CHAPTER 1

OUTLINE

1. INTRODUCTION

The objective of this chapter is to provide an introduction to the eight chapters into which this thesis is divided and to describe and explain the hypothesis. Each chapter in the thesis will be described in succinct terms. The arguments as well as the conclusions will be briefly described.

Central to the thesis, is the problem statement, and the research hypothesis which will be described and explained in this chapter. It will also describe and explain the research methodology and key concepts used in the context of this thesis.

Chapter two describes the South African public service environment to motivate why reform is necessary. It provides a brief historical development perspective and outlines some developments since the first democratic election in 1994. It describes a definition of reform.

The first part of chapter two indicates that the *White Paper on the Transformation of the Public Service* (South Africa, 1995) created the environment and provided some policy guidelines for the process of transformation, rationalisation and reform. It provided for a transformation process, of which the rationalisation of the public service was an essential element. It also provided for the appointment of the Presidential Review Commission, which proposed short-term interventions and longer-term reform for the public service. The second part the chapter traces the origins of administrative reform and proposes a definition of reform. The definition consists of modalities, which are inclusive of a motive, an institution, a reform process dimension and the issue of human behaviour. The chapter concludes that an accurate definition of reform provides guidelines for reformers to improve shortcomings or imperfections in the operational systems of the public service.

The purpose of chapter three is to put future reform in South Africa in perspective. Most industrialised and Sub-Saharan African countries introduced voluntary reform since the early 1980's. The reform characteristics in the principal reform countries, namely the United Kingdom, New Zealand and Australia will be explained, followed by a description of the nature of reform in the OECD countries and Sub-Saharan Africa. It will be pointed out that some of the reform interventions, which were initiated in the United Kingdom in the early 1980's, were also implemented by some of the other countries, which started with their reform programs after those in the United Kingdom. A distinction is made between voluntary reform and reform which are induced by institutions such as the World Bank.

Induced reform in Sub-Saharan Africa has not led to the kind of reform interventions, which have occurred in countries that have embarked on voluntary reform. A projection is made that South Africa would introduce its own voluntary reform because South Africa differs from the rest of the Sub-Saharan African countries, due to, *inter alia*, its level of economic development. It is concluded that South Africa would, if reform were embarked upon, follow the reform patterns of the industrialised countries.

Chapter four describes and explains factors that contribute towards a motivation for reform and what institutional arrangements are made to guide and monitor reform. The first section will deal with issues in the external environment and how they influence politicians to commence with reform. The second half indicates what institutional arrangements are made to proceed with reform.

The chapter will indicate that the motive for reform partly depends on the conclusions which politicians in opposition parties draw on the performance of the ruling party and the state of the economy. The perceptions of politicians that negative indicators in the external environment could be changed through altering the work processes and culture of the machinery of government, is strong motivation to introduce change. The motivation for reform differs in countries according to the domestic situation, and it is concluded that the motive for reform in South Africa emanates from its political past. The institutional

modality is discussed in the second half of the chapter and describes how reform is initiated and steered in relation to the politicians, who with public managers, have to conduct and manage the reform. It concludes that reform in South Africa would probably follow the model espoused in the principal reform countries, where reform was introduced and managed by a small core of politicians and senior managers.

Chapter five describes and explains firstly the process dimension of administrative reform and secondly the role of human nature and attitudinal changes. The first half of the chapter will describe the process dimension of reform. It will indicate how the principal reform countries, namely the United Kingdom, New Zealand and Australia went about to implement their reform. Particular dimensions and characteristics of administrative reform are generic to all countries, but their nature and contents are unique to each country.

The second half of the chapter describes the concept of human behaviour and its influence on public management and administration. Most comprehensive reform programs indicated that the performance of government service units is related to the organisation culture in such institutions. It will provide a brief overview of the methods which some countries have introduced to change the behaviour and attitudes of public service staff. The phenomenon that some of the principal reform countries changed their organisation structures and the subsequent impact on the behaviour and attitudes of staff, will be discussed.

The purpose of chapter six is to indicate that public management in the countries, which have introduced reform since the early 1980's, is different from South Africa's model, the main reason being that the reform in the past was mainly of a constitutional nature. The chapter describes the nature and contents of administrative reform in the past two decades. Since the United Kingdom started with reform in 1979, many countries initiated reform, which had shared the same characteristics. The public service reform interventions in industrialised countries and the outcomes which they produced, became known as new public management (NPM). The nature and contents of NPM will be described and explained. Thereafter it will be indicated how the principal

reform countries view NPM. In order to relate the generalisations of administrative reform as described by Commonwealth countries, specific NPM reform interventions in the United Kingdom, New Zealand and Australia will be described.

Chapter seven describes and explains that countries, which became internationally renowned for their reform programs share some common approaches and strategies. In order to extract general guidelines which politicians and senior managers should utilise for reform in South Africa, the chapter discusses the most salient guidelines for reform, by studying reform approaches in particularly the principal reform countries, OECD and Commonwealth countries. The chapter indicates that reform programs are made possible through political leaders who initiate and direct such programs, and the strategies which they employ.

Chapter eight provides and evaluative summary and a conclusion of the research. It identifies the issues, which are relevant for public sector reform in South Africa.

2. DEFINITION OF THE RESEARCH PROBLEM AND ITS SIGNIFICANCE

This study proposes a definition for administrative reform, which has a universal validity, but which could be of particular relevance for South Africa. The government of South Africa did not reform the public service when most Commonwealth and OECD countries were embarking on reform since the early 1980's, which caused South Africa's public management practices to be not on par. The situation is challenged by a new democratic political dispensation since 1994, when the first democratic election was held since South Africa became a Union in 1910. The government, which was elected in 1994, also won the elections in 1999. The new government, which came into power in 1994, has rationalised the public service, but it is still managed in terms of structures and systems, which were acceptable in most industrialised countries, before 1980. The public service, which was inherited from a previously ideologically different government, reflects most of the work ethos and practices of the

previous dispensation. This situation, in the new millennium, according to the Presidential Review Commission (1998:15-27), is in need of reform. The new style of public management, which was adopted by most countries, which reformed their public services since the 1980's, has become known as "new public management".

This thesis postulates that the government, which came to power in 1994, initiated action towards administrative reform. This observation is supported by the *White Paper on the Transformation of the Public Service* (South Africa, 1995) and the subsequent report of the Presidential Review Committee. According to scholars, reform is by nature difficult to initiate and manage. This thesis proposes a definition, which could form the basis for a successful reform process in South Africa. Reform is needed in South Africa to improve service delivery and to make the country internationally competitive and comparable with most reformed public services.

There are a number of reasons why the study to identify an internationally valid definition for reform, and to develop guidelines for a future public service reform process for South Africa, is important:

2.1 Firstly, since South Africa became a union in 1910, and up to 1994 when the country became a fully-fledged democracy, it had never been subjected to a comprehensive administrative reform process, which covered the whole public service. What was regarded as "reform" by particularly the National government which governed since 1948 to 1994, was cosmetic and ephemeral and benefited only a fragmented public service in South Africa. Compared to the modalities of administrative reform as espoused in this thesis, it does not qualify to be termed as such.

2.1.1 Prior to 1994, the previous National Party government introduced fragmentary political reform, the last one in the early 1980's which resulted in the adoption of Republic of South Africa Constitution Act, 1983 (Act No. 110 of 1983). At a time

when real reform was introduced in Commonwealth and OECD countries around the world, the South African government undertook political reform to maintain a non-democratic ideological policy of apartheid.

2.1.2 Secondly, South Africa had fallen behind in the international best practices of public management and administration, which followed in the wake of administrative reform of most Commonwealth and OECD countries since the early 1980's.

2.1.3 Thirdly, this study is significant because the government, which was elected in 1994, found a number of imperfections in the public administration, which was confirmed by the Presidential Review Commission. The need to reform the public service, which is the operational machinery of government has become urgent.

2.1.4 Fourthly, the government of South Africa has expressly stated that it wants to reform the public service. To ensure that the reform process succeeds, a clear definition of reform is needed, the context of reform around the world need to be taken cognisance of, and guidelines which could be used in the reform process need to be developed. Hence the need to undertake this study.

3. STUDY OBJECTIVES

The following are the main objectives of this study:

3.1 clarify the need for administrative reform in the public service after the election of the first democratic government in 1994 and to postulate a definition for reform which has a universal application, but could guide South Africa on the road of future reform,

3.2 assess the nature and contents of administrative reform, which was introduced since the early 1980's in the Commonwealth, OECD and Sub-Saharan countries,

3.3 identify and assess the motivation for countries to introduce voluntary reform and what institutional arrangements are made to guide and monitor the reform,

3.4 identify and assess the process dimension of reform which produced the reform framework and the instruments and measures introduced by countries to change the behaviour of public servants,

3.5 identify and assess the "new public management" phenomenon which arose in the wake of most public service reform since the 1980's and compare it with the practices in South Africa,

3.6 identify and assess which issues stood in the way of voluntary reform around the world, and

3.7 suggest guidelines for future public service reform in South Africa.

4. RESEARCH HYPOTHESIS

The hypothesis of this study is that effective administrative reform in South Africa requires the direct involvement of the head of state and a strategy with set goals for voluntary reform interventions, which are suited to the needs of the country.

The hypothesis will be supported by a theoretical framework and proof through a study of public service reform in the Commonwealth and OECD countries, which started during the early 1980's. A motivation will be put forward that countries introduced voluntary reform, based on a need for greater efficiency and economic growth. From an analysis of reform in various counties, it would be postulated that most reform interventions and outcomes evolved during a

voluntary reform process. New structures and systems subsequently changed the behaviour of public officials to be more productive in new government and public sector structures.

Countries, which introduced public service reform since the 1980's, experienced fundamental changes in public administration and management practices. The study concludes that guidelines could be gleaned from the experiences from countries which institutionalised reform and that premeditated actions can avoid a public service reform process in South Africa from terminating before comprehensive results are attained.

5. RESEARCH METHODOLOGY

The dominant research method for this study was an extensive study of literature and government publications, mainly from Commonwealth countries. During visits to the United States of America, Canada, the United Kingdom and Europe, official government publications were collected which were analysed and compared.

The study does not constitute a comparative analysis based on a classification or organisation of governments, or a typology of democratic political systems as espoused by scholars such as Lijphart (1990: 71 – 83), Lane (1997) and Blondel (1995).   The study considers the methods and processes which various governments in developing and industrialised countries employed to enhance the efficiency and effectiveness of public services. To this extent, the study includes criteria such as public authority and political power, political culture, (Cattell and Sisson, 1978: 3 - 228) the national executive, political leadership and policy processes (Blondel, 1995: 267 – 370).

The phenomenon of administrative reform is well documented by scholars with a keen interest in the subject. It is well reflected in journal articles about public service reform. In addition to literature studies, some interviews, which were conducted with scholars from Commonwealth countries, confirmed their views and added new perspectives to their scholarly works.

Interviews with individuals in donor agencies in South Africa, interested in providing support for reform and government officials confirmed that a need for public service reform exists in South Africa after the political reform, which led to the election of the first fully democratic government in 1994.

6. DEFINITION AND EXPLANATION OF CONCEPTS AND TERMS

6.1 Bureaucracy

Bureaucracy has a number of meanings. Hanekom and Thornhill (1987: 149 - 150) identified twelve meanings, including:

- large-scale, formal, complex, administered organisational structures;
- a synonym for inefficiency or to imply ruthless inefficiency;
- a social invention, perfected during the Industrial Revolution to organise and the activities of the firm;
- a system of administration so marked by its officialism, red tape and fixed, almost arbitrary rules and procedures that it sometimes seems to exist for perpetuation of the bureaucracy's or bureaucrat's own sake ;
- a system of government the control of which is so completely in the hands of officials that their power jeopardises the liberties of ordinary citizens;
- a social structure which confronts most members of an organisation, and
- officials as a body

Hanekom and Thornhill (1987:151) concluded that, in order to offer some clarity, to use the word within a South African perspective to mean: "rule by officials in public institutions in such a way that impersonal rules are enforced without having due regard for the clientele, the values of the citizens, or the aims of the elected representatives as a expressed by political office bearers". The term bureaucracy will be used in this context in this thesis.

6.2 Comprehensive reform

Comprehensive reform is used in this thesis to indicate that a range of reform interventions are introduced that affect most aspects of the functioning of a public service or public sector or both.

6.3 Government

Government refers to a "body of persons and institutions that make and enforce law for a particular society" (Ranney, 1966:21). Worrall (1980: 2-3) elaborates on the definition and indicates that government distinguishes itself from other social institutions in four ways. Firstly by its comprehensive authority and the involuntary membership through the rules of citizenship. Secondly through its authoritative rules, thirdly through the sanctions that it may apply such as imprisonment and execution, and fourthly the legal application of force to compel conformity. Governments, in which the chief of state inherits his or her position, is known as monarchies, while in democracies, the head of state is elected.

6.4 Governance

Governance is used to define relationships between the government and society. The World Bank (1994:1) defines "governance" as the practical exercise of power and authority by governments in the management of their affairs in general and of economic development in particular. It could therefore be deduced that it encompasses the set of relationships between governments and citizens, institutions such as enterprises, special interest groups, and the media.

6.5 Modality

Modality, in terms of the *Etymological Dictionary* (Klein: 1966), is derived from the Latin word *modus* means *manner, fashion or style*. The term modality is described in the *Websters International Dictionary of the English Language* (1905) as *a mode or point of view, which an object presents itself to the mind.*

The *Random House Dictionary of the English Language* (1987) describes the word *modal* as *pertaining to a mode of a thing, as distinguished from its basic attributes or from its subsistence matter* (own emphasis). In this thesis, reform is being described as consisting of four modalities. The modalities are distinguished from the *basic* attributes of reform, which in terms of the *Etymological Dictionary* (Klein: 1966) means to *amend or alter for the better; to form again, change* or *alter.*

6.6 Public management

Public management encompasses the techniques and strategies that are used by public managers to carry out the responsibilities assigned to governments. It encompasses planning, leading decision-making and control (Fourie: 1989: 130).

6.7 Public sector

Public sector means the executive machinery of government. (Commonwealth, 1996:vi) The executive machinery of government is defined by the constitution of a country and includes levels or spheres of government, which are funded by tax income and required to implement legislation.   It includes parastatals, government owned companies, boards, trusts, commissions, uniformed forces and health services. The public sector is directly accountable to government. Government can also determine the details of the governing, administrative and management systems and processes.

6.8 Public service

Public service refers to "a body of employees unified by common professional norms and principles, by uniform financial and personnel management regulations and, traditionally, by a common career structure" (Commonwealth, 1996: vi). The public service usually consists of the treasury and human resource functions, and contains the core social and economic policy-making functions - which are also referred to as the "civil service" in countries such as

the United Kingdom. Although service delivery functions and enterprises are functioning within the public sector, their internal personnel and financial management systems may differ from those of the core civil service. By public bureaucracy Quah means a "civil service system" (1992: 121). According to Quah, quasi-governmental bodies or public enterprises or institutions such as the armed forces in the Philippines, Singapore and Thailand, is not part of the civil service system.

6.9 Rationalisation

Rationalisation means to reorganise the government departments and legislatures from a fragmented and dysfunctional system of administration to one which constitutes a balanced, integrated unity in which every component is essential for the effective functioning of the whole (PSC, 1997:1). The word rationalisation has been derived from the Latin word *ratio,* which according to the Etymological Dictionary (Klein: 1966) means to reckon, reason or calculate a matter. The *Longman's Dictionary of the English Language* (1984) describes the meaning of rationalise: *to bring into accord with reason or cause to seem reasonable.* It could therefore be argued that a rationalisation process precedes a fundamental rethink of a situation, and changes which are brought about based on *reason*, i.e. omitting emotion and political motivation.

6.10 Reform focus

Reform focus refers to the nature and content of the reform interventions. It could be comprehensive, or targeted at systems within the public sector (Halligan, 1994: 135), such the budgeting system (Dawkins, 1985:65), corporatisation or human resource management (Ives, 1995: 320).

6.11 Reform framework

Reform framework refers to the way in which a reform process is organised and given coherence through plans, programs and frameworks. In order to change an undesirable state of affairs, politicians choose particular interventions to realise

projected outcomes. Reform in terms of the *Etymological Dictionary* (Klein: 1966) means to *amend or alter for the better;* to *form again, change* or *alter.* The word is derived from the French *formare,* which means *to form or to shape.* Within a reform framework, a series of interventions could retrospectively form a reform framework, which consists of a set of interventions stemming from ideas of politicians, which are designed to amend or alter situations. Reform frameworks evolve over time.

6.12 Reform process

Reform process means the reform interventions in the public service which follow chronologically and are instituted by the reformers. The *Etymological Dictionary* (Klein:1966) describes the word *process* as *going forward or advance.* The word is derived from the Latin word *procedere,* which means to *go forward or advance.* In Latin *pro* means *before, forward* or *in front of. Cede* in Latin means *to go.* The process dimension of reform refers to the course of action, which will continue, as long as reformers deem the process to continue necessary. Reformers are able to direct the process and to select particular interventions in order to ensure that the undesirable *status quo* is changed and that the reform goals are attained. A reform process reflects the actions of reformers, it indicates what actions were taken to continue with the reform, or to bring it to en end. The continuation of reform depends on what action reformers take to maintain the initiative. The reform process will be known as such as long as the reformers relate the action they take, to the initial reform goal and objectives. Reformers may select to build on former initiatives or introduce new interventions. Retrospectively, the reform process consists of a chronological series of events, which, at the time when they are planned and introduced, did not necessarily form part of an existing system.

Although reform will be used as a singular noun to indicate government action, there may be several reform initiatives, interventions, objectives, projects or programs. The reform process encapsulates various activities to attain a desired state of affairs.

6.13 Transformation

The word transformation means *to change the shape of.* The word transform is derived from the Latin *trans,* which means, *to go through* and *formare to shape* (Klein:1966) The word transformation will be used in the context of governments which came to power and changed the structure and ideological values of the public service. The South African government, which came into power in 1994, transformed the public service to reflect the political ideology of the African National Congress Party, which won the general elections of 1994 and 1999. Through a process of transformation, government departments were changed to be more representative of the population of the country, situations were approached differently and circumstances interpreted differently. In South Africa, the transition to a full democracy and the eradication of the heritage of the policy of apartheid, had a profound effect on the transformation of the public service.

7. CONCLUSION

The chapter provided an overview of the chapters, into which this thesis is divided, and to describe and explain the hypothesis. Each chapter in the thesis was described in succinct terms and arguments as the well as the conclusions that were drawn.

This chapter also analysed the problem statement and stated the research hypothesis. It presented the research methodology and key concepts used in the context of this thesis.