million in 2001/02 to R795 million in 2004/05). This raises the question of whether government is getting effective returns on its investment. The costs per participant per day for training in the public sector for the average course (in terms of technical complexity) is much higher than the cost per participant per day for training of surgeons or engineers at higher education institutions. This, coupled with substantial distortions in the training market, is a major contributing factor to the escalation of training costs.

The consequences of allowing the present situation to continue could well be to make public sector training unsustainable. Constraints on skills availability are of course multi-dimensional, and improving skills levels alone will not adequately address the problems. As noted, the remuneration and career pathing of professionals and other HR management issues, such as recruitment, succession and career planning, employment equity, reward and recognition and employee relations, are also important factors in skills development that need to be addressed through an integrated and well coordinated strategy. A particular concern relates to the need for more effective recruitment and retention strategies, especially in scarce skills areas.

Currently the public service is not seen as an employer of choice even for non-scarce professions. Problems include the fact that public service salary packages are not as lucrative as those in the private sector; the uneven distribution of skilled personnel between the urban and rural areas; lack of facilities and state-of-the-art equipment; and the generally perceived poor working conditions in the public service. A much more concerted effort will obviously be needed from all stakeholders if the above constraints are to be addressed in ways which enable the public service to meet its objectives and strategic priorities for public service training, skills development and HRD, and to create the kind of multi-skilled, flexible, adaptable and versatile organisation that is required to meet the challenges of the developmental state. A leading role in the drive for more effective forms of training and skills development will obviously need to be played by the South African Management Development Institute (SAMDI), and it is to a consideration of the role and performance of this institution that this report now turns. This will be followed by an assessment of the role and performance of other key stakeholders.

### **5.31.1 Skills distribution between the public and private sectors**

One of the crucial problems facing the DPLG in particular is the recruitment and retention of scarce skills. The problems include, among others:

- I. Salary packages not as lucrative and attractive as in the private sector and other government institutions. A typical case in point includes employees of the DPLG moving to other government departments where there are differences in the notch increments. Although the employee remains on the same band level there are differences in scales that within these bands hence making it more attractive to DPLG employees ;
- II. Uneven distribution of skilled personnel between the urban and rural areas;
- III. Lack of facilities and state-of-the-art equipment;

- IV. Generally perceived poor working conditions in the Public Service;
- V. The experience gathered in the Public Service does not allow admission to professional bodies e.g. engineers, chartered accountants;
- VI. Public Service, generally, not seen as an employer of choice even for non-scarce professions.

The extent to which the public sector has thus far succeeded in communicating its skills demands to the society to influence career choices for students and the specific training and education programmes of institutions of learning is doubtful as given the reality of the situation characterised by learners still pursue clearly unemployable careers. On the other hand, institutions of learning still solely dependent upon the student education and training needs without studying the needs of the main sectors of the economy unto which they shall release their graduate products. Such institutions produce unemployable graduates thus adding to the country's unemployment crisis, poverty and crime. The fact that unemployment rates are steadily escalating, while the public sector is in dire need of such an enormous cohort of skilled people represents a bigger problem that needs to be addressed. To address this problem, we will need to examine the factors that contributed and still contribute to the skills gap in the public sector as identified above. Carrel et al (2002, 46)

### **5.31.2 Proposals in respect of the implementation of a career management programme in the DPLG**

The Constitution of the Republic of South Africa, 1996, as well as other government policies regarding the transformation of human resources management (HRM) practices all focus on the need for the development of career management practices in the Public Service. According to section 13.1 of the White Paper on the Transformation of the Public Service, the development of effective and lifelong career development paths for all public servants should be undertaken as part of a strategic framework for effective human resource

development (HRD). Furthermore, section 5.10 of the White Paper on Human Resource Management in the Public Service provides that career management procedures, linked to a performance management system, should be developed based on specific principles. It is evident from observations and interactions with employees of the DPLG, that a significant factor in their decision to leave employment can be attributed to poor career management in the public service

### **5.31.3 Developing a career management programme in the DPLG**

The success of a career management programme is influenced by the Human resources management (HRM) to which HRM practices in general support the programme. In the practices development of such programmes the results of career planning and pathing exercises need to be in tandem with HRM policies and practices which will support and enhance career development.

### **5.31.4 The career planning and pathing process**

Career planning is an integrated process in which the employer can provide assistance according to its own needs and priorities to the employee. The following process, to be managed by the employer, can be undertaken by employees with their supervisors. Career pathing and planning is a continuous process but employees and their supervisors should meet formally on a biannual basis to discuss performance and engage in career planning (Jack, 2005). The career planning process should consist of the following components:

**Discuss the employees current performance** feedback must be given to the employee on the supervisors assessment of his or her performance in his or her current position. If a formal assessment of the employees performance has been concluded by an assessment committee, the results of such an assessment must also be conveyed.

**Identify development needs** During this discussion strengths and weaknesses of the employee pertaining to his or her performance in the current position must be brought to his or her attention. Based on the weaknesses, developmental needs for growth in the current position must be identified. The employees strengths must be noted by the employer and harnessed in a direction to the benefit of both the employee and employer.

**Determine and assess the career goals of the employee** the employee must be provided with an opportunity to indicate his or her career goals and expectations in the short, medium and long term. Having gone through the exercise of discussing performance in the current position, the career expectations identified by the employee should be more realistic.

**Identify attainable career** The career goals and expectations of employees must be **goals** assessed and requirements to attain these goals must be spelled out. An analysis of the employees current qualifications, experience, skills and potential must be undertaken and compared with the requirements attached to positions identified through the employees career expectations. This serves as a reality check for the individual to assess whether the career goals set in the short, medium and long term are attainable. On the basis of this comparison the employee must be allowed to amend his or her career goals in the short, medium and long term.

**Indicate the employers expectations and needs** The supervisor must also indicate the needs of the organisation around the areas of specific skills and competencies. Therefore, supervisors must be kept informed and fully understand the structure of the organisation, i.e: its divisions, functions, levels and job characteristics. The supervisor must also be aware of the line and staff function fields in the organisation that needs strengthening.

**Organisational needs audit** In order to provide the supervisor with the necessary **must be conducted** information, a comprehensive organisational needs audit will have to be conducted. A process will also have to be established to update the organisational needs on a continual basis. The requirements to attain the expectations of the employer must be clearly spelled out to the employee. The supervisor must ensure that the goals identified during this phase are attainable given the employees current level of skills and competency and the developmental requirements for progression to such positions.

**Agree on possible career paths for the employee within the organization**

Based on the career goals of the employee and the priorities and expectations of the employer, possible career paths must be developed for the employee. The career paths must represent as far as possible a marriage between the goals of the employee and the priorities of the employer. Career paths must be informed by the developmental needs (the next component of career planning) and should therefore be revisited once the developmental needs have been identified. During this phase the requirements for progression to each level in the career path must be spelled out clearly (experience, skills, qualifications, etc.). This is necessary to inform the career development options to be decided upon. Two or three career paths can be identified, provided that they are not diverse from each other. Diverse career paths will complicate decisions on career development. In order to assist with the development of career paths, the guidelines provided in the CORE should be consulted. These guidelines provide useful information on competencies and learning requirements for progression.

**Identify career development needs by creating a personal development plan:**

Based on the career paths designed for the employee and the requirements for progression to the different levels identified in the career path, development needs must be identified. These needs must be captured in a personal development plan for each employee. The development needs, depending on the designed career path, could focus on specific training required,

experience which must be gained and skills that must be developed. Where the supervisor can arrange the required training, this must be indicated on the development plan.

Each employee's development plan must be forwarded to the training unit or person responsible for the co-ordination of training. The arrangement of courses and the identification of possible training interventions, by the training unit or person responsible for co-ordinating training, must be done with due consideration to the training needs identified in the personal development plans.

**Rotation** Supervisors must, as part of the developmental needs analysis, consider the effect that the rotation of staff might have on addressing requirements regarding experience in specific work fields. In cases where rotation can be used effectively to address development needs, this must be reflected in the career pathing options for employees. Each intervention decided upon to address the developmental needs of an employee must be indicated in the personal development plan. This responsibility must be assigned to a person or component within time-frames.

**Use of a pro-forma instrument to assist with the process of career management:** In order to assist employees and their supervisors to go through the process, consideration could be given to prescribing a *pro-forma* instrument. An example of such an instrument is attached as an annexure to this report. The example provided includes information on how career paths can be mapped out. As part of the example a *pro-forma* personal development plan is also provided. The proposed instrument can obviously be amended to comply with the **instrument** unique circumstances that apply to departments and provincial administrations. Different instruments can also be used for different occupations. Highly specialized occupations (such as engineers, etc.) might for example have limited scope for progression within the Public Service outside their defined field of specialisation.

### 5.31.5 Supporting the career management process

A career management programme can only be successful if it is supported by other practices in an organisation. Specific attention should be given to the following when developing a career management programme:

**Performance management:** It will be beneficial to synchronize activities relating to career planning with feedback on performance. An employee's performance in his or her current position has a deciding impact on managements perceptions regarding his or her potential for further progression. Career planning and development is further not limited to initiatives regarding progression to higher levels. It should also focus on the requirements for an employee to improve his or her performance in his or her current position. The key to an employees aspirations for higher positions is sustained high quality performance.

**Feedback to employees:** As part of the performance management process, specific emphasis should be placed on providing feedback to the employee on what areas he or she should target for improvement. Due consideration should be given to these areas when the personal development plan for the individual is developed. Section 5.10.2 of the White Paper on Human Resource Management in the Public Service states that managers own performance assessments should include an assessment of the extent to which they have carried out their career management responsibilities.

#### **Establishing a co-ordinated departmental career development programme**

It is not practical to address the development needs of employees as identified in their personal development plans on an individual basis. Some form of co-ordination with the identification and scheduling of training interventions will be required.

**Training:** The role of co-coordinating training interventions can be allocated to the training component of a department. If departments do not have a training component (smaller departments), a training co-coordinator can be used. The role of the training component/co-coordinator will be to identify common training needs from the various personal development plans and to facilitate appropriate training

opportunities. The training component or co-coordinator can also be used to assist supervisors and employees where unique training requirements are identified.

In order to support the career management programmes of departments the training component or co-coordinator can be assigned the duty of developing a career development programme. Such a programme should take the line functional needs of departments into consideration and could comprise the development of a set of standard courses which employees at different levels and occupations in the department can attend on an annual basis. The contents of the courses must continuously be updated in line with the needs of the employer in terms of specific skills, knowledge or other competencies. The advantage of an established career development programme is that full details of courses (nature of course, date and venue) can be made available to all supervisors to assist them with the process of career planning.

**Organisational needs audit Identify strengthens** Departments should on an annual basis assess their needs in **needs** respect of specific skills. Components requiring a strengthening of the workforce should be identified. To assist with the identification of employees with the potential and skills who can be groomed to accommodate the needs of the employer, a skills audit should be conducted. The needs of the employer should continuously, through the management structures, be conveyed to supervisors throughout the organisation. In cases where specific employees have been identified with a view to address weaknesses in certain components, the relevant supervisors should be consulted timeously in order to

accommodate the needs in the employees career planning. The employer.s needs in respect of specific skills should also be provided to the training unit or co-ordinator in order to inform the composition of the organisations career development programme.

**Affirmative action** A departments career management programme must support the affirmative action objectives of the institution. Posts that have been targeted to be filled with a view to promoting representativeness should be identified and all supervisors should be informed accordingly. The career planning of employees of the under- represented population groups must take the requirements attached to such posts into consideration.

Other practices in support of the affirmative action objectives of action objectives the organisation should also be incorporated in the career management programme. If certain individuals have been identified for fast tracking, the career planning of these individuals can clearly spell out target dates for the achievement of preset goals. Rotation as an instrument to assist with capacity building (by creating a broader base of experience) can also be included as part of the career pathing of officials in the under-represented groups. The personal development plans of employees of the underrepresented groups should specifically place emphasis on the training needs of such officials. The career development programme of the department should include a sub-programme specifically designed to meet the training needs of such personnel.

**Accessible job description** Well defined job descriptions provide insight into the competencies, knowledge, skills and experience to perform the functions and tasks attached to a specific post successfully. Job descriptions should be accessible to all supervisors in the organisation in order to assist them with the identification of requirements for progression (or rotation) to specific posts. Having access to all job descriptions will also enable supervisors to accurately

inform their subordinates of the nature of work attached to the positions to which they aspire.

### **5.32 Can the NSDS deliver on such a layered strategy for Public Service?**

Enhancing the skills and capacities of employees in the public sector is another critical component of a Human resources development (HRD) strategy. A number of determinants are already shaping the formulation of HRD policy in this sector. These are:

- I. An emphasis on right sizing and decreasing personnel expenditure in the Public Service
- II. An emphasis on improving service delivery in the Public Services
- III. Increased levels of decentralisation of management control leading to greater needs for flexibility and accountability
- IV. The impact of HIV/AIDs is likely to result in a loss of skilled people and the overall under-performance of the workforce
- V. Increasing level of scarcity of skilled and professional people due both to external and internal factors.

The Public Service Review Report of 1999 outlines the following priorities for the transformation of the Public Service:

- I. Improved co-ordination of transformation efforts
- II. Improvement of monitoring and evaluation
- III. Improving management capacity
- IV. Ensuring a balance between centralisation and decentralisation
- V. Improving the quality of service delivery
- VI. Better people management
- VII. Increasing the use of information technology

The new management framework of the Public Service, which emphasises decentralisation, flexibility and accountability, underpins the need for professional public service managers. On the basis of the above findings as well as the input from individual departments on their education and training needs, the following training priorities have been identified for the Public Service as a whole:

- I. Project Management
- II. Strategic Planning
- III. Financial Management
- IV. Monitoring and evaluation of policy implementation
- V. Human Resource Management (including Performance Management),  
Supervisory skills and Industrial Relations
- VI. Leadership Development
- VII. Team Building.

Adult basic education and training (ABET) and training aimed at improving career path development for lower level workers were also identified. A need to ensure that this training was linked to redeployment opportunities in the Public Service was also clearly identified. In addition the following transversal training needs were identified across the Public Service:

- I. Public Service contextual training (i.e. understanding the socio-economic framework for government as contained in the Constitution and other core policy documents)
- II. Service Delivery and Public Service Ethics
- III. Information Management and its use (including technology)
- IV. Policy formulation, implementation, monitoring and evaluation
- V. Stress, Conflict and Diversity Management
- VI. Communication Skills
- VII. Research Skills

The central question to be answered is whether the new South African institutional regime for skills development has the capacity to deliver across such a vast and ambitious terrain growing the export-oriented high skills economy, renewing the old intermediate sectors of the economy, and meeting the basic needs of those most vulnerable in the labour market. The section concludes by highlighting several structural factors – some global, others political, economic as well as operational – that will act to limit this transition to a better skills development system for all.

### **5.32.1 Threats from the global economy**

The most powerful constraint that will limit the impact of the NSDS is clearly globalisation's assault on social markets and institutional economies and the triumph of neo-liberalism worldwide. The early 1990s was a period when the institutional economies of Europe and the Pacific Rim fared well, encouraged by the optimistic readings of the new production regime and the high skills society that dominated the academic literature in that period. This situation changed dramatically with the global economic crisis of the late 1990s. In this crisis period, Anglo-Saxon shareholder capitalism has become triumphant and the European, Japanese and Pacific Rim institutional economies have faced severe economic problems with unemployment rates peaking at unprecedented highs of just below 10 per cent in Germany and 5 per cent in Japan. Dore (2000, 55).

The causes of these negative conditions are complex, but the following factors are considered the most important in the German economy in the 1990s: the massive costs of German reunification after 1989; the threat from the newly industrialising countries; the inability to adapt fast enough to the rapidity of change; the inability to continuously remain at the leading edge of innovation and lastly, the rise of elements of shareholder capitalism in the bastions of stakeholder capitalism. Crouch *et al.* (1999, 149).

All of these factors pose a significant threat to the distinctive model of stakeholder capitalism in Germany, Japan, Singapore and South Korea – the leading high skill societies studied by Brown *et al.* As profit, shareholder value and short-term horizons substitute for the longer-term interlocking system of bank financed industrial development, as cost-cutting and deregulation pressures increase, and as the employees of national firms are increasingly located outside the home country and therefore outside of the specific institutional settings, rules and incentives for high skills training, so the institutional basis for the past economic success of the high skill societies are increasingly weakened. In contrast to the economic woes of Germany, Japan, and the developing economies of the Pacific Rim, economic competitiveness has increased in the United Kingdom and America, although in a bipolar fashion founded on social polarisation with increasing poverty at the bottom end and a privileged high skill elite at the top. What is clear, therefore, is that the triumphalism of neo-liberalism and market regulation and the threats it poses for institutional economies limits the capacity of societies to capture the collective goods that are prerequisites for high performance production.

The global message is not all doom and gloom. Brown *et al.* report that notwithstanding the immense pressure of the global economic crisis of the 1990s, there is significant evidence of continuity, resilience and an impermeability of the cultural and social underpinnings of these distinctive institutional paths to skill formation. They argue that both the state and other non-market institutions have remained resilient to the pressures of market related change thrust upon them by globalisation. For example, in Japan, Brown *et al.* report that there is no decisive convergence to shareholder capitalism. ‘Institutional structures in the labour market and in corporate organisation, and by extension in the skills formation system, remain distinctive and changes to them have been modest’ (Brown *et al.* 2001, 153). The distinctive Japanese practices of cross shareholding (between large companies and banks), supplier networks, and lifetime employment are all still in place (Dore 2000).

Similarly, in the German context, Brown *et al.* report that German firms remain loyal to the dual system of training and to other co-determinist principles, and even though they have invested heavily outside of the German economy in the past decade, they still continue to replicate the high performance systems in foreign subsidiaries hoping to continue the successes achieved in the home country (Brown *et al.* 2001, 209). Underpinning this continuity, in the Japanese, German and Pacific Rim cases, are the social and cultural characteristics that have become deeply embedded in their skills formation and production regimes. There is no convergence towards a free market dominated system of skills formation diffused internationally by the global market. It would appear that the power of neo-liberalism's ascendancy has more to do with ideological restructuring, where its key premises (deregulation) are presented as the only viable and economically rational response to internationalisation (Crouch 1997, 11). The truth is a case of far greater variability with regard to national responses to globalisation and in establishing competitiveness strategies.

The challenge for South Africa will be to show similar resilience to protect the new cultural, political and social imprint the NSDS has inserted onto its new skills regime – the new institutions, co-determinist and social market arrangements – and in so doing, demonstrate that 'markets do not exist in the abstract, but are embedded within social and economic institutions that can be shaped in different ways to achieve improvements in productivity and economic growth' (Brown *et al.* 2001, 241). The role of institutional economies, therefore, will continue although perhaps in new forms more appropriate to deal with the rigours of globalisation.

### **5.32.2 Continuing social inequality**

The unequal structure of South African society has not diminished. The official unemployment rate using Statistics South Africa's narrow definition is currently at 26.4 per cent for 2001, while the broad definition is at 37 per cent, which includes

all those who are not actively seeking work and who are characterised as 'discouraged workers' (Bhorat 2001; 12). Disaggregating these figures further reveals an extremely high unemployment rate of 42.9 per cent amongst Africans, 44.9 per cent amongst rural Africans, and 47.2 per cent amongst rural African women (Bhorat 2001, 23). Disaggregating even further by age and education, it can be seen that unemployment rates impact disproportionately on youth. For example, youth below the age of 30 constitute 56 per cent of the unemployed in South Africa. Education does not provide an automatic escape from youth unemployment, as there are still high levels of unemployment amongst people with matric (35 per cent of matriculants are unemployed) and tertiary qualifications (11 per cent of tertiary graduates face unemployment). These rigid social divisions place severe limits on the ability of a new skills development regime to diffuse skills and upgrade the skills base of the entire population.

### **5.32.3 Weaknesses in the institutional regime**

An additional problem facing the NSDS is the inherent weaknesses of the new institutional regime. There are several problems here, the three most important being: the strong emphasis on state planning in a context characterised by weak national information systems; a proliferation and bureaucratisation of the new institutions with insufficient regard being given to society's capacity to manage and steer the new structures; and lastly, the continuation of a 'voluntarist' and 'short-term' employer mindset towards enterprise training.

### **5.32.4 The challenge of national co-ordination and planning**

The entire NSDS is premised on tight and effective planning and coordination of skills development, employment creation and economic growth taking place at both national and sectoral levels. This requirement in turn is premised on the availability of management information systems (MIS) and national and sectoral

databases existing that can provide data in a wide array of fields. All of these requirements and steps presume significant informational precision and managerial capacity at enterprise, sectoral and national levels. Evidence is beginning to emerge that this capacity and informational precision is not always present and is unevenly spread across national, sectoral and workplace locales.

In a survey of SETA planning needs done in June 2001 by the DoL, one of the key findings was that 'some SETAs don't need any support, some need limited support and others need extensive support' (DoL 2001c: 12). The study also indicated that SETAs needed extensive support in being able to undertake sectoral research and development, monitoring and evaluation of skills development implementation, and the enhancement of stakeholder capabilities to participate effectively in the process of skills planning (DoL 2001c: 12). A second investigation done by the DoL entailing an evaluation of all 25 SETA plans found that ... the majority of SETAs still had a long way to go before they were producing data of the standard required for international comparisons. Indeed, SETAs need to ensure that they adopt the correct sampling framework and also use standard international industrial and occupational (SIC and SOC) codes. (DoL 2001e: 6) The demands for national and sectoral planning constitute a very ambitious project that is stretching capacity to the limits (Macun 2001: 177). The notions of planning and coordination as well as the drive for interlocking and complementary policy regimes are commendable and correct in their prognosis for success, but as levers for government intervention, they are derived from the developed and not the developing world. More specifically, these planning levers derive from countries that are highly literate, well-equipped with ICT capabilities which support good MIS databases, and where co-determinist practices equip key stakeholders to participate in the cumbersome process of skills development planning. Developing economies such as South Africa will struggle to support such a complex planning architecture. Whilst the policy framework has been detailed in defining the planning architecture, it has been extremely thin on the need for developing capacity.

In a review of the NSDS, is concerned that the over-emphasis on both the architecture of planning and co-ordination, and the targets that need to be met as outputs of the NSDS, underemphasise and perhaps ignore the process of implementation and the capacities required. The South African NSDS and *Human Resources Development Strategy* 'appear to follow the UK approach in concentrating on objectives, monitoring current provision, and targets'. These strategies 'give far less attention to the process of implementation and the new activities that would be involved in achieving the targets'

### **5.32.5 The proliferation and bureaucratisation of structures**

The centrality of a new institutional environment in the NSDS has grown into an organisational colossus comprising several new bodies. For example, a key sub-component of the new institutional environment are those institutions concerned with the design, registration and quality assurance of qualifications, which include twelve National Standards Bodies (NSBs), over 100 Standards Generating Bodies (SGBs) and several Education and Training Quality Assurers (ETQAs).

The management of this entire system of institutions falls to the South African Qualifications Authority (SAQA) whose main functions are to oversee the development of the NQF, register NSBs and SGBs, accredit ETQAs, and lastly, ensure international comparability of standards and qualifications. It is clear that the new state will struggle to manage and steer such a large new institutional landscape. Although many of the above institutional elements fall outside the strict parameters of the new training regime, (which is governed primarily by the SETAs, the NSA and DoL), the new training regime's insertion within this wider institutional nexus (particularly those responsible for designing and registering qualifications) may have an overall limiting impact because of the sheer scale of the new institutional enterprise.

A further capacity concern would be the ability of the staff employed by the DoL to rise to the new challenges posed by the NSDS. Staff will need to transcend their old bureaucratic mindsets to fulfil the proactive supply-side roles envisaged in the new framework. In particular, the new Labour Centres and provincial offices which have emerged out of the old structures of the Department of Manpower will require personnel with entirely new skills: a capacity to shift from passive to active labour market support mechanisms (for example, the initiation of state-subsidised social development projects and social plans) and an empathy for the most vulnerable groups in society. The policy documents of the Department do not explain how this institutional and cultural change will come about. A recent quarterly report from the DoL measuring progress with the implementation of the NSDS highlights the ongoing weakness of the provincial offices in rolling out programmes and spending the monies allocated to them. On average, most provincial offices have only been able to spend 26 per cent of their financial allocations to date (DoL 2002b: 14–15). These offices are to be the main vehicles of the state's intervention to support the most vulnerable in the labour market.

The NSDS faces formidable challenges and problems. The global environment is unfriendly to those countries choosing institutional economic and social market policies. Employers have not as yet been won over to the variegated high, intermediate and low skills logic of the NSDS. The new institutional environment, impressive as it is, poses massive capacity problems. And the South African economy appears to be stalled in a growth trajectory inherited from the past. However, the NSDS meets the key premise of providing a differentiated and hybrid model of training provision that of complementary skills development strategies at the high, intermediate and low skill ends. If this variegated approach to training is consolidated, and if Government shows the political will to introduce more expansionary and 'joined up' industry and other social developmental policies which act to kickstart the local economy and trigger growth, foreign direct

investment, employment and upskilling, the future may yet reap significant rewards for the NSDS.

### **5.33 Summary**

This chapter illustrated how employment in the traditional professional occupations has grown faster than overall employment and people with higher education qualifications enjoy considerable advantages in the labour market. Differences within fields of study, race and gender, however, reveal a complex and worrying picture. While it should be expected that people with different types of qualifications in terms of field of study will have different prospects in the labour market affected by demand and supply, it is of concern to see that race, gender, and institution play a role in employment prospects. Even taking into consideration the differences in fields studied, African and coloured graduates seem to have fewer prospects when compared to their white and Asian counterparts even where they have similar qualifications studied in the same fields of study.

Similarly, those who graduated from historically black universities are absorbed into the labour market more slowly after they have obtained their degrees than those from historically white universities, whose absorption rate peaks earlier within the first few months after graduation. It appears that males are also absorbed more rapidly into the labour market than females. While this does not necessarily suggest (or rule out) discrimination in the labour market, it reflects the concentration of Africans in those fields of study with less employment prospects. This is disquieting as it suggests that although their participation in higher education has increased, this does not necessarily translate into economic improvement.

The role of the public sector as an employer is of particular interest. It is the first sector of employment for most graduates irrespective of field of study, race and

gender. This is especially true for African graduates who make up higher proportions of those employed in this sector. As graduates change jobs and sectors of employment, Africans and coloured proportions in this sector increased while that of Asians and whites decreased.

In terms of levels at which graduates function, they were almost equally spread in managerial and on professional levels in the public sector. However, in the private sector, there were stark differences. More whites and asians were in managerial functions, while Africans and coloureds made up higher proportions of those functioning at administrative level. This, given the restructuring taking place in the public sector, is of concern, as it translates into fewer employment prospects for African graduates. This has serious implications for equity and improvement of economic and social well being of Africans, who are the majority of those affected by poverty.

The outlook for people with higher education qualifications is not bleak. Their rate of unemployment is low compared to the overall national unemployment rate, and when they are unemployed it is usually for only a short time. Nevertheless, not all graduates enjoy prosperity. One disquieting finding is that graduates of different race groups clearly experience disproportionate advantages. Firstly, the field of study is an important determinant of employability. Graduates from the humanities and arts study fields, clearly have lower employment prospects. This field is largely general and does not necessarily prepare graduates for a profession. It had higher proportions of those who took longer to find employment. The unemployment rates for these graduates were higher compared to other fields of study. Graduates from this field were more likely to be in jobs where they felt underemployed, which were unrelated to their studies and were temporary. The impact of field of study is evident in prospects for different segments of the population of graduates. This is particularly true for African graduates, many of whom hold degrees in those study fields with lower employment prospects. However, there are other signs that African graduates

are disadvantaged in the labour market. In study fields with lower employment prospects, they had had higher rates of unemployment, and took longer to find employment than their counterparts in other race groups within the same fields of study. When they did find employment, they were more likely to be underemployed.

A disturbing feature of the graduate labour market in South Africa is the obvious divide that exists between the public and the private sector. This is reflected in employment by race within these sectors. African graduates are largely employed in the public sector, while white graduates tend to find work in the private sector. The seemingly limited mobility between the two sectors is a cause for concern. White graduates move from public sector employment to private sector employment and self-employment, while African and coloured graduates largely move from private sector employment to public sector employment. This segmentation results in different race groups experiencing different economic outcomes in the labour market. Hence the unemployment rate of African graduates is higher compared to that of whites, coloured and Asians, and their absorption into the labour market is slower.

This reveals the importance of the public sector in the employment of African professionals. Not only is the public sector the largest employer of African and coloured graduates, but graduates from these race groups earn higher wages than those in the private sector of the same race groups. This poses a major challenge to the public sector in view of the restructuring and rationalisation taking place within this sector. The public sector has a potential to play a significant role in redressing the inequalities of the past and achieving rapid and sustained income redistribution.

This chapter also elaborated on the phenomenon of the brain drain. Findings indicate that the Public Sector is the hardest hit in this phenomenon in that it faces a brain drain into the Private Sector and to the world. To win the game the

Public Sector will have to improve on its salary packages; address the deteriorating working conditions or compensate for lower standards and engage professional bodies for recognition of public sector experience

The Public Service is said to be the largest employer, not only in the Public Sector but in the South African economy as a whole, with a staff complement of not less than 1, 1 million (Stats SA 2004). Thinking about the Human Resource Planning risks for the Public Sector the HIV/Aids impact comes first. Having forecaste the Public Sector's staff requirements and availability in the future, and beginning to introduce planned and targeted strategies for attraction and retention of scarce skills, HIV and Aids impact seems to defeat the globalisation effect by comparison. Planning for the efficient and effective utilisation of staff considerations of the likely higher impact of HIV and Aids on staff productivity, increased absenteeism rates, workload and burn-out, strenuous workplaces, resignations, turnover and repeated death emerge for consideration are critical for a developmental state

This chapter also focused on the role or function of career guidance and employment services is also important in guiding graduates and school leavers to make an informative choice about their career options. The equity goals of career guidance and employment services speak directly to addressing social imperfections such as gender, race and education inequalities. It is quite evident then that career guidance services are a strategic policy mechanism that works well in unrestricted and democratic societies. These goals can therefore supposedly be reached in a developed country context where unemployment rates are relatively low, where all people have access to education and training opportunities, and formal economies are well developed. In addition in developed countries, labour markets are not over controlled and function effectively, and equity issues are prioritised. In developing and transitional economies that regardless of their problematic issues, there are signs of a more dynamic approach emerging with respect to career guidance. The main reason for this is

the increasing awareness by these countries of the importance of career guidance as a facilitation process for their overall human resource development strategies if they want to be competitive in global markets.

The level for career guidance and employment services is closely linked to the economic development of a country. If this is the case, there are consequently quite a number of distinctive issues that loom large in a developing country that have an impact on the forming of efficient policies in career guidance and correspondingly on the development of systems and services.

A policy response on this issue of career guidance would therefore pertain to the awareness and recognition of cultural diversity, as well as the allocation of resources for the development of indigenous models and systems. Such indigenised models could facilitate school-to-work transition, for example, in a culturally enabling environment.

Higher education output is clearly still driven by social demands for education. As a result little attention is paid to the needs of the labour market. There is little or no guidance given to students as they enter higher education. HEIs are often too far removed from the 'coal face' and are thus out of touch with the needs of a rapidly evolving modern public service, the high number of graduates unemployed in the country is indicative of a misalignment of their programmes with skill requirements of the public (and private) sectors. HEIs do not necessarily fully understand or embrace the values of the public sector and are therefore not in a position to fully build the sense or mission, purpose and corporate identity those public servants require. HEIs are not suited to implementing new programmes or courses quickly in response to policy changes or revised political agendas. HEIs are better suited to providing education and training at the 'high skills' level rather than at the basic skills level where there is currently a critical skills shortage. In explaining the less than fully satisfactory contribution by HEIs to public sector education and training, whilst some responsibility clearly rests on

the HEIs themselves and their failure to adapt sufficient to the changing needs of the public service, a major factor was the relative lack of mutual respect and trust between government and HEI institutions that is a vital precondition, for the creation of effective partnerships and a well coordinated system of public sector training. This can be attributed in many ways to the competitive model for public service education and training that was recommended in the White Paper on Public Service Training and Education Further Education and Training Colleges face a complex challenge to respond to several competing demands from individual students, from the present and future labour market, and from government policy on community development – while simultaneously undergoing fundamental transition

FET policy has developed a new institutional landscape in which 50 new nonracial colleges show signs of progress towards education, training and development goals. However, the policy development process leaves unanswered a crucial set of questions about the focus of these institutions and about their coherence with other elements of the education and training landscape. Without clear and consistent answers to these questions, the future progress of the colleges and of intermediate skills development in South Africa is made even more challenging and uncertain.

This chapter also aimed to give a comprehensive overview and analysis of the initiatives undertaken by Public Service Sector Education and Training Authority (PSETA), South African Management and Development Institute (SAMDI), Department of Provincial and Local Government (DPLG) and Higher Education Institutions (HEI). It also elaborated on the weaknesses of the National skills development strategy. The following chapter will provide recommendations and a conclusion regarding a way forward in addressing the question of skills in South Africa's Public service



## **CHAPTER 6: RECOMMENDATION AND CONCLUSION**

### **6.1 Introduction**

During the Mbeki Presidency, the topic of skills have come to be a central theme of government concerns with improving social and economic performance and explaining weaknesses in implementation. It is appreciated that if South Africa is to succeed in providing adequate service delivery then it must be equipped with the institutional and administrative capacity to achieve its service delivery targets.

The key strategic challenge of the second decade of democracy in South Africa is to build and consolidate a developmental state that is capable of building upon past progress and meeting the on-going economic and social challenges that continue to face the country.

A key requirement in this respect will be a public service that has the necessary capacity, commitment and ethos to take the developmental state forward in ways that promote economic growth, increase employment, reduce poverty and inequality, and improve the quality of life of all citizens.

Despite the considerable progress that has been made with respect to public sector transformation and reform in the period since 1994, there are growing concerns that the capacity, commitment and ethos of the public service is currently lacking in a number of key respects. Weaknesses in the human resources and skills capacity of state institutions have been identified by the Government as one of the key binding constraints on the effective realisation of the core objectives of its Accelerated and Shared Growth Initiative for South Africa (ASGISA), which are to halve poverty and unemployment by 2014.

The primary purpose of this chapter is to encapsulate the dialogue generated in previous chapters; it will also discuss research findings and propose recommendations to the challenges identified.

## 6.2 Synopsis of previous chapters

**Chapter one** drew attention to the significance of the study, the objectives of the research. It also encapsulated the problem statement, the research question, the various terms and concepts that would be used throughout the study and provided a conclusion.

This study aimed to answer the **research question**, "*Are the interventions strategies and training institutions created by Government to address the skills issue in South Africa effective and to what extent are these strategies in line with the underlying problem of skills in the public service?*"

The **key objective** of the study aimed to:

- x. Investigate the broader policy and legislative framework that has been established to facilitate skills development in the public service;
- xi. The intention of the study was also to examine the role and effectiveness of SAMDI and PSETA in providing training for the public service;
- xii. To examine the effectiveness of Higher Education Institutions and Further Education Training colleges in addressing the skills challenge;
- xiii. To unpack the role of career guidance in guiding learners in their choice of career;
- xiv. To unpack the role of career management as a tool to retain skills in the public service;
- xv. To examine the impact of affirmative action policies on organisational culture and the impact on recruitment practices within the Department of Provincial and Local Government;
- xvi. To investigate the employment experiences of graduates;

- xvii. To investigate the mobility of skills in the public service;
- xviii. To examine the role of the public sector as an employer of choice.

**Chapter 2** describes the methodology of research that was followed for gathering and analysing information for the study. This chapter deals with the statement of the problem, the research objectives, the research question, research design, significance of the study, limitations of the study, research methods that will be employed and various data collection techniques that will be used.

**Chapter three** explored the development of the practice of public administration and the theories of public administration. The challenges that the current administration faces were examined in this chapter. A review of some of the relevant literature associated with public administration was discussed. The significance of public administration theories in South Africa's modern public service was also expanded upon.

**Chapter four** explored the administrative capacity of the South African state and the attendant problem of rational policymaking in the presence of severe limitations on administrative capacity. This chapter also focused on the question of state capacity and its role in the economic and social development of South Africa in the context of the Ncholo Report (1997) and the broader literature on government failure. Chapter four examined the policy background to the Ncholo Report, and provided a synoptic overview of the economic literature on the generic problem of government failure, with the emphasis falling on the ways in which public choice theorists have categorized government failure. The findings of the Ncholo Report (1997) and other empirical evidence in the context of public choice theory was also examined. The need for state intervention in the economy and the need for adequate state capacity was clarified by explaining the theory of a developmental state.

A background on the critical need for the implementation of **Affirmative Action policies** and the need for redress was elaborated on. The legislative framework for skills development and training in the public service in South Africa was discussed. This chapter also explained the current state of skills development in the public service. The phenomenon of skills migration and brain drain was also discussed. Chapter four also provided a background on the role that key institutions such as HEI, SAMDI, and PSETA play in public service training and education.

**Chapter five** aimed to give an analysis of the state of skills in the South African public service. The chapter began by discussing findings on employment experiences of graduates; thereafter an evaluation of the higher education framework in South Africa was undertaken. A closer look at the framework for skills development and training in the public service was also explored.

The findings relating to graduate employment experiences including the period it takes them to find employment, the factors that influence employability, the types of jobs they find, their own perceptions of the relation of the level of jobs they found both to their qualification and the sectors of employment was also interrogated. Chapter five also explored mobility in the South African labour market as well as moving abroad and the reasons for this choice.

The role of the public sector as an employer was discussed. This chapter also gave a comprehensive analysis of the Higher education initiatives, specifically Further Education Training colleges (FET). A critical analysis of institutions created to promote training and skills development in the public service such Public Service Sector Education and Training Authority (PSETA), South African Management and Development Institute (SAMDI), was explored adjacent to their performance against their mandates with the objective of establishing their effectiveness.

The case of the Department of Provincial and Local Government (DPLG) was used to demonstrate the point that career management programmes are lacking in the public service and this fuel the increase in turnover of staff. Also the DPLG will be used to illustrate that external consultants are used to provide training and not SAMDI and PSETA, these occurrences within the DPLG will be interrogated. Finally the National Skills Development Strategy (NSDS) will be evaluated to determine its effectiveness in tackling the serious challenge of skills in South Africa.

### **6.3 Findings and Recommendations**

#### ***Finding 1***

This study found that the system of public service training that currently operates in South Africa clearly fails to demonstrate, for example, that it is strategically planned and well coordinated, effectively organised, coordinated and accredited nor has it come close as yet to meeting the requirements in the public service human resource development strategy to ensure that the norms, values, attitudes and orientations of public servants, are in line with the objectives of the development state, or to ensure the effective integration between strategic planning, budgeting, HR strategy, HR development, institutional systems and structures and monitoring and evaluation.

The outcome, in many ways, is that the current system of public service training continues to be characterised by many of the weaknesses, particularly in relation to the sub-optimal efficacy of the institutions charged with skills development in the public sector, inadequate linkages and partnerships between government and training providers, and the fact that training is very often of doubtful relevance, rarely focused on carry-through impact or accompanied by post-course support, and often facilitated or taught by people who have a very limited understanding of the public sector. If these continuing weaknesses are not

resolved, the consequences for the Government's development objectives will clearly be obvious.

### **Recommendation 1**

A Public Service Academy must be created to facilitate the gradual re-alignment of the university sector towards the social and economic needs of the country. The academy should shift away from SAMDI's present emphasis on providing training itself, rather focusing on coordinating the provision of training by a great variety of external providers. The training should be aligned to government's needs by the academy's formulating the curricula and materials, getting the course accredited under the national qualifications framework, and monitoring the quality of the courses provided. Further to this, the new academy should coordinate practically-oriented executive development programmes for the senior management service, in accordance with international best practice.

### ***Finding 2***

The study found that the competitive model, from the outset, prescribed SAMDI's role in the training arena, and reduced it largely to that of a provider of training programmes, rather than the driver and coordinator of the system of public service training as a whole. It also set the organisation up in direct competition with HEIs. As a consequence, its relations with HEIs have frequently been adversarial rather than collaborative. As SAMDI is effectively positioned to compete with the HEIs, there is no regular channel available for a dialogue between government and tertiary education institutions on issues of teaching and training. As a consequence of this, there has been little or no significant debate on the curricula offered in formal academic programmes, or discussion on the articulation between formal academic programmes and short course training. Linked to this, there has also been no serious discussion on the appropriate content of short courses, nor agreement with government on appropriate training for different job levels.

A similar lack of communication also characterises the relationship between HEIs and government departments more generally, with the result that tertiary institutions often have limited access to the inner workings of these bodies. As a consequence academic knowledge of these inner workings is often fairly weak, giving rise to the kinds of accusations about the irrelevance of courses. Although some training needs analysis is sometimes conducted by HEIs, this is seldom undertaken to the level and depth required to address specific skills needs. Linked to this, HEIs seldom have the opportunity to engage with departments on the all-important need to create a working environment, which is receptive to the training offered

### **Recommendation 2.1**

There must be clear communication between Government, HEI and SAMDI on curricular that is offered. In this regard a task team must be formulated comprising of stakeholders from HEI, Government and SAMDI. This team must be mandated to find solutions to developing curricular which are targeted at individuals who intend on entering the public service. The introduction of the public service academy must have oversight of interaction between HEI and government.

### **Recommendation 2.2**

There must be more effective co-ordination between SAMDI and HEI, this can only materialise once the roles and function of these institutions are clearly delineated.

### ***Finding 3***

It became apparent in the study that there were broader issues of policy coherence and institutional relations that needed to be addressed to resolve the skills focus in South Africa. The ability of colleges to deliver quality learning and promote quality labour market outcomes is affected profoundly by the actions of the state. Policy coherence, resourcing and facilitation of learning and knowledge sharing across the sector are areas where the state can play an enabling role, but also where it can undermine quality.

**Recommendation 3**

There must be more policy coherence between the DoE and the DoL. There must be additional communication between these two key departments. As such an intergovernmental task team should be formed to facilitate with aligning policy issues.

***Finding 4***

The findings of this study indicates that race, gender and institution of study plays an important role in employment prospect, african and coloured graduates have fewer prospects when compared to their white and asian counterparts even where they have similar qualifications studied in the same field. Government as an employer should recognise the above problem and be constructive by implementing targeted intervention strategies.

**Recommendation 4.1**

Government must give further effect to affirmative action and employment equity policies in the public service in order to address historical imbalance that were caused by apartheid

**Recommendation 4.2**

Government must also focus on introducing bursaries and eradication of school fees in circumstances where families cannot afford payment. These support structures for learners in schools as well as universities will ensure that there is a supply of skill that will be prepared to enter the labour market.

**Recommendation 4.3**

There must be a concerted effort by government to deracialise higher institutions of learning and dispelling the notion that certain institutions of learning offer higher standards, which are targeted at specific race groups. This should be achieved by mandating tertiary institutions to implement quotas.

### ***Finding 5***

The study also found that graduates from historically black universities are absorbed into the labour market more slowly after they have obtained their degrees than those from historically white universities, whose absorption rate peaks earlier within the first few months after graduation. It appears that males are also absorbed more rapidly into the labour market than females. While this does not necessarily suggest (or rule out) discrimination in the labour market, it reflects the concentration of Africans in those fields of study with less employment prospects. This is disquieting as it suggests that although their participation in higher education has increased, this does not necessarily translate into economic improvement.

The role of the public sector as an employer is an important one. It is the first sector of employment for most graduates irrespective of field of study, race and gender. This is especially true for African graduates who make up higher proportions of those employed in this sector. As graduates change jobs and sectors of employment, Africans and coloured proportions in this sector increased while that of Asians and whites decreased.

### **Recommendation 5**

Government must strive to intervene in the market by creating further opportunities for black graduates to enter the public service as well as added opportunities to retain this talent by fostering sound career pathing within department. In this context government must promote retention by allowing deployment of skills between department's thereby encouraging flexibility and opportunities for skills to be transferred between different departments.

### ***Finding 6***

It became evident in the study that until recently, HR in the Public Service and the country as a whole has never been seen as strategic for socio-economic development. In addition, despite the critical role that HR plays in the Public Service for improved service delivery, there has generally been little concern about the capacity of HR practitioners in the Public Service. Also, recruiting HR practitioners has generally not been that vigorous because of a myth that HR qualifications are not a basic prerequisite compared to finance qualifications in accountants. As a result, the Public Service has an abundance of HR practitioners who are actually personnel administrators and do not understand the impact of their work on overall service delivery in the Public Service

### **Recommendation 6.1**

The HR function in the public service must be repositioned to facilitate a massive turnaround strategy to overcome these challenges. HR should be informed by a strategy of the public service in fulfilling their role, hence the vision of establishing an integrated HR in the public service. HR should be structured in such a way that it becomes part of developing performance consultants who will help line managers to address their performance problems.

### **Recommendation 6.2**

HR Management System must be rejuvenated so that line managers can be empowered to make decisions that impact on the people with confidence and are in a position to manage performance.

### **Recommendation 6.3**

HR must be informed by the strategy of the public service in fulfilling their roles. In this regard, HR's scope should be broadened beyond administering prescripts to actually driving the organisational performance programme. Until such time that HR people in the public service define themselves as being responsible for building and retaining competence across ranks, the transformation of the public service will be undermined.

### ***Finding 7***

One disquieting finding of the study is that graduates of different race groups clearly experience disproportionate advantages. Firstly, the field of study is an important determinant of employability. The impact of field of study is evident in prospects for different segments of the population of graduates. This is particularly true for African graduates, many of whom hold degrees in those study fields with lower employment prospects. However, there are other signs that African graduates are disadvantaged in the labour market. In study fields with lower employment prospects, they had had higher rates of unemployment, and took longer to find employment than their counterparts in other race groups within the same fields of study.

This reveals the importance of the public sector in the employment of African professionals. Not only is the public sector the largest employer of African and coloured graduates, but graduates from these race groups earn higher wages than those in the private sector of the same race groups. This poses a major challenge to the public sector in view of the restructuring and rationalisation-taking place within this sector. The public sector has a potential to play a significant role in redressing the inequalities of the past and achieving rapid and sustained income redistribution.

#### **Recommendation 7.1**

The department of Education and Labour must co-ordinate their efforts in order to communicate the needs of the public service to universities as well as schools. This means that the DOL and DOE must embark on awareness campaigns to encourage learners to choose subjects which will ensure their appointment in positions in the public service.

**Recommendation 7.2**

Government must develop strong learnerships programmes to encourage graduates to understand the functioning of public service.

***Finding 8***

Findings indicate that the public service is the hardest hit in that it faces a brain drain into the Private Sector and to the world. The Public Service is also said to be the largest employer, not only in the Public Sector but in the South African economy as a whole. Thinking about the Human Resource Planning risks for the Public Sector the impact of HIV/Aids on the workforce becomes evident. HIV and Aids impact seems to defeat globalisation effect by comparison.

**Recommendation 8.1**

To win the game the public service must improve on its salary packages; address the deteriorating working conditions or compensate for lower standards and engage professional bodies for recognition of public sector experience

**Recommendation 8.2**

Government must begin planning for the efficient and effective utilisation of staff. Consideration must be given to the likely higher impact of HIV and Aids on staff productivity, increased absenteeism rates, workload and burn-out, strenuous workplaces, resignations, turnover and repeated death as these skills are critical for a developmental state. In this regard Government must urgently introduce succession-planning interventions.

### ***Finding 9***

The study found that the level of career guidance and employment services is closely linked to the economic development of a country. If this is the case, there are consequently quite a number of distinctive issues that loom large in the South African public service that have an impact on the forming of efficient policies in career guidance and correspondingly on the development of systems and services. Government must recognise the importance of career guidance as a facilitation process for their overall human resource development strategies if they want to be competitive in global markets

### **Recommendations 9**

A strategic career guidance programme must be introduced as a policy response on this issue of career guidance. Such a programme should facilitate school-to-work transition, in a culturally enabling environment.

### ***Finding 10***

The study found that higher education output is clearly still driven by social demands for education. As a result little attention is paid to the needs of the labour market. There is little or no guidance given to students as they enter higher education. HEIs are often too far removed from the 'coal face' and are thus out of touch with the needs of a rapidly evolving modern public service, the high number of graduates unemployed in the country is indicative of a misalignment of their programmes with skill requirements of the public (and private) sectors. HEIs do not necessarily fully understand or embrace the values of the public sector and are therefore not in a position to fully build the sense or mission, purpose and corporate identity those public servants require. HEIs are not suited to implementing new programmes or courses quickly in response to policy changes or revised political agendas.

### **Recommendation 10**

HEIs must adapt to the changing needs of the public service, this should be achieved creating mutual respect and trust between government and HEI institutions which is a vital precondition, for the creation of effective partnerships and a well coordinated system of public sector training.

### ***Finding 11***

This study found that affirmative action currently takes place within a job scarce environment; this may well exacerbate tensions and has the potential to reduce the process to 'displacement' rather than 'diversity' management. It may sharpen black frustrations and aggravate white insecurity producing major obstacles in the development of a coherent unified organisational culture. Affirmative action programmes then have very serious consequences for the development of organisational culture. The potential for raised tensions along ethnic lines, competing cultures and internal plotting to slow or accelerate racial and gender reconfiguration are high.

Removal of discrimination in South Africa is not sufficient; redress is clearly necessary and morally obliged. However it has been argued here that positive discrimination or affirmative action produces many tensions of its own. The question is whether a climate conducive to affirmative action and delivery can be created and sustained in organisations. The period of soft displacement is now behind us. The values of leadership are critically important in the transformation process

### **Recommendation 11**

Human Resource departments in the public service must play a critical role in ensuring creating a conducive environment for the role out of affirmative action policies. The HR departments must create a favorable organisational culture which supports diversity in the public service.

### ***Finding 12***

The role of career guidance and employment services is important in the process of school-to-work transition and labour market intermediation. Delivering these services in a developing context bring about many challenges. These challenges need to be addressed through a coordinated framework of policies and established services across the different relevant sectors. This can only be achieved through knowledge gained from research. Research that can identify the needs of the clients in the different sectors, highlight the problems they experience regarding transition to employment, and determine and analyse the major factors that seem to either facilitate or prevent the implementation of successful transition or access to employment.

South Africa's public service is faced with several major policy challenges and related issues. The meeting of these challenges and addressing of the issues will ensure the success and efficacy of career guidance and employment service related exertions in the broader context of the labour market or the world of work. Important therefore in a developing context are the mechanisms that policy-makers can or should apply in order to establish the framework and priorities to encompass the realities they face.

### **Recommendation 12**

The South African public service career guidance policy must primarily be directed towards the development of services and systems that can enhance the notion of lifelong learning which has become a reality in the world-of-work over the past few years. This means that services are not only needed at one specific point in time, but should be made available to people across their work-life span whenever they need them. Career guidance policy should strive to augment labour market efficiency. People must have access to information on the labour market in order to make informed decisions and be absorbed in the labour market in positions where they can apply their skills efficiently.

### **6.4 Summary**

This chapter provided a synopsis of the debates introduced in previous chapters. The major findings of this study suggest that the subject of skills in the South African public service has many dimensions to it. Consequently, the demand and supply sided of the skills subject was evaluated to isolate the factors which has a bearing on skills in the public service.

This study found that the system of public service training that currently operates in South Africa clearly fails to demonstrate, for example, that it is strategically planned and well coordinated, effectively organised, coordinated and accredited nor has it come close as yet to meeting the requirements in the public service human resource development strategy to ensure that the norms, values, attitudes and orientations of public servants, are in line with the objectives of the development state, or to ensure the effective integration between strategic planning, budgeting, HR strategy, HR development, institutional systems and structures and monitoring and evaluation.

The outcome, in many ways, is that the current system of public service training continues to be characterised by many of the weaknesses, particularly in relation

to the sub-optimal efficacy of the institutions charged with skills development in the public sector, inadequate linkages and partnerships between government and training providers, and the fact that training is very often of doubtful relevance, rarely focused on carry-through impact or accompanied by post-course support, and often facilitated or taught by people who have a very limited understanding of the public sector. If these continuing weaknesses are not resolved, the consequences for the Government's development objectives will clearly be obvious.

It was established that the mechanisms such as the policy, legislative framework and the institutions, which have been created to facilitate the development of skills in the public service, must be reconstituted as their effectiveness has been mitigated due to poor implementation. Therefore there needs to be a rethink of the policy framework governing the development of skills.

HEIs and FET colleges play an important role in supplying relevant skills to the public service; their importance cannot be underscored however, due to the competitive model for training between HEI and SAMDI, this undermines the contribution of HEI to effectively address the needs of public service

This study also discovered that there was a lack of coordination of policy between the DOE and DOL. The role of HR and career pathing must be seen with increasingly importance in retaining skills in the public service.

Ultimately, a response to the **research question**, "*The interventions strategies implemented by Government aim to address the skills issue in South Africa, but are these strategies in line with the underlying problem of skills in the public service and are the interventions yielding any positive results?*"

The following concluding remarks can be made, there exists a problem with deployment of skills in various departments, certain relevant skills sets are indeed missing, this was illustrated with the case of the DPLG, also retention of skills is a problem within departments. The intervention mechanisms such as the National

Skills Development Strategy must be reviewed to meet the demands of a developmental state. The fragmentation in training institutions presents a threat to development retention of skills. Therefore a single public service academy must be established to neutralise this threat. Career pathing must be given priority in the public service if retention of skills is to be effective.

Given South Africa's history, there is a strong need to redress imbalances of the past; hence Affirmative action policies are necessary in the public service. Government however must make more effort to recruit more qualified black graduates and professionals in the public service. These positions should not be 'token' positions but such positions should be accompanied with the relevant decision making powers.

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