

FAST-TRACKING **PUBLIC SERVICE REFORM**

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DISCUSSION PAPER



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Cyril Ramaphosa has identified public service reform as a key priority for his presidency. On 28 and 29 April 2021, the Government and Public Policy (GAPP) think tank held an online conference on the theme, Fast-tracking Public Sector Reform. The conference explored the future of government in South Africa, taking the recently released national implementation framework for the professionalisation of the public service as its point of departure.

Participants included the current Minister of Public Service and Administration, Senzo Mchunu; his predecessor (1999–2008) Geraldine Fraser-Moleketi; the head of the National School of Government Busani Ngcaweni; SARS commissioner Edward Kieswetter; and current and past public officials, academics, and international experts.

Minister Senzo Mchunu described perceptions that the public service is incompetent, “generally lethargic” and “lacking in integrity” as “not altogether wrong”. Building a “new dispensation”, however, will take time.

The public service is not “bloated” in terms of employment numbers; the problem is the public service wage bill, which has “grown to almost uncontrollable levels”. He observed that high salaries have not worked as an incentive for performance or against corruption.

DPSA is implementing a single public service in which a single set of norms and standards, and a single pay scale, will apply across all three spheres and the SOEs.

The public service must have “integrity”. The first step is professionalising the public service, from entry (including NSG training courses) to ongoing ethical development.

The mandate of the Public Service Commission (PSC) will be expanded beyond mere compliance issues.

Selection and appointment processes must be improved. DPSA has found that up to 35% of public servants aren’t qualified for the positions they hold. Each of those employees will be “confronted” about how they earned their positions. DPSA will broadly look at the quality of public servants’ qualifications and the appointment criteria for various positions.

Geraldine Fraser-Moleketi sounded a warning note about the difficulty of a reform agenda. Many of the current reforms were touted in her day; however there are major obstacles to realising proposed changes.

Busani Ngcaweni, Principal, National School of Government, further detailed the professionalisation framework:

- Extending the pre-entry, recruitment and selection process, especially to include exams
- Introducing induction and “on-boarding”, especially to allow people to transition smoothly from the private sector
- Planning and performance management changes
- Continuing learning and professional development (“recalibration” of knowledge)
- Extending the tenure of DGs, and rotating DGs between departments every seven years
- DG in the Presidency to become head of the public service overseeing career paths

MAJOR REFORM ISSUES RAISED BY PARTICIPANTS

Participants commented widely on the professionalisation framework, but also on other potential areas for reform. Here we have set out some of the key considerations and proposals.

PUT POLITICAL APPOINTMENTS IN THEIR PLACE

- Is the framework clear and unequivocal about political deployment?
- Political deployment was once justified by mistrust of the “old guard”, but it was abused to dispense patronage and appoint unqualified officials. It has placed loyalty above merit and competence.
- A “political-administrative interface,” especially at the highest levels of the public service, is inevitable and maybe desirable. But politicisation should be transparent and well-regulated.
- There can be a managed system where political appointments are appropriate. However, political appointments and affirmative action need to be viewed separately.
- The “professionalisation” framework will be meaningless if it is not really accepted within the ANC. The strategic objectives of effective service delivery and meritocratic appointments are not consistent with cadre deployment.
- If there is no political will for professionalisation because the political class stands to benefit from patronage networks, how do we proceed with successful public service reform?
- How do we prevent political interference in the PSC once it is granted greater powers?

USE “PROFESSIONALISATION” TO BUILD INSTITUTIONS

- The ANC has badly miscalculated the importance of institutions. Institution-building requires stability in personnel and management.
- The rate of turnover for senior public servants is far too high. We should move towards permanent appointments and encourage professional, lifetime careers in public service where possible.
- The success of SARS, SARB, and the Treasury support the merits of depoliticised and meritocratic appointment processes.
- The public service (or “public services”) tend to be sector-specific. Retaining and attracting different kinds of skills and talents might require customising conditions of service according to sector. So OSD should be revisited and maybe taken further.
- Specialist public servants are underpaid. The senior management service framework should consider how to retain them.
- The wage bill should be optimised, not just reduced – public servants’ skills should be leveraged to maximise their productivity.
- The reform programme implies a professionalisation framework can override “networks and network impulses,” but it should take adequate account of the relevant history, for example in former Bantustans.
- Government has failed to take strategic choices where everything cannot be a priority, for example BEE vs. industrial policy, political vs. meritocratic appointments, decentralisation for agility vs. recentralization to control corruption or in a crisis

RETHINK OVERSIGHT AND PROCUREMENT

- The AG is not working well. It fails to distinguish adequately between irregular expenditures and corruption. Up until mid-2017, AG continued to give unqualified audits to problematic state entities.

- We need to strengthen parliamentary oversight.
- Current and former treasury officials argued for the decentralisation of procurement processes.
- Criminalise unexplained wealth?
- Abolish tax confidentiality for politicians and senior officials, including the President
- Institute good governance measures at SOEs, including independent board positions not appointed by government

However:

- Agility in public service is compromised by excessive accountability and compliance measures
- The AG's focus on irregular expenditure made accounting officers risk-averse.
- Centralisation impulse is ultimately destructive

THE PROCESS OF REFORM

- Bill Tompson from OECD discussed the characteristics of successful public administration reforms, especially persistence, preparation, and buy-in from public servants and civil society.
- Public administration reform is complicated because institutions are path-dependent, there are long time lags, and coordination between different levels of government is hard. It is difficult to evaluate the quality and efficiency of public services and administration, and there is little public interest in the internal organisation of the state.
- Successful reform usually takes several attempts – failures and partial successes may set the stage for more far-reaching successes.
- Successful reforms are often supported by the public and especially by public servants. Public servants can be won around to reform during the consultation process (with direct benefits, better conditions of employment, etc.), and sometimes it is public servants themselves who generate the initial demand for reform.
- Reform cannot proceed on the assumption that all public servants are opportunistic or resistant to reform. The stringent rules that result demotivate good public servants and “tie their hands,” without disabling corrupt civil servants.
- Trust in institutions arises when those institutions deliver, not in response to PR exercises. Where trust in institutions is low, there are alternatives, like transparency, which can help to build trust over the longer term.
- The elite may not see corruption as a threat. The solution is to persuade the elite that reform is preferable to the status quo, by persuading them of the costs (to them) of corruption (e.g. through pressures from citizens, business, or investors) so that non-reform looks more threatening than reform.

