

PUBLIC SECTOR REFORMS: THE CASE FOR SOUTH AFRICA – 1994-2005

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ABSTRACT

The planning of reforms in government is of itself a complex and difficult process. This article examines reforms in the Government of South Africa from 1994 to 2005. Reforms in the public sector of South Africa must be understood from the confines of historical perspectives and political accommodation. An extensive review of the literature written by scholars of public administration and political transformation indicates clearly that adequate public sector reforms must be hinged on proper planning, efficient administration and political will. Considering the brief historical overview it is obvious that prior to 1994 the South African public sector and in particular the public service, consisting of some 1,3 million employees, was characterised by fragmentation of structures, lack of co-ordinated policy frameworks, unequal allocation of financial and human resources as well as disregard for the democratic requirement of public accountability. It should be evident that the public service reform that the democratically elected government had to undertake was extensive as well as complex. The article will conclude by highlighting the fact that the legal and policy frameworks have been created to obtain an ethical workforce that operates in a public service that conforms to standards acceptable in an open and democratic society.

INTRODUCTION

Reforms in the public sector of South Africa must be understood from the confines of historical perspectives and political accommodation. The public service in a country is never static. Rather, public sector reforms must be seen as a “living organism” which changes with time and events. Changes, reform and even transformation take place from time to time. Such changes may occur as a result of economic developments (either positive or negative); social changes; urbanization (e.g. in the 1930s); or political change (e.g. pre 1994 and post 1994) in South Africa. Reform and/or transformation should, therefore, be considered within more than one dimension, not merely as an organizational

phenomenon. Frederickson (1999:1) notes that “if there is a single word that would characterize public sector reform and management at the closing of the twentieth century and the opening of the twenty-first century, it is *change...*”

An extensive review of the literature written by scholars of public administration and political transformation indicates clearly that adequate public sector reforms must be hinged on proper planning, efficient administration and political will. However, it must be noted that the notion of bureaupathology continuously exists in most institutions within public sector domains. As will be noted through this paper, national systems worldwide that are geared towards reforms in the public sector, take shape in response to many distinct and diverse needs and demands from societies that establish them. In the case of South Africa, the post-apartheid society needed to address the injustices of the past. While public sector reforms in South Africa may have certain permanent attributes and a few universal aims and objectives, it is constantly changing and adapting itself to new demands and new circumstances. That is why one must remind oneself that when thinking about and discussing public sector reforms, one must not forget that it has the growing quality of a living organism. Reform not only changes with years, it is as sensitive to place as it is to time.

The design of a reform or transformation process has to acknowledge existing policies, structures, human resource capacity and financial viability. Equally important is the commitment to change by the government initiating and promoting the public service reform. In this discussion, attention will be devoted to the factors influencing reform, the approaches followed as well as the successes or lack of success in South Africa in the period 1994 to 2005.

FACTORS INFLUENCING REFORM

Huntington (1968:5) defines reform as “... a change in the direction of greater social, economic or political equality, a broadening of participation in society and policy.” Should public service reform be considered, it should be viewed from the effects it has on the social, economic and political landscape. Kaul (2000:23) further defines public service reform as “...the devolution of responsibilities away from a central centralized bureaucracy...”

An exhaustive research into the factors influencing reform is not provided. Some of the factors are purely of academic importance. However, it should be borne in mind that the question of form versus spirit in reforming a public service should continuously be kept in mind (Pfiffner & Presthus.1967. 68). Thus, it is emphasized that changing the form of a public service without changing the spirit to implement reform will not have the desired results.

HISTORICAL OVERVIEW

The democratically elected government, which came into power in April 1994, did not inherit a clean slate on which to start governing. The legacies of the past, in particular the apartheid era of 1948 to March 1994 had to be used as the background for the development of new, non-racial policies that also provide for the eradication of

past irregularities. Therefore, it is necessary to consider some of the characteristics of the former governmental system to comprehend the extent of the reforms that had been implemented since 1994.

The *South Africa Act, 1909*, provided for the establishment of the Union of South Africa. With this Act the former colonies of the Cape of Good Hope, Transvaal, Natal and the Orange Free State were incorporated into a new Union of South Africa composed of four provinces with their own legislatures. The agreement reached by the National Convention of 1908/09 provided for the seat of the legislature to be Cape Town, the seat of Government to be Pretoria and the seat of the Judiciary to be Bloemfontein. The head of state was the Governor-General, representing the British monarch. An executive council, colloquially known as Cabinet acted as the government under a Prime Minister.

The second constitution *viz. the Republic of South Africa Constitution Act, 1961*, (Act 32 of 1961) was adopted that provided for a republic, operating fully independently from Britain. The head of state was called State President. The composition of the legislature, the executive and the judiciary remained unchanged. The provincial system of government was also retained. Thus, except for the autonomy of the head of state the administrative and governmental systems simply continued.

With the third constitution, through the *Republic of South Africa Constitution Act, 1983* (Act 110 of 1983) the governing National Party introduced a major amendment to the South African legislative and executive system. In the 1983 Constitution provision was made for the so-called tri-cameral system of government which provided for the so-called own affairs legislative and executive structures for Whites, Coloureds and Indians respectively. The affairs of the indigenous *Black* population was considered as general affairs and dealt with differently from those of the other three population groups. The essence of the unitary system of government was retained including the system of provincial government. The seat of the legislature remained Cape Town, the executive seat was Pretoria and the judiciary's seat remained Bloemfontein. Thus, in general the *system* of government was retained although the policies and administrative arrangements were changed dramatically. This resulted *inter alia* in the establishment of a plethora of government departments to administer the affairs of the different population groups.

One major change that followed the 1983 Constitution was the abolition of the provincial legislatures in 1985. Thus from 1986, up to the establishment of the Republic of South Africa in accordance with the interim *Constitution of the Republic of South Africa, 1993* and thereafter the *Constitution of the Republic of South Africa, 1996*, the provincial matters requiring legislative measures, were dealt with by Parliament. The executive powers, of a province vested in the provincial administrator and an executive committee.

It is important to refer to the variety of institutions that existed immediately prior to the April 1994 democratic elections. This provides an indication of the challenges which faced the new government and which demanded reform. At the central level of government including the four provinces 53 departments existed. In addition to that the so-called independent states and the self-governing territories established 80 and 62 departments respectively. Thus the total number of administrations was 195. The number of executive institutions may not be particularly significant, considering the current 39 national sphere departments and

the 115 departments on the provincial sphere. However, it should be considered that the basis of the previous departmental structures were largely racially based while the *bantustan* departments catered only for one particular ethnic group (Naidoo, 2004:8).

Considering the brief historical overview it is obvious that prior to 1994 the South African public sector and in particular the public service, consisting of some 1,3 million employees, was characterised by fragmentation of structures, lack of co-ordinated policy frameworks, unequal allocation of financial and human resources as well as disregard for the democratic requirement of public accountability. This disjointed public service created opportunities for gross malpractices such as corruption and mismanagement. A further characteristic, which requires mentioning, is the fact that the public service in general, was highly centralized with top-down administrative and managerial practices. The emphasis tended towards bureaucratic accountability, i.e. the extent to which rules and procedures were adhered to and not with regard to the services delivered to members of society. These deficiencies were exacerbated by the absence of clearly defined roles and responsibilities as well as lack of effective co-ordination and communication mechanisms (Naidoo, 2004:7).

In some of the public services of the former fragmented South Africa, productivity was relatively low. Little attention was paid to human resource development especially in the management cadre. Furthermore, the existence of the administrations (Three Own Affairs, General Affairs, Four provinces, 10 Bantustans) required duplicated managerial systems exerting unnecessary pressure on the existing managerial capacity of the public service. A last characteristic that requires reference is the fact that the major part of the state's resources was utilized for 13,6% of the population i.e. the White inhabitants (Naidoo, 2004: 8).

POST 1994 ERA: SETTING THE REFORM AGENDA

The democratically elected Government was faced with complex and extensive challenges. These challenges, which required reform, included *inter alia* a lack of access to basic services such as water (10,1% of the inhabitants in urban areas and 39,2% in rural areas), and a lack of proper sanitation (25,8% non availability in urban areas and 75,8% in rural areas). In the majority of the rural areas, e.g. approximately eight million people from formerly disadvantaged communities lacked adequate sanitary facilities and only 50% of South Africans had access to water borne sewerage and approximately 15-16 million people did not have access to piped water. Even within the different provinces vast differences in service delivery could be identified e.g. in KwaZulu-Natal 88,2% of the rural population lacked access to basic sanitation services, whereas in the Western Cape the comparative figure is 13,6% and Eastern Cape 76,4%.

It should be evident that the public service reform that the democratically elected government had to undertake was extensive as well as complex. The service delivery levels differed among the different "population groups" as well as among the nine provinces created through the interim *Constitution of the Republic of South Africa, 1993* and confirmed in the current Constitution of 1996.

To promote reform of the public service, Government had to firstly acknowledge the developmental needs of South Africa. Secondly an economic crisis could arise if it

responded too quickly to demands for improved service delivery amidst an inadequate revenue base. Thirdly, it had to change the public servants' diffused, unfocussed attitude and lack of commitment to be able to give effect to social, economic and constitutional changes required by the democratized South African society (cf. Development Bank of Southern Africa, 1993:5). The agenda for reform was furthermore determined by the need to provide services to all people on an equitable basis. The need to improve service delivery imbalances among the previously disadvantaged communities, while maintaining service standards in advantaged communities, had to receive continuous attention. Government also had to attend to the lack of a service culture among some of the public servants who were not committed to the goals of the institutions in which they worked.

THE "NEW" PUBLIC SERVICE

The proclamation of the interim *Constitution of the Republic of South Africa, 1993*, the former public services of the four provinces, 10 Bantustans, three own affairs and the general affairs departments had to be consolidated. This was initiated with the *Public Service Act, 1994* (Proclamation 103 of 1994). This Act established the basis for a unified public service for the national and the nine provincial administrations and the *bantustan* administrations.

The *Public Service Act, 1994*, *inter alia* provided in section 2(4) for the retention of posts established in terms of a law repealed by this Act and that existed before the commencement of this Act, except where clearly inappropriate. Such posts will be deemed to have been established in terms of the Act. Similar provisions were made for officers or employees who were, prior to the commencement of the Act, employed in terms of certain other legislation.

One of the most significant sections concerning the change required in the composition and functioning of the public service is section 4 of the *Public Service Act, 1994*. The particular section provides for the transition and transformation of public administration in South Africa. The Commission for Administration, re-established in terms of the Act, was required to make recommendations, give direction and conduct enquiries to obtain uniformity in the public service. Provision is also made for the continuation of the service conditions of existing public employees. However, such conditions of service should not be less favourable than the conditions applicable before the new system of government was established. These powers to provide for transitional arrangements lapsed on 27 April 1995.

It is clear that the first stage in the transformation of the public service focused on the establishment of a consolidated corps of public servants, governed by one overarching Act. This first stage in reform did not concern itself with the reforms required to provide services on a non-discriminatory basis or improving services to the formerly disadvantaged communities.

In fact during the first two-and-a-half years, the newly elected Government focused on developing policies, streamlining the organizational structures and improving systems. These actions were undertaken to give effect to the basic values and principles governing public administration, originally in the Interim Constitution and finally in chapter 10 of the

current *Constitution of the Republic of South Africa, 1996*. It could, therefore, be argued that initially the improvement of service delivery did not receive particular attention. Government was mainly concerned with the establishment of a system of public administration that would adhere to constitutionally enshrined democratic values and principles. These principles include amongst others:

- maintaining and promoting a high standard of professional ethics;
- promoting efficiency and economic use of resources;
- promoting developmental oriented public administration;
- promoting public accountability and transparency; and
- ensuring that the public service broadly represents the South African society.

To ensure uninterrupted service delivery and certainty regarding the employment of officials appointed under the policies of the former government, Schedule 6 of the current Constitution, 1996, provides for the continuation of old order legislation. These laws remained in force, subject to any amendment or repeal and only if consistent with the democratic Constitution. The same rule applied to any unfinished business that served before Parliament before the new order assumed their respective roles and responsibilities.

A Senate as a second chamber of Parliament was retained in the interim Constitution, 1993 (section 48). However, the Senate was abolished when the current Constitution, 1996, was adopted and replaced by a National Council of Provinces (Section 60). As the name implies this Council represents provinces. The Council also provides for local government representation without voting rights.

As far as possible reform of the public sector is concerned, the National Council of Provinces does not make any significant contribution. The active part of Parliament is the National Assembly as this component of Parliament is empowered in section 55(1) and (2) of the Constitution, 1996 to respectively pass, amend or reject any legislation before the Assembly. However, even more significant is the requirement that the National Assembly should provide for mechanisms to ensure that all-executive organs of state on the national sphere of government are accountable to it. Furthermore, the National Assembly is assigned the duty to maintain oversight of the national executive authority (including the implementation of legislation).

It could be argued that the Constitution, 1996, as the supreme law (section 2), assigns the responsibility to ensure effective and efficient administration and service delivery to Parliament and in particular to the National Assembly. Government thus has to satisfy the National Assembly that any proposed reform as well as the outcomes of the reform improves the living conditions of South Africa's citizens.

FIRST STAGE REFORM: PUBLIC SERVICE ACT, 1994

One of the major challenges, which faced the new democratically elected government, was the highly fragmented and unrepresentative public service. Although the new Government only assumed power on 28 April 1994 it passed the *Public Service Act, 1994* through a proclamation (103 of 1994) on 3 June 1994.

This Act provides for the organization and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service and with other matters connected therewith.

As far as reform is concerned, the details in the Act are not mentioned. However, the Act represents a major reform initiative as it is aimed at establishing a new integrated public service that would be representative of the South African society. It also provides for the continuation of the employment of persons who were appointed by various pieces of legislation before the new Parliament was convened. In this way Government ensured uninterrupted service rendering by the public sector.

The Act provides for a Public Service Commission assigned the responsibility to (Section 4(1)) effect the transition and rationalization of public administration as contemplated in sections 236, 237 and 238 of the Constitution, 1996. To achieve these goals, the Commission was assigned extensive powers to effect the transition; to retain particular employees where justifiable; and to develop favourable terms or conditions of service. The powers conferred on the Commission to achieve the objects of transforming the public service lapsed on 27 April 1995 (Section 4(7)). The Public Service Commission was reconstituted in 2000 with an amended mandate.

It should be mentioned that the new Government continued with the well-known departmental organizational structure for the rendering of most public services. Section 7 of the *Public Service Act*, 1994, provided for 25 national departments, nine provincial administrations and seven other national institutions (since then changed on various occasions).

Through the restructured public service, Government established the organizational framework for the development of policies and the delivery of services. One of the major problems the new Public Service Commission had to deal with concerned the transformation of an apartheid based, non-representative public service into a service that will conform to the constitutional principles and the Bill of Rights. In this regard particular arrangements were made for existing public officials to leave voluntarily, thus creating opportunities for the appointment of new personnel. The transformation resulted in officials who could not reconcile their views with those of the newly elected government to leave the Service. In this way provision was made for a new representative public service committed to transparency, accountability and democracy. The transitional arrangements also guaranteed the uninterrupted delivery of public services.

SECOND STAGE REFORM: RECONSTRUCTION AND DEVELOPMENT PROGRAMME

Probably one of the most significant comprehensive new policy initiatives of Government after the 1994 elections was the publication of the *Reconstruction and Development Programme* (RDP) in 1994. Although events since 1994 have surpassed the RDP it is worth mentioning, as it represented a major thrust in Government's efforts to reform the deeply divided South African society into a non-racial society with equal access to services and eradicating the injustices of the past.

The RDP (1994:1) is defined as "...an integrated, coherent socio-economic policy framework. It seeks to mobilize our people and our country's resources toward the final eradication of apartheid and the building of a democratic, non-racial and non-sexist future". The policy framework is based on six principles (RDP 1994:6-7) viz:

- an integrated and sustainable programme that brings together strategies to harness all the available resources in a coherent and purposeful effort that could be sustained into the future;
- a people driven process that would focus on the people's most immediate needs, relies on their energies to drive the process to meet their needs, regardless of race or sex;
- peace and security for all by establishing security forces that reflect the national and gender character of the country and that will uphold the Constitution and respect the human rights;
- nation-building to obviate the massive divisions and irregularities left behind by apartheid and simultaneously to bring about comprehensive development;
- democratizing South Africa that requires comprehensive and fundamental changes in policies and programmes; and
- link reconstruction and development to represent an integrated process and ensure a measurable increase in the output of the modern industrial economy.

To achieve the goals set in the RDP, government identified five key programmes, viz meeting basic needs; developing human resources; building the economy; democratizing the state and society; and implementing the programme. A Minister of Cabinet was appointed to take responsibility for the implementation of the programme through a departmental structure established for this particular purpose.

It transpired that a reconstruction and development programme could not be dealt with as an *add on* to all the other policies of government aimed at restructuring and developing society. Although the Programme had excellent intentions it proved difficult to integrate these specific programmes with the other policies of the line function departments. Ultimately the Ministry and the Department were abolished and the programmes of the RDP were incorporated into the policies and programmes of existing departments.

THIRD STAGE REFORM: TRANSFORMATION OF PUBLIC SERVICE

Government realized the need for a total transformation of the public service early after assuming power in South Africa. The policy statement: *White Paper on the Transformation of the Public Service* was published on 15 November 1995, i.e. a mere year after the first fully democratic elections of April 1994.

The point of departure of the White Paper is that the new government inherited a society that is marked by deep social and economic irregularities, as well as by serious political and social divisions. (W.P.1995: 1). Therefore, government firstly adopted the *Public Service Act*, 1994 (Proclamation 103 of 1994). The White Paper, following the legislation provided for a transformation process that will be a dynamic focused and relatively short-term process. However, it was acknowledged that the goals with the transformation should

be achieved within a timescale of two to three years whereas the process of administrative reform would be ongoing.

The White Paper concerned all the government departments (national and provincial) regulated by the *Public Service Act*, 1994. The policy statement *inter alia* provides for the development of a new vision and mission for the new public service. This includes the formulation of a vision as follows – “The Government of National Unity is committed to continually improve the lives of the people of South Africa through a transformed public service which is representative, coherent, transparent, efficient, effective, accountable and responsive to the needs of all”. (W P.1995: par2.1). To realize this vision Government accepted the need for a strategic change management approach. The lack of representativity; lack of legitimacy; lack of service delivery; centralized control and top-down management; lack of accountability and transparency; absence of effective management information; low productivity; poorly paid and demotivated staff; conflicting labour relations; and lack of a professional ethos and work ethic were recognized (WP.1995. par 3.1.1).

Government realized that it was faced with a number of challenges and constraints including the fear of change; resistance to change; the danger of a brain drain; popular impatience at the pace of change; lack of clear and well-communicated vision of change; lack of clearly defined roles and responsibilities; lack of co-ordination; persistence of a rule-bound culture and role of the Public Service Commission; lack of skills and capacity; and the financial constraints (WP.1995. par 3.1.2). These challenges and constraints, however, provided opportunities for achievement of success such as a broad commitment to the vision and goals of transformation; an agreement on the principle of co-determination; relative labour stability; the realization of the need for increasing representativity in the public service; and international support for the envisaged transformation (WP.1995. par 3.2).

Without repeating the contents of the relevant policy statement, it should be mentioned that government identified specific processes to implement the envisaged transformation. These included the setting of broad policy objectives; monitoring, evaluation and performance management; extensive communication; consultation and participation by the relevant stakeholders; and research to ensure well-planned and co-ordinated steps to implement the transformation. The White Paper proposed the appointment of a Presidential Review Commission to do an extensive investigation into the reforms required (*cf. infra* par 10). Government realized that transformation would have an impact on the financial and other resources. Therefore, departments will be required to reprioritise their budgets and do efficiency savings. External sources of funding will have to be solicited. One of the most significant issues raised in the policy statement was the provision for the restructuring of the public service in accordance with the *Public Service Act*, 1994 and signed by the President on 3 June 1994. The proposed rationalization included the transfer of functions and organizational structures of the diverse administrations to new national and provincial departments; the rationalization of the conditions of service to create uniformity and the staffing of the nationalized structures (WP. 1995: par 8.1).

FOURTH STAGE: SERVICE DELIVERY IMPROVEMENT

One of the first major steps of Government at comprehensive reform in the public service was through the adoption of the *White Paper on Transforming Public Service Delivery (Batho Pele)* in 1997. The purpose of the White Paper as an official policy statement of Government is to “...provide a policy framework and a practical implementation strategy for the transformation of public service delivery”. The policy was preliminarily aimed at *how* public services are provided and at improving the efficiency and effectiveness of the way in which services are delivered (White Paper 1997: 9).

The White Paper did not concern itself with the question on *what* services are provided. Neither did it address the volume, level and quality of services. The responsibility was retained in the hands of Ministers and other executive authorities.

The main thrust of the White Paper is the concept of *Batho Pele* meaning people first. A second important principle that has been introduced is that the citizens as recipients of public services have to be viewed as *customers*. This is a major reform movement away from the traditional dictum of viewing the recipients of public services as mere dependents of public institutions.

The White Paper identified eight principles for the improvement of service delivery *viz*:

- citizens should be consulted about the level and quality of the services they receive;
- citizens should be informed about the level and quality of the services they will receive;
- all citizens should have equal access to the services to which they are entitled;
- citizens should be treated with courtesy and consideration;
- citizens should be given full, accurate information about the public services they are entitled to receive;
- citizens should be told how national and provincial departments are run;
- if the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and effective remedy; and
- public services should be provided economically and efficiently in order to give citizens the best value for money.

Particular steps were proposed for the implementation of the eight principles, e.g. that departments should consult regularly on the provision of services in particular with those who lack services; departments must publish standards for the level and quality of services they will provide; the performance of staff who deal with customers *must* be regularly monitored; departments should identify areas where efficiency savings should be sought and identify service delivery improvements which will be achieved by the savings; and partnerships should be established with the wider community.

Batho Pele can be viewed as a major effort aimed at the improvement of service delivery. However, it appears as though this issue was considered separately from the reform of the public service. It appears as though the structural adjustment required reforming the human element in the public service to provide quality services to citizens, as clients were not considered simultaneously. This deficiency resulted in the *people first* concept

not being sustainable. The excellent initiatives contained in the White Paper slowly faded from the public service.

FIFTH STAGE REFORM: THE PRESIDENTIAL REVIEW COMMISSION

It should be obvious that the organizational structure that was implemented in 1994 was mainly aimed at transforming an existing system. It should thus be viewed as an interim measure that would ensure the continuation of services. However, it became important to finalise the organizational arrangements. The Presidential Review Commission appointed by the former President N.R. Mandela undertook this.

The mandate of the PRC was to:

- inquire into the structures and functions of the public service and its statutory bodies
- conduct an internal review of each ministry, department, provincial administration, organizational component, office and agency concerning its objectives, structure, function, staffing, financing and related matters, and
- conduct a review and revision of the systems, routines and procedures of planning, budgeting and financial execution in the public service to increase accountability with a view to make recommendations and proposals regarding the transformation and reform envisaged in the *White Paper on the Transformation of the Public Service*, 1995 (PRC 1998:1).

From the mandate it should be clear that the investigation was aimed at an extensive review of the public service that developed after the democratic government assumed power in 1994. Whereas the previous investigations seemed to be too narrow in their respective focuses, i.e. either service delivery or structure, the PRC's investigation included efforts to improve service delivery, develop coherent organizational structures; to appreciably transform human resource practices; to obtain acceptable levels of planning and management; to establish viable forms of intergovernmental relations; and to facilitate appropriate arrangements for the functioning of political and administrative personnel (PRC 1998. 3-4).

Although the PRC undertook a comprehensive investigation into the public service it did not evaluate the substance of government policy, but noted the absence of policy, where this has infringed on service delivery. However, the PRC posed the question: "What ought the public service to be doing?" (PRC.1998. 4).

The PRC clearly indicates that in order to improve the public service a need exists for the development of a professional public service; the development of a professional service ethos; the setting of standards for public service performance; and the elimination of corruption (PRC.1998. 5-8). The objectives of reform are also recognized and it is stated succinctly that Government must be able to formulate policies which are well-founded on relevant data, be coherent and well co-ordinated, properly costed and prioritized within the available resources; and facilitate the efficient and effective implementation of such policies linked to regular monitoring and review.

The challenges in bringing about reform include *inter alia* a lack of clear vision and strategies; lack of vision building and strategic planning; lack of skills and capacity; lack of

effective organizational arrangements; lack of an appropriate communication strategy; and a lack of co-ordination and evaluation mechanisms. Therefore, the Commission concludes that an urgent need existed for the development of a commonly accepted national vision, a commitment to change; mechanisms to review legislation; effective forms of inter-sectoral co-ordination as well as improved opportunities for participation by staff and by citizens as the customers of public institutions (PRC. 1998.12).

The approach followed by the PRC indicates clearly that extensive reform of a system as inherited by the democratic government in South Africa in 1994 must be comprehensive. Institutional reform, policy reform, organizational reform, human resource reform and managerial reform have to be considered simultaneously. However, these reforms cannot be divorced from service delivery as service provision is the *raison d'être* of the public service.

The Commission comments on the encouraging improvement in service delivery in a number of national sphere departments since 1994. However, as late as 1998 some departments still could not produce the required results. This was attributed to structural limitations, lack of capacity and the lack of a will and ability on the part of senior public service managers (PRC.1998. 25). It is recognized that these deficiencies are partly due to the complexity of reforming the fragmented and diverse public services that existed prior to 1994.

The Constitution, 1996 provides for the establishment of three spheres of government (national, provincial and local)(Section 40(1)). These spheres co-operate with one another, but are distinctive, interdependent and interrelated. The guiding policy in this regard is one of subsidiarity, implying the decentralization of executive functions to the sphere best able to perform the function efficiently and effectively. However, the PRC notes that some provincial administrations fail to provide the services expected. Therefore, national Government should in dire circumstances resume functions assigned to provinces where irrefutable evidence exists of an inability to carry out these functions. It could, therefore, be argued that in transforming a system, it may prove necessary to make interim arrangements to ensure effective service delivery in case of institutional failure or inadequacy due to historical circumstances (PRC.1998. 40).

One of the significant requirements for comprehensive reform of the public service is the need for structural reform. The PRC recognized this principle. It suggests a strategic change and a shift from the former mechanical model of public and development administration towards a more organic, integrative and adaptive model of corporate governance with an emphasis on the (PRC.1998. chapter 2).

- decentralization and devolution of decision-making power
- strengthening managerial responsibility and accountability for results
- democratizing internal work procedures
- establishing flatter organizational structures
- improving co-operation and co-ordination
- developing team work and project or programme-based approach to work
- developing new forms of task-related rather than rule-based cultures, and
- incorporating civil society into the governance process.

In South Africa, as is the case in many other developing countries the size of the public service is a matter of concern. The PRC, therefore, devotes particular attention to proposing measures to rightsize the public service. These include *inter alia* a decision by Cabinet to put a ceiling on recruitment; a decision by Cabinet to set annual rightsizing targets; introducing efforts to abolish most if not all funded vacancies; efforts to reduce the supernumeraries in the public service; eradicate the so-called "ghost" workers i.e. people no longer working, but still receiving their remuneration; and the introduction of voluntary severance packages to allow officials who could not reconcile themselves with the new political dispensation to leave the public service (PRC. 1998. chapter 2).

To manage the transformation it is necessary to introduce a reform strategy. This strategy provides for the development and institution of a range of new administrative reforms and to introduce targeted capacity-building interventions linked to training and administrative capacities. These actions are entrusted to the Ministry of Public Service and Administration and the Department of Public Service and Administration.

As far as service delivery is concerned, the PRC noted the legacy of the past; the general lack of resources to perform the required reform related actions; the existence of organizational structures not conducive to effective and efficient service delivery outputs; and socio-economic malpractices (PRC. 1998. chapter 2).

By 1998 most government departments have established directorates or units to manage transformation in accordance with the recommendations of the *White Paper on the Transformation of the Public Service*. However, the levels at which the posts were filled, differed significantly (PRC. 1998. chapter 3). Thus the status of the respective directorates determined their impact on transformation.

As is to be expected, the South African public service reform posed significant challenges regarding budgeting and financial management implications. This received the attention of the PRC in considering the accounting system; budgetary and expenditure control; financial planning and reporting; cash flow management; management of assets and liabilities; financial control and procurement policy. The key issues that are identified for attention include *inter alia* efforts to achieve fiscal discipline; to achieve allocative efficiency; and to achieve technical efficiency (PRC.1998.chapter 5). The PRC proposed extensive budgetary reform and in particular the democratisation of budgeting as well as the involvement of line managers in financial management. It furthermore proposes that senior managers' service contracts should be related to performance. To succeed, it would be necessary to formulate performance measures to evaluate output as well as performance indicators and other evaluation criteria.

Without going into detail, it is important to identify the need to reform the information management system and technology when comprehensive reform is envisaged. Thus the PRC devotes specific attention to this highly complex support function. Therefore, a new information management strategy, information systems strategy and an information technology strategy are proposed. Basic standards were identified to ensure that the systems and operations will meet the reform and developmental goals of the public service.

The extensive nature of governmental policies requires that the activities of the plethora of executive institutions be co-ordinated. This was addressed by the PRC. Cabinet

established "cabinet clusters" to ensure that departments involved in related activities are afforded the opportunity to liaise with one another. Currently five clusters are utilized for this purpose viz:

- Social sector cluster;
- Justice, crime prevention and security cluster;
- Economic, investment and employment cluster;
- Governance and administration cluster; and
- International relations, peace and security cluster.

As the designations indicate departments with related activities belong to the same cluster. In some cases a head of a department may even serve in more than one cluster, e.g. the Department of Home Affairs serve in the Governance and Administration Cluster; the International Relations, Peace and Security Cluster; and the Justice, Crime Prevention and Security Cluster. The heads of department serve as advisors to the ministers for the policies of their respective portfolios.

The recommendations of the PRC are extensive and require a commitment by Government to implement and maintain reform. It requires of the public service a commitment to implement the reform not only as a token to please the political structure, but to improve service delivery.

REVIEWING THE REFORM EFFORTS

Reform never goes out of style (Caiden & Sundaram. 2004: 373) in the public service. As political, economic, social and even climatic conditions change, policies and the required structures as well as human resource capacities have to be reviewed. Thus reform results have to be reconsidered on a regular basis. In the case of the reform of the public service in South Africa, the Public Service Commission has published four editions of its *State of the Public Service Report* since its reconstitution in 2000. These investigations include *inter alia* labour relations reviews; human resource management reviews; governance monitoring; leadership and performance improvement; service delivery and quality assurance. The latest report for 2004 (PSC. 2005) represents a decade of public service reform, whilst simultaneously providing a possible roadmap for further reform.

Nine principles are identified in the report. These will serve as the background for this section on the review of the reform initiatives since 1994.

Principle One: The promotion and maintenance of high standard of professional ethics

Although continuous efforts have been made since 1994 to curb corruption and other malpractices, the desired results have not been achieved. After ten years it has been found that both national and provincial departments take too long in some instances to address cases of professional misconduct. However, on the national sphere, the successes have been better than on the provincial sphere (PSC. 2005.12).

The lack of success in improving professional ethics is to some extent ascribed to the failure of some departments to publicize, to implement and to enforce the *Code of Conduct for Public Servants*. It is also found that in some cases the compliance with financial disclosure requirements are not strictly adhered to (PSC.2005: 14). The *Protected Disclosures Act, 2000* improved the initiative to promote whistle blowing, but a legal framework and guidelines have still to be formulated.

It is obvious that in reforming the public service, particular attention should be devoted to the ethical conduct of public officials (and politicians). The PSC proposes that sustained work still has to be done to provide strong building blocks to curb failure, corruption and related malpractices (PSC.2005: 15). It is again emphasized that success in this regard can only be achieved if the head of a department and senior managers are committed to introduce and maintain professional ethical standards.

Principle Two: Promotions of effective and efficient utilization of resources

The second principle focuses on service delivery. This clearly indicates that reform must consider both the human beings in the structure and the way in which services are delivered.

Various studies had been undertaken by the PSC in the period 2000 to 2004 to improve the efficiency and effectiveness of service rendering. However, it appears as though these studies were done on an *ad hoc* basis and often at the request of particular departments. The consequence is that the qualities of service rendering have not been addressed in total. Particular attention should still be paid to performance management and ways and means to integrate this system into normal public service routines (PSC 2005:18). Should this succeed reform in service rendering could prove more successful.

Principle Three: Public administration must be development oriented

The Constitution, 1996 (Chapter 10) requires of public administration to be development oriented. Any reform of the public service, therefore, has to include efforts to achieve this goal by improving the living conditions of those members of society who had been disadvantaged. Administrative arrangements have to be adapted to bridge the gap between the first and second economies and narrow income disparities. In this regard regular feedback is required to determine the degree of adjustment obtained.

The *National Spatial Development Perspective* (PSC. 2005:19) was developed in 2003 to provide guidelines for the development that should take place in specific areas. However, by 2005 it was not clear to what extent these perspectives had been promoted. Furthermore, it became obvious that reform processes should be monitored regularly. The absences of such actions are detrimental to the implementation of the developmental function entrusted to the public service (PSC 2005: 19). This neglect of monitoring is particularly obvious in the poverty alleviation projects. Such projects are seldom priori-

tized or wrong strategies are followed to perform the required actions needed to attain the developmental goals. Two examples could be quoted as proof of successes with the developmental goals viz the establishment of community development workers and the introduction of the Expanded Public Works Programme.

The emphasis on a development oriented public service should be well-managed and best practices employed to achieve the relevant goals. It should also be emphasized that government involvement on all spheres of government should mainly serve as an incentive. Communities should at some point in the future manage and maintain their own development programmes.

Principle Four: Impartial, fair and equitable services without bias

It is considered one of the core objectives of the public service to provide *public services*. Reform of the public service, as alluded to earlier, is ultimately aimed at improving service delivery with a proviso of impartially and fairness, but also improving accessibility to services. *Batho Pele* (People First) was one of the first initiatives to improve the quality of public services. Fairness and reasonableness in the actions of public employees have been attended to in the *Promotion of Administrative Justice Act, 2000*. However few departments seem to provide training to their personnel in this regard. (PSC. 2005:23). The lack of knowledge of the Act is also apparent amongst members of civil society. This detracts from the goals with reform i.e. not only improving services, but also to develop a knowledgeable society that knows what services they are entitled to and to sensitise public officials to treat their clients fairly and impartially.

In addition to efforts to increase services, should also be developed. This would enable Government and civil society to evaluate the services provided by public institutions. It would also enable departments to measure performance and to ensure that policies aimed at reforming the South African society are implemented as intended by Government.

Principle Five: Response to people's needs and participation in policy making

Democratising the South African society does not imply simply introducing political democracy through regular free and fair elections. It also requires civil society to be involved in expressing their views (and will) on the kind of services they prefer, which should be embedded in public policies. Involvement of civil society will also increase the acceptability of policies and ensure their successful implementation. Participatory governance will require government departments to reform their processes to provide for this type of intervention.

It appears as though few departments have as yet developed clear guidelines for such intervention (PSC. 2005:28). In many cases the public participation is *ad hoc* and informal. This inhibits comprehensive participation in policies aimed at improving services to society according to its needs.

Clear national guidelines are required to ensure that public participation in policy-making is indeed given effect to. In this way democratising the public service will also be effected.

Principle Six: Accountable public administration

It could be argued that democracy depends on two important pillars viz free and fair elections as one pillar and public accountability as the other pillar. In this particular case the latter requirement is addressed, as accountability should be a continuous activity. Accountability for reform should not only be required by the legislature, but also by civil society concerning the way in which administrative actions are performed. In this regard the *Promotion of Access to Information Act, 2000*, is of particular importance.

Underspending of allocated funds could indicate under-performance and non-attainment of reform goals. Therefore, departments should render account concerning the reasons for under-spending. Greater emphasis is required on the achievement of programme goals. Simultaneously, indicators are required to be able to measure the attainment of goals.

The Auditor-General appointed in accordance with the *Public Audit Act, 2004* (Act 25 of 2004) is one of the most powerful instruments Government and Parliament (and civil society) have to enforce public accountability. In some cases the Auditor-General is compelled to submit qualified reports on the affairs of particular departments in four consecutive years as a result of non compliance with audit requirements. This clearly indicates a lack of public accountability on the part of such departments (PSC 2005:31). In 27% of the cases the Auditor-General reported that lack of policy guidelines resulted in goals not being achieved (PSC.2005: 31).

A head of department is usually the accounting officer and is accountable for the administrative structure and sound management of the particular department. From investigations by the PSC it appears as though a number of heads of department do not comply with the requirements regarding account rendering (PSC.2005: 32). This indicates a deficiency in the public sector as it prevents the Auditor-General and ultimately Parliament from being informed of malpractices in a department and an opportunity is lost to enforce public accountability.

It is clear that the enforcement of public accountability requires particular attention. The implementation of effective management systems is a key step in achieving this objective of public accountability by public institutions to ensure that reform objectives are met.

Principle Seven: Fostering transparency through timely, accessible and accurate information

Reform initiatives should be clearly discernible by the citizens of a country. Support for change can be greatly enhanced if civil society is informed and could easily gain access

to the reasons for new reformed policies and could also establish how such policies are implemented. As already alluded to, *Batho Pele* is one of the major White Papers aimed at improving the role of the clients of departments as beneficiaries of services. Principle Seven builds onto this, by emphasizing the need for accessibility to information to prevent new initiatives from being developed.

Reporting is a well-known mechanism to distribute information. However, reporting has a number of inherent limitations. Principle Seven identifies *inter alia* the need for uniform reporting systems and report compositions. It was found that 19 government departments failed to link their reports to performance information or to budgets and plans (PSC. 2005:35). Inadequate detail prevents clients from establishing the performance of a department. To obviate this deficiency Government embarked on a long term project to create a *Government Wide Monitoring and Evaluation System* (EWM&ES) to provide reliable data concerning the progress of departments (PSC. 2005:35). These objectives concerning monitoring and evaluation will only be attainable if continuous attention is paid to performance management information, linked directly to the annual and other reports.

Principle Eight: Good human resource management and career development practices aimed at maximizing human potential

One of the key challenges the public service faces is the consolidation of the transformation processes and the maximization of its human resource potential. As the biggest employer in the country, government is a major role player in human resource utilization. Therefore, to attain the required rate of reform, Government should pay particular attention to creating an environment that is conducive to sound human resource practices.

Decentralising governmental activities to the lowest possible level of service rendering implies that particular attention should be devoted to its human resource capital on all three spheres of government. There are, however, factors that could impede effective service delivery e.g. lack of information technology skills and the effects of HIV/AIDS on career development. Recent studies indicate that just more than 10% of the public service may be infected with HIV (PSC. 2005:38).

Recruiting and retaining professional staff are major challenges. The lack of sufficient funds results in a loss of professional staff. This in turn has a negative effect on the efforts to maintain some reform initiatives e.g. in medicine, finance and the development disciplines (PSC. 2005:39).

It should be obvious that for future developments in human resource management particular attention should be paid to assessments and evaluations; career pathing; performance management and retentions; and conditions of service. It could be argued that sound human resource management is one of the most significant factors that could promote reform, but if handled incorrectly could impede reform initiatives.

Principle Nine: Public administration must be broadly representative and based on ability, objectivity, fairness and redress of imbalances

As argued earlier, reform is an ongoing process. However, the major changes through the extensive transformation of the public service after 1994 should be consolidated to obtain stability in the public sector. Democratising the public service should therefore, endeavour to stabilise the system. The focus should not only be on numerical adjustments, through affirmative action, but should also consider the implementation of sound processes and practices to ensure continuous and high quality service delivery.

Reform started soon after 1994 to restructure the public service. It is important to ensure that in future the dynamic driving force for improving the public service should be a representative public service with a productive capacity. A clear link between affirmative action and human resource planning is required and responsibilities should be assigned for the achievement of specific targets. Reform of the human resources should ensure that gender, racial and cultural diversity are fostered in the public service. Success in reform is largely dependent on the human resources' availability and utilization.

MAJOR REFORM ACHIEVEMENTS

It will be inadvisable to try and select the most important reform achievements of Government since 1994 as the reforms are often interrelated, e.g. the public service reform of 1994 made it possible to start the process of equity in the public service. The *Batho Pele* white paper started the process of acknowledging the importance of the receivers of public services. However, the following reform initiatives could be mentioned as examples of successes:

- the establishment of a new public service in 1994 within two months after assuming office to incorporate the public services of the various services that existed prior to 1994;
- the ability to expand public services to all formerly disadvantaged communities without interrupting existing services;
- democratizing governance through the *Batho Pele* white paper without forfeiting the public accountability function of ministers or public officials;
- establishing and maintaining a major role in Africa, and the rest of the world after a period of isolation of nearly 35 years as a result of the policies of the former Government; and
- improving the economic situation in South Africa by succeeding in limiting the rate of inflation to $\pm 4\%$ while improving the delivery of public services to all communities.

CONCLUDING COMMENTS

The democratic government assumed office in 1994. It inherited a fragmented and disjointed public service. Right from the outset government proved its intentions of reforming the public service. However and equally important, government was

intent on ensuring the continuity of service rendering. The latter, naturally had to be reformed as services were rendered in a biased manner and in a discriminatory environment. Services could not be interrupted until a new system was in place. This resulted in reform being undertaken in different stages.

The reform process in South Africa has been characterized by a large degree of success. Successes were limited in some areas e.g. the curbing of corruption and some other administrative malpractices. However, mechanisms have been developed to rectify these as well. The important issue to bear in mind is that the legal and policy frameworks have been created to obtain an ethical workforce that operates in a public service that conforms to standards acceptable in an open and democratic society.

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