Public Sector Transformation and Ethics: A View from South Africa

Johan van der Westhuizen

This article describes the change processes the Government of National Unity adopted after the 1994 elections in order to transform the South African public service. It shows that the Government is faced with a number of problems (reasons for change) some of which emanate from the legacy of the apartheid past and others from the current situation. Further, the article looks at the vision, mission and objectives set by the Government for the transformation process, while the current change policies and programmes are also highlighted. Finally, the article explores how the Government is dealing with the ethical issues arising from the transformation.

This article examines the content of the White Paper on the *Transformation of the Public Service* in South Africa. Four key issues are examined: reasons for change; the vision, mission and objectives; change policies and programmes; and the ethical problems. The main purpose of this article is analytical and descriptive rather than seeking comprehensive theoretical explanations of the changes in the South African public service. In addition, the article describes what is being attempted as a matter of interest and as a prelude to describing some of the ethical issues involved. The author is not offering a critique of the transformation itself.

Reasons for Change

Nothing affects the work of those in public service institutions more clearly than the different variables or problems in their environment. The South African public service is no exception. What has caused all the changes in the South African public service? The first is a *lack of representativeness* of all peoples of South Africa in terms of race, gender and disability. Up to 1 September 1996 the management echelon (i.e. from director and upwards) was dominated by whites, who comprised 94% of the entire public service management echelon, with blacks (blacks in the context of this article include African, Coloured and Indian people) constituting only 6%. The dominance of white males in the public service of the former South Africa was also very evident. For example, less than 5% of the management echelons at that time were women, with no women at all at the level of Director-General (which is the head of a state department).

Second, is a *lack of service delivery*. This problem suggests that the system of service provision that developed under the apartheid system of the previous National Party Government was discriminatory and exclusionary, particularly towards black South Africans. There has occasionally been a recognition that the previous system of public administration was more concerned with the application of rules and procedures and the enforcement of apartheid regulations rather than with the development of a culture and ethos of quality service delivery to the community.

But the problems are certainly not limited to these two. A third problem, *conflicting labour relations*, is probably one of the most serious problems the new public service inherited. In the past, labour relations were either prohibited or closely regulated according to race. The result of this approach is that many public officials, particularly black employees, were denied the opportunity to improve their conditions of service through collective bargaining. This system of managing labour relations encouraged public officials to follow a more militant approach in dealing with the Government. This resulted in a situation where relations between the state and its employees became strongly adversarial. Therefore disputes were frequently mediated by force (by means of stay-aways or strikes) rather than by negotiation.

These problems have had a negative effect on general public administration in South Africa. For this reason, the Ministry for Public Service and Administration (the state department responsible for implementing all the Government's change efforts) places considerable emphasis on the need for effective consultation—both within the public service and within the broader South African society in order to gather inputs for change over the widest spectrum possible. To this end, the Government has embarked upon a comprehensive transformation programme which consists of a clear vision, mission and objectives.

Vision, Mission and Objectives

Perhaps the most obvious inconsistency of the previous administration was the inability to plan strategically for the public service as an integrated (corporate) entity. The Government has now developed a strategy that is unified (ties all the parts of the public service together), comprehensive (covers all aspects of the public service) and integrated (all parts are compatible with one another and fit together well). This new strategy has been adopted for the South African public service with the emphasis on a specific vision, mission and objectives. The vision reads 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, accountable and responsive to the needs of all.

This vision should not be seen as a new doctrine of the state. Rather, public officials should be sensitized to the principles promulgated in the vision and apply them in a sensible manner in their daily activities. Obviously, the vision statement is not formulated in detailed action plans. Therefore, the Government went further and spelled out the following mission statement:

The Government of National Unity sees its mission as the creation of a people centred and people driven public service which is characterized by equity, quality, timeousness and a strong code of ethics.

How can the principles listed in the vision and mission become a reality in the public service? The key seems to be that specific objectives are formulated so that they can be linked up with the change processes. Some of these objectives are to:

- Create a genuinely representative public service which reflects the major characteristics of South African demography, without eroding efficiency and competence.
- Facilitate the transformation of the attitudes and behaviour of public officials towards a democratic ethos underlined by the overriding importance of human rights.
- Promote the commitment of public officials to the *Constitution of the Republic of South Africa of 1996* and national interests.

In moving towards its vision, mission and objectives of a public service which is representative, transparent, efficient, effective, accountable and responsive to the needs of all the people, the Government has identified eight priority programmes for the transformation process.

Change Policies and Programmes
The following briefly sets the context in relation to the change policies and programmes of the South African public service.

Rationalization and Restructuring

In rationalizing and restructuring the South African public service, the Government has embarked upon the objectives of creating a transformed, unified and integrated public service, restructuring of the senior management echelon and creating a leaner and cost-effective public service. What are the key building-blocks in this process?

- First, the Government proposed that it was necessary to redeploy public officials at both national and provincial levels from the 11 former administrations in the Republic, namely the so-called independent TBVC states (i.e. Transkei, Bophuthatswana, Venda, and Ciskei) and the self-governing territories (for example Gazankulu and Lebowa). It appears to have been a very complex process since 11 separate public services consisting of 176 departments had to be integrated into 32 new departments at national level and nine new provincial administrations.

- Second, in addition to the creation of a transformed, unified and integrated public service, the Government has also regarded the restructuring of the senior management echelon as a high priority. This was because senior management work was previously mainly done by white males. What has the Government done to point to this problem? In the case of the heads of departments, existing regulations were adjusted to allow for the external advertisement of all posts, all of which are on a five-year contract basis. In parallel, the Government was of the opinion that a number of senior officials in the former administrations had to be given the opportunity to compete for such posts.

- Third, the establishment of a leaner and more cost-effective public service was a key concern for the Government. An initiative which most dramatically illustrates the Government's plans in this regard include the 'rightsizing' of the public service. Rightsizing is aimed at creating an efficient, streamlined, affordable and acceptably remunerated public service. There were important changes in this regard. The main focus of the initial rightsizing phase was the abolition of funded vacant posts. During the 1996/97 financial year, 18,246 posts, to the financial value of R665M (about £83M), were abolished.

Institution Building and Management

Change programmes can never be specified completely if they are not complemented by changes in management philosophy and practice. In addition, one also has to look at changes in organizational structure and culture. With this in mind the Government has spelled out strategies for institution building and management in the South African public service. The first has to do with the unbundling of the Office of the Public Service Commission (the central personnel authority for the South African public service). Staff and other resources were reassigned between the Office of the Public Service Commission and the Department of Public Service and Administration. In future, the Office of the Public Service Commission will act in an advisory capacity whereas the Department of Public Service and Administration will have a policy-making role.

Second, numerous other public human resource activities, previously the responsibility of the Public Service Commission, were delegated within pre-set policy frameworks to heads of department at national level. These included activities such as the filling of advertised posts up to the level of deputy director-general, the relaxation of appointment requirements and the granting of certain categories of salaries. The third strategy deals with performance management. It is stipulated that the contracts of heads of department be tied to the achievement of specific performance objectives and targets.

Representativeness and Affirmative Action

The new South African public service is inspired by a vision of a representative public administration. In addition, it is also stated in the 1996 *Constitution* that the public service shall be broadly representative of the South African community. For that reason, a two- pronged strategy was followed in 1994 by the Office of the Public Service Commission to give effect to the broad aim of representativeness in the public service. This strategy is based on:

- The establishment and staffing of *Special Programmes* components within departments and the development of departmental programmes to address specifically the imbalances existing within structures.
- The monitoring of the composition of the public service by maintaining and updating a central base.

Besides the above arrangements, all departments are required to present an annual progress report for scrutiny by Parliament and Cabinet so that special measures can be taken where departments have fallen short.

Transforming Service Delivery and Accountability

The Government of National Unity is fully aware of the fact that there is an urgent need to redress past imbalances in service provision and to promote social equity. Given this urgent need, the Government has decided that its service delivery priorities should also be based on corrective action principles in the short term. This means that service delivery will focus on meeting the basic needs of the 40% or more South African citizens living below the poverty line and the groups that have been previously discriminated against in terms of service delivery.

There are, of course, a variety of responsibilities for state departments and provincial administrations in this exercise. In broad terms, they will have to develop strategies designed to promote continuous improvement in the quantity, quality and equity of service provision. More specifically, departmental service delivery strategies will need to identify:

➢ A mission statement for service delivery, together with service guarantees.
➢ Monitoring and evaluation mechanisms and structures.
➢ Redirection of human and other resources from administrative tasks to service provision.

Enhancing Accountability

Throughout the process of making public services more democratic and accountable, better public administration is required. This approach must be followed with great care to facilitate internal accountability with regard to the daily activities of the public service and to ensure that relationships with the public are transparent, consultative and participative. More recently, the Government has taken steps to ensure that each state department has built- in mechanisms for regulating internal accountability. In this regard, there is a clear trend toward broader use of the portfolio committees of Parliament. In particular, the Public Service Portfolio Committee will play an important role. To be an effective tool in enhancing accountability in the future, these portfolio committees are entitled to facilitate, investigate and do intensive research on policy matters (previously the sole responsibility of the public service) in the public service. In other words, they will play a more constructive role, as was the case in the past, with regard to policy-making in order to make the public service more accountable.

Human Resource Development and Training

The overall objective of the Government in human resource development and training is that a variety of social institutions will become partners in building capacity for efficient governance. Among these social institutions are community organizations,

private sector agencies and institutions of tertiary education. What, specifically, has the Government put forward for effective human resource development and training in the public services? Most importantly, it has embarked upon a strategic framework which will include:

- The elevation of the role and status of human resource development within the overall framework of government policy.
- The development of effective career development paths.
- The improvement of employment conditions.
- The introduction of effective appraisal systems.

The implications of the above ideals are profound. It is fundamental that the value and status of public human resource development and training must be changed. In this view, it is important that a wide range of activities be undertaken. First, the role of the South African Management and Development Institute (Training Institute of the South African Public Service) requires some changes, so that it can make a substantial input in the provision of both line function and management training at all levels of the public service. Second, it is necessary that ongoing involvement of training institutions outside the public service be accomplished. More emphasis will be placed on participation by the tertiary institutions (especially from the disadvantaged communities), community-based and non- government institutions and external links to meet the enormous training needs of the public service.

Labour Relations

A key element of the National Party Government's thinking before the 1994 election was the belief in differentiating between black and white people in the labour environment. Some of the discriminatory practices included: unusually high pay differentials; extremely low pay for the lowest ranks; discrimination against women in terms of pay and other benefits; and discrimination against disabled people in terms of recruitment. There is evidence to support the view that some of these discriminatory practices could be attributed to the conflicting labour relations currently experienced by the Government. However, in examining and analysing the above practices the author does not contend that all these aspects could be attributed to the conflicting labour relations. The overwhelming evidence is that all the above practices have had an adverse affect on productivity, morale and service provision. In order to address this problem the Government proposed measures such as: the introduction of an adequate minimum wage; introduction of equal pay and benefits for work of equal value; and development of appropriate career paths.

Professional Service Ethics

So far the focus of reform has been placed mainly on the technical aspect of transforming the public service—the structures, methods, procedures and instruments to manage effectively the change process. Before the focus is turned to the last programme, namely the promotion of a professional service ethics, the author wants to deal with the difficult ethical choices public officials struggled with during the implementation of the change initiatives of the Government. If one analyses the change processes over the past three years, it is obvious that the Government has been confronted by some dramatic ethical implications. On this note Aristotle once said:

moral leadership must come first from those in public office. Such people in Government exercise a teaching function. Among other things, we see what they do and think that is how we should act. Unfortunately, when they do things that are underhanded or dishonest that teaches too.

In other words, public officials operate in a fishbowl—their activities constantly come under the scrutiny of key segments of the public.

One of the most troublesome issues in the field of South African public administration is that of *corruption*. Dr Frene Ginwala, Speaker of the National Assembly, indicated that South Africa is battling with a public service that daily weakens the democratic order: public officials having corrupted the system of welfare payments, the collection of revenue, and payment of salaries and wages for their personal profit. According to a Transparency International Corruption Index, South Africa ranks the 33rd most corrupt country out of a poll of 52. Consequently, corruption has cost taxpayers between R13 billion and R20 billion (about £1.6 billion and £2.5 billion) in the past three years. Another ethical question of concern is that of a *lack of responsiveness*. A survey by the Human Sciences Research Council has found that the public's satisfaction with the Government and the public service has taken a sharp negative turn over recent years. Actually, at present citizens feel that their requests and demands are not met by the Government. In addition, it was also established that the *lack of skills and training* experienced at the present moment could be regarded as a major obstacle in making the public service more professional. Professor Harry Ngwengwekhulu, head of the South African Management and Development Institute has indicated that there is a skills crisis and that more than 600,000 public officials need basic training.

With the above ethical problems in mind, what has the Government done to ascertain whether the transformation programmes are on the right track? First, it had to clarify the facts. This was done by means of appointing a Presidential Review Commission whose major task it is to review transformation and delivery in the public service. Second, the Government came to an agreement with public officials (through their organized labour representatives) about the basic principles to resolve ethical issues in the public service. For example, Chapter 10 of the 1996 *Constitution* (which was negotiated with all the different stakeholders) stipulates that public administration must be governed by, among other things democratic principles (values) such as:

- A high standard of professional ethics.
- Efficient, economic and effective use of resources.
- The fostering of transparency.

The Government has also had to promote more ethical practices in the day-to-day activities of the public service. It is realized that additional steps will have to be considered to facilitate the transformation process—steps that will contribute towards greater honesty, integrity and efficiency in the public service as a whole. One might next ask whether the introduction of improved pay and conditions of service, effective career paths, better service delivery and proper labour relations (as was explained in the preceding sections) would help to promote a more professional ethos among public officials at all levels?

Two of the key measures relevant here were the introduction of a code of conduct for public officials and the establishment of an Ethics Component in the Office of the Public Service Commission. First, the code of conduct was put into operation to provide guidelines to public officials with regard to their relationship with the legislature, political and executive office-bearers (for example the degree to which public officials loyally execute the policies of the Government), and other employees (for example refraining from favouring relatives and friends in work-related activities). In addition, the code of conduct is there to indicate the *spirit* in which public officials should perform their duties, what should be done to avoid conflicts of interests and what is expected of them in terms of their personal conduct in public and private life.

How do public officials, within these broad guidelines, promote ethical behaviour in practice? Speaking broadly, public officials (especially those on the managerial levels of the hierarchy) are, in terms of section 7(3) of the *Public Service Act of 1994, inter alia* responsible for the efficient management and administration of their institutions and the maintenance of discipline. This instruction places certain responsibilities on the shoulders of public officials with regard to the code of conduct. One of these responsibilities is that they may also be required, on behalf of their institutions, to supplement the code of conduct in order to provide for their unique circumstances after the matter has been considered by the appropriate Chamber of the Public Service Bargaining Council. Of course, any public official may be prosecuted for breaking the code of conduct. Although, the primary purpose of the code is a positive one, namely to promote exemplary conduct, a public official shall be guilty of misconduct if he or she fails to comply with the provision thereof. Generally, in the case of misconduct, a public official is dealt with in accordance with section 20(t) of the Public Service Act 1994.

Although the code of conduct was drafted to be as comprehensive as possible, it does not provide for the details of managing ethical issues in the public service. Therefore, the Government has established, in the second place, an Ethics Component in the Office of the Public Service Commission. Responsibilities of this institution include among other things: the promotion of a high standard of professional ethics; the monitoring and identification of tendencies that may prohibit ethical behaviour; and the promotion of responsible public administration.

Conclusion

The White Paper on the transformation of the public service is very clear on the vision, mission and objectives for the new public service in South Africa. In this article, an attempt was made to outline the main policies and programmes that will need to be taken to transform and reorient the public service of the future. The Government has put into operation eight programmes to deal with the problems inherited from the past. Many of these programmes could be elaborated upon; only the main points were highlighted here. However, the logic upon which these strategies are based (particularly in terms of democratic public administration ideals) is very clear and the author is of the opinion that it can be helpful in dealing with the complex problems the Government is confronted with.

If the South African public service is to be transformed to fulfill the vision, mission and objectives, a number of important challenges will have to be addressed. Moreover, the transformation process will require sustained and intensive efforts from the national, provincial and local tiers of public service. The chief skills required for the new public service include among others consensus-building, commitment and support among all the different role-players and these will only be effective through effective communication, consultation and partnerships between staff, unions and civil society, and the promotion of ethical behaviour in the professional public service.

The promotion of a professional public service ethos is increasingly one of the key skills required in public services all over the world. The particular ethical issues the South African public service is facing range from matters of corruption to a lack of responsiveness. Often, these issues can become intense in the relationship between the public officials and the Government. But it is within the power of both parties to manage ethical issues holistically in the changing environment within which they operate. Developing a code of conduct and establishing institutional structures (such as an Ethical Component) to deal with such questions are important steps in the right direction.

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