

**THE SENIOR MANAGEMENT SERVICE AND
TRANSFORMATION IN GOVERNMENT**

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A research report submitted to the faculty of Management,
University of the Witwatersrand, in partial fulfillment of the
requirements for the degree of Master of Management
(in the field of Public and Development Management)

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DECLARATION

I declare that this report is my own unaided work. It is submitted in partial fulfillment of the requirement of Master of Management (in the field of Public and Development Management) to the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination at any other University.

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ABSTRACT

The Senior Management Service (SMS) is in its fifth year of existence. This study explores the perceptions of SMS members in terms of their policy and management role, motivations and incentives, performance evaluation, accountability and the future of the SMS in the overall transformation process of the public service. The research data was obtained using a questionnaire and interviews, whilst both qualitative and quantitative methods were used to analyse the data. The perceived policy advice role of the SMS is to identify policy gaps and advise in policy development, implementation, monitoring and evaluation. Despite contrary viewpoints, the findings show that the SMS is seen as lucrative for private sector candidates. Job satisfaction is generally high while SMS members are motivated by the opportunity to perform public service, the opportunity to impact on policy and the intellectual challenge that the public service provides. Pay for performance is deemed to be appropriate for the SMS whilst the most critical issues for the future are the impact of HIV/AIDS, the use of information technology, combating fraud and corruption, policy implementation and capacity building. The findings in this study compare favourably with other studies conducted on SMS members in other countries regardless that South Africa is at a different position on the public service reform continuum.

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ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
AU	African Union
DDG	Deputy Director-General
DG	Director-General
DPSA	Department for Public Service and Administration
EA	Executing Authority
HIV	Human Immunodeficiency Virus
HOD	Head of Department
IT	Information Technology
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
NEPAD	New Partnership for Africa's Development
OECD	Organisation for Economic Co-operation and Development
OPSC	Office of the Public Service Commission
PSCBC	Public Service Co-ordinating Bargaining Council
PFMA	Public Finance Management Act
SAMDI	South African Management Development Institute
SCS	Senior Civil Service
SES	Senior Executive Service
SMS	Senior Management Service
UK	United Kingdom
US	United States
WPTPS	White Paper on the Transformation of the Public Service

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CHAPTER ONE: INTRODUCTION

This chapter commences by contextualising the senior management service (SMS) within the broader public service reform agenda. The researcher highlights the origins and the need for the SMS, the study commissioned by the Minister for Public Service and Administration in the year 2000 and the subsequent implementation of the SMS. The research population, research methodology, data analysis and limitation of the study also receive attention in this chapter.

1.1. Contextualising the SMS within the broader public service reform agenda

The white paper on the transformation of the public service (WPTPS) (Ministry for the Public Service and Administration, 1995, p48) called for the empowering, challenging and motivating of managers at all levels to be leaders, visionaries, initiators and effective communicators and decision-makers, capable of responding pro-actively to the challenges of the change process, rather than acting as the administrators of fixed rules and procedures. At this early stage of South African democracy, the reform of the senior public service was seen as a key ingredient in the overall transformation of the public service. With the latter in mind the White Paper (WPTPS, p48) proposed as a key strategy the devolution and decentralisation of managerial responsibility and accountability, so that public service managers could be empowered to lead and direct the change process in a creative and visionary way.

As part of this process, the contracts of Directors-General (DGs) were tied to the achievement of specific performance objectives and targets. At the same time, DGs were given the necessary flexibility, autonomy and resource control, particularly in relation to the recruitment of staff, to take the necessary actions to ensure that such objectives and targets were met. This transformation process had to be tied to targets and time frames with particular emphasis on affirmative action (WPTPS, p55). It was also proposed that within four years all departmental establishments must endeavor to be 50 percent black at management level whilst during the same period at least 30 percent of new recruits to the middle and senior management echelons should be women.

In pursuance of the foregoing, the senior public service (SPS) office was established at the Department of Public Service and Administration (DPSA) in November 1998. The key purpose of this office was to develop (and maintain) policy on the appointment, deployment, termination of service and other career practices of senior public servants. Prior to this, senior public servants were handled in the same way as the rest of the public service.

Subsequently a number of administrative reforms have been introduced including: the performance agreement system and performance-based pay, employment contracts for heads of department, the conversion of terms of employment of heads of department from career public servants to contract employment not exceeding five years, and the disclosure of financial interests by all heads of departments and heads of organisational components. This has been cascaded to all members of the SMS since 2001.

The Public Service Review Report (1999, p64) highlighted as a key challenge the strengthening of management capacity by launching initiatives, both legislative and regulatory aimed at: broadening the definition of managers to include managers of public institutions such as hospitals, prisons, schools and other operational entities; clarification of the accountability of managers at various levels in the public service; improvement in the quality of the recruitment process in order to attract better and more capable managers as well as improving the conditions of service of managers.

The process was taken a step further when the Minister for the Public Service and Administration commissioned a study into the senior management echelon in January 2000. Issues placed under the spotlight in the study were the recruitment and selection of senior managers and professionals, their retention, terms and conditions of service, competency requirements, training needs as well as performance assessments and career management.

The report confirmed the following persistent problems: high turnover rates in scarce occupations and problems in recruiting and retaining skilled senior personnel; poor levels of performance and skills among some senior staff, resulting in inadequate service delivery; under-developed performance assessment systems, notwithstanding positive developments in introducing performance agreements; insufficient attention to training and development and nurturing of a sustainable senior executive corps; little horizontal mobility due to rigidities in the employment framework and underdevelopment of core leadership/managerial competencies; uneven distribution of managers between national departments and the provinces, and inflexibility of the remuneration framework to attract and retain scarce skills.

Subsequently the DPSA developed a policy statement to address these issues and to professionalise this critical echelon of the public service. On 23 August 2000 Cabinet approved the establishment of a distinct Senior Management Service (SMS). A new departure, the SMS was introduced on

1 January 2001 by means of an amendment to the Public Service Regulations and supplemented by a SMS handbook. The SMS now consists of all managers and non-managers to whom the Public Service Act, 1994 and the Public Service Regulations applied to, and who were remunerated on salary levels higher than 12 (that is Director and higher) prior to 1 January 2001 and comprises some 3000 people. All persons appointed as from 1 January 2001 either permanently or on contract on these levels have also been included in the SMS.

1.2. Research problem and objectives of the study

The SMS is in its fifth year of existence and many foreseen aspects are being implemented incrementally. Over and above this other areas are in the incubation phase or only gradually gaining momentum (these include areas such as: mobility of SMS members, salary panels and the overall implementation of a competency-based human resource management system for the SMS), whilst further reform to the SMS is expected in the short to medium term. Besides the recent implementation of the SMS a number of reforms have been introduced on the senior public service in South Africa over the past few years either simultaneously or in close sequence, and the actual impact of reform on SMS members as well as government as an institution is difficult to discern.

This study will explore the perceptions of members of the SMS in terms of their role, motivations and incentives, accountability and the future of the SMS in the overall transformation process of the public service. The overall objectives of this study are to ascertain:

- 1.2.1 Perceptions of current policy and management roles of the SMS and the balance between policy and management roles,
- 1.2.2 What are the critical motivations and incentives and the satisfaction with each of the most important motivations,
- 1.2.3. What the position of SMS members was in terms of performance evaluation contracts and pay,
- 1.2.4 Accountability mechanisms and public service values and the relation between them, and
- 1.2.5. What are the critical issues for the future of the SMS?

1.3 Research methodology

The methodological approach of this study is based on a qualitative and quantitative research design. This will allow for the inter-relations of the factors contributing to the outcomes of the objectives of the study to be explored.

The researcher obtained permission from the Minister for Public Service and Administration to undertake this study. The means of gathering the information were carried out by:

- a literature review,
- policy analysis,
- research questionnaire-copy of the interview questions is included at Appendix A. The questionnaire has been adapted from the Senior Public Service Interview schedule administered by the OECD in March 1997 (OECD1999e, p34). The latter has been utilised in order

that a comparison in terms of the SMS in South Africa can be drawn against countries examined in the OECD study.

- structured interviews, and
- data analysis.

A literature review was conducted with the purpose of exploring key debates and challenges of concern to members of the SMS. In addition an analysis of policy, regulations, handbooks and other prescripts pertinent to the senior management service in South Africa was also conducted. A review of relevant referenced literature was used to outline the state of the senior management service after reform. Both published and unpublished local and international research is used to buttress the theses. Furthermore standard search engines on the World Wide Web were utilised to support and further elucidate issues.

Specific attention was given to : a distinct grouping of senior public servants into the senior management service (SMS); recruitment and selection; mobility; intake, career development and leave; training and development; performance management and development; remuneration and conditions of service; ethics and conduct; perceptions of current policy and management roles of the SMS and the balance between them; critical motivations and incentives and satisfaction with the most important motivations; performance evaluation, contracts and pay; accountability mechanisms and public service values and the relation between them; and critical issues for the future.

Every attempt has been made to include as much literature as possible within the South African context of the senior management service from a policy, legal and directive perspective. It should be pointed out however, that the SMS has been only implemented over the last five years, with limited documented case studies, research and writings available. An attempt has been made to include references from international experiences on SMS implementation as well as policy implementation of the SMS. The

researcher will incorporate a broad perspective of international theory on the SMS that is relevant to South Africa.

The systematic review of relevant literature has facilitated the construction of the research design as well as the construction of research tools and finally, the analysis and interpretation of data. The research questionnaire was distributed to members of the SMS who attended the Senior Management Services Conference 2003, hosted by the Department of Public Service and Administration in Port Elizabeth (15 – 17 September 2003). There were 500 participants ranging from the level of Director to Director-General. The rationale for targeting the SMS conference as a source for the research population was that it is the only forum where a large number of the SMS members gather (both from the national departments and the provincial departments) on an annual basis. Sixty questionnaires were received from the participants at the conference.

The researcher conducted interviews with four members of the SMS from the Department of Public Service and Administration (DPSA) as well as the office of the Public Service Commission (OPSC) and the South African Management Development Institute (SAMDI). The interviews were in-depth, and allowed the researcher to apply the questionnaire in the form of an interview.

The findings of this study therefore reflect the responses and opinions of sixty (60) SMS members that attended the SMS Conference 2003 in Port Elizabeth and four (4) interviews with members of SMS from the Department of Public Service and Administration (DPSA), South African Management Development Institute (SAMDI) and the Office of the Public Service Commission (OPSC).

1.4. Data analysis

Data analysis was carried out through a qualitative analysis of the information gathered through the interviews. This incorporated a content analysis of the data. Interconnections and relationships which impact on the implementation of policy were identified. The literature review was used to develop themes and categories and for organizing the developed categories. In determining which methodology to utilize cognizance was taken of Leedy (1993), who argues the importance and relevance of utilizing qualitative research methodology if the nature of the research data requires this. Leedy, (1993, p139) notes that “[i]f the data is verbal, the methodology is qualitative if it is numerical, the methodology is quantitative”.

1.5. Limitation of the study

Only countries belonging to the Organisation for Economic Co-operation and Development (OECD) were benchmarked during this study. However all countries that have an equivalent of the SMS were not included in all areas of comparison. The nature of the population group of interviewees should be recognised as a limitation when considering extrapolation of these responses in assessing the entire SMS. The latter is relevant because the research questionnaire was distributed to members of the SMS that attended the Senior Management Services Conference 2003, hosted by the Department of Public Service and Administration in Port Elizabeth (15 – 17 September 2003). There were 500 participants ranging from the level of Director to Director-General. In addition, the participants were limited to those members of the SMS still employed in the senior management service.

It is believed that interviews with recently departed members of the senior management service would provide further valuable and perhaps quite contrasting assessments of the SMS and particularly pertinent comment on, for example, the issue of retaining senior executive talent in a downsizing

environment. However it is expected that on the balance of probability responses from this group of former members of the SMS would offer a less favourable assessment of the SMS after reform than will be presented in this study.

It should also be stressed that the information gathered in the study has been garnered from questionnaires and personal interviews with persons holding responsible positions. This means that the information is not free of personal interpretations of both the contact persons and the researcher. It should also be noted that the information is based on data collected for the period up to September 2003.

This chapter outlined the establishment and implementation of the SMS within the broader public service reform agenda. There was a discussion of the origins and need for the SMS as well as the eventual implementation of the SMS in January 2001. Attention was also given to the research problem and the overall objectives of the study, research methodology, data analysis and limitation of the study. The overall structure of this report in the following chapters will include a literature review, the findings, and a final chapter focusing on analysis conclusions and recommendations.

CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction

This chapter will commence by discussing the research conducted about the principles of managerialism. Key principles are then defined with regard to aims of SMS frameworks globally and how members of the SMS are managed in other countries. Areas of focus addressed in the key principles include recruitment and selection; mobility; intake, career development and leave; training and development; performance management and development; remuneration terms and conditions; ethics and the political-administrative interface. A discussion of a comparative study of senior managers in the United Kingdom, Canada and United States then serves to elucidate the findings regarding perceived policy and management roles; critical motivations and incentives; performance evaluation, contracts and pay; issues of accountability; and the future challenges pertaining to SMS members. The previous chapter highlighted key issues pertaining to the SMS as well as the research methodology and research question whilst this chapter focuses on the literature review.

The White Paper on the Transformation of the Public Service (1995), the Public Service Act 1994 as amended, the Public Service Regulation 2001, the Presidential Review Commission (PRC) 1998 and the unpublished senior management service report (2000) served as invaluable sources of research material in this study. The most comprehensive research undertaken on the SMS however is captured in a series of Organisation for Economic Co-operation and Development (OECD) publications as well as a study conducted by the Senior Public Service Office of the Netherlands in 1997 titled *The Senior Public Service: A comparison of personnel development for top managers in fourteen OECD member countries*.

2.2. Managerialism

Considering that the adoption of the SMS in South Africa and globally is based on improving the attraction, retention, development and performance of senior management, the researcher deemed it prudent to embark on some debate and discussion on managerialism, the principles of which are based on improved performance and efficiency.

Uhr (1990, p22) defines managerialism as the pursuit of results-oriented systems of government management through streamlined process of decision making designed to allow a greater autonomy but also greater responsibility for the field of programme manager. Dixon, Kouzmin and Korac-Kakabadse (1998, p166) hold the view that managerialism places emphasis on policy management and implementation rather than on policy development and design in public administration. There is a stress on efficiency, effectiveness and quality, as against process and equity, in the management of public resources (involving goal setting; performance benchmarking; performance definition; performance measurement; performance feedback and performance enhancement incentives). To this end, managerialism advocates the use of private-sector management practices in the public sector. It is the intention of managerialism to diffuse responsibility and to devolve authority, with the establishment of corresponding management responsibility and public accountability structures. This is supportive of the WPTPS, (1995, p48) which called for the devolution and decentralisation of managerial responsibility and accountability.

According to Halachmi and Holzer (1993, p38) managerialism shifts the public accountability focus from inputs and process to outputs and outcomes; and prefers to create, wherever possible, a competitive public administration, especially for those public agencies responsible for delivering government services. Dixon, Kouzmin and Korac-Kakabadse (1998, p164) describe managerialism as the private sector “solution” to the public sector

“problem”. This managerialist view now pervades the public administration in most, notably, Australia, New Zealand, the United Kingdom, Canada and the United States of America and embryonically, in Hong Kong.

Bentham (1970, p121) notes that neo-classical welfare economics has acquired a distaste for the public sector, which is constantly under suspicion of being inefficient, wasteful and, thus not giving value for money, because of the absence of any automatic disciplining mechanism permits rent seeking behaviour by bureaucrats, their clients and the politicians who govern them. The result is the inherent tendency for such bureaucrats to be deceitful, even dishonest, by distorting information communicated upwards so as to promote their own self-interest, by making decisions that are consistent with their own self interest and by implementing policy decisions in such a way to promote their own self interest. This results in bloated personnel structures as well as increased budgets and a reduction in control. This makes bureaucratic failure inevitable, and the bureaucratic solution is to create another bureau to oversee those who have elapsed in to sin. Bureaux are piled on bureau and the bureaucracy grows on. Based on this analysis it is believed that managerialism can serve as a means to resolve some of these dilemmas as well act as a catalyst to remove the negative perceptions often associated with the public service. However, it is important to identify the challenges and threats that must be confronted before its promise of sustained improvement in public sector performance can be realized.

According to Prasser (1990, p194) managerialism fosters the proposition that good government and good organisation results from deliberate intentions, detailed plans and consistent decisions. The managerialist belief is that there is a body of sound management practice applicable to the private sector that is generic in its scope and, thus, directly transferable to the public sector, subject to some cultural limits. Pollit in Dixon, Kouzmin and Korac-Kakabadse (1998, p167) articulates that this is illusionary since organisations in the public and private sector plan differently. In addition their decision-making, budgeting and accountability processes differ. They budget differently, organize functions differently and manage staff differently

because their regulatory and accountability regimes, as well their organisational cultures differ. They do have similarities in terms of the tasks that they perform. The issue is to what extent these tasks coincide.

The private sector decision-making with its self-correcting, dynamic feedback loops (automatic disciplining mechanism), is difficult to replicate in the public sector. Typically this is due to the fact that authority in the public sector is much more dispersed, reflecting pressures from pluralistic, stakeholder constituencies, especially in a representative democracy; the dilemma that political decisions makers do not always share common goals, objectives and values; and the possibility that public sector executives may have neither the required expertise nor the willingness (or ability) to learn from the outcomes of past decisions.

Leadership is of paramount importance during managerialist reforms and the implementation of new dispensations for the SMS is no exception. Dixon, Kouzmin and Korac-Kakabadse (1998, p178) highlight that successful implementation of managerialist reform requires leadership that is capable of : redefining organisational primary purpose and core beliefs; creating a vision of how the post reform future will look in terms of organizational structure; culture and performance standard; defining the required strategic objectives within a medium to long-term perspective; planning and resourcing adequately the necessary structural and procedural changes; and empowering those expected to assume group leadership positions.

It is believed by Dixon, Kouzmin and Korac-Kakabadse (1998, p178) that managerialist reform may improve the performance of public agencies, but only if a wide variety of challenges and threats confronting public agencies can be addressed. These challenges include the service-delivery unit level regarding how to inculcate a performance- orientated culture and to encourage the wide-spread adoption of private-sector practices and management techniques; the agency level regarding how to address the issues surrounding the change of organisational culture (including culture differences and even conflict) , structure, procedures and accountability; the

central-agency level regarding how to address the issues associated with resource and policy co-ordination, control and accountability ;and at the politico-administrative system level, regarding how to addresses the issues of political, organizational and management accountability, ethics and values.

2.3. Key principles defined

According to the Senior Public Service Office of the Netherlands (1997, p5) in general the different countries consider it desirable to manage their public service in a more business-like manner, but they remain true to their own specific culture. The aim is to create an effective and efficient public service, which demands a transparent structure. Furthermore there is a wide range of countries which formally recognise a distinct group of senior public servants, with special roles and needs, and those who make no such distinction. In countries which have adopted radical changes in recent years, (e.g. Australia, Canada, New Zealand) a select group of senior officials is increasingly seen as a “corporate resource” which has a vital role in national developments, and there is a deliberate policy of central assignment and management of this group.

According to the OECD (1997c, p14) a few countries have established separate senior executive systems in the public service. These include Australia (Senior Executive Service-SES), Canada (Executive Group-EG), the Netherlands (Senior Public Service-SPS), the United Kingdom (Senior Civil Service-SCS) and the United States (Senior Executive Service-SES). The systems emphasize the notion of senior managers as a service-wide resource with a shared culture, broad experience, a government-wide perspective, and possessing generic managerial competencies. There is even a distinct (physical) office to manage the senior public servants group in Australia, the Netherlands, the United Kingdom, and the United States of America. According to OECD (1997c, p17), top officials (heads of ministries and agencies) are treated as a distinct group in some countries (for example France, Germany, Sweden) with their own terms and conditions.

Key aims of senior executive systems may differ from country to country but there is congruence in the overall aim. OECD (1997c, p14) captured the aims of the senior public service in Netherlands as “respond to increasing complexity and internationalization of policy issues by creating a common frame of reference in which interdepartmental consultation, co-operation and co-ordination are the norm; ensure that public service managers have adequate managerial and administrative skills to meet the increasing demands made on them; and promote mobility in the public service in order to foster flexibility , innovativeness, problem solving abilities, and outward looking attitude and a keen political awareness. The United Kingdom’s aims were as follows : “A corporate resource of senior managers and professionals; a broader- based senior management structure, of which a greater proportion will be specialists and professionals; a greater emphasis on departmental co-operation and the encouragement of a service-wide vision; and the conscious maintenance of common public service standards and ethics which safeguard against possible fragmentation of this culture as a result of decentralization and delegation”,..

The United States aims were to “ provide greater authority to agencies in managing their senior executive resources; attract and retain highly competent executives and assign them where they will be most effective in accomplishing the agency’s mission and where best use will be made of their talents; provide for the development of managers and executives; hold executives accountable for individual and organisational performance; reward the outstanding performers and remove poor performers; and provide for an executive merit system free of prohibited personnel practices and arbitrary actions”

The aims of the SMS within the South African context are to improve the attraction, retention and development of senior managers in order to improve the capacity for government to deliver on its mandate.

Based on the aims of the above the researcher deemed it prudent to research the following key areas that have impact on the SMS members: recruitment and selection, mobility, intake career development and leave, training and development, performance management and development, remuneration terms and conditions, ethics and conduct, the political-administrative interface and a comparison of the SMS in the United Kingdom (UK), Canada and the United States (US).

2.3.1. Recruitment and selection

It is aggressively articulated in the Senior Public Service Office of the Netherlands (1997, p5) that in most countries there is acknowledgement of the need to professionalise the appointment criteria of SMS members. The criteria have to relate to the general requirements of identified competence (in accordance with cultural developments in the public sector). Nowadays there is a need to incorporate criteria such as leadership and management skills. However, in the more “traditional” systems, selection for the senior positions is still determined largely by experience and “track record”. In most of the countries the responsibility for appointments is delegated to the departments. At a central level the necessary facilities (e.g. advice, guidelines) are provided.

The countries, which are aiming at creating a more flexible public service, and which are willing to stimulate mobility, study possibilities to appoint their senior public servants on a limited-term basis. But the implementation of this process is still premature and there is hardly any experience of long-term results with this kind of appointment of senior public servants (e.g. Denmark, Finland, and Sweden).

The appointment process in some countries carries the elements of the old culture, but as a result of the reform process there is a need to professionalise the process and make it more transparent (e.g. Australia, Finland).

2.3.2. Mobility

In almost all the countries studied by the Senior Public Service Office of the Netherlands (1997, p6) mobility is considered an important issue. The main reasons for this are to keep managers motivated to remain in the public service and to give effect to the development senior managers by way of job rotation. It was interesting to note that all the countries have developed several activities to stimulate mobility. In several countries they even made it an explicit part of the policy (e.g. France, New Zealand, Portugal, The Netherlands), but the degree to which policies actually support mobility and the extent to which it takes place and with whom, varies greatly. There are circumstances, which permit mobility between public service organisations, but this takes place at the initiative of the individual concerned (e.g. Germany). At the other extreme there are specific programmes to encourage mobility between public bodies and with the private sector, and in some cases, (e.g. Canada) such mobility is being made an important prerequisite for promotion.

In the United Kingdom there are targets for interdepartmental mobility and for mobility with the private sector. The Senior Civil Service (SCS) Group is working together with the departments to achieve these targets. But the main effort on mobility is focused on the levels below the Senior Civil Service. In many of the countries where the focus of the mobility activities is on stimulating interdepartmental mobility, the trend is towards appointment on a fixed-term basis. This is perceived as a means to encourage mobility (e.g. Finland, Sweden).

2.3.3. Intake, career development and leave

The Senior Public Service Office of the Netherlands (1997, p8) argues that the general trend seems to be away from the traditional practices of life tenure and “automatic” career progression (based on the number of working years), and towards limited-term employment and performance management, although this is not yet a universal practice. This trend seems

to be reflected in the increased use of competence profiles to translate the criteria for the desired management culture (e.g. Canada, Finland, and the United States of America). Also the possibilities for career development seem to be based more and more on performance criteria.

For those public servants that are appointed for life, there is a wide range of regulations and procedure in case of leave. However the regulations and procedures seem to vary considerably between the different countries. In Denmark there are stipulations in the collective agreements (except for a special top group of senior public servants, the Tjenestemoend). In Belgium there is a leaving scheme which offers the option of reducing working hours, with the obligation to retire in 5 years. When a person in Canada leaves, he/she receives one (1) week's salary for every worked year in the public service, with a maximum of 28 weeks. In Sweden for the state sector a special Job Security Agreement has been concluded in accordance with the discretionary provisions in the Security Employment Act. There is a special package of retirement benefits for Directors General.

2.3.4. Training and development

Even in those administrations, which do not recognise a separate senior cadre, there is an increasing emphasis on specialised training for senior officers. The Senior Public Service Office of the Netherlands (1997, p8) notes that the recurring keywords are "leadership" (reflecting the fact that the senior officials will be expected to manage change in the public services – not just cope with it) and "networking" (especially to encourage sharing of experience and ideas about the problems of public management). The formats of training for these levels are changing in a corresponding direction – with less emphasis on traditional "classroom" activities and more on workshops and interactive exchanges. A number of countries provide special "updating" seminars to ensure that senior officers are in touch with important current affairs. In countries which have no central management body for the Senior Public Service, these special programmes are typically organised under the mandate of a central Ministry such as the Ministry of

Finance (e.g. Denmark, Finland), but seem to be provided mainly by outside agencies.

OECD (1992, p17) contests that the inescapable truths about management development are that : the focus for and the momentum of management development has to be in departments and agencies; the centre can provide only the strategic framework and the necessary support; there has to be top management support; there needs to be a cultural change and the focus on people needs a much greater effort and understanding of organisational life; and reliance on traditional training methods and systems is inadequate to deliver the results, which seem to be demanded.

According to the Office of Personnel Management Website, <http://www.opm.gov/ses/feimdc.asp>, in the United States, leadership development programs take place at the Federal Executive Institute and the Management Development Centres. The three residential learning facilities of the Office of Personnel Management are dedicated to providing learning, renewal, and peer interaction for the Federal Government's leadership corps. The facilities offer exceptional learning environments, versatile conference space, excellent food services, and outstanding recreation facilities are provided under a single roof, in locations chosen for accessibility, natural beauty, and a relaxed quality of life. The Federal Executive Institute and the Management Development Centers are dedicated to developing career leaders for the Federal Government. The centres offer exceptional residential learning environments and are staffed with program directors, seminar leaders, and facilitators drawn from America's elite corps of training professionals.

2.3.5. Performance management and development

In managing the performance of senior public servants (OECD1997C, p34) noted that fourteen of the countries surveyed reported that they have some formal reporting or performance appraisal system for senior public servants and several others reported the use of informal mechanisms of various

types. The use of individual performance agreements and formal performance appraisals appear to be most common in countries that operate senior executive systems, although the Netherlands appears to place less emphasis on this. Only three countries-Canada, New Zealand and the United Kingdom- have formal performance appraisal for all their top public servants, although Denmark has a formal appraisal for those employed on contracts. In the Nordic countries, particularly Finland, Norway and Sweden, and also in the Netherlands, the main performance management mechanism is reporting in the context of management contracts or budget contracts rather than individual performance appraisals. Some countries report that audit mechanisms function as a way to monitor the performance of individual managers.

The (OECD1997C,p34) report further points out that the majority of countries have formal mechanisms available to deal with poor performers: formal warning, transfer to a less demanding job, reduction in classification, removal from senior public service and dismissal. However the latter are rarely used. The usual approach to performance problems is to take corrective action by setting up a performance improvement plan and providing training if necessary, or by agreeing a voluntary transfer, reclassification to a lower level or voluntary retirement with the individual concerned.

With regard to performance contracting (OECD1999d, p47) acknowledges that the widespread interest in performance contracting across the OECD has resulted from its potential to contribute to a more effective and efficient public sector. As such it is argued that performance contracting can establish greater clarity over what public agencies will achieve in a more decentralised management environment, while retaining the necessary accountability. However there are significant risks which need to be managed. Nonetheless used with care, performance contracts should be seen as an important lever for improving performance in the public sector. It is however by no means a silver bullet.

Senior managers handle considerable funds in their daily work. Inevitably the performance of senior manager should be linked to their financial management capabilities as well. However, (OECD1999b, p13) highlights that the integration between financial management and performance management has not occurred. The latter definitely poses a considerable challenge to the overall performance management of senior managers. Furthermore (OECD 1998, p9) argues that when a government operates through agencies and departments, it is delegating authority for the use of resources to managers. In return for this delegation of authority, managers should expect to be held accountable for their performance. Governments can enhance the likelihood of managers meeting or exceeding performance specification by the use of appropriate incentives, both in terms of how performance is measured and assessed, and the methods used to reward good performance. Interestingly enough this ideology is also encapsulated in the Public Finance Management Act in South Africa as well.

2.3.6. Remuneration terms and conditions

In a report titled Senior Civil Service Pay (OECD 1994b, p9) it is noted that the pay of senior public servants is a tiny, almost invisible, fraction of the total cost of government. Even in the context of strong pressures for budgetary restraint and cutbacks, doubling or tripling the pay of top public servants would have a scarcely discernible effect on total public spending. Despite this budgetary insignificance the way that senior public servants are rewarded is of critical importance for three reasons:

- It helps to determine what kind of people are attracted to public service,
- Reward structures are likely to affect the way that senior public servants do their job, and
- The level and structure of senior public service pay sends important signals to other public service employees and the workforce in general.

The study (OECD1994b, p31) suggested that there was neither uniformity nor convergence in senior public service pay for the eleven (11) OECD countries examined over the period 1980-1990. Basic pay levels for senior public servants showed far greater diversity than would be expected from variations in GDP per head. At the same time it did not appear that there was any single direction of change in pay levels. In four out of eleven countries there was a pattern of pay erosion, with the top level in the public service experiencing a decrease in real purchasing power over the period of 1980 to 1990, but in three cases (Japan, Ireland and the United Kingdom) top public servants salaries increased by one-fifth in real terms over the same period.

2.3.7. Ethics and conduct

An integral aspect of all spheres of work, this area receives considerable mention (OECD1997C, p37-42). Key dimensions currently receiving emphasis are: restrictions on political activities by senior public servants, declaration of personal interests and acceptance of gifts or benefits, restrictions on employment of senior public servants after they leave the public service, and protection for senior public servants who are asked to do something illegal or which the public servant considers inadvisable.

2.3.8. The political-administrative interface

According to Agere (1999, p2) while politics and administration formally should be separated, in every day practical terms there is a fine and delicate line across which there can be slippage by both administrators and politicians. While the functional relationship between the two officials may be clear in some countries, it is sometimes conflicting and ambiguous in that there are, in except a few instances, no standing rules and procedures which guide the behaviour of either of them and which clearly defines their respective roles and expected behaviour to each other. Getting the relationship right is vital for effective government.

Agere (1999, p17) argues that the positions of ministers and permanent secretaries/DGs are essentially and deliberately constituted to represent the two major constituencies, namely the public and the State, however defined. In that regard they represent a system of checks and balances in power relations so that no one has a monopoly of power and influence at the same time. The relationship between the two seems to be deliberately made to be, on the one hand conflicting and ambiguous and the other co-operative and meaningful. If this analysis is correct then the relationship between the two is paradoxical. The interesting paradox lies in the fact that the Minister takes full responsibility for every detail of his/her ministry's work in being accountable to Parliament, without any power to fire and hire over key staff nor the power over financial management. This is accountability without authority-a paradox indeed.

The permanent secretary's/DGs first duty is to the minister who is politically in charge of the ministry he is serving. Herein lies the paradox, although the permanent secretary's first duty is to the minister, he/she is not obliged to obey every ministerial instruction since ministers are accountable for every action of their officials. Further the permanent secretary/DG is appointed by the President, and reports to the Minister who is also appointed by the President. The Minister is therefore not the appointing authority of the permanent secretary/DG, even if he/she (permanent secretary) is accountable to the minister. This is authority without accountability to the appointing authority.

Agere(1999, p9) notes that problems become visible when : Ministers complain about their officials and the advice they give ; officials say that ministers do not listen to their advice; ministers announce decisions that have to be retracted soon afterwards(not carried only because they are found to be impractical); officials make statements that are found to be contrary to government policy; ministers hold meetings without officials being present to follow up decisions or keep a record of what is said; ministers

appear to be inadequately briefed for meetings or interviews or to answer questions in parliament. Trust and respect do not exist between the two sides; there is suspicion of bureaucratic “*sabotage*” and a minister attempts to move or insert specific people of their choice in the senior levels of official hierarchy

Agere (1999, p16) suggests the following strategies for effective practices in managing the interface: to organize public policy dialogue, joint seminars or workshops for one or two days for ministers and permanent secretaries so as to promote the meaningful interaction between policy-making bodies and policy managers in order to improve joint understanding of the policy process and problems associated with each position. The purpose of such workshops would be to formulate effective systems of policy options formulation and to promote consensus-building in policy development procedures and to produce skills with which to manage the reform and formulate a strategic plan; each incumbent of a ministerial and administrative position should learn to develop effective interpersonal skills, communication, attitudinal change and above all tolerance of each others’ views. Behavioural change therefore, becomes a critically important variable in the whole change process of administrative reforms. It also facilitates the handling of subservient relations often inherent in the formalized hierarchical and bureaucratic systems of power and authority; both minister and permanent secretary should be able to provide political support and managerial support during the reform process. However, it appears from experience, that where reforms are externally determined, there is less political commitment and less administrative support and guidance, the program is bound to fail if it is in conflict with local ideas and existing dominant values. Both minister and permanent secretary should aim to improve ownership of the reform through collaborative efforts of team building in the whole ministry/department.

Both the minister and the permanent secretary should make themselves accessible to members of the public who willingly would want to offer advice, inaccessibility of both closes all the avenues of sharing information and efforts towards collaborative teamwork; both minister and permanent secretary should be able to seek advice from consultancy organisations, they should also be able to undergo some management courses offered by inter-professional and multi-agency collaborative training organisations; both should hold regular meetings with senior managers in the ministry in order to access their contribution and ownership of the reform process. In this example minutes should be taken and used for assessing progress of reform, change of attitudes and exploration of new ideas; they should support the development of think-tanks for the purposes of providing information on strategies and changes. Further, they should encourage user-participation in the formulation of policies which is in line with the democratization process and delegations in functions

On appointment, both minister and permanent secretary should attend a standardized training course, especially those who are new to their positions. For example, the Kennedy School at Harvard runs successful programmes for newly-elected members of Congress in the United States; the Government should define and draw up powers and boundaries for both minister and permanent secretary in order to bring about the culture of efficiency and build a national consensus; both should promote open government through the declassification of information as part of the democratisation process and as a way of enhancing accountability and efficiency.

The political administrative interface is an important layer that needs to be proactively managed in the public service

2.4. Comparison of the perceived role of the senior public service in Canada, United Kingdom and United States

According to (OECD1999e, p10), the core policy role of giving impartial advice to ministers and setting out implementation options and their implications is still critical and changing relatively little. Advice is certainly becoming broader and more contextual with an improved focus on management consequences and other practicalities as well as cross-departmental issues. Top public servants see themselves much more in the role of policy development managers than they used to, often delegating the process of advising ministers to more junior levels (i.e. except in the most sensitive of circumstances) and spending a great deal less time honing the drafting of advice. There is therefore, even in policy areas, much greater emphasis on management and the skills needed to develop policy in a more open environment that will frequently now also involve external political advisers. The members of the Senior Civil Service (SCS) interviewed after the change in government greeted their policy role with more enthusiasm when compared to the “grubbing around for ideas” described as prevalent in some departments after 18 years of Conservative Government.

The study (OECD1999e, p10), elaborates that, this had, however, to be balanced against the perceived tight control on the public debate by the new government and the different challenges this presents to the neutrality of policy advice (outlined below). Internal delegation, specialisation, and the speed, at which responses are now required, as well as ministerial style, mean that the policy advice environment is also becoming markedly less formal. But “the best brains are still pointed towards policy work” even though “ministers don’t want ivory tower advice” any more.

The management role has moved from traditional concepts of public administration into the active management of change, much more proactive and positive management of people, more emphasis on teamwork and much greater delegation to the line. The underlying objectives have been to

manage much closer to the model of “good blue-chip private sector companies” and to provide the training and support to achieve this.

If anything there has therefore been a shift towards a better balance between policy and management roles in the UK, with improved understanding of the contribution of each to effective public service according to (OECD1999e, p10). Within the policy role, this example saw a growing importance for the effective management of policy teams. Within the management role, they stressed the importance of leadership, improved “people skills” and of sound financial disciplines.

In elaborating on working relationships in government the study (OECD1999e, p12) found that the provision of neutral policy advice remains almost a sacred issue. Participants were almost unanimous that the senior public service has not deviated from its commitment to the provision of neutral policy advice even after 18 years with one party in power. Many cited enjoying the challenge of maintaining these standards with a new administration and took considerable pride in their ability to get inside the policy issues contained in the Labour manifesto, so that they could make an effective start on working with new ministerial agendas using their traditional skills. It was clear that the incoming government had often been pleasantly surprised by the policy advice skills available to them, even though the advent of more political advisers had “introduced a greater element of competition into the policy advice role”.

According to (OECD1999e, p16), Public servants in Canada felt that their jobs have changed over the past decade. They were particularly concerned about their role in policy advice and in actually implementing programmes that serve Canadians. Traditionally the major task of senior public managers was to prepare policy advice for ministers, with that advice reflecting largely the best available knowledge within the department. Most respondents commented that when they began their government careers their sense was that the minister was largely dependant upon the advice coming from their

Deputy Minister (DM) - Director General in the South African context. - a situation that persisted until the late 1970's.

It was clear in the minds of the respondents of the study (OECD1999e, p16), that their role in offering policy advice changed during the 1980's. Ministers created large personal (and partisan) staffs headed by a chief of staff who became something of a rival to the Deputy Minister within a department. The task of the public service increasingly was management and implementation rather than policy formulation. Further, because of fiscal problems and because of a more conservative policy agenda, there was "policy atrophy:" during the 1980's. Government was not interested (according to several respondents) in new policy ideas but only in finding ways to save money and reduce the apparent impact of government on the private sector. This declining interest in policy for quite a long period was argued by some respondents to have diminished the capacity of the contemporary public service of Canada to perform policy tasks. Hence a generation of people was not provided with adequate experience in policy, and some who had been accustomed to policy work lost touch with developments in substantive policy areas.

The study (OECD1999e, p16), noted that the policy role of the public service has been restored somewhat under the current government, but still not to the role that they had during the Trudeau government, identified as the "golden years of policy advice" by some respondents. The private offices of minister's have been reduced in size and advice is expected to come upward from the public service. However, despite the restoration of some of the policy role the respondents still perceive some differences from the past. One difference is that policy-making is now more centralised in the Prime Minister's Office than in the past, with some arguing that the Canadian system has become increasingly "presidential".

A second important difference highlighted by the study (OECD1999e, p16), is that although public servants are now expected to provide policy advice, the source of that advice is expected to be substantially different. The older

pattern was that advice from the Deputy Minister to the Minister would represent the best judgment of the department providing that advice. Two respondents in particular argued that the future of public servants in providing advice would be as compilers and brokers of information coming from a number of different stakeholders in the policy arena. Their own organisation may be one of those stakeholders, but it is only one and the duty of the public servant will be to consult widely and present a balanced view. This shifting pattern of advice reflected the loss of monopoly by the public sector, with numerous private sector organisations now being entirely capable of providing independent policy advice. That view of advice must also point out which participants hold which views and therefore what the likely political consequences of a decision might be. This may move the role of the public servant somewhat closer to a political one (it is argued) but it would also secure the policy role of the public service.

The report (OECD 1999e, p 22) highlighted that one clear impact of the reform rhetoric and activities in the United States is the recognition of the centrality of management and managerial skills. At the same time, a large majority of the respondents argued that policy – particularly operational policy – and management are so closely intertwined that clearly separating them is impossible. Most respondents argued that to be effective it was necessary for them to have both a policy and a management role, and that they would continue to define their responsibilities in those terms.

The study also found that despite the current emphasis on management, there was little belief that the current system had the ability to develop management skills adequately or to recruit persons with the necessary talent and skills into the higher service. Development of skills within the SES was described as “short-term”, “hit or miss”, available “if you pursue them yourself”, or, in the words of one recent recruit from the private sector, “just not available in the public service”. This is one part of the widespread concern with recruiting future members of the SES: most of the members interviewed in the study saw little real movement away from the “lawyers and experts” emphasis in recruiting to one that places more emphasis on

managerial and executive skills. In addition, several respondents indicated unwillingness among current executives to recruit people unlike themselves because a different skill mix would set different standards of performance and create different – and possibly more extensive – demands for change. “Nervousness”, said one, “is rampant”.

When it came to the perceived roles of the senior public service, the British were quite adamant that the policy role of impartial advice to ministers is still critical and changing very little, although advice is becoming broader with and improved focus on management outcomes. In contrast the Canadians felt that their jobs have changed. The policy advice role had changed to a greater focus on management and implementation rather than policy formulation. The Americans felt that operational policy and management were so closely intertwined that they could not be separated.

2.5. Comparison of the critical motivations and incentives in Canada, United Kingdom and United States

According to (OECD1999e, p10) two-thirds of British interviewees felt that the Public Service was a long term career choice – a choice made in the light of the professional opportunities it gave to graduates, a strong commitment to public service and, in a few cases, a family tradition of public service. The changes in the way the Public Service is now run have meant that perspectives both on the nature of a public service career and the perceived options for career development have changed. British public servants appear to understand well the concept of the self – managed career and the need to be opportunistic about possible job moves that may benefit them. They are more conscious of the need to work on personal positioning, influencing strategies and networking in the pursuit of maximising their potential. However, the participants felt that SCS seems less of a career for life than it did and that promotion prospects have diminished. Looking outwards, they believe that other career routes have gained in status at the expense of the public service, notably work in the

finance sector in the City of London. This group was not however without optimism and with very few (and older) exceptions, saw at least one more promotion ahead of them into a role that would interest and stretch them.

The study (OECD1999e, p11) highlighted that the two motivations associated with public service work which was predominant amongst participants in Britain were: intellectual challenge; and the opportunity to have impact on policy. The researchers found this hardly surprising in this group, largely made up of high flying graduate recruits ("fast streamers") who had built on their early success in the rigorous selection process by taking early responsibility in the rapid career moves that had been their experience to date.

The other important motivators were: quality of colleagues in the workplace, opportunities for career growth and promotion, and the opportunity to perform public service. Interestingly job security, financial rewards and even the prestige of being in the higher service on its own were of very little significance.

Job satisfaction amongst the British respondents was high. Almost all participants were either very or fairly satisfied currently with the motivators they identified as important. These motivators have not however always been consistent throughout individual careers. In half the sample they had changed; job security had become less important and quality of colleagues had become more important.

The study (OECD1999e, p17) found that the large majority of Canadian senior public servants that were interviewed remained extremely committed to their profession and were still highly motivated. They considered the principal virtues of the job to be the intellectual challenge that it presented to them, the opportunity to serve the public, and the opportunity to impact public policy. For people at this level of government working for the government of Canada is still seen as a very good job, and most very much enjoyed their jobs. None of the respondents placed monetary rewards near

the top of their list of the factors that either attracted them to the public sector initially or had kept them in government later in their careers. That having been said, however, the long-term erosion of pay for public servants in Canada was beginning to have a major impact on morale in the system. At the time of the study (1999), there had been no meaningful increase in salary for managers for six years, and they perceived themselves to be falling ever farther behind their counterparts in the private sector, while some rough parity with the private sector had been the tradition. None of the respondents had expected to become rich by working for the government, but they were very frustrated by the continuing erosion of their relative position, and the disrespect for their contributions to society that they felt was symbolised by this erosion in rewards.

Just as the policy advisory role of public servants in Canada has changed so too has management changed. The study (OECD1999e, p17) argued that the tradition of hierarchical management was now almost completely discredited within the public service. The management style was evolving almost universally to be more co-operative and more “teamwork” based, rather than being strictly from the top down. This change is hardly an unexpected finding, but what was more interesting was the lack of regret for the passing of the old system. It appears clear that the leadership of the public service is committed to more democratic management within their organisations, as well as in interactions between the public sector and society.

According to (OECD1999e, p21), there was a generally the same high levels of satisfaction with jobs and work opportunity by the participants in the study as did earlier analyses of the Senior Executive Service (SES) in the United States. In 1994, the General Accounting Office reported that over ninety percent of the career SES was satisfied with the challenge of their work and the nature of their duties. The study found that a very large majority of respondents held the same views. Those respondents who expressed reservations, or whose level of satisfaction was not so high, fall into two categories: members of the SES whose organisations are now at the cutting

edge of change in the Federal government, and those who are beginning to “look back” at their careers. One of these latter respondents reflected, “Have I left any tracks after all this time?”

Overall it appears that in all three countries, there is generally a high job satisfaction amongst top public servants. Interestingly the motivations indicated in all three cases tended to focus on intellectual challenge and the opportunity to have impact on public policy as opposed to the financial benefits of the job. The participants were generally highly committed to their jobs and in most cases a career in the senior public service was seen as a long term career choice.

2.6. Comparison of performance evaluation, contracts and pay in Canada, United Kingdom and United States

A key outcome of the study (OECD 1999e, p11) was that the quality of the current performance management process has had a role in the high levels of job satisfaction among British senior public servants. Apart from the one agency chief executive interviewed who is covered by a formal performance contract negotiated with the Permanent Secretary of the Department; this entire sample was subject to the new (1996) process the study noted. This provides individuals with a self-assessment process as well as processes for the drafting and agreement of a personal responsibility plan. Most of this sample believed that the whole process provided for a good link between organisational objectives, individual objectives and assessment of their contribution towards achievement of these. In general they found the new approach of performance management helpful in achieving greater clarity within their organisations about their priorities, but this does vary significantly by department. The study found three departments at one end of the spectrum appeared to have better-embedded and linked processes than one department at the other end, where implementation appeared extremely patchy.

Levels of satisfaction with performance management also varied with the quality of the reviewing manager. Those managers who ran the process as one of joint discussion and agreement generated more motivation than those who were over-bureaucratic or those who abdicated from real involvement ("I give him a piece of paper with my objectives on and he says yes"). This sample were sufficiently committed to the process to believe that improving it should be about making it work better rather than changing it.

Without exception, those who had participated in one of the 360 degree feedback pilot studies were enthusiastic about the power of this process in building realism about management style and laying foundations for positive culture change, the study noted (OECD 1999e, p12). The researchers found that there were perhaps predictably, lower levels of satisfaction around the whole issue of performance related pay. Nevertheless, almost half of participants believed that the concept of rewarding performance is right in the public service and a quarter was neutral in the subject, leaving a quarter that still reject the idea. A new perception of equity related to differential performance appears to have been embedded among the majority. The majority of this group does not however, view performance related pay as an incentive, ("the difference between a 4.89 per cent and a 5.33 per cent increase wouldn't make me run significantly harder") but it does definitely see it as recognition for contribution.

The study (OECD1999e, p11) highlighted that there was considerable ambivalence around the issue of performance rating. Some of the participants saw it as a necessary evil in the interests of fair performance judgments, especially for large populations. Others saw it as oversimplifying complex contributions. It is quite clear however, that in Britain rating is seen as a reward in its own right and, perhaps inevitably, those participants who always received the top rating liked it more than those who fared less well. The high performing group liked the financial rewards that went with this, recognising its accrual value in their pay level over time. Others saw it as a waste of time and effort and stressed the downside of over-mechanistic

processes in linking performance rating to pay. There was quite strong adverse feeling about the forced distribution of pay awards that had been required by the Senior Salaries Review Body for the 1997 pay review. Also, several participants suggested delinking rating and pay so that rating and performance management itself could be more effectively used for developmental purposes.

According to the study (OECD1999e, p17) the implementation of performance contracts for performance, had not yet made a significant impact in Canadian government. None of the respondents said that they would be happy to be on performance contracts, and would welcome plans like “360 degree feedback” for assessing their own work. Indeed, many respondents found the current methods of assessing performance opaque, and potentially unfair. One of the respondents that had done the form of evaluation (on his own, rather than as part of a formal process) commented that it provided a number of important lessons about his performance.

The respondents to the study (OECD1999e, p17) were, however, less positive about the idea of pay for performance in the public sector. With few exceptions they did not think that the idea was appropriate for government, especially for senior managers. They did see that the technique might be useful for assessing clerical and perhaps technical staff, but did not think that the managerial role was suited for pay for performance as usually conceived. The respondents were especially concerned that individualised pay for performance schemes did not fit well with a management philosophy that was increasingly oriented toward co-operation and teamwork.

Respondents to the study (OECD1999e, p22) in the United States were dissatisfied with the recognition of contribution, in terms of performance appraisals and pay and in terms of other forms of recognition. As virtually all previous public sector research has demonstrated, the link between performance evaluation and pay is difficult. The outcomes of the study (OECD1999e, p22) strongly reinforced those findings. None of the respondents voiced satisfaction with the performance appraisal process, with

their own performance evaluation, with the link between performance and reward, or with the level of financial incentive contained in the performance pay package.

The comparison highlights the sensitive nature of performance evaluation and pay-for- performance. It shows that if performance evaluation systems are properly designed and implemented such systems can have a significant influence on the job satisfaction of the senior public servants. The importance of two-way communication and the process of allowing the manager whose performance is being evaluated to do a self-assessment came out strongly in all three countries discussed. Performance rating received negative criticism, whilst the 360 degree performance evaluation technique was popular among respondents. When it came to pay for performance, there were mixed responses. Whilst there was overall agreement that senior public servants should be rewarded, the appropriateness of pay for performance varied from country-to- country, with the Canadian and respondents being the most negative towards it.

2.7. Comparison of accountability mechanisms and public service values and the relation between them in Canada, United Kingdom and United States

According to the (OECD1999e, p12) in common with the US and Canada, the accountability and responsiveness of the Senior Civil Service (SCS) in the UK has been an issue in the ongoing debate on public service reform. Considerable efforts have been made to improve this while preserving the independence and neutrality of the service. Many participants believe that this greater accountability has led to increased public exposure and potentially to more public criticism from Select Committees of Members of Parliament and from the Public Accounts Committee. Participants expressed a feeling that, in the outgoing administration, Ministers did not take responsibility for their Department's actions in the way they used to-resigning if need be in the face of severe criticism. There were also

concerns in relating to the much greater use of political advisers by the new government – “rethinking the ministerial cabinet” as one interviewee put it.

The study (OECD1999e, p12) highlighted a view that the extent of real independence in the role of agency chief executives needs to be resolved. The case of the head of the prison service dismissed by the Home Secretary of the previous Government was frequently quoted as an example of lack of clarity over the extent of executive freedom in relation to ministers. This was seen as an early task for the new Government. This sample was divided almost equally on the likelihood or otherwise of problems for the SCS resulting from increased managerial autonomy and the reduction of detailed rules and regulations. Many welcomed the greater freedoms and flexibility now available, but others voiced concerns over “the dangers of empowering people too far”, the need for improved risk assessment, and the potential problems of lack of consistency and cohesion, especially in relation to programs which impact directly on individual members of the public; for example, social security benefits. In general, participants were positive about the effects of public service reforms on issues such as the targeting of resources to program needs, an improved focus on efficiency and effectiveness and more coherent and practical links between policy and implementation. They did not however see a change in public service values coming from all this and were vehement in their defence of the need to retain a common service wide perspective – “Our values are deeply set, processes may change, values remain”.

The study (OECD1999e, p13) showed participants to be evenly split over the increased incidence of risk taking as a result of increased flexibilities in the public service reform process. Where this exists it appears to be in an environment where both ministers and senior public servants are agreed on the nature and the advisability of the risk. Risk aversion remains, however, a hallmark of policy development in many areas. Participants saw attitudes to risk and flexibility as linked to the downsizing and budget cuts that have also been part of the process – “we have to live more by our wits”. Many commented on increased workloads, longer hours, more stress, a feeling of

“living on the edge” and the reduced opportunities for outreach and for keeping up with developments in their specific area of responsibility produced by the new environment. There was some demoralisation accompanying this, but this needs to be counterbalanced with the view that those who are surviving well in a more resource-constrained and demanding environment are also getting some personal motivation from managing more effectively and developing themselves to achieve this. In general, the sample believed that ministers were still getting a very high level of service from their senior public servants despite the tougher working environment.

According to the study (OECD1999e, p18) a concern was the working relationship that exists between the public service and other parts of the political system. As noted above there have been several sources of strain in that relationship over the past several decades. One source of tension has been the role of the public service in working with their ministers. There have been also some important questions about the emerging form of accountability required in the public service, and the relationships between line departments and central agencies. .

The Canadian respondents in the survey (OECD1999e, p 18) were approximately evenly divided on the basic question of whether there had been any fundamental shift in the understanding of accountability in Canadian government. Approximately half of the respondents believed that the system was almost unchanged from the time they entered government with the doctrine of ministerial responsibility undamaged by claims of ministerial “ducking” of issues. These respondents believed that the traditional system still worked, and was sufficient even in an era when the tasks and internal functioning of government was changing rapidly. The other half of the respondents saw the accountability system differently, with views ranging from one of mild concern to a belief that the former system was almost irrevocably broken. Several of these respondents described the emerging system of accountability as being “American”, with Parliamentary Committees becoming more active scrutineers of the public service. Although they differed in the degree of damage they saw the system having

sustained, the nature of the damage perceived by these respondents was similar. There was the belief that individual public servants were being held more personally answerable in public for their actions, including activities such as policy advice that involve the exercise of judgment. None of this group of respondents objected to being held accountable for their actions, but they did not believe that scrutiny of actions should occur in public where they had little or no possibility of defence. They attributed these shifting patterns of accountability to ministers, the general nature of politics in the late 20th century, and to the increased involvement and activity of the press.

For the respondents who considered that the traditional system was substantially altered for the worse, there was a strong sense that the important bonds of trust between politicians and their public servants remained – they could depend upon their ministers to protect them, at least in public, and to take responsibility for policy (if not always implementation) failures. These respondents, while concerned with changes in accountability, did not believe that politicians had become so concerned with their own careers that they would do almost anything to avoid responsibility for failures.

According to the study (OECD1999e, p23) one objective of the reinvention reforms in the United States was to move away from rules and regulations as primary accountability mechanisms. The flexibility that this move assumed is in some tension with direct accountability to elected and appointed officials. Emphasis on clients (customers) and customer satisfaction increases the complexity of the new systems.

The findings of the study (OECD 1999e, p23) indicates that a transition is underway, but that, while there is commitment to many of the new ideas, there is also lack of understanding of the implications of the new systems and some resistance to change. Some of the respondents noted that discussion of the need for new accountability systems has always played out in somewhat pejorative terms and had negative implications for the SES. One person interviewed argued that the “old” SES was, indeed, part of the

problem: “We are acculturated to avoiding accountability; we don’t even know how to build it back in a serious way”. Others linked accountability issues to the transience of the political management system, to budget cuts and downsizing, and to changing organisational goals and priorities.

The emphasis on consumer and customer has had an impact on how the senior executives interviewed define their accountability structures. Several defined efforts – most linked to the Government Performance and Results Act of 1993 – to focus on performance measurement, expressing the hope that progress in that regard would lead to improved external understanding of what the organisation does for both citizens and members of the Congress. The idea of partnerships was a common part of this discussion.

At the same time, there is a keen awareness of how early and how tenuous are many of the components of the accountability changes at this point. One respondent, after noting that a large percentage of the SES in his agency had been shifted or retired to ensure greater commitment to new objectives and accountability mechanisms (performance and the bottom line), observed that the “tough issues are still ahead in this regard. Reinvention has been primarily ribbon cutting to this point. It has failed to take the long view about how to get these systems in place”.

In all three countries, whilst increased freedoms and flexibility was welcomed, concerns have been raised about empowering people too far. The need for improved risk assessment, and the potential problems of lack of consistency and cohesion, especially in relation to programs which impact directly on individual members of the public were highlighted as critical in this area. Whilst acknowledging the need for accountability the Canadians objected to being held accountable for their actions, but they did not believe that scrutiny of actions should occur in public where they had little or no possibility of defence. The Americans highlighted possible tensions between the senior public servants and politicians when it came to accountability mechanisms, emphasizing the importance of managing the political-administrative interface.

2.8 Comparison of future challenges in Canada, United Kingdom and United States

The study (OECD1999e, p13), noted that British senior public servants (in common with their US and Canadian counterparts) saw turbulent and challenging times ahead of them. The dominant changes they see in the next decade stem from the policies of the Labour Government around devolution (the creation of Scottish and Welsh Assemblies and a stronger regional focus in the UK), improved use of Information Technology (IT) in government and an increasingly strong influence from Europe with the widening of the European Union. These changes, in the context of a fairly radical new agenda, will raise issues in the areas of improved resource management, greater mobility of people and in improving the quality of leadership and management across the Public Service. Participants expect the Public Service to continue to shrink in the face of cost pressures and the increasing use of partnerships with the private sector on service delivery.

When asked about the skills and abilities necessary for the SCS to meet this agenda, management and notably change management skills came to the fore. IT skills and grasp of IT strategy, personal flexibility, adaptability and team working skills were also seen as important. Many participants referred back to the core Senior Public Service Competency Framework in their response (i.e. leadership, strategic thinking and planning, delivery of results, management of people, communication, management of financial and other resources, personal effectiveness, intellect, creativity and judgment, expertise and professional competence).

The study (OECD1999e, p13) found that a large majority of participants believed that they have or can acquire the skills needed to operate in the fast changing environment in which they work. Many had found benefit in the top management programme run by the Cabinet Office and other senior management development programmes from various sources. Those who felt ill equipped were those who felt very pressured and could see no way of making time for development, those who had been in the SCS a long time

and who felt unable to put themselves forward for development and those who felt they had no support for this within their departments i.e. where the belief persisted that “by the time you reach our level you have either got it or you haven’t” – very much an “old style” mandarin view of the environment.

The sample interviewed (OECD1999e, p23) generally appeared somewhat more satisfied with their work and perhaps more highly motivated. By and large these were survivors of more than a decade of often-turbulent reform. Sustained recognition of their value from the new Government will be critical to the future of this group – active rebuilding of confidence and self-esteem that had at times taken something of a battering under the previous government. Continuity will also be important in building on SCS management initiatives to date, in terms of refinements to the performance management process and in greater clarity over accountabilities. Longer term, the attractiveness of a career in the SCS may become an issue unless there is a greater public understanding of the attractiveness of the work and the rewards available to top public servants.

The Canadian respondents of the study (OECD1999e, p19) found that a significant number of the respondents were considering leaving government for the private sector. These were all people with long experience in government and commitment to the goals of the system who felt (with genuine disappointment and regret) that they owed it to themselves and their families to consider their alternatives. They also pointed to the large numbers of senior public managers who had already left government to pursue much more lucrative careers in the private sector. They considered that retention is a major issue for the public service.

An associated issue is that of recruitment of new blood into the public service. The continuing downsizing of the public service has meant that at least one generation of new public servants had not been hired. That recruitment gap, along with the continuing flight of managers already in the system, meant that the system was facing a potential leadership vacuum in the not too distant future. Several respondents (OECD1999e, p19) also

remarked that this was a qualitative as well as quantitative problem for government. These respondents feared that the “best and brightest” that at one time might have entered government in Canada were not doing so now. Not only were the financial rewards available in government much lower than those of the private sector but the general public skepticism about government and its capacity to contribute to society also kept many young people from considering a career in the public service. Several of the respondents noted that they had missed the opportunity to socialise the next generation of younger employees, and feared that even if an adequate number of high quality recruits were available, there might still be a socialisation gap with the younger generation not being adequately brought into the value system of the public service.

In addition to the recruitment and retention problems the study (OECD1999e, p19) highlighted that the changing styles of policymaking also makes traditional policymaking more difficult. The contemporary style of policy development places increasing responsibility for policy and implementation in the provinces rather than in the central government. This means that central governments departments will have to accustom themselves increasingly to be parts of large and relatively unstructured networks around issues rather than being in positions to control those issues. Although this style corresponds to the increasing democratisation of organisations, it will still require some adjustment in thinking about the way in which government performs its tasks. Finally, several of the respondents were concerned with how government could balance its core values of providing public service to all citizens with the pressures to become more businesslike in its own operations. While the two sets of values need not be wholly contradictory, one being policy-oriented and the other more operational, some of the respondents did fear that there was an emerging conflict. This appeared to be a part of a more general concern about threats to public values in Canada, and the growing disregard for the role of government.

Without exception, the members of the SES (in the US) interviewed in the study (OECD 1999e, p24) viewed the future as one of turbulent change and questioned the continuing capacity of the SES to manage that change. The size of the organisation, the size and skills of the leadership cadre, the nature of the services delivered, and the arrangements for their delivery are all likely to be different in the next decade. Respondents were essentially unanimous in noting that these changes had been addressed simultaneously with the move to a “more businesslike” environment, which will permit more effective performance management and measurement. The leadership challenges were described in very similar terms: to be more strategic; to focus on results, not processes; to develop communication and team building skills, to be less of a technical expert and more human resource management oriented; to be more adaptable and flexible. Several added “we have to become credible”. Fundamental to success was the recruitment of excellent new members, while being more strategic about retaining present members who have critical skills and abilities

The British, Canadian and American participants in the study highlighted above bore striking commonality when identifying future challenges. These included change management, management skills, Information technology (IT) skills, greater mobility, improved leadership and a focus on results.

This chapter focused on the literature review for this study. In this chapter the researcher contextualized the SMS within the broader public service reform agenda. Attention was then given to managerialism and how its principles form the bed-rock of the SMS system. The chapter proceeded to outline the key principles of the SMS followed by special attention to recruitment and selection; mobility; intake, career development and leave; training and development; performance management and development; remuneration terms and conditions, ethics and the political- administrative interface. Finally a comparison was done of the senior public service in United Kingdom, Canada and the United States. The key themes in the comparison were perceptions of current policy and management roles of the

SMS and the balance between policy and management roles; critical motivations and incentives and satisfaction with each of the most important motivations; performance evaluation, contracts and pay; accountability mechanisms and public service values and the relation between them; and critical issues for the future.

CHAPTER THREE: FINDINGS

3.1. Introduction

This chapter will begin by providing an overview of the senior public service (term used for the SMS before it was introduced) prior to January 2001. In the assessment of the *status quo* before the introduction of the SMS, areas such as recruitment and selection; remuneration terms and conditions; performance assessment, mobility and career progression; training and development; and ethics and conduct are discussed in some detail.

The key objectives of this study were : to ascertain the perceptions of the current policy and management roles of the SMS and the balance between policy and management roles; to determine critical motivations and incentives and satisfaction with each of the most important motivations; to ascertain how SMS members viewed performance evaluation, contracts and pay; to unpack what SMS members thought about accountability mechanisms and public service values and the relation between them; and to determine what SMS members deemed as critical issues for the future.

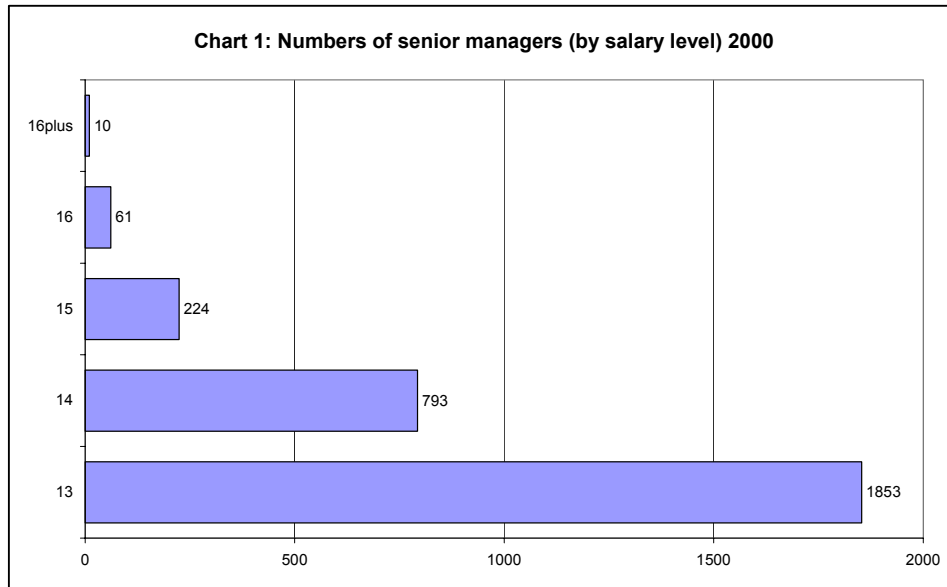
In the lead up to the discussion of the findings, the profile of the sample is unpacked in terms of gender, geographical spread, levels of SMS members, types of roles and educational levels. The majority of the chapter will provide a discussion of the findings of this study with emphasis on the perceived role of the SMS, motivations and incentives, performance evaluation, contracts and pay, accountability and public service values, and the future outlook of the SMS. The chapters thus far have focused on the introduction and the literature review.

3.2. Overview of the senior public service before 2001

The transformation of the public service in South Africa since 1994 has been characterised by extensive changes. The South African government has focused on finding ways of increasing the impact of public spending and improving the quality of service delivery. Initiatives implemented included the development of management plans, the “Batho Pele” campaign, improved financial management and improved co-ordination at the centre of government. All of these initiatives were heavily dependent on capable and committed senior government officials.

The SMS has been set up against the backdrop of a study commissioned by the Minister for the Public Service & Administration in January 2000. The purpose of the study was to recommend a framework for the improvement of the attraction, retention and development of senior managers in the public service. This covered the entire spectrum of issues including recruitment, career-pathing, retention, terms and conditions of employment, performance assessment, training and competency requirements, and termination. The study was provoked by the experiences prior to 2000, which revealed a number of problems. These included: high turnover rates and problems in recruiting and retaining skilled senior personnel; poor levels of performance and skills among some managers, leading to inadequate service delivery; under-developed performance assessment systems for senior managers and uneven definition of their responsibilities; and insufficient attention to nurturing and developing a sustainable senior management corps. Prior to 2001, the senior manager corps was largely treated in the same manner as other public servants, although there had been some movement towards performance contracts and differential salary adjustments.

According to the unpublished senior management project report (p8, 2000) an analysis done by the DPSA in February 2000, indicated that there were 2941 public service managers, excluding the police and defence. Managers, therefore comprised about 0, 3% of public servants. Chart 1 indicates the number of employees at salary level 13 and above.



At the time (2000) many managers of institutions fell below director level and were not included in the data. Similarly, a number of people at level 13 and above who were regarded as managers, but were more accurately highly-skilled individuals and professionals were excluded.

The report outlined the table below which gives data on race and gender and is summarised in Charts 2 and 3. Of worthy mention is that in all salary categories government had met its target of at least 50% black managers by 2000. In respect of gender, the target of 30% women had not been met in most categories of management.

Salary level	13	14	15	16	16+
African Female	186	74	20	5	2
African Male	617	249	73	28	2
Indian Female	21	7	4	0	0
Indian Male	98	31	13	1	0
Coloured Female	27	16	4	1	0
Coloured Male	90	29	12	7	1
White Female	113	44	12	1	1
White Male	701	343	86	18	4
TOTALS	1853	793	224	61	10

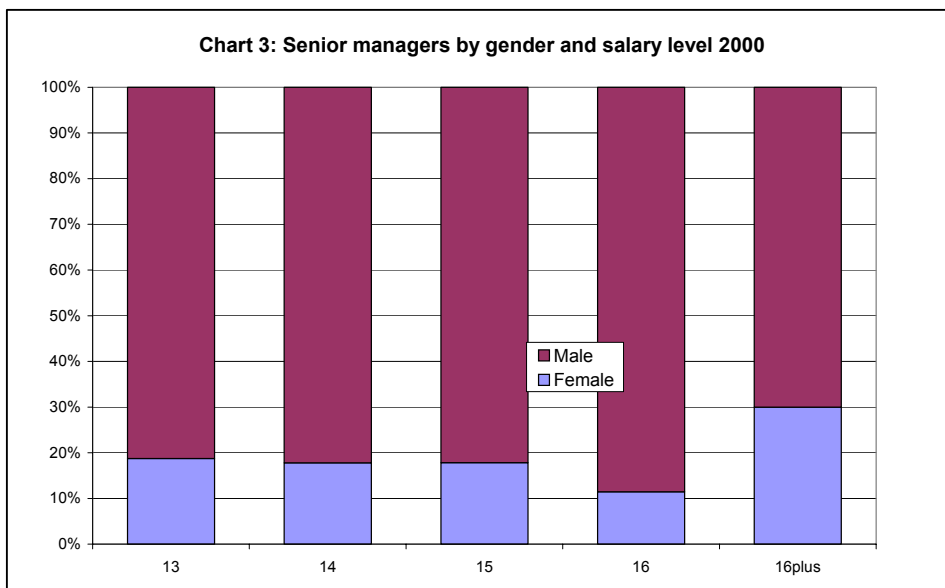
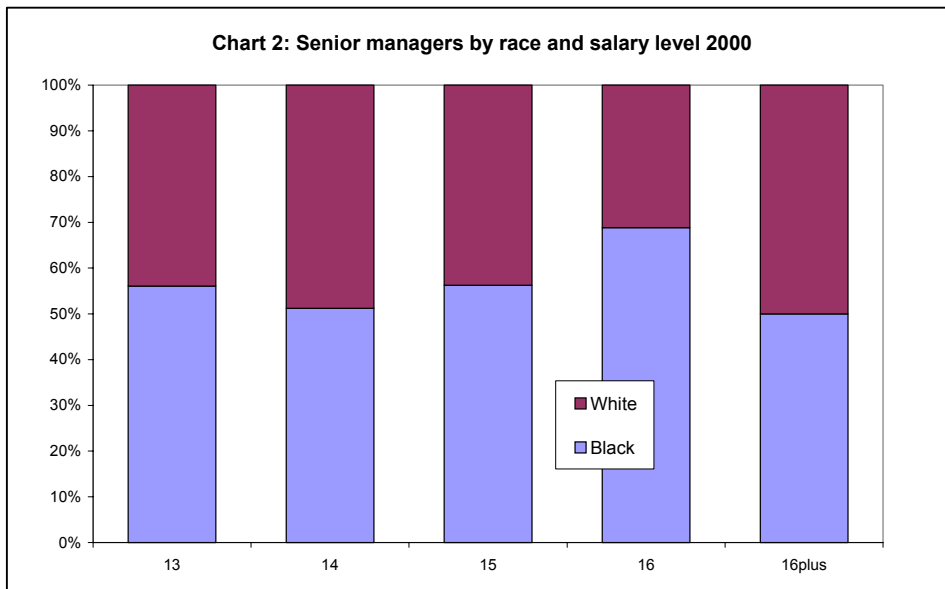


Chart 4 presents the age profile of managers as at February 2000. The younger managers were almost all in more junior management posts. A small number of managers had passed retirement age but have been kept on because of skills reasons. Data was difficult to obtain with regard to the length of service of senior managers and the turnover rates.

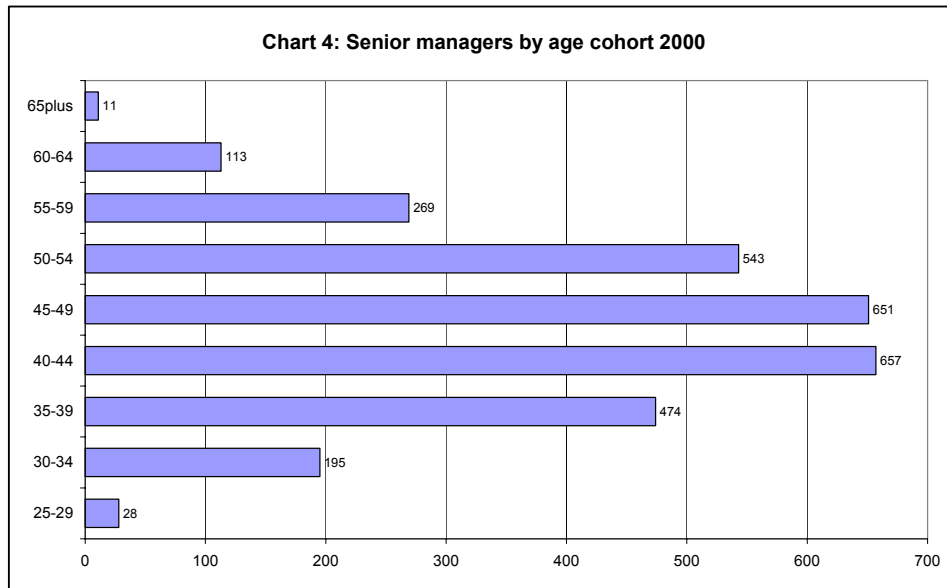
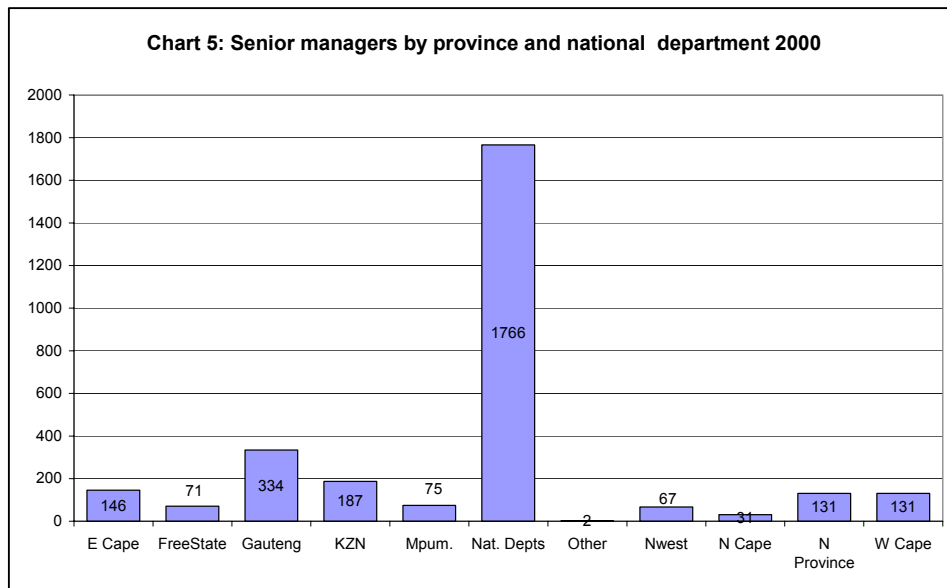


Chart 5 indicates the number of managers in each of the provinces and in the national Departments. The figures indicate that managers were strongly concentrated in the national Departments although the bulk of public servants (71%) were based in provincial government. Provincial Administrations have had a different concentration of managers. In Gauteng managers made up 0.3% of employees during 2000. At the other extreme Northern Province, Northwest, KZN, Eastern Cape and Free State all had less than half this proportion.



Reflecting on the South African background outlined above against the OECD study entitled *Managing the Senior Public Service: a survey of OECD countries* OECD (1997c) provides some useful comparative data. Its findings include:

- That in 1994 women comprised between 10 and 20 percent of the senior public service in most OECD countries. No country had one-third women in senior posts although Denmark and Portugal approached the 30% mark. At the other extreme was Japan with less than 1%. There are indications that, since 1994, the percentage of women has increased in all OECD countries as employment equity policies have started to take effect.
- The average turnover rate in the senior public service in 1994 was approximately 10%. However this ranged between 3% in France and almost 15% in the Netherlands. Differences appear to partly reflect explicit management strategies, but may also indicate different employment cultures in the various public services. In the USA, for example, a large number of managers are political appointees who change with the administration.
- Six out of seven countries which reported on length of service reported that there was a decrease in the average length of service of senior officials.

3.2.1. Recruitment and selection

Since 1994 there has been a deliberate move to more open recruitment and selection in the public service and the same applied to senior public servants. The Department of Public Service and Administration (DPSA) established the senior public service (SPS) office in November 1998. The key purpose of this office was to develop (and maintain) policy on the appointment, deployment, termination of service and other career practices of senior public servants. Prior to this, senior public servants were handled in the same way as the rest of the public service. The main selection method utilized was structured interviews as there had been no competency model developed to roll-out a competency based human resource system for the senior public servants.

3.2.2. Remuneration terms and conditions

The unpublished senior management project report (2000, p22) highlighted that there were a range of perceived problems with the remuneration of senior managers. These included: that the packages were not always competitive and that in some instances it was difficult to attract and retain the most highly-skilled staff; relatedly this lead to perverse effects, for example some individuals were appointed to managerial positions (or managerial jobs were created) so that the commensurate package could be paid, even when they were not always doing management jobs. Policy people were often an example of this; pay progression for senior professionals often depended on them switching to managerial positions even when this was neither rational nor desired. For example a medical specialist may have had to become a hospital superintendent even when this suits neither the health system nor the individual specialist; the car benefit (Motor Finance Scheme) comprised an unusually high component of manager's packages, as much as 30%, and benefits overall made up over 40% of the package; there was no flexibility regarding the structuring of the package; there were limited performance

incentives, and most actual salary packages were close to the laid down minimums; there were limits on pension transferability and this was a disincentive for those coming to work for shorter time periods.

3.2.3. Performance assessment

All managers (level 13 upwards) were required, in 1998, to enter into a performance agreement as a condition for getting their salary adjusted. Only so-called "professionals" on levels 13 and 14 were exempt from this and continued to have their adjustments determined in the Public Service Coordinating Bargaining Chamber (PSCBC). Heads of Department were also required to enter into a performance agreement with their executing authority (Minister/MEC). In practice almost all employees at level 13 upwards had signed performance agreements.

According to the unpublished senior management project report (2000, p37), the handling of adjustments and performance assessments for senior managers has been generally ad-hoc. Increases were awarded in 1998 and 1999 without uniform or rigorous assessments having taken place. In addition, provision was made initially for efficiency rewards and, later, for cash bonuses to be awarded. Departments have also been required to put in place systems to justify such awards, by not later than 31 March 2000. In practice most had not done so. In 1998 managers salaries were only adjusted (by 5, 5%) if a performance agreement was signed. For the 1999 salary adjustment managers were either given nothing or 4%, with the latter being for "acceptable performance". This was done because no adequate performance assessment instrument had been developed. Since the inception of the SMS however there has been a generic performance management system that was developed by the DPSC taking into account competencies and key outputs.

3.2.4. Mobility and career progression

Prior to the SMS being implemented, managers who have signed performance contracts were not eligible for notch increases. However many were on a notch higher than the minimum, having been placed on either notch two or notch three under the previous dispensation. A relatively small number of posts at senior level still had rank/leg progression. In general, however, almost all existing progression in the management echelon was based on post promotion. This meant that a person had to apply for and be promoted to a higher, vacant post prior to the implementation of the SMS.

3.2.5. Training and development

According to the unpublished senior management report (2000, P39) the training of senior managers was occurring in an uneven and ad hoc basis. In many cases there were no clearly articulated development plans for senior managers. On the other hand some National Departments, such as Foreign Affairs, have had a specific training school. Most departments however did not have a specific training school.

3.2.6. Ethics and conduct

A range of provisions governed the conduct of public servants. There were some general, fairly vague, provisions contained in the Public Service Act (Section 36) regarding involvement in politics. This did not explicitly cover senior managers and applied to all public servants. Financial interest issues were also the subject of regulations as specified in Government Gazette of 31 March 2000. These covered only DGs and DDGs prior to the implementation of the SMS in 2001, but have since been extended to the level of director

3.3. A profile of the sample

The research population comprised of 64 respondents with 66% being male and 34 % being female. In terms of geographical spread, 56% of the population is nationally based whilst 44 % is based in provinces. The findings reflected in this research report therefore provide a picture of the SMS both at national and provincial level. Of the total population, 44% had been in the public service prior to joining the senior management service, 38 % had previously worked in the private sector, 9% had previously worked for non-profit organisations whilst 9% had worked in both private and non-profit organisations previously.

There has been a good spread of the levels of SMS members in the population with 1.5% at Director-General Level; 1.5% at Deputy Director-General level; 31% at Chief Director Level and 66% at Director Level. The majority of the population (37.5%) was involved in a policy advice role, a further 30 % were involved in operations and service delivery positions whilst 26.5% were operating at both the policy advice and operations and service delivery positions. The remaining 6 % were made up by chief financial officers.

About two thirds of the respondents (64%) had post graduate degrees whilst almost a third (30%) was in possession of a university degree. Three percent (3%) had a technical qualification and the remaining 3% had a matric certificate. Thus this population consisted of a group of highly educated individuals, within the South African context.

Almost three quarter (74%) of the respondents fell between the ages of 36 and 50 years as indicated in the age distribution table below:

Age distribution of the population

Age Group	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65
	Years	Years	Years	Years	Years	Years	Years	Years
%	3	6	16	27	31	12	5	0

3.3 Perceived role of the senior management service

3.3.1 Perceptions of the current policy advice role of members of the SMS

Respondents clearly believed that the SMS was a pivotal layer of public servants and that policy advice in a transforming public service was a fulcrum on which the speed of transformation rested on. The majority (90%) of the managers believed that their perception of the current policy advice role was to identify policy gaps and advise in policy development, implementation, monitoring and evaluation. The latter was to be based on guidance by the Minister/MEC and had to be informed by the service delivery imperatives of the department against the backdrops of the Constitution and its values within the strategic framework and objectives of the cluster and Government. There was still a perception that managers continue to operate in silos to the detriment of holistic policy advice. Respondents highlighted that the policy advice role differs from province to province as well as from national Department to another depending on the institution's maturity on transformational issues.

The advisory role of SMS members to heads of departments and political heads was strongly indicated by all respondents. There is a belief amongst the managers that there is an improved environment to play a role in policy issues. It was also deemed important for SMS to provide necessary advice to their principals both at planning and operational processes. However, almost 10% of the respondents claimed that executing authorities frequently ignored advice provided. There was also a perception that the policy advice

role differs from time to time due to political influence, which makes the role of SMS very difficult. This sometimes leads to inconsistent decisions. Furthermore, a small percentage of respondents (5%) believed that executing authorities tended to be too operational and interventionist in the policy-making process.

A pertinent issue that came out of the responses of managers based in provinces was that much of the policies are promulgated at a national government level. This tended to be a process that has sidelined participation and feedback by managers at a provincial level, save during implementation. Inevitably this tended to make the process cumbersome especially when managers are not convinced by the specific policy.

Fifty five percent (55%) of the respondents felt that the policy advice activities have not changed since they have entered the senior management service, 7% did not indicate a clear response whilst 38% of respondents believed that it had changed. The latter sighted the Constitution, a better focus on holistic policy advice, greater freedom of expression more consultation and alignment as reasons for the change in policy activities.

3.3.2. Perceptions of the management role of members of the SMS

The majority of respondents perceived management to be the backbone of the SMS as they espoused their duties. To this end there is a perception that managers need to lead by example in improving service delivery; to guide other subordinates and managers in fulfilling their performance agreements and to develop, monitor and evaluate their own skills to manage the portfolio of responsibilities entrusted to them. The management of human resources from recruitment to exit management was given prominence in the various responses, with the issue of performance management receiving the most emphasis. Managers now believe that there is an increased pressure on them to manage the performance of their subordinates more actively. Some have gone as far as saying that they have

a more human rights / people centered role to play under the current government.

The managers themselves have indicated the increased managerial attention of their managers to outputs and performance management more than ever before. However, one of the respondents noted that due to the high pressure placed on members of the SMS, they tend to concentrate on their line functions at the expense of management roles e.g. performance management, conflict resolution and problem solving and even their own performance agreements.

An interesting observation made by a respondent was that “there is a big gap between SMS members and lower level staff; as a result there is a perception that the former are ‘high priest’ with the exclusive access to ‘God’”. Also when lower level staff reaches this level of cadre, there is a level of complacency; this is also evident in managers who have been SMS members for a long time.

A key issue that emerged from the responses was that SMS members were not good at being leaders. They tended to stay away from taking up leadership roles within the transformation agenda and were more focused on their line functions. This has been attributed to by lack of authority and too much centralization when SMS members are at a level of implementation and operations.

Some of the heads of departments that responded drew attention to the very special managerial capability they need to have in managing the tensions between the executing Authority’s expectations and available resources which results in the continuously reprioritizing of resources targeting. In terms of provinces there is a perception by the 44% of provincial respondents that the management role is challenging and has a number of dynamics as a result of lack of skills / person power on the operational level of management. This has meant that provinces are under-managed. It is therefore evident that the situation in provincial administrations had not

changed significantly since 2000 were the same conclusion was drawn in the unpublished senior management project report.

Forty eight (48%) of the respondents believed that there was no difference in their management function from the time that they entered the SMS, whilst almost an equal number (47%) believed that there was a change in their management function since they have entered the SMS. The latter sighted greater strategic leadership, improved consultation, improved planning, participatory management, greater mentoring and coaching, innovation and greater empowerment as reasons for the change.

3.3.3. Balance between policy and management roles

In relation to the current balance between policy and management roles: 28% perceived a primary emphasis on policy, 34% perceived a primary emphasis on management skills and ability, 30% perceived an approximate balance between the two, whilst 8% felt that the current emphasis was not clear.

56% of respondents indicated that the relationship between members of the SMS have not changed due to the changing of the balance from policy to management skills, whilst 39% indicated that the changing of the balance from policy to management skills has changed the relationship. The latter highlighted the following changes: HOD's are at the political-administrative interface and have an advisory role to the executing authority whilst other SMS members have management roles; the swing to management has made human resources a focal point with an emphasis on operational issues as relating to service delivery; competition for resources, and the prioritisation of certain programmes; greater emphasis on corporate governance; reduction of working in silo's; increasingly more professional and strategic in approach; SMS members are now required to develop Key Result Areas and Key Measurable Objectives and link this to the Cabinet Strategic Objectives and the medium term expenditure framework (MTEF); modern public service managers are expected to have competencies that go

beyond policy design. These competencies include: project management, problem solving skills, people skills and technology know-how.

Fifty six (56%) of the respondents indicated that changing the balance between policy and management has NOT affected the relationship between the members of the SMS and elected/appointed officials, whilst 41 % of respondents believed it has. The following are some of the reasons given for the changes observed: much of the law needs management for outputs from managers and for outcomes from elected officials. There is a role that managers play in outcomes; there is more clarity on the roles of the two spheres; SMS members are more involved in aspects previously entrusted to politicians; there begins to be a convergence on the priorities and on the reporting frameworks of SMS members and politicians; emphasis on management has put pressure on performance, which some perceive as a threat; there is more integration and interaction. There's appreciation and understanding that both have to work together and assist and advise one another. Managers need to understand the political vision then interpret that into policy for implementation. Managers must assume responsibility of advising, but also interpreting policy implementation; and unfunded mandates and impossible expectations cause senior managers at times to knowingly contravene legislation and this leads to conflict and a souring of relations.

In terms of the positions of respondents, 9% indicated that policy skills were more important in their jobs, 25 % indicated that management skills were more important and the majority 66% believed that policy and management skills were equally important in their jobs. Of those that felt that management skills are emphasised, 58 % believed that they have adequate skills in the area whilst the remainder felt that they had room for improvement. Fifty nine (59 %) of respondents felt that sufficient emphasis has been placed on management development whilst almost a third (31%) felt that not enough was being done in terms of management development. Some managers have set management development as their personal goal.

Two thirds (67%) of respondents were of opinion that they have adequate authority and flexibility to manage effectively whilst a third (33%) believe they lacked sufficient authority and flexibility to manage effectively. It is vitally important to have a manager that is proficient in management expertise as to have the skills competencies and knowledge to do so. Sixty three (63%) of respondents in this study felt that the person that they reported to has adequate skills whilst a high proportion (37%) believed the person they reported to did not have adequate skills.

3.4 Motivations and incentives

3.4.1 Reasons for joining the public service

Many of the newer appointees joined the public service because they identified with the transformation priorities and the space created by the new dispensation to actually engage with the transformation of the state and governance. At the same time it was also indicated that the salary offered in the public service was not the worst for SMS members and there was opportunity for growth. There is also a belief by the SMS members that they would like to service the public and to ensure that the national objectives are met.

For those who joined the public sector from the private sector, many stated that work in the private sector seemed irrelevant to the development of the country hence the need arose to join the public service. Others mentioned status that the public service brings as an employer as well as a record for service delivery. There were also some respondents who highlighted the reliability of the Government as an employer as well as the benefits and the job security. Some of the pre -1994 appointees openly stated that they joined due to job reservation under the apartheid government.

An overwhelming 78% of respondents intended the public service to be a long term career whilst the remaining 22% viewed the public service as a short term career choice. Thirty eight percent (38%) of the population were

of opinion that their perspective on the public service career remained unchanged, whilst 52 % believed that their perspective had changed. Some of the reasons attributed for the change were: a greater focus on service delivery / less on bureaucracy; debunking of the myth that public servants are not committed by people outside the public service; emergence of new values, and the convergence of personal values with those of staff; a better understanding of government; a shift to customer (citizen) focused government; a change in the way that the public service has been perceived during the apartheid regime where it was looked down upon, due to the government of that era. The new public service is for all SA citizens, promoting democracy; the multi-skilling advocacy which allows an individual to contribute in more than one area in the public service in during a career in the SMS; The reality of employment equity for people from the non-designated group as well as lack of discipline and commitment by the new generation of public servants; and the SMS is now performance based, incentives are good and it is no longer regarded as a sheltered environment.

3.4.2 Options for career development in the SMS

Career development and career management are important aspects of an individual's life. As a member of the SMS the respondents recognised that there were a number of opportunities that were available country-wide. The State views senior managers as a corporate resource and hence there should be room for career development. The down-side of this is that most of the opportunities would only arise when a post is advertised. However a number of the respondents noted that there was room for self development and hence the capability to take on roles which will offer career development. On the contrary, it was the belief of those who did not fall into the category of previously disadvantaged that career development was almost non-existent. There were very urgent calls made by the respondents to embark upon advanced skilling of SMS members. In some cases managers believed that development opportunities were far more valuable than promotions.

The Public Service Commission mobility report (2003, p4) notes that the majority of respondents (73%) at national level and provincial level (76%) felt that the introduction of the SMS has been successful as a retention tool. The general feeling was that the SMS can be amended for more flexibility and allow for improved staff retention through a focus on career-pathing for senior managers, inclusion of sabbaticals as well as the inclusion of a retention strategy in order to recognize specialized and scarce skills. The report continues to conclude that given that a key objective of the SMS is to retain skills, the responses are supportive of this objective. The report (2003, p5) further recommends dual career-pathing for SMS and professionals in order to improve their remuneration.

3.4.3 Motivations for acquiring a job in the Public Service

Three motivations associated with acquiring a job in the public service are predominant among the participants in this study. These are: opportunity to perform public service (67 %), opportunity to impact on policy; and (61 %), and Intellectual challenge (48%). The other important motivator was opportunities for career growth and/or promotion. Financial rewards, job security prestige of being in the senior public service and quality of colleagues in the workplace were of very little significance individually.

Job satisfaction is generally high. Almost all participants were very happy with the motivators that they identified as being important. Sixty six percent (66%) of the respondents believed that their motivators have been consistent over their careers whilst 19% believed that it had changed with the passage of time. Many sighted an improvement in financial rewards, whilst others highlighted the need for self actualization in government as reasons for the change.

3.5. Performance evaluation, contracts and pay

3.5.1. Use of performance agreements and competencies in performance evaluation

Performance management has become increasingly important in the public service over the past five years. The public service regulations provide a broad framework for the implementation of performance management. All managers (level 13 upwards) were required, in 1998, to enter into a performance agreement as a condition for getting their salary adjusted. The majority of the respondents (95%) indicated that their performance was evaluated by performance agreements. The evaluation period was for 12 months with quarterly reviews in most cases. Individual managers claimed that the performance evaluation was a paper exercise as supervisors did not know how to implement it properly. In terms of the primary activities and criteria by which the performance is being assessed there were understandably a host of responses considering the breadth of departments that the population came from country-wide.

Some of the common areas were: key performance areas as agreed between the manager and his/her manager; achievement of objectives that are aligned to the goals, managing performance of others; their development as well as standards as contained in the service delivery improvement plan; financial management, human resource management (HRM), specific programme outcomes and self development; implementation of the directorate's business plan, communication, financial management (personnel management) and knowledge management and promotion of organizational learning; leadership, people management, strategic management, financial management, communication, customer service delivery; strategic leadership, delivery on strategic objectives and priorities identified development of staff, financial management; planning and implementation of infrastructure projects; key performance areas, key result

areas, leadership style and the way labour relations are maintained amongst the employees; key result areas and core management criteria; and competency, skills – management and policy development, human relationships, performance in delegated portfolios.

Use of competencies in the context of performance evaluation is occurring in 64% of the group whilst the remaining part of the group reported the use of competencies to a limited extent with a view to implementing it in the forthcoming year-2004.

3.5.2. The appropriateness of pay for performance to the SMS

Generally the respondents felt that pay for performance was appropriate for the public service, and more particularly for the SMS. They believed that the use of pay for performance is extremely important to retain skilled personnel. Some of the respondents argued that pay for performance will eliminate the common practice of rewarding people on the basis of seniority rather than on performance and creativity initiative. It is also seen as an excellent instrument to keep high performers in the public sector by virtue of the motivation that financial rewards bring. Thus pay for performance is seen as one of the ways of promoting the retention of managers in the public service.

Although supported, pay for performance in the public sector was considered to be below par when compared with the private sector. There were also concerns about the manner in which pay for performance was being implemented among SMS members, with the traditional problems of bias of the reviewing manager featuring prominently. Others noted that although the principle was a good one the magnitude of the bonuses were not enticing. The previously advantaged individuals in the group were concerned that employment equity may be used to influence the awarding of pay for performance to them.

Despite the recognition that pay for performance was appropriate for the SMS some respondents believed that it is only one of the ways in which

performance could be recognized. It was felt that Minister's awards, public recognition, and tangible rewards that are not cash based could also be used to reward high performers.

3.5.3. The use of performance ratings

The researcher has been cautioned about the subjectivity in the use of ratings as well as the need to set up benchmarks of ratings in the public service. A call was made for raters to undergo training as this was seen as critical in the optimal use of a rating system. There were also requests for the ratings to be audited in the early phase of implementation to monitor and take corrective action where necessary.

3.5.4. The link between pay for performance and the organisational objectives and personal objectives

Respondents were divided in their responses as to the link between organizational objectives and the pay for performance system in the department. Some of the respondents indicated a direct link whilst others reported no links. The researcher believes that this is a serious problem since in order for managers to have performed they must contribute to organisational objectives.

Generally the population is satisfied that there is sufficient agreement on objectives between them and the person that they report to. This has occurred from the time of inception of performance agreements of SMS members.

3.5.5. The pay for performance process

There was considerable ambivalence around the frequency of appraisal, clarity of communication, link between performance and reward, and fairness. Many of the population felt that the annual appraisal must be fully done and formal, whilst the other appraisal periods in the year may not be

formal but needs to be perfectly communicated. In almost all cases quarterly appraisals were being done and at worst half-yearly appraisals. There was a perception by the group that SMS members are so caught up in day-to day operations that they do not find the time to do justice to the performance process. Managers also felt that the pay for performance system is still in the inception years and that teething problems would be inevitable. One of the suggestions that emerged to address bias was for a panel comprising of peers to be also used over and above the reporting person.

The link between performance and reward was criticized in terms of the percentage of pensionable salaries that top performers received. The maximum amount of 8% was considered to be too low when considered with the lower level staff (below director), who could get as much as 18 % of their pensionable salaries. A consistent issue that has emerged is that the performance bonuses do not compare with private sector percentages and this area needs to be addressed.

The use of 360-degree upward feedback to inform developmental needs is considered to be an excellent principle by respondents. However it was felt that there was limited use of it in the public service.

3.5.6. Strengths and weaknesses of the current performance management framework for the SMS

The current performance management system has been generally supported by the respondents. Many felt that it is in the very early phase of inception and that it was difficult to provide a fair assessment of the system. The strengths identified were: that system is a good starting point as it focuses on aligning the overall departments goals to the individuals; it is prescribed centrally for all SMS members, clearly stating that there should be at least two reports before the final evaluation; there are clear ratings and scores and clarity about how one qualifies for pay progression and / or performance bonuses; the competency areas are covered quite well and are competitive

vis-à-vis private sector; the system has introduced personal development plans together with an amended reward system and this has attracted high caliber people to the public service; the system provides a flexible framework in which the performance of SMS members can be evaluated;

The weaknesses identified are: the framework is appropriate for individuals but does not consider the team as a whole or the organization; there needs to be more seriousness about the implementation of the performance management system from the political head downwards; there is no link between lower level SMS member performance evaluation and that of the senior SMS member's and therefore an incongruence of the rewards given; generic criteria carries too much emphasis whilst the key performance areas are not carrying enough weight and emphasis; there is a possibility to manipulate the score sheet; inter-governmental, interdepartmental and cross-cutting work and other informal directives and contribution are not properly recognised within the system; technical advice and value thereof to the organisation is normally not measurable and one may only recognise these skills when someone leaves the organisation; the system tends to be too complicated, not adequately explained and motivated, and not consistently applied. Senior staff is also not fully knowledgeable of the new system; there is a failure to link availability of resources and personnel with output and training opportunities to the performance contract; the use of a moderating committee presents problems since they are not really aware of what is happening further down and tend to change the performance ratings in a vacuum; Changes like budget cuts are not considered and dependence on donor funding (for outputs) is not factored in ; the system is not compliant with the principles of 360 degrees yet; and HOD's tend to not get direct feedback as the executing authority(EA), gives a report to a panel; It is currently not electronic.

Some of the suggested systems and improvements given for performance management are: the South African excellence model to cater for organizational performance and also incorporate the balance score card; the present system could be shortened and properly implemented; DPSA should explore what is used in the private sector as well as other countries in order to develop an improved system; the tool of total quality management(TQM) must be integrated into the system, and focus must be on the organisation; management by objectives (MBO); a senior personnel manager should be responsible for approving the performance agreement and work with a manager and his supervisor.

The population had diverse views when considering the most appropriate means for assessing and rewarding performance. Suggestions included 360 degrees and panel appraisal; the use of specific, job related functions and not generic issues; balance score-cards linked to the performance agreement; an increase in the cash bonus to around 25% to 30% of the package; and the payment of short courses at universities. Almost all the respondents felt that contracting for performance was more effective than the traditional accountability mechanisms of the SMS such as objectivity, public service commitment, public service ethics, and constitutional imperatives. It was believed that contracting for performance tended to encapsulate clear deliverables in a consensual manner and that this was a tangible way to improve performance as opposed to the traditional accountability mechanisms. Contracting also ensures alignment of the individual, unit, organisational and public service objectives – everybody hence works to the same goals. The traditional accountability mechanisms did not consider the alignment and integration issues which meant that the achievements of goals were not aligned, but occurred by chance. Respondents believed that the use of 360-degree feedback in contracting for pay was also more effective than traditional accountability mechanisms since they were not all inclusive in approach.

3.6 Accountability and public service values

3.6.1 Accountability and responsiveness of the SMS to elected officials

The political administrative boundary is often a dynamic environment to manage. SMS members find themselves to be increasingly challenged to manage the relationship between themselves and the elected officials. In many counties, accountability and responsiveness of the senior management service to elected officials has been an issue in the reform discussions. The research population was divided in terms of the latter. Those that found this to be an issue quoted examples where legislatures and the public have at times called managers to account and not the elected officials. Others felt strongly that managers are there to implement political decisions and structured meetings must take place where all managers are able to engage with political heads to understand their responsibilities and also feedback. Forty eight percent (48%) of respondents did not perceive accountability and responsiveness of the senior management service to elected officials as an issue in the reform discussions.

Respondents provided rich information about the division of accountability between Ministers (Executing Authorities) and members of the SMS. A key issue that emerged is that there should be a clearly set division that members of SMS and the Ministers are respectively accountable for and held responsible. It has been argued by respondents that in some cases political office bearers have too much influence over SMS managers, but in general the constitution can guide such roles in terms of separation of powers. However in many cases there is not enough clarity in terms of the interface between the SMS and politicians. The problem exists due to managers not having clear guidelines and/or understanding of what is expected of them. The PFMA is a good Act which came about at an appropriate time and clearly identifies defined areas of accountability; however the implementation thereof is a problem. In some cases SMS members are pressurized to achieve political goals beyond what can be

accounted for. The respondents felt that political office bearer's focus would be outcome driven while managers should focus on outputs to ensure that outcomes are achieved. Ultimately SMS members and politicians are accountable to the public in various *fora* for example: SMS members are required to account to the portfolio committees, whilst politicians account to Parliament/ Provincial legislatures. There was a call by a respondent for more research about the relationship between political offices and the SMS as well as the distinction between career SMS members and political officials.

3.6.2. The impact of increased managerial autonomy and flexibility

Sixty percent (60%) of the sample believed that if a reduction in detailed rules and regulations for management functions occurs it is not likely to lead to problems for members of the SMS. For those that felt it would lead to problems the following issues were raised: accountability is required for expenditure; criteria acceptable by one person may not necessarily be accepted by another. Managers could find themselves in endless debates to defend their actions in terms of "acceptable" or "unacceptable" criteria; current rules serve a purpose, reducing them will weaken the system; It will depend in which areas such a reduction of rules and regulations is to take place.; there are particular areas that have the potential to be high risk; an example would be the area of procurement, human resources and financial management. If the rules in these areas are relaxed too much, the potential for fraud and corruption is high. On the other hand, if you have sufficient checks and balances and highly ethical managers, the risk for fraud and corruption is lower

Fifty five (55%) percent of the sample supported increased flexibility and the three outcomes of increased flexibility expected from this 55% are: a better focus on efficiency and effectiveness (61%); more targeted management of resources to programme needs (55%); improved links between policy and implementation (42%).

3.6.3 The relationship between increased flexibility and increased risk taking

Respondents did not believe that increased flexibility would lead to increased risk-taking due to the view that the flexibility should not influence accountability negatively. There is also the danger of SMS members who to avoid accountability also avoid decision making which can result in a greater risk. In addition the increased flexibility increases responsibility and hence reduces risk taking.

3.6.4. Administrative reforms, downsizing and budget cuts

Administrative reforms, downsizing and budget cuts have tended to force SMS to plan properly and to ensure that funds are used at the critical areas. This has brought about a realization that resources are not infinite and have to be deployed carefully and selectively. There has been an increase in the work volume on senior managers, and led to weak policy generation. This together with ruthless treasury budget cuts have left many SMS members demotivated

In the cases of provinces downsizing has occurred in as far as the transfer of functions from provincial to local governments. The impact on the role of SMS has been a negative one in this aspect, due to the number of staff that was not transferable to local government, therefore rendering them "excess". These cuts have had a negative effect in departments such as the health departments. One respondent noted that "We have had to take on the role of beggars for donor funding to perform critical functions. This has put a heavy workload in terms of meeting with donors, finalizing memos of understanding etc. before one can actually carry out tasks".

3.6.5. The perceptions of SMS members that the SMS is viewed as a source of neutral policy expertise

Respondents generally believed that the SMS is not neutral in policy formulation because it is influenced by political changes. This is so by virtue of the need for loyalty to the country and inevitably eliminates any neutrality to the application of policy. Some of the SMS members went as far as saying that "there can never be a SMS as a source of neutral policy expertise" as the framework is provided by manifesto of the government of the day. The situation is also fuelled because many senior SMS members hold senior positions in political organisations or have influence in the political sphere.

3.7. Future outlook

3.7.1. The most important changes for the next decade

SMS members were generally of opinion that the next decade will bring about more accountability and service delivery impact evaluation against targets. The public service would also become more effective, efficient and economical hence allowing the public service to change its image. There will also be a highly educated and skilled cadre of public servants. The HIV pandemic is expected to have a significant effect on the human capital of the public service and if not managed appropriately will hamper service delivery. Respondents also felt that there would be highly reduced levels of fraud and corruption at all levels. Planning is an integral part of service delivery roll out and it is believed that in the next decade there will be improved planning.

Participants felt that there would also be greater focus placed on risk management as well as e-government and the increased use of information technology in the public service. The public service will gravitate towards a more decentralised model, whilst service delivery would reach the deep rural and farm areas -changing the lives of these communities in order to get a

better life for all in the next decade. It was also felt that the more the public service begins to deliver the services and improve the quality of life of people, the more political heads will begin to detach themselves from directing service delivery. The country will have grown and developed to an extent that even departments could take responsibilities for service delivery. This would necessarily mean that the role of departments may change in the future.

Respondents argued that there will be more attention on the local governments sphere with a major push to improve service delivery to the citizens at this level and properly planned and implemented within strategic thinking at all three levels of government. Participants envisaged that there would also be more emphasis on design and implementation of massive public works programmes to help with the lower levels of employment and to improve infrastructure such as roads and rail. Finally there would also be greater involvement in governance and administration in the continent of Africa via NEPAD initiatives.

3.7.2. Most significant issues confronting the SMS in the next decade

In terms of the most significant issues confronting the SMS in the next decade the following issues were predominant among respondents: the impact of HIV/AIDS; the use of information technology; combating fraud and corruption; policy implementation; and capacity building

3.7.3. Skills and abilities necessary for the SMS to be able to meet the challenges of the future

Participants emphasised the following in their responses: general management; computer skills and knowledge management; project management; financial management; people management and knowledge management. Almost all the respondents felt that the above skills and abilities are likely to be available to them.

3.7.4. The availability of development opportunities

There was a general belief among respondents that development opportunities were available for SMS members. Many of the managers felt that development should be an individual's concern. Problems were identified regarding the time that development opportunities require and the competing responsibility of delivering outputs timeously. Other respondents highlighted the issue of implementing what was learned during development opportunities once members have returned to the service as a priority. A suggestion was made that "the public service needs to establish an institution that will train and develop SMS nationally, to avoid competition by individual national / provincial departments and also to ensure consistency across the board".

3.7.5. Additional issues

Some of the HOD's questioned the reason why the 360 degrees review was not applicable to them. Participants also raised the need for work stability in terms of skilled staff. Another area which received prominence was that of succession planning and mentoring. Participants felt that the current framework was not actively supporting both succession planning and mentoring. A call was also made for: the public service to consider allowing people to write a public service entry examination; a framework of mobility of SMS members; the shortening of the exit routes of SMS who are corrupt and un-ethical; and the implementation of a class of political managers to assist ministers with political management.

This chapter provided a *status quo* of the senior public service before the introduction of the SMS in January 2001. Areas such as recruitment and selection; remuneration terms and conditions; performance assessment, mobility and career progression; training and development; and ethics and conduct received detailed attention. The bulk of this chapter focused strongly on the findings of the research under the categories of the perceptions of current policy and management roles of the SMS and the

balance between policy and management roles; critical motivations and incentives and satisfaction with each of the most important motivations; how SMS members viewed performance evaluation, contracts and pay; what SMS members thought about accountability mechanisms and public service values and the relation between them; and what SMS members deemed as critical issues for the future.

CHAPTER FOUR: ANALYSIS, CONCLUSIONS AND RECOMMENDATIONS

4.1. Introduction

This chapter will place emphasis on an analysis of the findings of this study, conclusions will then be drawn and a set of recommendations will be made. The analysis will take into consideration the various arguments raised in the findings and these will be contextualized within the broader literature review. The areas addressed in the analysis will be: the key principles of SMS system, the perceived role of the SMS, critical motivations and incentives and satisfaction with each of the most important motivations, performance evaluation contracts and pay, accountability mechanisms and public service values and the relation between them and future challenges for the SMS. Based on the analysis a series of recommendations will be made in the areas of: the policy advice role of the SMS, motivations and incentives, performance evaluation contracts and pay, accountability and public service values, and career development and capacity building. The chapters thus far have articulated the research question and the research methodology, the literature review, and the findings of the study.

As argued in the literature review, in general the different countries consider it desirable to manage their public service in a more business-like manner, but they remain true to their own specific culture. The aim is to create an effective and efficient public service, which demands a transparent structure. In countries which have adopted radical changes in recent years, (e.g. Australia, Canada, New Zealand), a select group of senior officials is increasingly seen as a “corporate resource” which has a vital role in national developments, and there is a deliberate policy of central assignment and management of this group. Some countries even established a distinct (physical) office to manage the senior public servants group (Australia, The Netherlands, the United Kingdom, and the United States of America).

In South Africa, similarly the SMS is currently handled separately from the rest of the public service and the policy and implementation of it is driven out of the SMS unit in the DPSA. The implementation of the SMS has taken the approach of a benchmarked study, followed by the introduction of regulations and the release of a SMS handbook. The SMS system therefore compares favourably with similar senior management frameworks currently implemented globally. The findings have shown that quite a high proportion (38 %) had previously worked in the private sector, hence debunking the myth that private sector individuals will not find the public sector lucrative enough to attract them.

4.2. Perceived role of the senior management service

Policy formulation and implementation received positive attention from respondents. More than 38% of respondents believing that the policy formulation role had changed due to the Constitution, a better focus on holistic policy advice, greater freedom of expression, more consultation and alignment. This is indeed a credit to the democratic government that came into being since 1994 and bears testimony to policy instruments that have been put in place to address the imbalances of the past are working.

In line with the British counterparts chronicled in the literature review, the majority (90%) respondents in this study believed that their perception of the current policy advice role was to identify policy gaps and advise in policy development, implementation, monitoring and evaluation. This is in contrast to the Canadian's experience argued in the literature review where it was felt that because of fiscal problems and because of a more conservative policy agenda, there was "policy atrophy" during the 1980's. According to the study (OECD 1999e, p19) the Canadian government was not interested (according to several respondents) in new policy ideas but only in finding ways to save money and reduce the apparent impact of government on the private sector. This declining interest in policy for quite a long period was argued by some respondents to have diminished the capacity of the contemporary public service of Canada to perform policy tasks. In the South African context,

policy making and implementation are seen as priorities for the democratic government and that vision has ensured that the policy making skills have been nurtured and developed. The implication for the SMS cadre and government is that despite the fact that South Africa is a young democracy and we have made great strides in the policy formulation arena, the good work could be undone by being complacent. The policy dialogue must receive continued attention and has to benefit from a dynamic relationship with the political, socio-economic and economic environments.

Despite the enthusiasm shown by respondents in the arena of policy making, there was still a perception by respondents that managers continue to operate in silos to the detriment of holistic policy advice. This is of concern considering all the efforts to improve governance and co-ordination between the three spheres of government. Respondents based in provinces felt that much of the policies are promulgated at a national government level. This tended to be a process that has sidelined participation and feedback by managers at a provincial level, save during implementation. This could be a reason that national guidelines are not adhered to and the subsequent policy gap in various areas within provincial administrations. This to some extent is the old age problem of the centre being stronger than the periphery and it is something that has to be addressed immediately so that the devolution of authority to provincial administrations can be effectively levered upon. An interesting response from a manager in a national department was that “there is not much consultation during the process of policy making whilst inputs are sought from senior officials only”. The latter is in stark contrast to the British case where it was felt that policy advice is becoming broader and more contextual with an improved focus on management consequences and other practicalities as well as cross-departmental issues. There is therefore a distinct need to further improve consultation, policy development, co-ordination and governance within the South African context.

The advisory role of SMS members to heads of departments and political heads was strongly emphasised by all respondents. Some of the respondents complained vehemently about political interference when they

went about their policy work. The researcher is of opinion that such active participation by executing authorities may not necessarily be inhibitive and may even add to a richer policy outcome. There was also a perception that the policy advice role differs from time to time due to political influence, which makes the role of SMS very difficult, leading to inconsistent decisions. The researcher believes that these undertones of political interference require a circumspect approach in order to resolve the situation, considering the history of the country and the legacy of the apartheid regime.

The British experience shows a growing pattern, even in policy areas, of much greater emphasis on management and the skills needed to develop policy in a more open environment that frequently now also involves external political advisers. In the South African context, almost all heads of department (HOD) are political appointments and policy advice is expected to flow from the HOD to the political head. This is a traditional approach that has been pervading public management for some time. With the knowledge age upon us SMS members are exposed to a greater breadth of knowledge and information in their respective areas of responsibility. The researcher is therefore of opinion that SMS members will be increasingly in a better position to play a much more integral role in the policy advice role to political heads. Similar to the Canadian experience there is a belief among SMS members that there is an improved environment to play a role in policy issues.

The findings show that participants felt that it was also deemed important for SMS to provide necessary advice to their principals both at planning and operational processes. The researcher believes that opportunities are created for SMS members to provide inputs to the Cabinet Lekgotlas in January and mid-year each year as well as during the general policy process. However judging from the responses it is possible that the advisory role of SMS at the planning and operational levels is not occurring as widely as expected. The Canadian experience highlights how ministers created large personal (and partisan) staffs headed by a chief of staff who became something of a rival to the Deputy Minister (Director-General) within

a department. Although the ministerial head is also a member of the SMS in South Africa, the nature of association with the Minister/MEC often empowers the ministerial head with referent power, which can be the source of conflict with the HOD. It is up to the politician to clearly demarcate the lines of responsibility and accountability for the ministerial head and the HOD. The recent departing of some DGs in South Africa has been shrouded with controversy based on the volatile political/administrative interface, in many cases exacerbated by the “ministerial head”. It is therefore important that over and above the management of the interface between the HOD and the political head, the relationship between the HOD and the ministerial head needs to be managed.

As argued in the literature review and in line with the United States findings, the majority of respondents perceived management to be the backbone of the government department/agency. To this end there is a perception that managers need to lead by example in improving service delivery; to guide other subordinates and managers in fulfilling their performance agreements and to develop, monitor and evaluate their own skills to manage the portfolio of responsibilities entrusted to them. This is very much in keeping with the findings in the United States articulated in the literature review, where it is argued that policy – particularly operational policy – and management are so closely intertwined that clearly separating them is impossible. Most respondents argued that to be effective it was necessary for them to have both a policy and a management role, and they would continue to define their responsibilities in those terms.

The management of human resources from recruitment to exit management was given prominence in the various responses, with the issue of performance management receiving the most emphasis. In the light of the wave of performance management and development in the public sector the researcher is pleased to note that such prominence is being placed on the management of performance as this will ultimately impact on the service delivery of departments. The British experience highlighted in the literature review outlines a similar approach where it is articulated that the

management role has moved from traditional concepts of public administration into the active management of change, much more proactive and positive management of people, more emphasis on teamwork and much greater delegation to the line.

Looking at the British experience of the Senior Civil Service (SCS) and the Senior Executive Service (SES) in the United States of America as well as the South African SMS, it is interesting to observe how the principles of managerialism have been adopted and are being implemented. Managerialism places emphasis on policy management and implementation rather than on policy development and design in public administration whilst stresses efficiency, effectiveness and quality, as against process and equity, in the management of public resources (involving goal setting; performance benchmarking; performance definition; performance measurement; performance feedback and performance enhancement incentives). In short managerialism advocates the use of private-sector management practices in the public sector. Respondents in this study supported the concept of the SMS and by default it can be argued that they believe that managerialism is the future of public management.

A key issue that emerged from the responses was that SMS members were not good at being leaders. They tended to stay away from taking up leadership roles within the transformation agenda and were more focused on their line functions. This seems to reinforce new public management theory, that is, let managers manage. The inability for SMS members to show exhibit leadership has attributed to a lack of authority(in terms of latitude to make decisions) and too much centralization(policy driven at national government) for those SMS members who are at the level of implementation and operations, e.g. in service delivery institutions such as hospitals.

It is however a concern to the researcher that despite the new public management framework that has been implemented (focusing on the devolution of powers) this issue has been raised so many times by respondents. Leadership continues to be an issue and has to be

addressed at all levels in the SMS. What is questionable though is what interventions could be introduced to enhance leadership in a political environment? Does leadership in the SMS cadre mean a cascading of the political leadership in the department or is it leadership in the context of managing a particular portfolio? Members of the SMS need to take up the challenge of showing leadership, as this is what will define their successes and the overall improvement of service delivery.

It was alarming to note that there is a perception by 44% of provincial respondents that the management role is challenging and has a number of dynamics as a result of lack of skills / person power on the operational level of management. This has meant that provinces are under-managed. It is therefore evident that the situation in provincial administrations has not changed significantly since 2000 were the same conclusion was drawn in the unpublished senior management project report. There is therefore an immediate and urgent need to address this matter considering that 70% of public servants are in the provinces. The high vacancy rates of SMS positions in provinces also contributes to this problem and capacity problems in the critical SMS layer seem to be the reason for the high vacancies.

Forty eight (48%) of the respondents believed that there was no difference in their management function from the time that they entered the SMS, whilst almost an equal number (47%) believed that there was a change in their management function since they have entered the SMS. The latter sighted greater strategic leadership, improved consultation, improved planning, participatory management, greater mentoring and coaching, innovation and greater empowerment as reasons for the change. The researcher believes that such an equally opposing view can be explained from the viewpoint of the “old guard” and the “new”, with the old guard being particularly more negative in their responses to the changes introduced by the democratic government in South Africa.

The findings about the current balance between policy and management roles produced some interesting results with an almost equal split of those who perceived a primary emphasis on policy (28%), those who perceived a primary emphasis on management skills and ability (34%), and those perceived an approximate balance between the two (30%), whilst 8% felt that the current emphasis was not clear. The results are more compelling when one considers that the majority of the population (37.5%) was involved in a policy advice role, a further 30 % were involved in operations and service delivery positions whilst 26.5% were operating at both the policy advice and operations and service delivery positions with the remaining 6 % made up by chief financial officers. With this split one would have expected a greater emphasis on the policy side, but not so.

The balance between policy and management roles in Britain has shown a shift towards a better balance between policy and management roles, with improved understanding of the contribution of each to effective public service. Within the policy role, respondents saw a growing importance for the effective management of policy teams. Within the management role, they stressed the importance of leadership, improved “people skills” and of sound financial disciplines.

In terms of the positions of respondents, 9% indicated that policy skills were more important in their jobs, 25% indicated that management skills were more important and the majority 66% believed that policy and management skills were equally important in their jobs- re-emphasizing the balance between policy and management in the context of the SMS. This may have a lot to do with the fact that South Africa is a young democracy where both policy and management skills are very much in demand. Of those that felt that management skills are emphasised, 58 % believed that they have adequate skills in the area whilst the remainder (42%) felt that they had room for improvement. This is indeed a large percentage and hence should be a focus area for improvement of the SMS in terms of training and capacity building. Fifty nine (59 %) of respondents felt that sufficient emphasis has

been placed on management development whilst almost a third (31%) felt that not enough was being done in terms of management development.

Some managers have set management development as their personal goal. This finding is consistent with the study of the United States, articulated in the literature review that respondents had little belief that the current system had the ability to develop management skills adequately or to recruit persons with the necessary talent and skills into the higher service. Development of skills within the SES was described as “short-term”, “hit or miss”, available “if you pursue them yourself”, or, in the words of one recent recruit from the private sector, “just not available in the public service”.

Considering that the sample comprises of a highly educated group of individuals {about two thirds of the respondents (64%) had post graduate degrees whilst almost a third (30%) were in possession of a university degree and only 6% had at least a matric qualification}, it is indeed a concern that as many as a third of the sample felt that they have not done enough in terms of their development. Of more concern was that more than a third (37%) of respondents in this study felt that the person that they reported to did not have adequate skills. Some respondents have indicated that they have had to miss out on planned training due to competing priorities and that this occurs repeatedly. This goes against the grain of current labour legislation as well as the SMS policy statement and related policy instruments. The SMS requires a capacity building revolution in order to give effect to the development of SMS members. The implication for the SMS is that there is a continued need to nurture and develop the SMS cadre with a strong focus on both the management skills as well as the policy making skills.

The findings of this study regarding the shift of balance in the role of SMS members from policy to management skills showed that more than half (56 %) of respondents indicated that the relationship between members of the SMS have not changed due to the changing of the balance from policy to management skills, whilst 39 % indicated that the changing of the balance

from policy to management skills has changed the relationship. Judging by this, one can surmise that the combined effects of public service reform are beginning to have the desired effects albeit in patches across the public service.

Although fifty six (56%) of the respondents indicated that changing the balance between policy and management has NOT affected the relationship between the members of the SMS and elected/appointed officials, a high percentage (41%) of respondents believed that the balance has affected the relationship between the members of the SMS and elected/appointed officials. This finding highlights once again the importance of the relationship between SMS members and politicians. The implication for the SMS is that there has to be ongoing awareness as well as programmes that consistently serve to harmonize the relationship between the SMS and the political head.

Authority and flexibility to manage are considered important to drive innovation and reform in the public sector. Two thirds (67%) of respondents were of opinion that they have adequate authority and flexibility to manage effectively whilst a third (33%) believe they lacked sufficient authority and flexibility to manage effectively. This finding highlights the improved systems that have been put in place by the democratic government in order to empower managers to deliver on their mandates effectively.

4.3. Critical motivations and incentives and satisfaction

An overwhelming 78% of respondents intended the public service to be a long term career whilst the remaining 22% viewed the public service as a short term career choice. This finding is consistent with findings in Britain where two-thirds of British interviewees felt that the Public Service was a long term career choice – a choice made in the light of the professional opportunities it gave to graduates, a strong commitment to public service and, in a few cases, a family tradition of public service. In the South African context a similar motivation is espoused by newer appointees who sighted that they identifying with the transformation priorities and the space created

by the new government to actually engage with the transformation of the state and governance. At the same time it was also indicated that the salary offered in the public service was not the worst for SMS members and there was opportunity for growth.

There is also a belief by the SMS members that they would like to service the public and to ensure that the national objectives are met. The findings imply that a job in the public service is characterised by job security.

For those who joined the public sector from the private sector, many stated that work in the private sector seemed irrelevant to development of the county hence the need arose to join the public service. This is indeed astonishing as it was always felt that the public service was not good enough to attract candidates from the private sector. It is apparent that in order to improve the attraction of high caliber candidates from the private sector there must also be the will in individuals to support the cause of government. The responses that public service brings status as an employer as well as a record for service delivery is indeed a credit to the political and administrative leadership of the democratic South African government, as this was certainly not the case in the apartheid regime. The researcher believes that the finding that more than half (52 %) of the respondents believed that their perspective of the public service career had changed is a result of democracy and sound governance.

The State views senior managers as a corporate resource and hence there should be room for career development. The down-side of this is that most of the opportunities would only arise when a post is advertised. However a number of the respondents noted that there was room for self development and hence the capability to take on roles which will offer career development. On the contrary, it was the belief of those who did not fall into the category of previously disadvantaged that career development was almost non-existent. The fact that many of the formerly advantaged individuals saw no room for career progression, on the balance of probability means that they would seek employment outside the public service - a huge

loss in terms of the investment that the State would have made in them by that time. This is a matter of concern, after ten years in a democracy as the SMS was intended to improve the retention and development of members.

In Britain the changes in the way the Public Service is now run have meant that perspectives both on the nature of a public service career and the perceived options for career development have changed. British public servants appear to understand well the concept of the self – managed career and the need to be opportunistic about possible job moves that may benefit them. They are more conscious of the need to work on personal positioning, influencing strategies and networking in the pursuit of maximizing their potential. The implication for SMS members is that they need to take greater responsibility to self-manage their career within the SMS framework.

The findings of this study show that critical motivations of this population associated with acquiring a job in the public service were: opportunity to perform public service; opportunity to impact on policy; intellectual challenge; and opportunities for career growth and/or promotion. Financial rewards, job security prestige of being in the higher public service and quality of colleagues in the workplace were of very little significance individually. The findings essentially imply is that the public service is still seen as a lucrative career and the motivations are predominantly non-monetary in nature.

The SMS members also indicated their gratitude for the opportunity to perform public service because many of the previously disadvantaged SMS members were not given that opportunity in the past and probably cherish the opportunity to make a difference through impacting on policy. The motivation of intellectual challenge runs consistent with the findings that this population is a group of highly educated individuals, and the assumption is that by default they would be motivated by intellectual challenge. It was indeed fascinating to note that in some cases managers believed that development opportunities were far more valuable than promotions.

The two motivations associated with public service work which were predominant in Britain were: intellectual challenge; and the opportunity to have impact on policy. Canadians considered the principal virtues of the job to be: the intellectual challenge that it presented to them; the opportunity to serve the public; and the opportunity to impact public policy.

In both the cases of Britain and Canada financial rewards, job security prestige of being in the higher public service and quality of colleagues in the workplace were also of very little significance individually. From the research conducted it can therefore be concluded that key motivators globally are: opportunity to perform public service, opportunity to impact on policy, and Intellectual challenge, whilst financial rewards, job security prestige of being in the higher public service and quality of colleagues in the workplace are of lesser significance.

Job satisfaction is generally high among respondents. Almost all participants were very happy with the motivators that they identified as being important. Sixty six percent (66%) of the respondents believed that their motivators have been consistent over their careers whilst 19% believed that it had changed with the passage of time. Many sighted an improvement in financial rewards, whilst others highlighted the need for self actualization in government as reasons for the change. These findings are in keeping with global trends in Canada, the United States and Britain as argued in the Literature review.

4.4. Performance evaluation contracts and pay

British respondents highlighted that the quality of the current performance management process has had a role in the high levels of job satisfaction among British senior public servants. The current system of performance agreements in the context of the SMS follows global best-practice and the researcher is of opinion that the new system which combines key performance areas with competencies will take performance management to the next level in the South African context. In contrast to the British and South African situation in the case of Canada, the study showed that the implementation of performance contracts for performance has not made any significant impact on the Canadian government according to the OECD (1999e, p18).

The findings of this study indicate that the majority of the respondents (95%) had their performance evaluated by performance agreements, with the evaluation period being 12 months with quarterly reviews in most cases, thus in keeping with DPSA policy and advice. Almost all the respondents felt that contracting for performance was more effective than the traditional accountability mechanisms of the SMS such as objectivity, public service commitment, public service ethics, and constitutional imperatives. It was believed that contracting for performance tended to encapsulate clear deliverables in a consensual manner and that this was a tangible way to improve performance as opposed to the traditional accountability mechanisms. A concern to the researcher is that individual managers have claimed that the performance evaluation was a paper exercise as supervisors did not know how to implement it properly. The implication for the SMS is that there should be regular and repetitive training and development about the performance management system for new entrants into the corps as well as for long standing members. In addition, the human resources senior manager of each department must drive the entire oversight process of ensuring that the performance evaluation is done appropriately.

The British experience showed that levels of satisfaction with performance management also varied with the quality of the reviewing manager. Those managers who ran the process as one of joint discussion and agreement generated more motivation than those who were over-bureaucratic or those who abdicated from real involvement ("I give him a piece of paper with my objectives on and he says yes"). This sample were sufficiently committed to the process to believe that improving it should be about making it work better rather than changing it. As is often the case, it may not be a problem with the system itself but rather in the implementation of it. The lessons for the SMS is that performance evaluation must be actively driven by members of the SMS and should be a priority item in the key performance areas of all SMS members. This will ensure that the evaluations are done in the proper manner. After all, what gets measured gets done!

Respondents in this study highlighted a range of the primary activities and criteria by which performance is currently being assessed. The activities and criteria are in line with global best practices but there is a wide range of variety. The findings show that there is a dialogue occurring between the managers and his/her manager within the context of the departmental plans and there is a cascading of responsibility. A new departure was the emphasis on the management of performance of others, whilst the usual areas of financial management, project management, strategy and human resource management (HRM) featured prominently. Although competency profiling had been introduced into the SMS for a while, it was significant to note that the use of competencies in the context of performance evaluation took place in 64% of the group whilst the remaining part of the group reported the use of competencies to a limited extent with a view to implementing it in the forthcoming year. The researcher believes that it would take a while for the use of competency based performance management systems to become fully entrenched and utilized. The DPSA would be encouraged to focus some of the policy monitoring and evaluation efforts in the competency based performance management system in the short to medium term.

The participants in this study generally felt that pay for performance was appropriate for the public service, and more particularly for the SMS. Unlike their South African counterparts the British Canadian and American respondents had lower levels of satisfaction around the whole issue of performance related pay. Nevertheless, almost half of the British participants believed that the concept of rewarding performance is right approach in the public service and a quarter was neutral in the subject, leaving a quarter that still reject the idea. A new perception of equity related to differential performance appears to have been embedded among the majority. The majority of the British participants did not view performance related pay as an incentive, but definitely saw it as recognition for contribution.

The researcher supports the concept of having a lucrative remuneration structure in place for SMS members and believes that although remuneration did not come up as one of the top three motivations in this study, it certainly is extremely important. As argued in the literature, globally the total cost of SMS remuneration makes up a very small percentage of public spend so increasing bonus packages is encouraged as it would not cost government significantly more. Needless to say the benefit of improved remuneration structures would be better retention of SMS members. The researcher is of opinion that a potential hindrance to the improvement in remuneration conditions of the SMS would be the political will, and the political leadership- who are consistently concerned about the potential of SMS members to earn more than they do.

The previously advantaged individuals in the group were concerned that employment equity may be used to influence the awarding of pay for performance to them. It is therefore of paramount importance that the head of department (HOD) and the political head of each and every department must make strides to increase transparency of the implementation of performance management systems in their departments to address such concerns.

Respondents cautioned about the subjectivity in the use of ratings as well as the need to set up benchmarks of ratings in the public service. A call was made for raters to undergo training as this was seen as critical in the optimal use of a rating system. There were also requests for the ratings to be audited in the early phase of implementation to monitor and take corrective action where necessary. This is in concert with the views held by British and American respondents as argued in the literature review. They felt that there was considerable ambivalence around the issue of performance rating. The implication for the SMS is that there needs to be greater monitoring and evaluation of the use of the current rating system to ascertain the appropriateness of the rating system. Furthermore, there should be a central repository of all evaluations conducted country wide so that the necessary statistical analysis can be done in the quest for improved rating systems.

In Britain rating is seen as a reward in its own right and, perhaps inevitably, those participants who always received the top rating liked it more than those who fared less well. The high performing group liked the financial rewards that went with this, recognising its accrual value in their pay level over time. Others saw it as a waste of time and effort and stressed the downside of over-mechanistic processes in linking performance rating to pay. There was quite strong adverse feeling about the forced distribution of pay awards that had been required by the Senior Salaries Review Body for the 1997 pay review. Also, several participants suggested delinking rating and pay so that rating and performance management itself could be more effectively used for developmental purposes. The implication for the SMS is that in order for SMS members to invest time and energy in the performance management process, the rewards, monetary and non-monetary must be worth while.

It is encouraging to note that the population is satisfied that there is sufficient agreement on objectives between them and the person that they report to. This has occurred from the time of inception of performance agreements of SMS members and is a credit to the DPSA in the way that it has been

implemented. Some respondents complimented the DPSA on the dummy guides produced in the areas of performance management, performance agreements and heads of department. The DPSA is therefore encouraged to continue with this approach of capacity building in the area of performance management and development.

The pay for performance process received mixed responses similar to arguments in the literature review. There was considerable ambivalence around the frequency of appraisal, clarity of communication, link between performance and reward, and fairness. Many of the population felt that the annual appraisal must be fully done and formal, whilst the other appraisal periods in the year may not be formal but needs to be perfectly communicated. In almost all cases quarterly appraisals were being done and at worst half-yearly appraisals. This is indeed encouraging for the SMS as it means that the current performance management system is being implemented in the manner that it was designed. Of concern is the perception by the group that SMS members are so caught up in day-to day operations that they do not find the time to do justice to the performance process, even their own performance agreements etc.

It is therefore a priority for the establishment and entrenchment of the performance culture within the various departments as well as the sanctioning of compulsory performance reviews. In order for greater transparency the current performance management system should be automated (electronically) so that there is a clear record of the process as it unfolds. Some managers felt that the pay for performance system is still in the inception years and that teething problems would be inevitable.

The use of 360-degree upward feedback to inform developmental needs was considered to be an excellent principle by respondents. However it was being used in limited cases. This is also favourably argued in the literature review Canadians would welcome the use of “360 degree feedback” for assessing their own work.

The current performance management system has been generally supported by the respondents. Many felt that it is in the very early phase of inception and that it was difficult to provide a fair assessment of the system. Many of the respondents felt that the system is a good starting point as it focuses on aligning the overall department's goals to the individuals. This is a credit to the system and the manner of communication, co-ordination and advocacy that has been done to date by the DPSA.

4.5. Accountability mechanisms public service values and the relation between them

The accountability and responsiveness of SMS members to elected officials is a dynamic environment and is a matter of great importance at the director-general/minister level and the political head/SMS level and managing this layer proactively has proven to be a challenge. In South Africa a number of Director-Generals/heads of department have left the public service, quoting that irreconcilable breakdown in relationship with their political head. As argued in the literature review while politics and administration formally should be separated, in every day practical terms there is a fine and delicate line across which there can be slippage by both administrators and politicians. While the functional relationship between the two officials may be clear in some countries, but generally the literature review shows no standing rules and procedures which guide the behaviour of either of them and which clearly define their respective roles and expected behaviour to each other. The implication for the SMS is that this area needs to be benchmarked with other countries to develop innovative frameworks to manage the political-administrative interface.

Like their British, Canadian and American counterparts, respondents believed that there should be a clearly set division that members of SMS and the Ministers are respectively accountable for and held responsible. It has been argued by respondents that in some cases political office bearers have too much influence over SMS managers, but in general the constitution can guide such roles in terms of separation of powers. However in many cases

there is not enough clarity in terms of the interface between the SMS and politicians. The Canadians also highlighted the latter to be a problem as evidenced in the literature review. The problem exists due to managers not having clear guidelines and/or understanding of what is expected of them. In some cases SMS members are pressurized to achieve political goals beyond what can be accounted for. This typically occurs when politicians make promises to their constituencies without realizing the resource implications. This highlights an even further problem-the abuse of political power and the implication for the SMS is that a deliberate effort needs to be embarked upon to manage the political-administrative interface.

The propensity for SMS members to engage in risk-taking is increasing as evidenced by sixty percent (60%) of the sample who believed that if a reduction in detailed rules and regulations for management functions occurs it is not likely to lead to problems for members of the SMS. According to the literature review, the British were evenly split over the increased incidence of risk taking as a result of increased flexibilities in the public service reform process. Where this exists it appears to be in an environment where both ministers and senior public servants are agreed on the nature and the advisability of the risk. Risk aversion remains, however, a hallmark of policy development in many areas. In the past the senior public servants have proven to be risk averse and this is indeed refreshing. The latter augurs well for the future of the public service and for SMS members especially when it comes to being innovative in the public service.

It was interesting to note that respondents did not believe that increased flexibility would lead to increased risk-taking because it is believed that the flexibility should not influence accountability negatively. This is consistent with the findings of the British outlined in the literature review and shows commitment by the respondents to accountability for their actions. There is also the danger of SMS members who to avoid accountability also avoid decision making which result in greater risk, as a result of the inability to act expediently.

As argued in the literature review, there has been a global trend for the public sector reform process to focus on downsizing, budget cuts and generally being forced to do more with less. The situation seems to be the same with SMS members. Many highlighting the challenges of reduced budgets. However, this goes against findings by the finance Ministry regarding the under-spending of some national departments and provincial administrators. The researcher is therefore doubtful that this is a general problem.

Unlike their British counterparts respondents generally believed that the SMS is not neutral in policy formulation because it is influenced by political changes. This is so by virtue of the need for loyalty to the country provides a framework that eliminates any neutrality to the application of policy. Some of the SMS members went as far as saying that "there can never be "SMS as a source of neutral policy expertise" as the framework is provided by manifesto of the government of the day. Considering South Africa's history, this response was anticipated.

4.6. Future challenges

The most important changes for the next decade will be in the areas, of increased outreach of public services, increased use of IT for government, risk management, planning, accountability and service delivery, reduction in the levels of fraud and corruption, a more effective, efficient and economical public service with a highly educated and skilled cadre of public servants. Respondents believed that the HIV pandemic is expected to have a significant effect on the human capital of the public service. The future challenges highlighted are similar to British and Canadian senior public servants who felt that there would be an improved use of IT for government and emphasized improved resource management, greater mobility of people and an improved quality of leadership in the public service, as argued in the literature review.

Predictably the most significant issues confronting the SMS in the next decade highlighted by the respondents included, the impact of HIV/AIDS and, the use of information technology. Other issues of concern included combating fraud and corruption policy implementation; and capacity building. When one looks at the macro-environment of South Africa these issues are consistent with the challenges faced by the country and certainly will feature as high priority as we move forward in our young democracy. The respondents to this study placed heavy emphasis on management skills (general management, computer skills and knowledge management, project management, financial management and people skills) as a key area to meet the challenges of the future. This reconfirms the need to increase the State's capacity to cater for general management development in the public service.

Almost all the respondents felt that the above skills and abilities are likely to be available to them. British SCS members felt that management and notably change management skills were key in meeting future challenges. Information technology (IT) skills and grasp of IT strategy, personal flexibility, adaptability and team working skills were also seen as important. The Americans emphasized leadership challenges such as : to be more strategic; to focus on results, not processes; to develop communication and team building skills, to be less of a technical expert and more human resource management oriented; to be more adaptable and flexible.

There was a general belief among respondents that development opportunities were available for SMS members. However, the findings show that there is an increasing need for SMS members to be responsible for their own development and to gravitate to a self-managed career, as argued in the literature review. The implication for the SMS is that the current framework needs to be reconsidered to encourage self-development and by default the self-managed career.

Heads of department (HODs) are vital to the performance of the public service and the concern highlighted in this study was that the 360 degrees

review was not being applied to the performance evaluation of HODs. The researcher is of opinion that HOD evaluation should involve a greater number of stakeholders since their jobs involve interacting with a greater breadth of stakeholders than the political head.

4.7. Conclusions

4.7.1. Introduction

This study explored: the perceptions of the current policy and management roles of SMS members and the balance between policy and management roles; critical motivations and incentives and satisfaction with each of the most important motivations; how SMS members viewed performance evaluation, contracts and pay; what SMS members thought about accountability mechanisms and public service values and the relation between them; and what SMS members deemed as critical issues for the future, in the overall transformation process of the public service.

The study reveals that the SMS system with its managerialist approach is being well received by members of the SMS, hence supporting the reform initiative that has been implemented for senior managers in government by DPSA. In terms of the perceived policy advice role of the SMS, there is an understanding that the key role of the SMS is to identify policy gaps and advise in policy development, implementation, monitoring and evaluation. Job satisfaction is generally high while SMS members are motivated by the opportunity to perform public service, the opportunity to impact on policy and the intellectual challenge that the public service provides. The majority of the participants indicated that the SMS was a long term career choice. In addition, the study reveals that pay for performance is deemed to be appropriate for the SMS.

Despite contrary viewpoints, the findings show that the SMS is lucrative for private sector. In considering the most critical issues for the future respondents emphasised the impact of HIV/AIDS; the use of information technology; combating fraud and corruption; policy implementation and capacity building.

The SMS system was put in place to improve the attraction, the retention and the development of senior managers in the public service. These three

areas can be seen as the three pillars of the SMS system. Based on the findings of this study the researcher asserts that there has been an improvement in the attraction of quality senior managers as well as a good retention of SMS members. This is based on the relatively young cadre of highly educated individuals that formed part of the population as well as the declaration by the majority of respondents that they have considered the SMS as a long term career choice.

The study also revealed the area of development of SMS members as a primary weakness in the roll-out of the SMS system. Other critical areas that emerged as potentially problematic and which will require further attention include the implementation of the competency-based performance management and development system; the reward structure for SMS members; and the management of the political-administrative interface.

In making an overall assessment of the SMS it is evident from this study that two of the three pillars of the SMS are being satisfied, namely an improvement in the attraction and retention of high quality senior managers. The pillar that requires a concerted effort is the development of SMS members. However, the researcher believes that this is not unique to the South African context as the findings in this study compare favourably with other studies conducted on SMS members in other countries. Some of the SMS systems have been in existence for almost a quarter of a century, e.g. the United Kingdom, and the problem areas highlighted above are still prevalent in varying degrees in such countries. Relatively speaking five years is a short time frame and it will be useful to reassess the SMS in the medium term in order to ascertain further progress against the objectives of setting up the SMS system.

4.7.2. Senior management service framework

As discussed above the SMS system with its managerialist approach received overwhelming support from respondents, hence supporting the reform initiative that has been implemented for senior managers in

government by DPSA. The improvements in the conditions of employment and the associated salary structure since 2001 were amongst some of the criteria given for the success of the SMS. Many of the newer appointees to the SMS joined the public service because they identified with the transformation priorities of the democratic government. A refreshing finding was the declaration by SMS members, who were formerly employed in the private sector, that a career in the SMS is seen as attractive. This debunks the myth that the SMS is not good enough to attract high quality private sector candidates.

The implementation of the SMS has given many members a sense of prestige and status in being employed by government. To this end the quest to professionalise the SMS is gaining ground. Furthermore the SMS has renewed the faith of many talented South African's in terms of government as an employer and has given SMS members the confidence to declare a career in government as a long term choice. The gender balance in the SMS is still skewed towards males and further interventions by the State are required to address this. A key conclusion is that SMS members need to lend more support to the broader transformation process in the public service and for this to occur they need to act as change agents.

4.7.3. Policy advice role

In terms of the policy advice role, members of the SMS believed that their role is to identify policy gaps and advise in policy development, implementation, monitoring and evaluation. The findings show that although SMS members have an improved environment to play a role in policy issues since the inception of the democratic government, respondents were unanimous in pointing to the trend that policy is influenced by political changes and the government of the day and there can never be neutral policy formulation. A key area of concern is the capacity of the State to engage in broader consultation, co-ordination and governance of policy initiatives notwithstanding mechanisms that are already in place. Regarding policy and management functions it can be concluded that they are so

closely intertwined that that it is impossible to separate the two functions. To this end policy skills and management skills are viewed as equally important for members of the SMS.

4.7.4. Motivations and incentives

SMS members are predominantly motivated with acquiring a job in the public service by: the opportunity to perform public service, the opportunity to impact on policy, and the intellectual challenge that the public service provides. Job satisfaction of the SMS members is generally high with almost two thirds of respondents believing that their motivators for acquiring a job in the public service have been consistent over the years. Although rewards were considered to be important, none of the respondents placed monetary rewards at the top of the list of factors that attracted them to the public service or caused them to remain in the public service.

4.7.5. Performance evaluation contracts and pay

The study revealed that contracting for performance encapsulates clear deliverables in a consistent manner and is viewed as a tangible way to improve performance. In general, pay for performance is deemed to be appropriate for the public service and is a useful tool for attracting and retaining skilled personnel. In terms of the performance management and development system it was deemed necessary for regular and repetitive training and development to be conducted for both seasoned and new SMS members. In addition there is a need for raters to undergo training and for ratings to be audited to provide for monitoring and corrective measures in the implementation of the performance management system.

The magnitude of the performance bonus currently (a maximum being 8% of the pensionable salary) is deemed to be too low and almost a tripling (25%) of this maximum is perceived to be the appropriate percentage. Relatedly there is also a growing need for greater transparency regarding the awarding of performance bonuses within department as it is perceived that there is a

degree of discrimination and nepotism in the manner in which the awards are done. Precautions also need to be taken to prevent the current performance management system becoming over-mechanistic in linking performance ratings to pay and the use of forced distributions for pay awards. Performance review panels received much criticism, due to members of the panel not knowing the candidate being reviewed or being too far from the candidates work. The use of peers in the review panel was seen to be a way to obviate this problem.

The study shows that SMS members are so caught up in day-to-day work that they do not have the time, nor do they give significant attention to the performance management process. In terms of appraisal process it was felt that the annual appraisal should be formally done, whilst other appraisal periods in the year may not be formal but should be perfectly communicated. Respondents were of opinion that the current performance management system for the SMS was considered to be appropriate and a good starting point as it focused on aligning the department goals to the individuals.

4.7.6. The political-administrative interface, accountability and public service values

The political-administrative interface remains a challenge to manage without clear guidelines for SMS members and political heads. In many cases unfunded mandates by politicians and impossible expectations have resulted in senior managers at times knowingly contravening legislation. There is therefore a need for the development of appropriate frameworks to manage the political-administrative interface. In general risk-taking among SMS members is increasing and there is a belief that a reduction in detailed rules and regulations for management functions would not be likely to lead to problems for the SMS.

4.7.7. Career development and capacity building

This study shows that many of the initiatives outlined in the SMS policy statement in terms of training and development have not been properly implemented and in some cases they just do not exist. These include the role of HOD's being responsible for identifying the developmental needs of managers and developing appropriate skills development strategies; the capacity of DPSA and SAMDI to provide guidelines and support to departments on techniques such as mentoring, coaching, accelerated development and succession planning; a national qualifications certified MBA course (public service orientated); frameworks to allow the secondment of public servants to high performing organisations in the private and public sector for growth and development purposes as well as sabbatical leave for extended periods of research and studies.

This study re-confirmed the lack of capacity of managers in provincial administrations which is exacerbated by the high vacancy rates of SMS positions in the provinces. In addition the population felt that they were all in need of further capacity building. Greater emphasis needs to be placed on succession planning and mentoring in the SMS. In addition developmental opportunities are deemed to be far more valuable than promotions as the opportunities empower SMS members to increase their capacity which is a key ingredient in progress up the career ladder. The study confirms the situation before the implementation of the SMS in 2001 that management development remains a huge challenge both at the policy and at the implementation level.

4.7.8. The future

It is expected that the next decade will bring about: more accountability and service, improved planning, greater focus on risk management and e-government, the increased use of information technology, a more educated cadre of public servants and greater emphasis on the local governments sphere to improve service delivery. Other areas that will be important will include the public works programmes to help with the lower levels of employment and to improve infrastructure such as roads and rail, and greater involvement in governance and administration in the continent of Africa via the African Union (AU) and the New Partnership for Africa's Development (NEPAD) initiatives. The most significant issues that will confront the SMS in the next decade will be: the impact of HIV/AIDS, the use of information technology, combating fraud and corruption, policy implementation, and capacity building. The skills and abilities deemed necessary for the SMS to be able to meet the challenges of the future would be: general management, computer skills and knowledge management, project management, financial management, people management and knowledge management.

4.8. Recommendations

Based on the responses of the interviews and questionnaires, this research has identified a number of policy issues which has a direct impact on the senior management service system as well as the members of the SMS.

4.8.1. Senior Management Service Framework

It is recommended that:

- A distinct physical office is set up to manage the SMS. This office should be headed up by an experienced senior manager and well staffed to cater for the full spectrum of SMS members from recruitment to exit management;
- The current legal and regulatory framework be reviewed and updated in terms of key problem areas highlighted in this study such as : management development, rewards, gender balance, the political-administrative interface, e.t.c;
- Career development of SMS members be linked to performance criteria and that accurate records be kept of the latter;
- Further research be conducted in terms of the practical implementation of the competency-based human resource management framework;
- Monitoring and evaluation be conducted with respect to the competency test results of the preferred candidate and the performance of the latter in the job environment;
- Management development be given more prominence in terms of policy and the roll-out of the development initiatives;
- Government(DPSA) embarks on a sustained programme that increases public understanding of the attractiveness of the work and rewards available to members of the SMS;
- The DPSA conducts an overall review of the SMS in the light of the findings, conclusions and recommendations highlighted in this study.

4.8.2. Policy advice role

It is recommended that:

- Policy development, management and implementation be further emphasized by way of capacity building and the establishment of appropriate institutions and organisational structures from a national perspective;
- Consideration be given to setting up appropriate systems to ensure that the requisite level of monitoring and evaluation occurs within the context of the unfolding reform process;
- Greater emphasis be placed on the co-ordination, development and advocacy of current and new policy initiatives, particularly to address the apparent disconnect between national departments and provincial administrations;
- SMS members be further empowered to participate in the policy process with political heads at both the planning and operational processes;
- A better balance be maintained between the executing authority and the policy managers during the policy-making process, this to alleviate the EA from becoming too operational and interventionist;
- Consultation with all relevant members of the SMS cadre be encouraged instead of policy making within the domain of only the most senior SMS members in a department;
- Regular opportunities are provided for members of the SMS to address as a group, the state of the SMS and their specific needs for additional learning and development. Whilst the annual SMS conference does take place with great success, other *fora* (electronic or face to face) are also required;
- The relevant institutional structures be put in place for the management of policy teams.

4.8.3. Motivations and Incentives

It is recommended that:

- Consideration be given to other methods (sabbaticals, coaching, e.t.c.) of retaining SMS members as the research has shown that three quarters of respondents intended the public service to be a long term career;
- Consideration be given to the creation of apprentice and mentoring programmes to link new employees with the special knowledge and abilities of those who have institutional memory within the SMS;
- Greater publicity be given to the exciting opportunities that a career in the SMS offers future candidates, particularly : opportunity to perform public service ;opportunity to impact on policy; self actualization in government, the intellectual challenge and opportunity for career growth;
- Consideration is given to the introduction of rigorous and elite management intern programs, which carry provisions for a minimum specified lengths of service following completion;
- Consideration is given to planned mobility programmes both with other sectors to broaden experience and increase external understanding of management issues in the SMS. This to be done to prevent insularity and to a more open public service culture;
- Consideration is given to the setting up of a corporate portal for SMS members so that there is a uniform source of information and knowledge management available.
- Consideration is given to mechanisms to acknowledge the contributions of SMS members to society and within the SMS.
- The annual SMS conference should be utilised for recognising top performing SMS members and additional incentives be included for the latter, over and above the performance management system.

4.8.4. Performance evaluation contracts and pay

It is recommended that:

- Government (DPSA) builds on the good work done to date in the arena of performance agreements, by ensuring continuous structured training and development of the SMS cadre of the new (April 2002) competency based performance management system;
- The new performance management system is made available electronically, with an associated system that can record a history of performance evaluation. This will go a long way to supporting the concept of having a ready source of high potential SMS members as well as to support the promotion and redeployment process;
- Consideration is given to performance management and development becoming a fixed item on all SMS performance agreements to ensure that sufficient emphasis is placed on performance management;
- Consideration is given to recruitment bonuses specifically targeted for those with requisite executive and managerial skills;
- Government (DPSA) considers the development of a data base containing primary activities and criteria by which performance is being assessed, other than those contained in the new system;
- Government (DPSA) monitors and evaluates the degree to which competencies are being utilised in the performance management and development of SMS members;
- The principle of pay for performance is retained for the SMS, and that consideration is given to raise the maximum cash bonus to 25% of the pensionable salary. Here the option of making the 25% at risk should also be considered;
- Consideration is given to the linking of SMS salaries to some level of comparison with comparable private sector executives as well as improving public understanding of the need for acceptable relativity. The latter to manage public criticism and possible political backlash. As argued in the literature review, the pay of senior public servants is a tiny, almost invisible, fraction of the total cost of government. Even in the context of strong pressures for budgetary restraint and

cutbacks, doubling or tripling the pay of top public servants would have a scarcely discernible effect on total public spending;

- Consideration is given to a fuller provision of other incentives such as recognition, development, and expanded challenge;
- Consideration is given to the use of an evaluation panel comprising of peers, over and above the reporting person in the rating of SMS members;
- Government (DPSA) finds ways of improving the current framework to accommodate assessments at the level of the team and the organisation;
- Government (DPSA) introduces policies and procedures to link the performance management of public servants below the SMS level to the SMS;
- Government (DPSA) considers mechanisms to recognise intergovernmental, interdepartmental and cross-cutting work, technical advice and other informal directives and contribution within the system;
- The use of moderating committees be evaluated since it is alleged that in most cases members of the committee often tend to change the ratings in a vacuum of evidence;
- Consideration is given to improving communication to HOD's about their performance as they do not receive direct feedback from Executing Authorities who give the report to a panel;
- Consideration is given to drawing on the following systems to enhance the current performance management framework : South African excellence model, shortening the present system and giving further attention to implementation, total quality management (TQM), management by objectives (MBO); 360 degrees and panel appraisal, the use of specific, job related functions and not generic issues, balance score-cards linked to the performance agreement;
- Government (DPSA) must plan to monitor and evaluate the competency based performance management system implemented in the short to medium term.

- Consideration is given to an interactive link to the DPSA website where frequently asked questions can be posted, and which allows for the addressing of questions related to performance management and development;
- Consideration is given to incorporate Minister's awards, public recognition, and tangible rewards that are not cash based in the current system as an additional means of rewarding high performers.
- Government(DPSA) endeavours to ensure parity of the annual salary increases of SMS members with the private sector
- In dealing with poor performers consideration must be given to formal warnings, transfer to a less demanding job, removal from the SMS and finally dismissal.

4.8.5. The political-administrative interface, accountability and public service values

It is recommended that:

- Public policy dialogues be organised, in the form of joint seminars or workshops for one or two days for ministers/MECS and HODs so as to promote the meaningful interaction between policy-making bodies and policy managers in order to improve joint understanding of the policy process and problems associated with each position.
- Each incumbent of a ministerial and administrative position should learn to develop effective interpersonal skills, communication, attitudinal change and above all tolerance of each others' views. This will facilitate the handling of subservient relations often inherent in the formalized hierarchical and bureaucratic systems of power and authority.
- Both minister/MEC and the HOD should make themselves accessible to members of the public who willingly would want to offer advice. Inaccessibility of both closes all the avenues of sharing information and efforts towards a collaborative teamwork;
- Both minister/MEC and the HOD should be able to seek advice from consultancy organisations. They should also be able to undergo

some management courses offered by inter-professional and multi-agency collaborative training organisations;

- Both minister/MEC and the HOD should hold regular meetings with senior meetings in the ministry in order to access their contribution and ownership of the reform process. In this example minutes should be taken and used for assessing progress of reform, change of attitudes and exploration of new ideas;
- On appointment, both minister/MEC and HOD should attend a standardized training course, especially those who are new to their positions. For example, the Kennedy School at Harvard runs successful programmes for newly-elected members of Congress in the United States;
- A set of standing rules and procedures be developed which guides the behaviour of SMS members and political heads;
- Consideration is given to the shortening of the exit process of corrupt SMS members and political heads.
- The Government (DPSA/Presidency) should define and draw up powers and boundaries for both in order to bring about the culture of efficiency and building a national consensus;
- Both minister/MEC and HOD should promote open government through the declassification of information as part of the democratisation process and as a way of enhancing accountability and efficiency.
- There be a refinement of statements by political leaders on political goals and objectives and the role of the SMS in meeting them to provide greater clarity;
- Consideration is given to the creation of specific organisational structures and responsibilities for co-ordination across ministries and departments, including specific initiatives to combat “departmentalisation”

- Consideration is given to the creation of vertical co-ordinating structures for major shared policy areas where co-ordination is essential to effective performance;
- There be clearer links between policy and operations, carefully defining the responsibilities of each;

4.8.6. Career development and capacity building

It is recommended that:

- SMS members be empowered to have self-managed careers;
- SMS members be coached on personal positioning, influencing strategies and networking in the pursuit of maximizing their potential;
- An electronic system human resource system be implemented to have a track record of all SMS members and to be used as one of the criteria for promotions/redeployment;
- Consideration is given to an SMS entry examination;
- A well developed national induction course be developed for the SMS;
- Consideration be given to the greater use of “stretch projects” for SMS members;
- Consideration is given to the use of a two-week study trip to others capital cities in South Africa;
- Sabbaticals are actively implemented. The State can consider taking a portion of the SMS member’s salary every month in order to compensate the member during the period of the sabbatical. In addition the sabbaticals should only be offered to individuals who have been in the SMS for more than five years;
- A corporate leadership programme similar to the Canadian model, be developed for the SMS focusing on: leadership renewal, leadership and learning, with emphasis on coaching; service quality; co-ordinated policy development; and continuous learning;
- Focused capacity building occurs with the following elements : management of effective service delivery, development of quality policy advice, management of change, strategic thinking,

effectiveness in communication, effective handling of global dimensions to policy making, management skills, the advanced use of information technology, knowledge management, project management, financial management and innovation;

- Consideration is given to the use of refresher courses that focus on policy development; information technology and human resource management;
- Consideration is given to setting a target for the number of training hours per SMS member(e.g. in Singapore the established target is 100 hours per annum);
- Electronic(E)-learning be marketed and developed for the SMS with the appropriate support readily available;
- Capacity building initiatives move away from traditional methods and incorporate: job assignments, mentoring, coaching, and formal training programmes;
- Universities and Public Management Schools play a greater role in the development of appropriate capacity building interventions with Government;
- The South African Management Development Institute (SAMDI) continues to play a role in the capacity building of SMS members and serves as an advisor to the SMS about management development programmes;
- Management development programmes be focused on: learning, renewal and peer interactions. The venues where the programmes are implemented should be easily accessible and in a relaxed environment.
- Management development programmes be conducted by an elite corps of training professionals to ensure high quality as well as the prestige of being on the programmes;
- Updating seminars be held for SMS members in terms of important current affairs that affect them in espousing their roles and responsibilities;
- Mechanisms be set up to determine to what extent SMS members that undergo development interventions are applying this to the

work environment as well as sharing of the knowledge gained to peers and subordinates;

- Dynamic websites be set up for example : <http://www.leadership.opm.gov/> , the leadership website of the United States Government in order to provide SMS members with real-time information about development opportunities;
- Programmes are developed for HODs and Ministers to be utilised when they are newly appointed and for refresher purposes;
- Networking opportunities be set up to encourage the sharing of experience and ideas about the problems of public management;
- Career development is based more on performance criteria.

4.9. Conclusion

The reform of the public service through the introduction of the SMS, based on managerialist principles generates interesting dynamics and challenges. Despite the South African political environment and the different position along the continuum of public service reform that we find ourselves in, the study has revealed similar challenges to the SMS as the countries that have been benchmarked. These challenges broadly speaking are : recruiting and retaining high quality candidates to the SMS in order to manage the increasingly sophisticated business of government, finding ways of rewarding adequately the contributions that senior public servants make to society, the management of the political/administrative interface, the debunking of the myth that the public service was not seen as attractive to people in the public service and the consistent challenge of capacity building and development,

The implementation of the SMS is still in its fledgling stages compared to for example Britain (24 years) and there are still many lessons to be learnt. The findings of this study indicate that the implementation of the SMS has been a success that can be built upon. The common implementation dimensions that have emerged during the study, indicates that the successful

implementation of the SMS hinges fundamentally on deliberate and planned activities, procedures and policies, together with rigorous monitoring and evaluation.

Questions that require further research include:

- The role of the SMS in the broader scheme of public service transformation.
- How does the implementation of the SMS compare with the implementation of SMS equivalents in other countries?
- What are the perceptions of senior managers with respect to the effects of accumulated reform on the SMS?
- What have been the achievements of the SMS since implementation and what are the challenges of the future?
- The relationship between elected and appointed public officials

It is expected that this research will contribute to the manner in which the senior management service is currently being implemented. In addition it is expected to also provide a degree of monitoring and evaluation of the senior management service at a time when it is five years into its implementation.

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6. APPENDIX A: QUESTIONNAIRE

Source: Senior Civil Service Interview schedule administered by the OECD in March 1997(OECD 1999e, p34)

Interview Questionnaire**SENIOR MANAGEMENT SERVICE**

Statement of Purpose:
Statement of Confidentiality:

Interview Date (mm/dd/yy). _____

Length of this Interview: _____

I DEMOGRAPHIC INFORMATION

1. Your full name: _____
2. Experience prior to public service.
 - i. private sector
 - ii. non-profit organisations
 - iii. other (please specify) _____
3. Time in the public service: _____ (years)
4. Time in the senior management service: _____ (months)
5. Time in current Ministry/Department: _____ (years)
6. Specific title of position, including department or ministry:

Nature of Position: (i) Policy Advice

(ii) Operations/Service delivery: _____

(iii) Other: _____
7. Age Band: _____ (5-year age bands)

Gender: (i) Male

(ii) Female

Highest Level of Education Attained:

(i) Graduate (MA/Ph.D. or equivalent)

(ii) University (B.A. or equivalent)

(iii) Technical

(iv) Secondary School

II PERCEIVED ROLE OF SENIOR MANAGEMENT SERVICE

1. Please describe your perception of the current policy advice role of the senior management service:
 - 1.a) Does this differ from the policy advice activities when you entered the senior management service?
If so, how?

2. Please describe your perception of the current management role of the senior management service:
 - 2.a) Does this differ from management functions and/or expectations when you entered the senior management service? If so, how?

3. In relation to the above policy and management roles, have you seen a shift from one to the other?
 - i. Yes, from _____ to _____
 - ii. No shift
 - 3.a) How would you describe the current balance between the two?
 - i. primary emphasis on policy
 - ii. primary emphasis on management skills and abilities
 - iii. approximate balance between the two
 - iv. current emphasis not clear (please elaborate)

 - 3.b) Has changing balance of policy to management skills changed the relationship between members of the senior management service?
 - i. No, it hasn't
 - ii. Yes, it has (please specify how)

 - 3.c) Has changing the balance between policy and management changed the relationship between the members of the senior management service and elected/appointed officials?

- i. No change
- ii. Yes (please specify how)

4. Public administration reforms have been extensive in many countries.:

4.a) In your own terms, how have reforms changed the nature of your job and functions?

4.b) Is your performance evaluated by performance contract, and for what period of time?

If your performance is evaluated by performance contract, what are the primary activities by which you are assessed?

If no performance contract, how is performance assessed and what are criteria?

Is use made of competencies in the context of performance evaluation?

4.c) In your position, are management skills or policy skills more important?

If management skills are emphasised:

- i. Do you feel that you have adequate skills in this area?
- ii. Has there been sufficient emphasis on this as part of the development process?
- iii. Do you feel that you have adequate authority and flexibility to manage, effectively?
- iv. Do you feel the person to whom you report has adequate skills in this area?

III MOTIVATIONS AND INCENTIVES

1. What caused you to initially consider and accept a public service position?

2. Did you intend the public service to be a long-term or a short-term career?
 - i. long-term
 - ii. short-term

- 2.a) Has your perspective on the public service career changed?
 - i. No
 - ii. Yes (please specify how)

- 2.b.) What caused this change?

3. How would you now describe your options for career development in the senior management services ?

4. Have your options been changed from an earlier point in your career?
 - i. No
 - ii. Yes(Please specify what caused the change)

5. The following list contains motivations commonly associated with acquiring a job in the public service. Which **three** are most significant to you?
 - i. opportunity to have impact on policy
 - ii. financial rewards
 - iii. job security
 - iv. opportunity to perform public service
 - v. prestige of higher service
 - vi. opportunities for career growth and/or promotion

- vii. Intellectual challenge
- viii. quality of colleagues in workplace
- ix. any others (please specify)

6. How would you describe your current level of satisfaction with each of the three you listed as most important?

1st. _____

2nd. _____

3rd. _____

7. Have these three motivations/incentives been consistent throughout your career, or have they shifted with different levels of career development?

- i. Consistent
- ii. Not consistent (please elaborate on how the shift occurred)

8. An element of public service reforms has been the use of financial incentives and pay for performance. Please describe your view of.

- i. the fit of pay for performance to the public sector
- ii. the role of pay for performance as incentive for the senior management service
- iii. the role of pay for performance as recognition of contribution
- iv. the use of performance rating

8.a) Please describe your view of the following aspects of pay for performance in your department:

- i. the link between organisational objectives and the pay for performance system in your department:
- ii. agreement on objectives between yourself and the person to whom you report;

- iii. the pay for performance process – frequency of appraisal, clarity of communication, link between performance and reward, and fairness;
 - iv. amount of financial incentive;
 - v. use of 360-degree upward feedback to inform development needs.
 - 8b) Describe the strengths and weaknesses of the current performance management framework for senior managers.
 - 8b) Do you have a suggestion about an appropriate system that can be used for senior managers.
9. What, in your view, would be the most appropriate means for assessing and rewarding your performance? How close does the current system come to this “mode”?

Please provide specific examples.

10. How would you compare and contrast the benefits of contracting for performance with the more traditional accountability mechanisms of the senior management service, such as:
- i. objectivity
 - ii. public service commitment
 - iii. public service ethics
 - iv. constitutional mooring
 - v. other

IV. ACCOUNTABILITY AND PUBLIC SERVICE VALUES

1. In many western nations, accountability and responsiveness of the senior management service to elected officials has been an issue in the reform discussions. In your view, has it been important in South Africa?
 - i. No, it hasn't
 - ii. Yes (please elaborate on how, and by whom, the issue has been raised)

2. Assuming there is a changing role for the senior management service in terms of public accountability, what, in your view, are the implications? For example, the division of accountability between ministers and members of the senior management service?

3. One potential issue, which is often raised, is the impact of increased managerial autonomy and flexibility. If a reduction in detailed rules and regulations for management functions occurs, in our view, is it likely to lead to problems for members of the senior management service?
 - i. No, it's not likely
 - ii. Yes, it's likely (please specify (1) what kind of problems, and (2) under what circumstances)

4. Does the increased flexibility described above lead to:
 - i. more targeted management of resources to programme needs?
 - ii. A better focus on efficiency and effectiveness?
 - iii. Improved links between policy and implementation?
 - iv. A different service-wide perspective?
 - v. Decreased attention to collective public interests?

- vi. Different public service values? (Please provide specific examples)
5. Increased flexibility could encourage increased risk taking on the part of members of the senior management service. Has this occurred? Please give specific examples.
 6. Administrative reforms have been accompanied in some countries by downsizing and budget cuts. If this has occurred,
 - i. what has been the impact on the role of the senior management service?
 - ii. What, if any, is the relationship between these changes and the relationship of elected officials?
 7. In your view, how is the senior management service now viewed as a source of neutral policy expertise? Is this still a public service value? Has this changed during your time in service?

V. THE FUTURE

1. What, in your view, are the most important changes in the public service of South Africa likely to be in the next decade?
2. Please list and describe the three most significant issues confronting the senior management service in the next decade.
3. What skills and abilities are necessary for the senior management service to be able to meet these demands?
4. Are the skills and abilities you identify in 3 above likely to be available to you?

5. Are development opportunities to build skills available as part of top management development programmes, or can you create some opportunities yourself?
6. Is there anything about the issues that I have not addressed that you would like to elaborate on?

Thank you very much for your time