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Building "Revolving Door" Relationships between the Public Service, the Universities, and the Private Sector

Composed for the Department of Public Service and Administration (DPSA)

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1. Introduction: "Revolving Doors" and Senior Management Development (SMD)[1]

Education and training in the Public Service in South Africa have been recognized as urgent needs since the earliest years of post-apartheid government, faced as it was with a myriad of internal challenges for which it was initially unprepared.[2] A flood of new people entered the Public Service; the policy environment and governing philosophy were entirely new; and diversifying what was previously an overwhelmingly white male staff entailed changing an entire bureaucratic culture. The burden of internal learning and education was enormous, and by the late 1990s, the resulting failures to deliver services were becoming critical.

The White Paper on Public Service Training and Education (1997) attempted to summarise the situation and to propose a way forward for the Public Service. It cited "bad training" as the central problem, which it traced to "the low priority accorded to training and education, and the low level and uneven nature of provision," the "quality of trainers," "inflexible and discriminatory rules and regulations," and "overly prescriptive, supply-driven and outdated nature of training and education."[3] The White Paper noted that even where departments had funds for training, they had failed to use these funds effectively.

Like other white papers and later legislation, the 1997 White Paper on Public Service Training and Education cited the need for ongoing staff development and "life-long learning."[4] It recognized that learning does not "culminate" at any point but must be considered a permanent process, and that evaluations of senior managers should focus on their periodic need for new learning. However, it did not specify how such learning should take place or who should provide it. Especially, it did not explore how senior managers could best enrich their knowledge and experience in South Africa's complicated and rapidly changing society.

In this context, some senior officials have been exploring the possibility of developing "revolving door" relationships that can greatly enrich knowledge and enhance departmental performance. Sources here include input by stakeholders who contributed to a workshop held on 11 July 2006; telephone interviews with key informants; and academic literature and foreign government websites that describe some important and common ideas and practices.

In the following discussion, we first describe the context for these proposals: the special need for external education and training in South Africa, which demands a search for new mechanisms. Then we review some frameworks in which "revolving door" relationships can be developed. For each option, we cite some key advantages and limitations, to establish a basis for further discussion.

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[1] Beyond the workshop and interviews, guidance in identifying key themes and sources was provided by Steven Friedman, Stephen Hendriks, Sipho Mtombela, Pierre Schoonraad, Michael de Klerk, Chris Tapscott, Sean Morrow, Alison Bullin, and Barbara Morrow.

[2] Early efforts included the National Skills Development Strategy, National Human Resource Development Strategy (NHRDS), White Paper on the Transformation of the Public Service (WPTPS, 1995), Green Paper on Public Service Training and Education (March 1997), and the White Paper on Public Service Training and Education (WPPSTE, 1997). Legislation included the South African Qualifications Act (1995), the SAQA Act (1995), the Skills Development Act (1998) and the Skills Development Levies Act (1999).

[3] White Paper on Public Service Training and Education (July 1997) Staatskoerant, 7 August 1998, No. 19078, 11.

[4] See Appendix A.

2.1. Special Burdens on Senior Public Service Managers in South Africa

It is universally agreed in comparative literature that Senior Management Development (SMD) is best done by the Public Service itself. Public Service is a professional field with its own unique practice. Seniority is properly valued for the wealth of knowledge and ability which can only be gained through experience and time. No outside training can substitute for on-the-job experience in this unique sector.

On this principle, in 2001 the DPSA established its Learning and Knowledge Management Unit (LKM), which has developed multiple methods for peer mentoring and a range of consultation mechanisms (e.g., the Learning Networks, the Learning Academies, and the on-line *Service Delivery Review*) to encourage SMD by tapping into existing experience and expertise. As Director Thuli Radebe expressed the core mission in 2003,

> What is needed is a co-ordinating programme of learning to facilitate documenting and sharing of experiences, best practices and solutions. Such a programme requires that we put in place facilities and platforms to maximize learning opportunities. There is also a need to be innovative and to create platforms for nurturing innovation in our public servants.[5]

The LKM recognizes that SMD must also gain from collaboration with the private sector and universities. However, attempts to enhance cross-sector learning have concentrated mostly on conference-style forums (such as inviting private-sector specialists to the Learning Academies) and the expertise gained from public-private partnerships. Regarding formal learning, the LKM continues to emphasize consultation, learning, and mentoring within the Public Service.

But in South Africa, the SMS faces additional burdens, stemming from a unique situation, that complicate the time-honored principle of internal learning and peer consultation in three ways.

2.1. Internal knowledge resources are not sufficient.

In all civil services, senior managers require an unusually authoritative understanding of multiple issues in order to monitor and evaluate programs in overlapping policy areas (e.g., environmental protection, tourism development, and poverty relief). But senior managers in South Africa's Public Service face unusually heavy demands for flexibility and innovation because South African society is experiencing such rapid and dramatic socio-economic change.

Extra demands arise from several causes:

(1) The ANC government has responded to widespread demands for services and poverty relief by introducing new development strategies every few years and by regularly launching new programmes, institutions, and public-private partnerships that bring new responsibilities to senior managers.

(2) Democratic principles (and pressures) associated with the transition have mobilized society to expect and demand more inclusion in governance. This political climate requires senior managers to take more inclusive and complicated approaches to policy making and implementation than do managers in many other countries.

(3) Mandates to incorporate new scientific technology and management techniques (for example, in energy, environmental protection, and health care) continually confront senior managers with new responsibilities for which they and their staffs require cutting-edge knowledge.

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[5] Thuli Radebe, "The Public Service as a Learning Organization," SDR Vol. 2 No. 3 (2003).

As a result, members of the Senior Management Service must be especially adaptable and their knowledge constantly refreshed. Educational resources for these extraordinary challenges cannot come from inside the Public Service alone.

2.2. Mentoring is complicated by the Transition.

Normally, the best teachers for rising cadres of leaders in the Public Service are senior managers. Training for the Senior Management Service (SMS) is presently excellent, and normally these highly trained people would mentor junior colleagues. Unfortunately, having gained such excellent skills, senior managers are too often promptly poached by the private sector. Turnover among the SMS has accordingly been too high— 70% in recent years—to allow benefits from manager training to accrue to the public service. Accumulated experience is not recycled into senior management.

High turnover is partly a product of higher salaries in the private sector. But it also results partly from conditions that can be adjusted by reforms: tendencies toward earlier retirement, short contracts (which were recently reduced from five years to three years), and insecurity about contract renewal that prompts people to seek other jobs rather than focus on building a career in the public service.

On the other hand, retirement into universities are normally key to SMD, as senior managers then convey their wealth of experience their peers and to junior colleagues. Retirement is important to this formula because, as long as senior managers are actively working in the Public Service, they may feel constrained by loyalty or self-interest and fail to bring honest critical appraisal to policies in which they (or their supervisor, or their party) have played key roles. Retiring or cycling senior managers completely out of Public Service is therefore fundamental to establishing a corps of former senior staff available for mentoring and instruction.

The problem still facing South Africa is that senior managers with the appropriate long experience were trained in their skills during the apartheid era. Hence many of them are conspicuously undesirable as teachers of rising cadres entering Public Service of the post-apartheid government. As the post-apartheid government itself matures, the cycling of senior managers back into the universities as teachers and mentors will improve. Until then, SMD must compensate for this relative shortage of seasoned professionals.

2.3. The "Key-Performance-Agreements (KPA) Paradox"

Key Performance Agreements (KPAs) are fundamental to assessing competence, securing retention, and awarding promotion in the Public Service. They also clarify expectations, letting managers know what is expected of them. Yet KPAs have a paradoxical effect in diminishing learning, because they actively discourage senior managers — indeed, staff at all levels — from openly admitting and assessing their own mistakes, sharing knowledge they have gained from those mistakes with their peers, and especially from admitting that they need more education or training to amend their lack of skills or knowledge.

The KPA paradox is far from unique to South Africa. Throughout the world, public services confront a tension between the demand for competence and the need for learning. In South Africa, the White Paper on Public Service Training and Education of 1997 reproduced this contradiction. On the one hand, it affirmed that competence must be assessed to determine staff's need for training. On the other hand, it affirmed that competence would be assessed in order to evaluate individuals for retention and promotion.

Facing this paradox, senior managers face disincentives to admit to their need for training, as they may feel that doing so suggests their own failures in implementation or policy-making, even

if self-assessment is itself a KPA. They may also try to negotiate KPAs that allow them to avoid admitting any need for extra knowledge. For some, covering up inadequate knowledge and training may even become a matter of urgent self-interest.

3. Where Should Training Come From?

Ideally, senior manager development (SMD) should be enriched by multiple options for educational and learning experiences, and relationships that assist in professional growth. These options must draw primarily on internal expertise, yet must also regularly tap external sources of knowledge. They must also escape the KPA trap, allowing senior managers to engage in frank and candid assessments and learning in mutually supportive contexts.

"Revolving door" relationships are one valuable way to supplement the range of options available to senior managers. Creating such relationships, however, requires that they be institutionalized in ways that work for both partners. Especially, they should be designed to feed expertise back into government departments and not simply enhance an individual's professional growth.

Countries that have initiated "revolving door" mechanisms have therefore nested them within larger structured programmes of education and training. The basic requirement of such programmes is indeed flexibility and diverse options (such as the DPSA LKM Unit is building).

In the United States, for example, senior managers have a "National Policy Curriculum" that includes a range of courses, seminars, forums, and programmes, conceptualized as "the five paths of the Leadership Journey": Assessment, Core Leadership Curriculum, National Policy Curriculum, Focused Skills Development, and Custom Seminars and Counseling. All of these options draw on internal government resources. In the Office of Public Management, however, agency managers can authorize training by non-governmental providers and 11-month study sabbaticals (with full salary and benefits).[6]

In New Zealand, the Leadership Management Centre also offers a "suite" of services for SMD, including self-diagnostic tools, clinics, and seminars. These include 12-month "secondments" to other government agencies and fellowships at New Zealand or UK universities.[7]

In Australia, senior managers have an even wider "suite" of opportunities that, in 2000, included thirty-two programmes, courses and seminars. However, none involve "revolving door" arrangements. Some are "core programmes" (often of short duration to accommodate managers' time constraints) that serve "key points in the career development of senior managers". The most important options in Australia can be cited to illustrate the array available:

> "...
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> - Executive Leadership Development Programme – offers a number of modules over eight days including a three-day residential component. An integral part of this is work on a major project of immediate relevance to the Australian Public Service;
> - Sustaining the Leadership Contribution – provides opportunity for experienced senior executives to refresh the skills and knowledge they need to do their work well. The

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[6] U.S. Office of Personnel Management, "Human Resources Authorities and Flexibilities," emphasis added: available at: http://www.opm.gov/ses/authflex.asp; and "The Leadership Journey": available at http://www.leadership.opm.gov/ljstatic.cfm. For the codified provisions for sabbaticals, see Appendix B.

[7] Leadership Development Centre/Ara Kaiarahitanga, "Services Catalogue — Guide to Services" (http://www.ldc.govt.nz/?/services/guide) and "Development Experiences—Secondments and Exchanges" (http://www.ldc.govt.nz/?/development/secondments).

programme includes a review of key leadership behaviours, and the development of skills and strategies to increase personal effectiveness;

- Executive Coach and Mentor – Participants learn how to create the opportunities that will help their staff to learn and perform more effectively. Participants are also able to gain skills and use techniques in questioning and listening in ways that enable people to understand and learn more quickly;
- Career Development Assessment Centre – The Senior Executive Leadership Capability Framework ... formed the basis for the development of this Centre which is designed to provide high potential staff members with specific and reliable feedback about their strengths and development needs and to assist them to develop further in areas of relative weakness. Of particular use in the Centre is a 360° feedback questionnaire custom-built around capabilities, which provides feedback from the workplace on participants' strengths and development needs in relation to the Leadership Framework.[8]
- Courses and Seminars – ... regular Breakfast and Lunchtime Seminars that provide senior executives with a forum to hear and interact with leading speakers on contemporary issues; and
- Senior Women in Management Programme – This is a nine-month development programme that aims to provide personal and leadership development opportunities to senior women managers through high quality coursework and mentoring complemented by challenging work placements and group projects.[9]

These options offer links to expertise inside and outside the Public Service, which is understood to enrich SMD. The main external sources are national universities and the private sector. But they do not entail "revolving door" relationships.

3.1. Relationships with the Universities

Prospects of building "revolving door" relationships between the Public Service and the universities must be seen from the beginning in the context of the larger relationship between the two sectors. The intellectual resources of universities are indeed vital to a vigorous and professional Public Service, in three ways:

1) indirectly, by providing the research and "critical neutrality" essential to knowledge, governance, and the public good;
2) directly, by providing foundational university and post-graduate training for professional careers in public service; and
3) directly by providing ongoing learning opportunities for senior people already engaged in those careers.

The *quality* of universities is therefore of central concern to the Public Service. Most decent universities can prepare graduates for most ranks of the Public Service. But senior management requires an excellent university education (multi-disciplinary, research-oriented) that not only provides top-flight technical knowledge but also instills skills and attitudes that ensure individual capacity for life-long learning. *Skills* include research and analytical skills that allow senior

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[8] The "360 degree appraisal" system is premised on the idea that learning comes through feedback from all directions: from oneself (zero degrees), superiors (90 degrees), peers and colleagues (180 degrees), and subordinates (360 degrees).

[9] Gambhir Bhatta, "A Cross-Jurisdictional Scan of Practices in Senior Public Services: Implications for New Zealand", Working Paper No. 13. (State Services Commission/Te Kamihana O Nga Tari Kawanatanga, 2001): available at: www.ssc.govt.nz/display/document.asp?NavID=117&DocID=4477. op cit., 35.

managers to keep up independently with the latest literature, methods, and debates. *Attitudes* include the enthusiasm and creativity that allow senior managers to respond to new challenges flexibly and innovatively. Such a foundation is fundamental to SMD.

The same criteria apply to life-long learning offered by universities to professionals, such as seminars, workshops, courses, and targeted programmes serving senior managers who have limited time for full-length coursework. Many countries therefore try to establish such beneficial ongoing relationships between the Senior Management Service and their finest universities. Where domestic expertise is lacking, international relationships may be established. In Australia, for example, Senior Executive Fellowships support senior staff (with at least five years of service) to take courses at universities outside Australia.

One typology suggests different ways that universities can serve SMD:

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1) The traditional standard academic course, which is defined, focused and supplied by a higher-education institution.
2) The "tailored" academic course, which is less higher-education focused and, therefore, has had some design input from the organization.
3) The consultancy approach, which is defined by the organization but delivered by higher education "experts".
4) The jointly developed course, which has a balanced input from both partners to design, focus, and delivery.
5) The facilitation of organizational development approach, which is highly organization-focused in terms of the design."[10]

Seeking more cooperation with the universities requires considering their perspective as well. Many faculty see the benefits of such collaboration, especially in regard to research. However, their collaboration with senior managers may not translate into enhanced research capacity if skills and ability at lower ranks of the bureaucracy remain inadequate. "Revolving door" relationships with universities must be coupled to more effective training for lower ranks of the PS if they are to be genuinely beneficial to both sides. Key linkages (partnerships?) between middle PS ranks and universities will enhance the PS capacity, improve data sharing, and strengthen research.

3.1.1. Limitations on the University Relationship

The capacity to train public servants through university programmes is, however, innately limited in three dimensions. On the one hand, these inherent limitations support the need for "revolving door" relationships. On the other hand, they constrain the potential extent, design, and benefits of such relationships.

1) Inherent Limitations. Universities can convey essential technical skills, empirical knowledge, and familiarity with relevant theory. They cannot convey the practical experience that comprises the primary source of training for public service, just as they cannot convey the advanced skills of most professions. Senior managers therefore cannot turn to the universities for many skills related to the practice of their profession.

2) Pragmatic Limitations. The intellectual mission of the universities responds to diverse ethics, standards, and agendas for research and teaching, shaped through dialogues in domestic and global intellectual networks. These considerations inform the university's research and teaching curricula, which include the very demanding duty of educating

[10] Sharon Mavin, "Management development in the public sector — what roles can universities play?" *International Journal of Public Sector Management* Nol. 13 No. 2 (2000).

people for a myriad of careers. Outside the dedicated schools of public service, and aside from a few courses, dedicating faculty and resources to serve the government SMD is beyond the university's institutional capacity.

3) Philosophical Limitations. Retooling university curricula to serve immediate government needs would compromise the autonomy and integrity of the universities' intellectual mission. Even schools of public service, which usually have close relationships with government, must remain independent of the immediate needs of government in order to conduct the theoretical and empirical research necessary to analyze, critique, and advise on governance itself.

Consequently, frustration by some senior Public Service managers with the universities (on the grounds that they are unresponsive to internal Public Service needs) is, while understandable, ultimately misplaced. Training senior managers cannot be the central function of the major universities unless society is willing to sacrifice the intellectual independence and integrity of those universities. Such a strategy would greatly compromise the ability of the universities to serve a much wider range of South Africa's needs and interests.

For these reasons, university faculty and administrators resist putting their resources and curricula at the disposal of SMD. The primary value of universities for SMD is to conduct background reseach to inform the courses they can offer to senior managers. In some cases, they can enrich their own efforts in this regard by inviting senior managers to hold seminars or even to conduct courses. These arrangements can even extend to *fellowships*, in which senior managers assume full-time research and possible teaching responsibilities at a university.

3.1.2. The Sabbatical/Fellowship Approach

Given the limitations noted above, one alternative is to develop "revolving door" relationships between the universities and the Public Service that allow strategic exchanges of staff. Study sabbaticals for senior managers in university departments allow them to refresh their knowledge and gain new insights appropriate to their own targeted knowledge needs. Such "visiting fellow" arrangements are common in the great universities of the United Kingdom and United States that have strong governance programmes (such as Oxford, Cambridge, Harvard, and Georgetown).

If visiting fellows also teach, universities gain through enrichment of their curricula. Visiting professionals often have specialized knowledge that the regular faculty lack and that cannot normally be offered to students in the normal departmental curricula. If visitors come from top levels of government, they can also enhance a university's prestige. Universities like Harvard proudly publicize the presence and teaching of former high-level government officials.

Visiting fellowships have limitations, however. First, as teachers, even very experienced senior Public Service managers may lack the theoretical background that allows them to place their courses conceptually within the university's (always evolving) curriculum. (The better the university, the greater this problem typically is.) Coordinating with the department to draw appropriately on the visitor's knowledge, in ways effective for students, may therefore call for some strategizing with department faculty. *Co-teaching* with a regular faculty member is one method often used in major universities that seek to benefit from visiting faculty.

On the other hand, university faculty themselves may lack enough knowledge of the Public Service to collaborate creatively and productively with visiting fellows. Reciprocal arrangements can mitigate this problem, by supporting university faculty to work for a term or a year in government departments. If this experience feeds back into faculty research agendas, the experience be greatly enriching to faculty and to publication, generating a higher quality of research and theory-building. If not, however, the arrangement could be a burden to faculty.

Hence a revolving door relationship between the Public Service and universities is highly desirable if handled correctly. On this premise, for example, the US Council on Foreign Relations' "International Affairs Fellowship" programme supports distinguished faculty to serve as visiting officials in the United Nations or US State Department. Professional relationships established during these experiences facilitate long-term friendships and regular sharing of expertise between the academy and government.

3.1.3. The "Special Facility" Approach

One way of compensating for the difficulties of coordinating with universities is to establish a special educational facility designed for SMD. At such facilities, tailor-made programmes can allow senior managers to escape the daily rigours of their jobs to undertake thoughtful training and educational programmes. Offering special venues and conditions for group efforts, the special facilities can escape the constraints presented by universities.

Special facilities can be invaluable to SMD, by allowing senior managers the appropriate space, resources, and facilities to research and debate the challenges they face, and to pursue special projects. This experience then enhances their own agencies' programmes when they return to their positions. For example, in the United States, the US Institute of Peace offers fellowships to government officials to study at its facility in Washington DC.

Special facilities are also ideal venues for "revolving door" relationships, as they are tailor-made to accommodate teaching by Public Service professionals. For example, the US "Executive in Residence Programme" (ERP) allows senior managers to serve as visiting full-time faculty at the Federal Executive Institute. Designed specifically for senior managers and leaders, the Federal Executive Institute brings senior managers to a residential campus conveniently near but outside the Washington DC area (alternative "Management Development Centres" offer regional facilities in Colorado and West Virginia). In these sojourns, these Executives in Residence (EIRs)

> share knowledge and experience with rising government leaders, [are] exposed to a diversity of "cutting edge" training and performance improvement strategies, meet and network with a wide variety of individuals from all government agencies, research and discuss a variety of leadership and management issues, work on special projects for their home agency, and bring new skills and perspectives back to their home agency to improve its programmes and services.[11]

This experience provides the foundation for further teaching of their peers:

> ... EIRs are given the opportunity to facilitate Leadership Development Teams, which consist of 8-9 senior executives attending the FEI's four-week residential programme. The second major responsibility of EIRs involves coordinating the entire four-week residential programme, Leadership for a Democratic Society and shorter programmes of FEI's Center for Executive Leadership.[12]

Importantly, this experience translates into peer mentoring:

> ... EIRs are given the opportunity to facilitate Leadership Development Teams, which consist of 8-9 senior executives attending the FEI's four-week residential programme. The second major responsibility of EIRs involves coordinating the entire four-week residential programme, Leadership for a Democratic Society and shorter programmes of FEI's Center for Executive Leadership. ... Other

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[11] Bhatta, 9.

[12] Ibid.

> essential but less frequent responsibilities include: advising and counselling executives in their career track and personal leadership style, and researching and investigating a variety of innovative leadership and management issues. In this manner, these senior managers are able to not only gain a wider understanding of the environment in which they work but also assist their peers and others to learn from their own experiences.[13]

The special-facility model can provide an excellent environment for SMD. It is entirely "demand-driven" and therefore responsive to Public Service needs. It can also be readily designed to provide the requisite confidentiality and security of officials from the highest levels of government.

Limitations on the special-facility model, however, suggest some difficulties.

(1) Maintaining such facilities at the high level of quality necessary to warrant their existence is expensive and requires considerable government funding. If funding is short, the lower quality that results will not justify the facility's existence.

(2) If government funded, budget management must be carefully sheltered from political influences. Otherwise, funding will tend to import government political guidance, by steering the content of programmes, selection of permanent and visiting staff, and access by visiting officials. This tends to generate a closed circle of instruction, in which like-minded senior professionals learn from and debate with each other.

(3) If privately funded, the search for support will necessarily target more affluent sources, particularly corporate ones. This is likely to import corporate biases into a setting that is supposed to reflect the public interest.

These points highlight what can be called the "market paradox." In short, excessively "demand-driven" learning may preclude senior managers from being exposed to ideas and methods that differ too profoundly from received knowledge or official government policy. If senior managers are never confronted with serious critiques of failing Public Service policy and method, the SMD mission is corrupted. (Funding alone is no solution to this problem. For example, the above-mentioned US FEI's separate campuses, beautiful facilities designed to allow senior managers to engage in thoughtful reflection away from normal interruptions, contributes to government insularity, as government leaders sequestered at FEI campuses have little exposure to critical analysis and alternative approaches.)

As a result, although it can be valuable, the special-facility model is not the "solution" to SMD and does not automatically provide a way for "revolving door" mechanisms to benefit the public mission of the Public Service.

3.1.4. The "National College" Approach

A variation of the special-facility model is the dedicated public school or college, operating within the government to serve the public service. Such a school can offer a wider array of courses, seminars, confidential peer consultation forums, and training programmes tuned to SMS needs. The government training college is especially conducive to "revolving door" relationships because its teaching is structured around visiting experts. It can therefore offer a key site in which senior Public Service managers and academics can exchange expertise, either through courses or through special programmes (on the DPSA's "Learning Academy" model).

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[13] Ibid.

On this agenda, the United Kingdom recently established the National School of Government (NSG). In South Africa, discussion toward converting SAMDI into a "National Public Service Training College" reflects the same concept.

Under good leadership, visiting senior managers from both the public and private sectors can then work with permanent staff to offer seminars in cutting-edge knowledge; assemble forums to debate issues; hold learning assemblies, and conduct special briefings and workshops for government ministers.

The national-school model faces challenges, however, that require consideration:

1) Operating inside the government, the school may find itself beholden to various ministerial demands on its time, resources, and programmes and so find itself unable to run programmes that serve the broader spectrum of public service needs. It can even become a tool for particular ministers who seek to further certain agendas within government. (This problem was suggested when, in March 2006, the UK's National School of Government was made a separate department explicitly in order to provide it with greater "autonomy.")[14]
2) Serving all levels of the Public Service is difficult. If it caters to the needs of senior management and top government leaders, the school may foster elitism and greater social division between senior and lower public service professionals. If it tries to serve all levels, it may not have resources to serve the highest ones adequately. If it attempts to serve all ranks, its capacity to serve SMD is likely to be limited through its broader mission and simple lack of resources. Creative programme design is required to avoid these perils.
3) High salaries and good working conditions are essential to draw the quality of staff necessary to make the national- college effective in serving SMD, particularly at the highest levels of government.
4) Catering to teaching and seminars, the school's permanent faculty may not be supported to sustain the independent research essential to remaining up-to-date in their own fields. The result is a tendency toward insularity, growing mediocrity, "group think", and the recycling of received attitudes rather than fresh critical debate and innovation.

Like the special facility, therefore, the "national-college" approach confronts the contradictions of "demand-driven" services. In responding to Public Service needs, it may neglect to introduce the outside perspectives that should normally enrich SMD.

3.1.5. The "Elite National University" Approach

In some countries, one university may specialize in offering exclusive, top-flight education designed to produce highly-trained public managers and leaders. Typically, one national university plays this role. For example, Tokyo University, by far the most competitive in the country, graduates over 90 percent of Japan's public servants. Since 1945, the famous École Nationale d'Administration has had a virtual monopoly on top civil service positions in France. Both universities achieve this role through highly competitive and meritocratic recruitment, intense state-of-the-art education, and cadre mentalities that exclude outsiders both socially and professionally. Graduates are assured of high-level or at least mid-level managerial jobs and may float between the public-service bureaucracy and political careers.

The elite-school approach is appealing in several ways:

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[14] National Cabinet Office (UK), "Strengthening the Role of the National School of Government," 30 March 2006, 10:19: available at http://www.gnn.gov.uk/content/detail.asp?NewsAreaID=2&ReleaseID=193584.

- Skills and Ability. It attracts and graduates highly talented individuals who then carry top-flight technical expertise and high standards into the public service.
- Cohesion. It secures a common educational background for senior managers, which is conducive to networking and on-going learning, mentioned above as an essential component of an effective public service.
- Professionalism. It encourages a subculture of senior professionalism that allows or even compels senior managers to pursue objective and ethical policymaking.
- Autonomy. Through all these effects, elite universities help to cultivate political autonomy for the public service.
- Government capacity. As top civil servants and politicians both graduate disproportionately from these schools, their common worldview tends to improve communication and ensure greater commonality of purpose between political and managerial leaders, and so generally enhance the government's effectiveness.

Despite these benefits, the elite-university systems in both Japan and France are now under strong criticism and revision, for several reasons.

- Technocracy. The intensive training is technocratic rather than pragmatic. Graduates do not emerge from backgrounds of pragmatic experience but rather from intensive classroom training in theory and technical approaches. Entering the public service directly from the university, they may never mitigate this technical training with practical experience.
- Narrowness/Rigidity. In all universities, each department typically develops a certain philosophical tendency or bias (for example, quantitative or qualitative, "Washington Consensus" or developmentalist). If graduates from one university dominate in the Public Service, the service may ultimately suffer from a narrow outlook that precludes flexibility and innovation. This effect is especially strong where professional advancement is attached to ideological orthodoxy.
- Isolation. The cadre mentality also fosters closed senior communities, cronyism and ultimately a lack of transparency. In both countries, government "aristocracies" operate largely insulated from democratic inputs. (In Japan, the top echelon of public servants is famously insular and inaccessible to outsiders.) Under the wrong conditions, this is a formula for corruption.
- Class Bias. Although formally meritocratic (because anyone can compete for admission to these universities), admission to elite universities is overwhelmingly confined to those individuals who enjoy the social background favorable to the extensive preparation necessary to pass the rigorous entrance exams.

All these drawbacks would be particularly unwelcome in South Africa, where class is still heavily associated with race, where broader democratic inputs into policy are both valued and needed, and where the government is committed to breaking down social barriers to government service.

Indeed, most countries do not use the elite-university model. Instead, they rely on a small group of universities who compete for students, research excellence, and government placements for their graduates, especially through schools of law, foreign policy, and government. Leaders and senior managers in the United Kingdom, for example, have famously come from Oxford and Cambridge, although also, in a recent push for greater democracy, from the London School of Economics and other top schools. In the United States, famous rivals Harvard, Princeton and Yale are supplemented by Columbia, Johns Hopkins, Stanford, and Georgetown, while graduates of the great state research universities (e.g., California-Berkeley, Michigan-Ann Arbor, and Wisconsin-Madison) mitigate the elitist effects of the "Ivy League".

In sum, the elite-university approach is both controversial and uncommon. In South Africa, the government has explicitly rejected the model as too centralized, rigid, inflexible, and costly.[15] Instead, a cluster of schools of government (Wits, University of the Western Cape, University of Pretoria), and the leading research schools more broadly (University of Cape Town, University of KwaZulu Natal, Rhodes) offer the diversity necessary to excellence in SMD.

3.2. Relationships with the Private Sector

Excellent SMD seems clearly to require learning from peers in the private sector. Ideally, senior managers from the two sectors should share an interest in national development that should permit mutually beneficial exchanges of expertise.[16]

But "revolving door" relationships between the public and private sectors must be appraised in the larger and very sensitive context of public-private relationships. These relationships are perhaps the most vital factor in any developing country, for their character will determine the country's economic success or failure and even the stability of its democracy.

All theorists of development agree that healthy and productive relationships between government and the private sector are crucial to any successful national development strategy. In all the East Asian NICs, for example, close coordination between government and industry was the hallmark of rapid industrialization and successful trade strategies. In developing countries, the relationship is often difficult and may be fraught with corruption, but it is no less vital and requires an active government role.[17] The "developmental state" approach, now being adopted in South Africa, reflects growing consensus that, while the state cannot efficiently "direct" the economy, it must coordinate with the private sector to develop a successful economic strategy, because success requires management of public and private resources in accordance with that strategy.[18]

In this light, "revolving doors" between the public and private sectors may seem highly desirable. Most basically, moving between the public and private sectors helps senior managers to understand the needs and perspectives of both. Alternatively, without direct experience of the private sector, senior members in Public Service may remain permanently hampered in their ability to understand private-sector constraints, goals, and the corporate cultures vital to effective decision making. Without experience in public service, private-sector managers may not grasp the workings and constraints of government and may remain unable to coordinate effectively with its larger political and social agendas.

Appreciating these principles, some countries have developed formal policy to facilitate public-private collaboration, in much the spirit of South Africa's "public-private partnerships":

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[15] White Paper on Public Service Training and Education, section 4.1.1.

[16] As Donald Stokes (president of the Association of Public Policy and Management) put it,: "... the root distinction between "public" and "private" is not the difference between government and the private sector, but the difference between the pursuit of public interest and private gain". Cited in David G. Mathiason, "The New Public Management and Its Critics," Paper prepared for the Conference on New Public Management in International Perspective, St. Gallen, Switzerland, 11-13 July 1996.

[17] Although only recently adopted in South African governance, this view dates to the early 1990s: for example, Robert Wade's classic *Governing the Market: Economic Theory and the role of Government in East Asian Industrialization* (Princeton, NJ: Princeton University Press, 1990). On the public-private relationship in developing countries, see Peter Evans classic *Pathways from the Periphery: The Politics of Growth in the Newly Industrializing Countries* (Cornell University Press, 1990) and his *Embedded Autonomy States and Industrial Transformation* (Princeton University Press, 1995); also Stephan Haggard and Robert R. Kaufman, eds., *The Politics of Economic Adjustment* (Princeton University Press, 1992).

[18] Classic theorists on the developmental state include Peter Evans, Robert Wade, Alice Amsden, Chalmers Johnson, and T. J. Pempel. For one useful collection, see Meredith Woo-Cumings, ed., *The Developmental State* (Ithaca and London: Cornell University Press).

- In The Netherlands, senior managers in Public Service are encouraged to join with private-sector leaders in "coaching and counselling" methods.
- In France, promising graduates of the Ecole Nationale d'Administration are encouraged to spend some early years of their careers in the private sector before entering public service.
- In Japan, promising candidates ("fast-streamers") attend training programmes in the private sector,
- In Singapore, leaders are placed in the private sector and in grassroots organizations for training periods.
- In the Queensland Public Service in Australia, senior managers can join nine-day programmes that include private-sector senior executives.[19]

In most of these cases, however, the effort is to encourage familiarity and networking rather than "revolving door" relationships. This is because the risks of mixing staff in the two sectors are difficult to monitor and control. Where the public-private relationship malfunctions (famously, in Indonesia, but also in the United States today), the result is *crony capitalism*, which saps the economic life-blood of a society and may even damage its democracy.[20]

The reasons are obvious. Private-sector managers who move into government usually carry biases and related loyalties into their new jobs (e.g., friendships, old favours, professional networks). If their new position gives them leverage over government coordination with their former business affiliations, the potential for corruption (e.g., awarding government contracts) or simply bias (e.g., drawing on particular individuals for advice) is unacceptably strong.

Conversely, senior managers anticipating positions in the private sector may also seek to "feather their nests" by channeling state contracts or other public resources to their future employers. Where individuals cycle in and out of the Public Sector several times (for example, with changing governments), these risks are greatly aggravated.

Safeguards against such problems are therefore a vital concern for state governments. One way to handle this risk is to keep the two sectors carefully separate in terms of staff but coordinate closely on projects. Public-private "partnerships" in this sense are very common in South Africa, although their character is under debate (for example, whether the government should always lead and control such partnerships).

In sum, "revolving door" relationships can be productive, but only if highly structured and well-monitored such that they serve the public interest. For example, Japan's 1999 legislation allows exchanges of personnel between the national government and private enterprises (formerly banned) not precisely to serve SMD but explicitly to serve the public.

To minimize risks, however, *one-way recruitment* may be a better system. For example, South Korea has developed an "Open Personnel System" which mandates that 20 percent of the Senior Civil Service enter directly from the private sector.[21] Similarly, the "Fast Stream" system in the UK reflects the government's new attempt to reduce the insularity of the Senior Civil Service by recruiting professionals directly from the private sector. In 1988, New Zealand opened senior posts in the public service to public competition.[22]

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[19] Bhatta, 23.

[20] For a recent short discussion of "revolving door cronyism" in the US, see Frank Rich, "The Road From K Street to Yusufiya", *The New York Times*, 25 June 2006.

[21] Bhatta, 24.

[21] State Services Commission, "New Zealand's State Sector Reform: A Decade of Change. 3: Management of the State – The State Sector Act 1988" (2002); available at http://www.ssc.govt.nz/display/document.asp?docid=2845&pageno=5#P601_150034.

Alternatively, the Public Service can simply focus on enhancing and improving its consultation and communication with the private sector. Better mechanisms for such collaboration would help. At present, private companies usually prefer to work with the business schools, which offer a "comfortable environment". Consulting with other university schools or departments, other types of educational institutions, or directly with government could be very beneficial for the private sector.

In these efforts, universities can provide a vital middle ground for constructive consultation between government and the private sector. If such forums are to be effective, they should be designed through consultation between government and private business. Consultation process itself requires funding support, however, and funding is presently lacking.

4. Managing the Relationships: Coordination of SMD

The increasingly complicated challenges of SMD — including healthy relationships with special facilities, training colleges, the universities, and the private sector — have inspired countries to develop formal institutional arrangements to ensure its quality. The most basic step is to provide a separate rubric for SMD. South Africa's Senior Management Service, created in 2001 and operating as a unit within DPSA, reflects practice elsewhere: for example,

- India – Indian Administrative Service
- Japan – Personnel and Pension Bureau
- United States -- Senior Executive Service (est. 1978)
- United Kingdom -- Senior Civil Service
- Australia -- Senior Executive Service (SES, est. 1984).

However, such services are not always considered effective. New Zealand set up a "Senior Executive Service" as part of its efforts at reform in the 1990s, but in its decentralization programme made this less effective. Rather than focus on a senior corps, SMD has been reconceived to emphasize management development more generally, coordinated by the Management Development Centre.[23]

Recruitment is a second concern and has become a vital mechanism for bringing private-sector staff and academics into the Public Service. In many countries, aspiring candidates for the senior Public Service must pass special open examinations administered by dedicated agencies. For example, candidates aspiring to join the elite Indian Administrative Service first complete their education at various universities, then undertake the nationally competitive Civil Service Examination (administered by India's Union Public Service Commission). Some 200-300 applicants pass annually, out of 40,000-50,000 candidates.

In other countries, recruitment is combined with lures designed especially for private-sector professionals, including early placement at high positions and special training. In the UK, for example, the "Fast Stream" system recruits candidates from all parts of society, who are first screened for basic ability and talent. The "Fast Stream" system then places them in senior positions in different sectors—e.g., science and engineering, economics, statistics, diplomacy, the secret service, and so forth—where they obtain accelerated training. In New Zealand, the Executive Leadership Programme operates with similar goals of diversifying senior management, seeking "to identify future leaders, to build personal development programmes for those potential

[23] State Services Commission, "New Zealand's State Sector Reform: A Decade of Change", op. cit.

leaders and to increase the quality, quantity and diversity of people available for leadership roles."[24]

(However, rigorous entrance examinations for senior management positions tend to generate the class-bias problem noted earlier. In India, for example, the highly competitive examinations to enter the Indian Administrative Service systematically exclude individuals from lower castes and scheduled tribes. Breaking down class and gender barriers to the senior levels of management is also a concern in the UK, where the "fast stream" system was developed partly to recruit minority individuals and women onto accelerated tracks toward senior Public Service positions.)[25]

Special agencies are then charged with meeting the needs of SMD for education, training, and recruitment. These agencies are sometimes positioned within (or under the immediate supervision of) the prime ministry or presidency: e.g., in Singapore, South Korea, and Canada. (In Canada, the president of the Canadian Centre for Management Development has the rank of deputy minister.)[26]

Other countries have established inter-ministerial or other high-level commissions or agencies for the same purpose: for example,

Australia	Public Service and Merit Protection Commission
France	National Personnel Authority
Japan	Inter-Ministerial Delegation for State Reform
New Zealand	Leadership Development Centre (controlled by executive directors)
Sweden	National Council for Quality and Development (which focuses primarily on recruitment)
United States	Office of Executive Resources Management (in the Office of Personnel Management–OPM)

All these agencies must then determine how SMD should best employ educational and training resources in the universities and the private sector.

5. Options for South Africa

In South Africa, a general approach to education and training was established by the White Paper on Public Service Training and Education (1997). This policy appraisal acknowledged four possible modes:

(1) a "centralized model" (as in France);

(2) a "decentralized state model" (in which government departments would be free to develop their own internal training systems);

(3) a "decentralized private model" (in which departments would be free to select external providers without government direction or supervision, as in the United States); and

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[24] Leadership Development Centre, "Executive Leadership Programme": available at http://www.ldc.govt.nz/?/elp.

[25] Santosh Goyal, "Social Background of Officers in the Indian Administrative Service," Institute for Studies in Industrial Development (New Delhi), available at http://isidev.nic.in/pdf/santosh1.pdf.

[26] Bhatta, 22.

(4) the "coordinated flexible competency-based model" in which internal and external sources would provide training and education on an equal and competitive basis, but in accord with government standards, direction, and supervision.

The government chose option (4). This approach attempts to combine three agendas:

(1) to benefit from the competitive "market" effect gained by using diverse methods and sources,

(2) to allow departments and provincial administrations to assume "day-to-day managerial responsibility and decision-making", and yet also

(3) to retain a leading role for the government, which would provide "strong central strategic direction, accountability, coordination and the adherence to national norms and standards" (4.1.1). This system, it was argued, would generate "a competitive environment for providers (both in-house and external) who will be required to deliver high quality products if they want to secure contracts for the delivery of training and education programmes" (4.2.3).

This choice is conceptually well-crafted, but it suggests two risks. First, central direction might impede individual agencies from developing programmes tailor-made to their own needs. (For example, in Australia, the Treasury has developed its own training system that has earned high praise.) Second, if the "KPA paradox", discussed earlier, is not resolved, government's "strong central strategic direction" may generate SMD more conducive to conformity than to the much-needed spirit of critique and innovation associated with an excellent SMS.

As noted earlier, the innovation and creativity so urgently needed in South African Public Service requires the free expression of diverse opinions and constructive dissent, as well as the confidence to engage in frank self-critique. It also requires diverse sources and methods of education and training. In practice, this creative climate might require a less centralized system. In this vein, the Public Management Service of the OECD holds that

> the replacement of highly centralised, hierarchical structures by decentralised management environments where decisions on resource allocation and service delivery are made closer to the point of delivery, and which provide scope for feedback from clients and other interest groups.[27]

However, this New Public Management approach, in adopting market-oriented and economistic models, may neglect the ethics, goals and character of democratic governance.

6. Conclusion: Seeking Excellence in SMD

Ongoing education and training is vital to SMD. But at the senior level, they must not simply plug knowledge holes. They must provide genuinely fresh and inspirational learning. Several dimensions of SMD are at stake, making "revolving door" options the focus of new attention.

First, solely internal sources of training may reproduce outdated frameworks and methods. These block creativity and innovation, by discouraging new employees from sharing new ideas and techniques. Stale knowledge and methods provide a haven for the unmotivated, intellectually timid, and untalented senior managers who seek the comfort of routinized procedure more than the excitement of effectively responding to continually evolving challenges.

Second, stale methods are self-replicating. If managers impose outdated methods on their departments, they discourage creativity and encourage "job-hopping" among frustrated staff, and

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[27] Cited in Mathiason, op cit., 1.

so weed out more ambitious and talented candidates for important senior posts. Remaining staff adopt the addiction to familiar routine as a condition of keeping their jobs, and in turn impose it on others.

Third, stale methods foster loss of the best managerial staff. Stimulating exchanges with the universities and the private sector greatly enhance job satisfaction of talented senior staff in the Public Service and therefore help to retain such staff. Many senior managers find periodic "refresher" learning necessary to keeping their jobs interesting. Through reinvigorating professional training, senior managers remain creative and energized, and are better able to provide the stimulating work environment conducive to new professionals entering their area. Government benefits from this dynamic by retaining and cultivating talented people and by weeding out those who impede development and improvement.

Through reinvigorating professional training, senior managers remain creative and energized, and are better able to provide the stimulating work environment conducive to new professionals entering their area. Government benefits from this dynamic by retaining and cultivating talented people and by weeding out those who comprise impediments to development and improvement.

Four challenges stand out, however, in meeting these professional needs:

(1) the need for funding to support exchanges and consultation,
(2) flexibility and options (related to motivation),
(3) the quest for quality experience, and
(4) the need for information in designing new programs.

(1) Funding is not presently sufficient. Workshop discussion arrived continually at the problem of funding. Many stakeholders share the desire for education and training through partnering and "revolving doors", but department budgets presently do not support these activities. (Nor are SETA funds functioning as they should.) To support higher quality learning experiences, government leadership will be required to provide enabling conditions: for example,

- **Revise criteria of training budgets** to support sabbaticals, consultative forums, and other exchange or "revolving door" experiences.

- Establish **permanent funding mechanisms** for exchanges, collaboration, and consultation.

- Find ways to extend these funding reforms to the **provincial** government level.

(2) Universal models for education and training will be problematic. Needs and individual predilections will always vary. Not all senior managers want experience in universities, while university faculty are not typically hankering for experience in government. Mechanisms for exchange and sharing therefore need to be optional. Still, some senior PS managers may not want to take time for university education even though they clearly need it. Some creative balance between optional and compulsory educational experience is required.

Here a point system could offer senior managers (and middle managers) an incentive to seek education and training and to participate in revolving door mechanisms. Assigning points to various experiences and making the accumulation of points part of KPAs could provide both incentive and flexibility to senior managers. Practices for ongoing professional development in the medical field could offer models here, although models in technical fields may differ from models required by other fields (like Arts and Education).

(3) Quality exchanges between the PS, universities and private sector require real professional community. Short conferences, seminars, and workshops are not enough. Some government programs have already teamed CEOs and senior managers for excursions to Brazil, Vietnam,

etc., followed by ongoing forums to inspire and cultivate ongoing mutual enrichment. Presently, rules for training support do not allow for this kind of quality in professional interchange and community.

(4) Strategizing new methods requires knowledge of what is being done. Workshop participants agreed that next steps should benefit from more empirical information, such as:

- What programs for exchange and partnerships are already underway between the SMS, universities and the public sector (including the provincial level)? How can these existing programs inform and guide creation of new ones?

- What funding sources presently exist to support such relationships? How can funding sources be redirected or expanded to support more frequent and better quality exchange and collaboration?

- How would revolving-door mechanisms contribute to solving the problems identified so far (e.g., retention, mentoring, and lasting excellence in the SMS)?

To conclude with a caution: "best practices" are not cake recipes: they do not transfer as packages from one country to another. All of the options discussed here suggest valuable opportunities but also worrisome limitations and sometimes serious risks. Moreover, most of these examples are from advanced industrialized countries, which face domestic conditions very different from South Africa. Future discussions should include south-south consultations, which will enrich the quest for effective SMD.

Finally, one message stands out from the present research. Excellence in senior public management requires a managerial culture that values not only skills and knowledge but also adaptability, innovation, and openness to new ideas. To ensure that senior managers develop those qualities and share them with rising ranks of the Public Service, SMD itself must exceed technical concerns to make senior careers in the Public Service professionally rewarding and enhance retention. To do that, SMD must provide the invigorating environment that will retain its best people.

Appendix A: Principles of SMD in South African Government Policy

Emphasis on ongoing learning is consistent throughout human development white papers and legislation. For instance, the Human Resource Development Strategy lists "lifelong learning" as an essential component of five strategic objectives:

- *Improving the foundations for human development*
- *Improving the supply of high-quality skills (particularly scarce skills), which are more responsive to societal and economic need*
- *Increasing employer participation in lifelong learning*
- *Supporting employment growth through industrial policies, innovations, research and development*
- *Ensuring that the four pillars of the Human Resource Development Strategy are linked.*

The National Skills Development Strategy makes provision for a new system of learning, which combines structured learning and work experience, culminating in nationally recognized qualifications that signify job readiness within the National Qualifications Framework (NQF).

According to the White Paper on Public Service Training and Education (1997), "all departments and components must become true learning organizations where

- *the strategy, structure and culture of the enterprise become part of the learning system;*
- *the learning of all employees is facilitated and the organization continuously transforms itself;*
- *a willingness to accept that learning occurs continuously at all levels and needs to flow freely to where it is needed is displayed; and*
- *by facilitating and making use of the learning of all their employees, their knowledge and understanding of themselves and their environment improves over time."*

Appendix B: United States USC 3396 (conditions for SES sabbaticals):

(1) The head of an agency may grant a sabbatical to any career appointee for not to exceed 11 months in order to permit the appointee to engage in study or uncompensated work experience which will contribute to the appointee's development and effectiveness. A sabbatical shall not result in loss of, or reduction in, pay, leave to which the career appointee is otherwise entitled, credit for time or service, or performance or efficiency rating. The head of the agency may authorize in accordance with chapter 57 of this title such travel expenses (including per diem allowances) as the head of the agency may determine to be essential for the study or experience.

(2) A sabbatical under this subsection may not be granted to any career appointee –

(A) more than once in any 10-year period;
(B) unless the appointee has completed 7 years of service -
(i) in one or more positions in the Senior Executive Service;
(ii) in one or more other positions in the civil service the level of duties and responsibilities of which are equivalent to the level of duties and responsibilities of positions in the Senior Executive Service; or
(iii) in any combination of such positions, except that not less than 2 years of such 7 years of service must be in the Senior Executive Service; and

(C) if the appointee is eligible for voluntary retirement with a right to an immediate annuity under section 8336 of this title. Any period of assignment under section 3373 of this title, relating to assignments of employees to State and local governments, shall

not be considered a period of service for the purpose of subparagraph (B) of this paragraph.