

SOUTH AFRICA

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1. INTRODUCTION

Chairperson, distinguished guests, ladies and gentlemen.

The theme of this conference is apt in the current global economic turmoil. Much has been said about the role of the Public Service in tackling the increasing social implications of this crisis. In the post-Washington consensus, the World Bank's chief economist, claimed that while good policies are necessary for good governance and economic development, this is not sufficient. Effective institutions are vital to foster good governance and economic development.

It is therefore imperative for developing countries to strengthen the Public Service to effectively deal with the current global crisis. It gives me great pleasure to be part of this historic event, and I hope that this workshop will begin to establish a more regular exchange of innovative best practices in the public sector. My sincere thanks to the organisers of this workshop for inviting me to share with you our experiences of public sector reform in South Africa.

Why the need to transform?

Chairperson, I am often asked why the need to transform. Centuries ago African people valued their harmony with nature, adapting to cyclical changes and natural disasters. At times this required setting up new homes, beginning again, enduring significant sacrifices and making cruel trade-offs. The process was difficult, painful, uncertain, and yet essential for their survival. A realisation fostered by community action, driven by sufficient consensus, for the ultimate goal - survival.

Lots has changed since then, but the essential fact that society is dynamic remains unchanged. It is imperative therefore that the institutions, which serve society, need to be equally dynamic to justify its relevance.

1994 in South Africa witnessed unprecedented change that set the transformation for reconfiguring society based on international norms of human rights, democratic values, economic justice and equity. Led by our president, Dr Nelson Mandela, through reconciliation, South Africa began the process of reconstruction and development after decades of apartheid. The role of the Public Service in this process was not only essential, but also a vital ingredient for its success.

But we soon realised that while we could pedal our way through harsh terrain in order to reach our destination, we could achieve this more effectively in a versatile helicopter. We had no choice but to

embark on radical and urgent transformation of the Public Service to reverse decades of discrimination and poverty.

The new government inherited a Public Service that lacked popular legitimacy, was unrepresentative, and not accountable or transparent. The institution was highly inefficient and provided poor quality of public services that sustained racial discrimination. Its internal labour relations, centralised management ethos and antiquated systems contributed to the overall ineffectiveness of the Public Service.

At the same time, the Public Service was the most contentious issue during the negotiations. The strong views to protect employment trends and retain the status quo had to be taken into account. The agreements also set constraints on the extent of the Public Service reforms. These included sunset clauses that protected the employment conditions of the former public servants and protection of minority interests in the medium term. The extent of the Public Service transformation was driven by the need to sustain the delicate democracy and meet the development challenges of the vast majority of South Africans.

The Goals

Chairperson, our first and most difficult task was setting realistic goals and targets. Consistent with the Reconstruction and Development Programme (RDP), the transformation had to focus on meeting the basic needs of all citizens, in particular the previously disadvantaged communities. It had to also contribute towards deepening the democratisation of the state and society in general. The transformation process identified the following objectives :

- Facilitating the transformation of the attitudes and behaviour of public servants towards a democratic ethos;
- Promoting the commitment of public servants to the new Constitution;
- Assisting in creating an integrated yet adequately decentralised Public Service;
- Promoting human resource development and capacity building as a necessary precondition for effective change and institution building;
- Encouraging the evolution of effective accountability and transparency in public management processes;
- Upgrading the standards of efficiency and effectiveness and improve the quality of service delivery; and
- Creating an enabling environment within the Public Service in terms of efficiency and stability, to facilitate economic growth within the country.

2. ELEMENTS OF TRANSFORMATION

The transformation process can be described as eight discreet but inter-related programmes. These programmes strive to address the core weaknesses of the current system and the challenges faced by our country in the current era.

2.1 Restructuring and rationalising the Public Service

The critical challenge is the need to ensure that the size of the Public Service is consistent with its functional responsibilities. Our current staff and service delivery obligations, fiscal affordability and our vision of the transformation of the Public Service inform this. The restructuring process included amalgamation of separate administrations, creating new ones consistent with the new tiers and departments of the government, providing political leadership to manage the process, and ensuring that the key administrative functions are maintained in the process. Often we were faced with difficult decisions of reducing personnel in a country with abnormally high levels of unemployment and poverty.

2.2 Institution Building and Management

These involved designing systems that are performance related, promote accountability and responsiveness. Important structural and cultural changes are required to modernise the organisation and its management. The latter included training and motivating managers at all levels to be leaders, visionaries, initiators, and effective communicators and decision-makers. An indispensable component of the process was training these managers to pro-actively manage and sustain this change process, rather than acting as mechanistic administrators of fixed rules and procedures. At the same time we embarked upon a programme of empowering and motivating individual public servants to work productively with this initiative while simultaneously satisfying their own personal and career-related goals. A major part of the institutional framework has been the review of the previous Public Service regulations. The adoption of a new and more appropriate framework of Public Service Regulations will be implemented on 1 January 1999.

2.3 Representative and Affirmative Action

Redressing the acutely eschewed composition of the Public Service represented a major challenge. Practical and enforceable affirmative action policies were developed and implemented.

2.4 Transforming Service Delivery

Inheriting a system based on deep-seated racism and inefficiency has forced us to initiate radical changes in the Public Service. Consistent with the RDP, transforming service delivery, the "Batho Pele" or "People First" project, engenders a customer orientation and holds public servants accountable for the services that they provide. It is about consulting the users, setting service standards and getting the best possible value for money.

2.5 Human Resource Development and Training

Implementing any new system requires new skills, in addition the Public Service had to contend with an asymmetry of skills based on racial bias and inappropriate skills. Our department developed two comprehensive strategies, namely the human resource management and training and education strategy. These strategies are contained in the White Paper on Human Resource Management in the Public Service and the White Paper on Public Service Training and Education. The objective of the human resource management strategy is to create a diverse, competent and well-managed workforce, capable of and committed to delivering high quality service to the people of South Africa. The objective of the training

and education strategy is to create a dedicated, productive and people-centred Public Service through the provision of an appropriate and adequate training and education framework. Resourcing and implementing these strategies are essential to the transformation process.

2.6 Employment conditions and labour relations

Institutional reform will not be successful without addressing inequitable employment conditions and labour relations. From the onset we held the view that employees formed an important stakeholder in the transformation process and they must be motivated to meaningfully participate in the process. Often, addressing the interest of labour forms a critical part of the motivation process, and to a large extent this revolves around the addressing employment conditions. The process materialised in establishing a national bargaining council for the Public Service and a review of the new Public Service Regulations.

2.7 Promotion of a professional service ethos

The ethics of the new democracy was a significant departure from the ethics of apartheid. Therefore, establishing a new Public Service ethos formed an important part of the transformation. The Public Service Commission produced the first Code of Conduct for Public Servants, which was promulgated in June 1997. The development of a high standard of professional ethics in the Public Service will not be achieved solely by the existence of the Code of Conduct, but has to be actively promoted by managers and institutional incentives. The need for developing skilled managers to deal with such issues of ethics cannot be over-emphasised.

3. THE PROCESS OF TRANSFORMATION

Chairperson, I will briefly outline the key elements of the process. At the outset I wish to emphasise that the process has to be managed at the highest level and strongly supported by the political leadership.

3.1 Transformation Unit

To co-ordinate the transformation government set up appropriate institutional mechanisms called Transformation Units. The establishment of Transformation Units were prevalent in every department and provincial administration. To facilitate co-ordination across tiers and between government and civil society the Provincial/National Transformation Co-ordinating Committees and the Public Sector Transformation Forum were created. The role at these institutional mechanisms, as change agents, is to continuously influence changes through consultation, advice to the heads of departments and initiate transformation programmes to operationalise the broad transformation strategy. These committees co-ordinate, share information strategies, monitor and evaluate the transformation processes at provincial and national levels.

3.2 Policy development

The transformation process was guided by the extensive research and policy development that drew from international best practices. The overall process with its objectives is defined in the White

Paper on the Transformation of the Public Service. This paper identified a series of areas where further policies were necessary. They included :

- Transforming Public Service Delivery (Batho Pele)
- Affirmative Action in the Public Service
- Human Resource Development and Management
- Public Service Training and Education
- Code of Remuneration and Employment Conditions
- New Public Service Regulations

These policies contained in a set of "white papers" guide the legislative and implementation processes of the transformation.

3.3 Labour/Community/Government Partnerships

The need for partnerships with key stakeholders is an essential success ingredient in the design and implementation process. Government recognised that the relations between the Public Service as employer and the Public Service employees will be characterised by divergent views and interests. If these are not managed and negotiated effectively, the levels of labour conflict may grow out of all proportions to the nature of the issues in dispute with serious and disruptive effects for service users. An important step was the establishment of an acceptable collective bargaining forum.

In addition, the success of the transformation process will only result through structured and strategic partnerships between government and organisations of civil society. The Public Service Transformation Forum provided the forum to enable diverse stakeholders affected by Public Service policies to provide input into those policies so that they are aligned to the needs for the public. This forum consists of representatives from government, organised labour, business and organisations from civil society. The major role of this forum is to advise and be consulted on transversal transformation policies within the Public Service.

Through these forums the Public Service has managed over the last two years to mediate tensions in labour and community relations, towards a climate of co-determination.

3.4 Capacity Building/Training

Two crucial areas for capacity building became apparent. The first was building the capacity of managers to manage and sustain the transformation process. This was facilitated through customised short internal and external training programmes. One example of this is the department initiated high level training programmes with Witwatersrand Business School and Harvard University for public and private sector managers in an effort to improve the management skills for the current period and the new millennium. The second is a comprehensive review of the policies on the provision of training and education for public servants in general to meet the challenges of the transformed Public Service.

3.5 Monitoring and Evaluation

Measuring the ongoing success and limitations of any programme is critical. The transformation process has to be measured by concrete targets, milestones and its impact on primary customers. To achieve this

we have commissioned studies to evaluate the extent to which the department is meeting its transformation targets.

4. ACHIEVEMENTS

Since 1994 the most significant achievements include :

- The release of the White Paper on the Transformation of the Public Service that sets the objectives, visions and general Directions of the transformation process. In addition this resulted in a series of additional policies and legislation that finely guided the transformation process;
- The establishment of partnership forums that galvanised the support and commitment of all the relevant stakeholders;
- Establishing a positive relationship between government and labour through a central bargaining council consisting of representatives of employee organisations and employers to discuss critical areas of mutual interest;
- Completed the first steps in right-sizing the Public service, changing the management philosophy and practice as well as the organisational culture and structure. Thus, enhancing performance, responsive and accountability;
- Launched the "Batho Pele" (People First) initiative which introduces national principles and guidelines for improving service delivery. The Batho Pele White Papers specifically aim at facilitating initiatives aimed at meeting the needs of the poorest of the poor. It provides the framework, which requires public servants to provide high quality services within respect of the dignity of every individual citizen.

5. CHALLENGES

Chairperson, transformation and managing change is a traumatic process and requires superb management skills and commitment. The high levels of political support we received from our President and other political leaders have made the process easier. The commitment of the civil servants, in particular those that have spent endless time and energy solving difficult problems, are valuable assets to the transformation process. Despite this, a number of challenges remain:

- Ensuring that the transformed Public Service effectively assists in the reduction of poverty and inequality in the country;
- Although the transformation process is a major and significant change, once the objectives of this process have been met, the need for ongoing reform of the Public Service to address the needs of a changing society is imperative. The challenge therefore is to institutionalise this practise in the current institutional transformation;
- Given the resource constraints, it is imperative that government remains committed to the broad objectives and process of the transformation without diluting the political and administrative will;
- To monitor finely internal perception, support and compliance with the transformation programme, with particular reference to ensuring that a critical mass of civil servants remain motivated and committed to the change process without fear or resistance;

- Externally monitor the impact of the changing Public Service on service delivery quality and the South Africa's development objective;
- The process of transformation is a learning one and bound to yield problems. This requires careful management, not only internally, but also at times with the major stakeholder. In this regard sustaining the participatory forums are important;
- The success of a changing public service is based fundamentally on the quality of human resources. The challenge is to ensure that the skills and capacity of the public servants are consistently upgraded to meet the changing requirement.

Our ability to meet these challenges will benefit from exchange of creative ideas and best practices among international public servant institutions. These include policy think-tanks, government departments, research agencies, academic institutions and specialised agencies. Nobody can afford to remain isolated from such international networks.

6. CONCLUSION

The experience of South Africa has taught us that re-inventing the wheel is not only unnecessary but also costly. Workshops such as these contribute significantly towards shaping our respective visions and injecting a degree of soberness into our expectations. Modern communication technology has reduced the cost of these exchanges and the benefits are more significant. I urge this workshop to consider innovative ways of continuing this dialogue, with a particular emphasis on assisting developing countries maximise the effectiveness of the public service.

The global community, at this juncture, faces the same problem that African communities faced centuries ago. The environment is more complex, regulated not only by natural factors, but it includes a range of international financial, socio-economic and technological factors. However, the question remains unchanged, what is the most appropriate institutional and social response? Determining the most effective role of the Public Service in addressing the new global crisis and its impact - financial, economic and social - in our respective countries, confronts us directly. While we may not be able to answer this question comprehensively now, the workshop is a gesture in the right direction.

I trust that we will continue this dialogue in search for appropriate answers.

Thank you.