

FINAL REPORT



**SYNTHESIS EVALUATION OF STATE CAPACITY WITH A SPECIAL
FOCUS ON DIRECTORS-GENERAL AND HEADS OF DEPARTMENT**

FINAL REPORT

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The Presidency

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EXECUTIVE SUMMARY

Introduction: Background and Rationale

The Presidency commissioned the Developmental, Capable, and Ethical State (DCES) division of the Human Sciences Research Council (HSRC) to conduct a study entitled “Synthesis evaluation of state capacity with a special focus on Directors-General and Heads of Department”.

According to the Terms of Reference (ToRs), at the centre of state capacity is the top echelon of government officials, i.e., Accounting Officers (AOs), including Directors-General (DGs) and Heads of Department (HoDs) in the national and provincial spheres of government, respectively. They drive the implementation of priority programmes by providing strategic leadership, planning, monitoring, conducting oversight, and spearheading governance and accountability. However, several studies have highlighted gaps and challenges facing the state’s capacity and its ability to achieve effective and efficient programme implementation. This is true for all spheres of government, largely because AOs are at the political-administrative interface across the state, which is often not conducive to the effective achievement of outcomes. The resulting administrative instability includes systemic capacity vacuums, which contribute to ineffectiveness and inefficiencies in delivering government programmes and services.

In South Africa, as in many other developing countries, the survival and functioning of governance systems depend on key state capacities, including the capacity to mobilise and effectively apply financial resources to pursue the implementation of programmes of national interest, and the capacity to guide national socioeconomic development. If the state is able to produce and deliver economic and social goods in accordance with its constitutional mandate, it may strengthen democratic legitimacy. However, if the state apparatus cannot adequately deliver on its constitutional mandate, it may undermine perceived democratic legitimacy. Thus, a developmental, capable and ethical state requires skilled managers, especially DGs and HoDs, with clear lines of authority and accountability to execute their duties in a way that achieves optimal outputs and agreed outcomes. This requires a political and administrative environment that is free from undue political interference, with effective systems, and with a consistent and fair application of rules. In other words, an effective bureaucracy staffed with skilled and qualified individuals is a necessary condition to ensure a high quality of governance in the pursuit of a transformed and inclusive democratic society in South Africa as promised in the Constitution (1996) and envisaged in the National Development Plan, 2012 (NDP).

Methodology

The HSRC conducted a synthesis evaluation of literature on state capacity and public media analysis, together with undertaking complementary fieldwork, with a special focus on national DGs and provincial HoDs past and present, in order to identify best practice approaches and recommendations to strengthen state capacity at senior levels in South Africa within the context of a developmental, capable and ethical state.

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Evaluation Objectives and Scope

Based on the ToRs, the evaluation focused on the following issues:

1. The system under which DGs and HoDs operate, including, but not limited to: leadership; skills; organisational configuration, processes and functioning; employment arrangements and conditions; performance management; and coordination structures
2. Regulatory frameworks that impact on the performance of DGs and HoDs and on that of persons in those parts of the state for which they are responsible
3. Institutional architecture / design and organisational culture of government and how it impacts on delivery
4. Coordination, the administrative-political interface, and other critical factors that impact on the organisation, capacity, and efficacy of the state; and
5. Provision of best-practice models for enhancing effective state capacity implemented in similar developmental countries like South Africa, with particular focus on DGs and HoDs.

Key Evaluation Questions

The key evaluation questions for the study were the following:

Primary questions

- What is the status of current state capacity with a special focus on DGs and HoDs?
- Why is the state experiencing capacity challenges especially at DG and HoD level?

Secondary questions

- What systems do DGs and HoDs operate under, including, but not limited to leadership, skills, configuration, processes and functioning, employment arrangements and conditions, performance management, and coordination structures?
- What regulatory frameworks impact on the performance of DGs and HoDs in national and provincial spheres of government?
- What is the impact of the salient systemic challenges in a dominant party context, for example, undue political interference and high turnover of DGs and HoDs, on state capacity and best practice?
- What capacity interventions exist locally, regionally, and internationally that can strengthen state capacity for improved quality of governance in South Africa within the context of a developmental and capable state?

Conclusions

High turnover

The high level of turnover among DGs and HoDs (AOs) in the recent past has diminished to some degree, but it remains too early to conclude that this is a clear trend. Turnover among AOs is seen by respondents interviewed as a serious problem because it contributes to policy

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uncertainty and because implementation of strategic and annual plans is interrupted; it undermines the quality of governance through the loss of expertise and institutional memory; it causes instability and negatively affects morale throughout departments; and it discourages potential applicants who might otherwise be able to make a valuable contribution to the country's developmental objectives.

Causes of the high turnover rates arise primarily from the weak policy and legal frameworks governing the political-administrative interface. This allows executive interference in what should be administrative responsibilities, such as the appointment of staff and the lawful management of expenditure and procurement. This interference weakens AOs' ability to assemble a team of appropriately qualified public servants to support their efforts to efficiently and effectively achieve organisational objectives over the course of a reasonable period of time. AOs are treated with condescension and even contempt by some Executive Authorities (EAs). Many AOs have resigned or been removed because of their reluctance to make themselves complicit in irregular or unlawful conduct at the instance of EAs.

Political-administrative interface

Tensions and instability in relationships at this interface clearly remain a matter of great concern for all respondents.

Because of the broad discretion that the law in practice currently affords EAs (with the sometimes tacit consent of the President or Premier) to appoint and remove AOs, their positions are vulnerable and precarious, which renders them susceptible to undue pressure from EAs, especially those who may be inclined to prioritise political or personal patronage and short-term interests over the demands of long-term policy implementation, monitoring and adjustment. The vulnerability of AOs is increased by the party political and personal ambitions among the senior management team. The result is an organisation whose staff feel uncertain and obliged to "take sides" with either the EA or the AO. Professionalisation of the public service, together with mechanisms such as a supervisory role for the Public Service Commission (PSC) in overseeing the recruitment and appointment process, including interviews based on clear meritocratic criteria, and the creation of the post of a Head of the Public Service (HPS), offer the prospect of reducing the destabilising influences of both party politics and office politics.

Ministerial advisors create an additional source of tension at the interface, especially when they purport to give instructions to AOs. There is no accountability mechanism because of the porous political-administrative interface in which AOs occupy a weak position.

The depoliticisation of this relationship is a matter of urgency. The creation of the post of a HPS, with the DG in the Presidency responsible for the objective and transparent management of performance and career incidents of DGs and HoDs, is seen by all respondents as a critical reform that will make a significant contribution to reducing tensions between EAs and AOs and stabilise the working conditions of the leadership of the public service.

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The creation of this post will also mark a substantial step towards the NDP's goal of professionalising the public service, which respondents uniformly regard as a fundamental priority for improving the quality of governance and thereby of service delivery.

Some AOs indicated that they had managed to build a relationship of mutual trust with their EA, including by treating them with respect and consideration, and being transparent with them. Nevertheless, in the absence of a depoliticised performance management arrangement, AOs' position remains precarious and largely susceptible to the subjective preferences of the next EA.

Skills and leadership

The following qualifications, skills and leadership attributes were identified by respondents:

1. Strategic leadership and management
2. Strong and advanced financial management
3. People management, which includes "soft skills", as well as performance management, discipline and human resources development
4. Communication skills
5. An advanced understanding of economics and development, including people's socioeconomic circumstances
6. Advanced knowledge and skills in ICT, including an understanding of the significance of 'big data'; and
7. Applied ethics and modeling ethical leadership (i.e. integrity).

These skills should be included in a packaged curriculum "to develop leaders or young people" and to prepare them and support them along the path to becoming DGs.

Departmental systems and processes

Performance management

Government pursues improved coordination through structures such as clusters and FOSAD, which is a critical area of work for DGs, but the AG does not audit departments and ministers do not adequately assess AOs' performance with this vital role in mind.

Some senior public servants apparently do not understand how government's political programme is encapsulated in the MTSF and how that cascades down to be reflected in ministerial performance agreements, in departmental strategic and annual performance plans, and in AOs' performance agreements. This hinders effective performance management, leading to annual targets not being achieved and strategic objectives not being realised.

The public service's performance management system has recently improved to take account of individuals', including AOs', contribution to the work of the department. Nevertheless, performance management needs to move beyond an individualised approach by assessing entire units', divisions' and departments' performance together. This 360-degree approach enables performance management to more accurately assess adherence to and promotion of shared values and achievement of shared objectives.

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Human resources

Most respondents identified the necessity for Deputy Directors-General (DDGs) to be subject / content experts, which increases the importance of AOs, not EAs, being able to appoint the most appropriate candidates in their departments.

AOs continue to find human resource-related legislative frameworks cumbersome, especially when needing to remove underperforming bureaucrats who negatively affect service delivery output. The lack of clarity surrounding the delegation of HR management to AOs contributes to poor ethical environments in departments and entities, and to weak consequence management.

Many AOs identified the need for HR expertise to help them effectively recruit appropriately qualified candidates with the necessary skills, and to manage staff discipline where necessary.

It is essential that qualifications, experience and skills are viewed as a package, together with a commitment to constitutional values, integrity and Ubuntu, as well as empathy for those needing government services.

Capacity-building in the public service needs to be continuous and tailored to support AOs' abilities to help meet NDP and departmental objectives.

Human resources are not appropriately shared across departments, partly due to the legacy of incomplete mergers and separations, and partly due to financial and public service constraints on recruitment. Perceptions of being short-staffed may be partly due to unsuitable appointments.

Staff rotation can contribute to a solution – as provided for in Public Administration Management Act, 2014 (PAMA). Staff should not work in the same location or post indefinitely, as this can lead to complacency, familiarity and opportunities for collusion and corruption.

Public finances and procurement

While several participants view the Public Finance Management Act, 1999 (PFMA) as unduly restrictive and as penalising initiatives that could improve efficiency, one participant emphasised that, while that was accurate, generally the public service has yet to show that it can be trusted with greater latitude and discretion.

Scarcity is inherent in economics, but effective financial management can enable budgets to be allocated appropriately and spent efficiently. Retraining and transfer of staff may be required, as envisaged by PAMA.

Simply blaming inadequate funding is misdiagnosing the problem because most departments do not spend efficiently, or underspend their budgets. This is compounded by fruitless and wasteful expenditure, as well as increased corruption and misappropriation. More efficient management of expenditure can reduce perceptions of underfunding.

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The PFMA is written with “big corporates” in mind and does not cater for the needs of, for example, women-led cooperatives or co-ops of people with disabilities. It works well enough as a governance tool but not as an enabling tool for marginalised groups to participate in the public sector component of the economy.

Parliament misunderstands the relative significance of different findings by the AG, placing equal emphasis on irregular expenditure and wasteful expenditure, although the former merely means a failure to follow prescribed procedures and does not necessarily entail substantively fruitless or wasteful expenditure. Nobody examines the underlying causes of irregular expenditure or takes action to amend this restrictive legislation.

The absence of integrated financial and supply chain management systems within departments, and between departments and National Treasury, puts a great deal of pressure on departments to keep manual spreadsheets, tables, documents, and so on, which requires enormous effort by staff.

Institutional design

The present public service institutional design does not work effectively because of a hierarchical and fissured bureaucracy that is unable to promote creativity, innovation and cooperation, and instead breeds loyalty to certain EAs or AOs, rather than to the constitutional framework or the NDP’s vision.

Complying with legal frameworks is the primary preoccupation of each department, often to the detriment of service delivery, because their performance is assessed and audited within these frameworks. But the real world is different, requiring cooperation with other departments in order to achieve mutual objectives.

Cooperation across government is essential for good governance and effective service delivery. Despite coordination structures such as clusters and FOSAD, cooperation with other departments remains an area of significant uncertainty for AOs, and often lies outside their control, although the law prescribes that they take responsibility for their department’s resulting non-delivery or underperformance.

The AG’s approach to departmental audits, together with performance management systems, continues to incentivise prioritising siloed behaviour over an integrated approach that would contribute to achieving shared objectives.

The DPSA too often take the approach that “one size fits all”. However, this approach fails to fully understand “the nuances that are embedded within each organisation”. As a result, “professionally qualified people” such as doctors, various types of engineers and architects “are not classified as senior managers in the construct of the government hierarchy”. This undermines the ability of the public service to attract and retain essential skills, although the occupation-specific dispensation (OSD) can be used to ameliorate the situation.

The public service is currently able to take an adequately nuanced approach to departments being able to attract and appoint qualified professionals in appropriately senior posts. It is necessary to adapt in order to recruit and accommodate new specialist skills, especially in

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ICT. The public service also needs to be more flexible and adaptable to the workstyle preferences of young people with these skills.

Parliamentary oversight is abused by some individual MPs in ways that hinder AOs' effective performance. Substantive content knowledge and expertise often lie with DDGs, and the executive should be more directly accountable to Parliament. The state needs to improve its understanding of how its branches can contribute to more effective oversight and accountability. It is not always necessary or most useful for an AO to be required to represent their department in the legislature, when the oversight body may benefit more from the presence and contribution of a DDG or of the EA.

Configuration of departments

There are structural challenges that have not been addressed that arise from the many mergers and separations over the years. Departments are merged without being properly integrated. For example, the Economic Development Department, although merged into the dtic, still operates as a separate department.

The public service currently lacks the structural flexibility to enable the deployment of middle managers to frontline service offices, even though this would enable decision-makers to actively manage service delivery to improve quality and efficiency, and to model the Constitutional Values and Principles (CVPs), the Batho Pele Principles and Ubuntu.

Regulatory frameworks

The disjuncture between the PFMA and the Public Service Act, 1994 (PSA) is one of the underlying causes of tensions at the political-administrative interface, as these laws obscure the clear allocation and division of responsibilities between the executive and administrative branches of government.

One implication of this disjuncture is the discretionary delegation by EAs to AOs of recruitment powers. This area of persistent uncertainty leaves AOs unsure about their ability to fulfil their responsibilities and vulnerable to executive pressure.

The provision in the PFMA that requires officials who are given an unlawful instruction to put it in writing and send it to the minister provides no practical protection to AOs who may wish to resist unlawful instructions. Their immediate removal would be the most likely result. The creation of the envisaged post of the HPS is therefore regarded as an urgent priority.

Recommendations

1. Political-administrative interface and turnover rate

- (a) The political-administrative interface needs to be urgently depoliticised through decisive amendments to the policy and legal frameworks to clearly define respective roles and responsibilities, and lines of accountability, and to ensure that the executive is held accountable for respecting those boundaries.
- (b) Clearly define the roles and responsibilities of ministerial advisors, and create an accountability mechanism for them, including to ensure their adherence to the clear

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guidance by the PSC that there is no 'relationship of authority'¹ between advisors on the one hand, and AOs and their staff on the other.

- (c) Cadre deployment is a reality, but, in accordance with the requirements of s.195(1) of the Constitution and the NDP,² it must be implemented in a manner that respects and prioritises meritocracy, integrity and professionalisation, not political patronage.
- (d) Urgently create the post of HPS, with the DG in the Presidency as the office-bearer, to objectively manage the career incidents of AOs.
- (e) AOs' primary accountability relationship should be with the HPS, not with their EA.
- (f) Consider the relative advantages of contract versus permanent appointment of AOs. If permanent appointments are not favoured, the current practice of contracts of at least 5 years' duration is recommended in order to promote stability and continuity, as well as professionalism and career progression.
- (g) Amend the existing legal framework, specifically the Public Service Act (PSA) and Regulations, in respect of HR management, to clarify, i.e. require, the delegations for operational matters to AOs and remove the discretionary delegation currently vested in the executive. As noted by the PSC, clarity surrounding the delegation of HR management to AOs contributes to improved service delivery.³
- (h) Proceed urgently with steps to professionalise the public service.
- (i) Authorise the PSC to independently oversee and supervise the recruitment and interviews of AOs and members of their senior management team, particularly DDGs, in terms of clear and objective criteria that contribute to the professionalisation of the public service. The PSC's recommendations concerning all eligible candidates should be considered by the HPS and, if endorsed, conveyed to the President or Premier who should consult the relevant Minister or MEC before making a final decision on appointments.
- (j) The philosophy of Ubuntu is a form of patriotism for the public, as well as for public representatives and public servants; it holds that we are not here just for self-interest. It needs to be incorporated into public service orientation and training programmes.
- (k) Induction training should be strengthened through a compulsory five-day immersive programme for both executive and administrative leadership, as well as ministerial advisors and other public servants, so that the separation of executive and administrative responsibilities, and the supremacy of the Constitution and the Rule of Law, and the significance of CVPs, the Batho Pele Principles and Ubuntu are thoroughly understood by all public representatives, their staff and public servants. These changes are recommended in order to support an ethical working environment and effective consequence management in departments and entities.
- (l) The PSC should continue to play a key role in the induction of EAs and AOs, and should play a similar role in the recommended induction of ministerial advisors and senior departmental management. Detailed departmental subject expertise often lies more with

¹ PSC. 2019. *Guide on Governance Practice for Executive Authorities and Heads of Department*, at p.25.

² Ibid at p.27ff.

³ Ibid at p.15.

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DDGs than with AOs, and these aspects of accountability to Parliament should therefore lie primarily with DDGs and the executive leadership. The state needs to improve its understanding of how its branches can contribute to more effective oversight.

2. Skills and leadership

- (a) Professionalisation of the public service means that meritocracy must be prioritised and must guide recruitment and promotion. Meritocratic criteria must include qualifications, experience, expertise, integrity and values.
- (b) AOs' performance agreements and assessment should give appropriate priority to ethical leadership and effective consequence management by AOs.
- (c) AOs should be encouraged and supported to continually enhance their knowledge and skills and should be provided with mentoring opportunities to enhance their competencies and wellbeing.

3. Human resource management

- (a) Capacity-building in the public service needs to be continuous and tailored to support AOs' abilities to help meet NDP and departmental objectives.
- (b) Capacity-building in the public service needs to be modernised in order to help meet our objectives as a country and should include mentoring, support and encouragement to improve AOs' wellbeing.
- (c) AOs should be provided with specialist HR capacity in their respective departments to enable recruitment and appointment of appropriate specialists and professionals.
- (d) As recommended above, the delegation of HR management to AOs should be decisively clarified by amendments to the PSA and Regulations. These amendments are recommended also to support an ethical working environment and effective consequence management in departments and entities. The PSC has noted that '[i]n terms of Regulations 22 and 23 of the PSR 2016, both the EA and the [AO] are responsible for creating and inculcating an ethical culture in a department. They assume final accountability to Parliament and therefore must set the ethical tone'.⁴ While EAs and AOs must work together to create this culture in the workplace, a clear delegation of discipline management to AOs is permissible.⁵ If this is done as part of the delegation of HR management to AOs, it is likely to enhance their ability to ensure more effective consequence management.
- (e) The Presidency, with the assistance of DPME, currently oversees and facilitates performance assessments of AOs. The fundamentals of this arrangement should be retained, with the exception that that oversight should in future rest with the new HPS.
- (f) Performance management of AOs and their senior management needs to prioritise the value of teamwork internally, and the importance of joined up and integrated government through improved coordination and collaboration externally.

⁴ Ibid at p.45.

⁵ Ibid at p.51ff.

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4. Financial management

- (a) The PFMA provides in clear terms that responsibility for financial management lies with AOs. Induction training for EAs and their advisors, and for AOs and their senior management, should emphasise this clear division of roles and responsibilities, and its implications for the interface between EAs and their advisors, on the one hand, and AOs on the other.
- (b) Review and amend the PFMA to authorise the responsible exercise of discretion and decisions that enable more efficient expenditure of departmental budgets and the way in which the AG reports on irregular expenditure.
- (c) Where EAs give or arrange for (such as through their advisors) unlawful instructions to AOs in contravention of the provisions of s.64 of the PFMA, the Act should be amended to require AOs to also lodge their written concerns with the HPS, as well as with National Treasury and the AG, and a provincial treasury where appropriate.
- (d) The PFMA should be further amended to provide for an accountability mechanism for EAs who contravene these provisions or who subject AOs to any 'workplace or occupational detriment' as a result of their actions in compliance with the injunctions in s.64.

5. Departmental systems and processes

- (a) Where appropriate, retrain and transfer staff, as envisaged by PAMA.
- (b) The public service should make the necessary changes to regulatory frameworks to enable departments to attract and appoint qualified professionals in appropriately senior posts.
- (c) Performance management and accountability mechanisms should give appropriate weight to team performance rather than prioritising mainly or solely individual performance.
- (d) With a view to improving efficiency, effectiveness and service delivery, performance management and accountability mechanisms should include greater incentives for mutually respectful partnerships, collaboration and cooperation between organs of state and public entities rather than prioritising only an individual organ's or entity's internal objectives.
- (e) Give further consideration to performance management that entails an open, ongoing conversation in which senior management team members participate in honest exchanges and reflection, and are provided with regular opportunities for any minor adjustments or course-corrections.
- (f) Prioritise the establishment of an integrated electronic financial management system.

6. Institutional design

- (a) Service delivery-oriented departments should be enabled to appoint specialists and professionals in more senior and better-remunerated posts.
- (b) To the extent that this may not already be the case, service delivery departments should be enabled to locate more middle-ranking public servants in frontline offices in order to

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achieve human resource, financial and service delivery efficiencies, helping to ensure that shared values such as CVPs, the Batho Pele principles, Ubuntu and shared service delivery targets are prioritised at the public interface.

- (c) The public service needs to be more flexible and adaptable in order to recruit and accommodate new specialist skills and less formal and more impermanent and flexible workstyle preferences, especially in ICT.
- (d) The state needs to improve its understanding of how its branches can contribute to more effective oversight and accountability. It may be necessary to legislate or otherwise formalise a requirement for DDGs to accompany EAs and AOs, and to authorise them to account on behalf of their department where appropriate. They however should not necessarily always replace AOs when proper accountability requires the AO's presence.

7. Regulatory frameworks

- (a) Amend the PFMA and PSA in order to clarify the separation between the complementary roles and responsibilities of executive and administrative leadership, and thereby reduce tensions at the political-administrative interface and enhance consequence management.

1. INTRODUCTION

1.1 Background and rationale

The Presidency commissioned the Developmental, Capable, and Ethical State (DCES) research division of the Human Sciences Research Council (HSRC) to conduct a study entitled “Synthesis evaluation of state capacity with a special focus on Directors-General (DGs) and Heads of Department (HoDs)”.

According to the Terms of Reference (ToRs), at the centre of state capacity is the top echelon of government officials, i.e., Accounting Officers (AOs), including DGs and HoDs in the national and provincial spheres of government. As the most senior civil servants, they drive the implementation of priority programmes by providing strategic leadership, planning, monitoring, conducting oversight, and spearheading governance and accountability. However, a number of studies have highlighted a range of gaps and challenges facing the state’s capacity and its ability to achieve effective and efficient programme implementation.⁶ This was found to be true for all spheres of government, largely because AOs are at the political-administrative interface across the state, which is often not conducive to the effective achievement of outcomes. The resulting administrative instability includes systemic capacity vacuums, which contribute to ineffectiveness and inefficiencies in delivering government programmes and services.

In South Africa, as in many other developing countries, the survival and functioning of governance systems depend on key state capacities. These are the capacity to mobilise and effectively apply financial resources to pursue the implementation of programmes of national interest and the capacity to guide national socioeconomic development. If the state is able to produce and deliver economic and social goods in accordance with its constitutional mandate, it may strengthen democratic legitimacy. However, if the state apparatus cannot adequately deliver on its constitutional mandate, it may undermine perceived democratic legitimacy. Thus, a developmental, capable and ethical state requires skilled managers, especially DGs and HoDs, with clear lines of authority and accountability to execute their duties in a way that achieves optimal outputs and agreed outcomes. This requires a political and administrative environment that is free from undue political interference, with effective systems, and with a consistent and fair application of rules. In other words, an effective bureaucracy staffed with skilled and qualified individuals is a necessary condition to ensure a high quality of governance in the pursuit of a transformed and inclusive democratic society in South Africa as promised in the Constitution (1996) and envisaged in the National Development Plan (NDP) 2012.

Against this backdrop, the HSRC conducted a synthesis evaluation of literature on state capacity and public media analysis, together with undertaking complementary fieldwork, with

⁶ Gumede, W. 2009. ‘Delivering the democratic developmental state in South Africa’. *Development Planning Division working paper series*, 9; Borat, H., Buthelezi, M., Chipkin, I., Duma, S., Mondi, L., Peter, C., Qobo, M., Swilling, M. and Friedenstien, H., 2017. ‘Betrayal of the promise: How South Africa is being stolen’. *State Capacity Research Project*, pp.1-72.

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a special focus on DGs and HoDs, in order to identify best practice approaches and recommendations to strengthen state capacity at senior levels in South Africa within the context of a developmental, capable and ethical state.

1.2 Evaluation objectives and scope of the project

Extrapolated from the ToRs, the synthesis evaluation focused on the following issues:

1. The system under which DGs and HoDs operate, including, but not limited to: leadership; skills; organisational configuration, processes and functioning; employment arrangements and conditions; performance management; and coordination structures
2. Regulatory frameworks that impact on the performance of DGs and HoDs and on that of persons in those parts of the state for which they are responsible
3. Institutional architecture / design and organisational culture of government and how it impacts on delivery
4. Coordination, the administrative-political interface, and other critical factors that impact on the organisation, capacity, and efficacy of the state; and
5. Provision of best-practice models for enhancing effective state capacity implemented in similar developmental countries like South Africa, with particular focus on DGs and HoDs.

1.3 Key evaluation questions

The key research questions for this study are the following:

1.3.1 Primary questions

- What is the status of current state capacity with special focus on DGs and HoDs?
- Why is the state experiencing capacity challenges especially at the DG and HoD levels?

1.3.2 Secondary questions

- What systems do DGs and HoDs operate under, including, but not limited to leadership, skills, configuration, processes and functioning, employment arrangements and conditions, performance management, and coordination structures?
- What regulatory frameworks impact on the performance of DGs and HoDs in the national and provincial spheres of government?
- What is the impact of the salient systemic challenges in a dominant party context, for example, undue political interference and high turnover of DGs and HoDs, on state capacity and best practice?
- What capacity interventions exist locally, regionally, and internationally that can strengthen state capacity for improved quality of governance in South Africa within the context of a developmental and capable state?

2. LITERATURE REVIEW SUMMARY

2.1 Introduction

This part of the report presents the findings of a literature review for the project *Synthesis evaluation of state capacity with a special focus on DGs and HoDs* conducted by the DCES research division of the HSRC. The study was commissioned by the Department of Planning, Monitoring and Evaluation (DPME) with a focus on:

- Coordination and the administrative-political interface, and other critical factors that impact on the organisation, capacity, and efficacy of the state
- The system under which DGs and HoDs operate, including, but not limited to, leadership, skills, organisational configuration, processes and functioning, employment arrangements and conditions, performance management, and coordination structures
- Institutional architecture / design and organisational culture of government and how it impacts on delivery
- Regulatory frameworks that impact on the performance of DGs and HoDs and that of those parts of the state for which they are responsible; and
- Provision of best practice models for enhancing effective state capacity implemented in countries like South Africa, with a particular focus on DGs and HoDs.

The problem investigated is the range of challenges faced by accounting officers (AOs) at the helm of the state, in this case DGs of national government departments and HoDs at the provincial level, which give rise to ineffectiveness and inefficiencies in the delivery of government programmes and services. Priority has been given in this study to the political and administrative interface, and to how this interface affects administrative stability and state performance.

The primary research question was: What factors, in particular those relating to the political-administrative interface, affect the ability of DGs and HoDs to effectively and efficiently deliver government programmes and services?

2.2 Methodology

A desktop study was conducted of relevant documents, including, but not limited to, the National Development Plan (NDP), the current Medium-Term Strategic Framework (MTSF), Annual Performance Plans (APPs), Strategic Plans, Annual Reports (ARs), reports of the Auditor General of South Africa (AGSA), reports of the Public Service Commission (PSC) and the Department of Planning, Monitoring and Evaluation (DPME), reports of the Parliamentary Monitoring Group (PMG) on meetings of relevant portfolio committees, and pertinent media reports, as well as relevant secondary literature. Six national departments, including several that operate in the national and provincial spheres, were selected for the study: the Department of Public Service and Administration (DPSA); the Department of Justice and Constitutional Development (DoJ&CD); the Department of Cooperative Governance (DoCG); the Department of Social Development (DSD); the Department of

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Trade, Industry and Competition (dtic); and the Department of Public Enterprises (DPE). The evaluation was undertaken using the DPME's National Evaluation Policy Framework with an emphasis on the following key issues/criteria: relevance, efficiency, effectiveness, impact, and sustainability. Included in the synthesis evaluation is a review of the secondary literature on key issues related to the problem investigated in several other countries, particularly those that adopt the Westminster system of government. This report begins with the identification of key challenges in the public service.

2.3 Findings

2.3.1 *Key challenges in the public service*

The literature review begins with the identification of general challenges in the public service identified in government publications such as the NDP and the Ten, Fifteen and Twenty-Year Reviews of the public service. The study found that there were several key challenges impacting the performance of the public service negatively over the past two decades that are pertinent to this synthesis evaluation. These are:

1. *Human resources development:* The state lacks the skilled professionals capable of executing the tasks they are assigned and in the requisite numbers for optimal performance
2. *Uneven public service performance:* There is widespread failure across government to deliver quality services
3. *Corruption and maladministration in the Public Service:* Public perceptions and the reality of widespread corruption and maladministration in the public service have resulted both in the erosion of trust between the state and the citizenry and poor service performance across state organs
4. *Propensity for quick fixes and policy fads:* Inadequate solutions are generally implemented to deal with complex developmental challenges, resulting in short-term benefits, but long-term negative consequences
5. *Poor management of the political-administrative interface:* Frequent change in administrative leadership, job insecurity for such leaders, tension and conflict in the relationship between political and administrative heads, scope for undue political interference in the appointment of senior staff, and political intervention in operational matters all contribute to instability in the public sector, inappropriate staffing, and a skills deficit; and
6. *The high turnover of DGs and HoDs and unfilled senior positions:* The provisions of the Public Service Act that make the executive responsible for the appointment of civil servants has resulted in a high turnover of DGs and HoDs. This situation is compounded by the widespread failure to fill critical leadership positions at both national and provincial level.

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2.3.2 *Analysis of media reports*

An analysis was made of pertinent reports in the media, with a particular focus on the political-administrative interface. Among the key findings of this review are the following:

- *Recruitment and appointment procedures:* Tensions at the political-administrative interface impact the establishment of appropriate recruitment norms, which results in a failure to attract suitably qualified candidates. These tensions also impact the process of appointing DGs and HoDs, which has become highly politicised in South Africa, resulting in a high level of instability at these levels
- *The impact on public service effectiveness of tensions at the political-administrative interface:* Frequent changes in cabinet, the appointment of unsuitable candidates as DGs and HoDs, and the blurred boundaries, roles and mandates involving ministers, DGs, HoDs, and SOE boards lead to public service instability, dysfunction and corruption; and
- *Excessive change of ministers:* For several years the financial cluster served as an example of good management and governance largely because there was limited change in cabinet positions overseeing this cluster. The executive branch of government did not interfere with the institutional independence of departments and agencies in the cluster, and systems of accountability and a culture of integrity were put in place. This changed over time, however, as the appointment of several successive ministers of finance created a great deal of instability.

2.3.3 *Steps currently being taken to deal with challenges in the public service*

The public release of the National Implementation Framework towards the Professionalisation of the Public Service (NIF) was approved by Cabinet in November 2020. The Framework aims to protect the public service from unnecessary political interference and maintain a functional public service. The NIF includes proposals to extend the tenure of HoDs, create the post of a Head of the Public Service (HPS), implement occupation-specific competency assessments (not just the generic competency assessments currently in use), and ensure the rotation of HoDs every seven years. The NIF proposes several new initiatives which focus on leadership positions, including the following:

- Tightened pre-entry requirements informing meritocratic appointments, particularly at middle and senior management levels
- Integrity tests, as part of the overall competency assessment
- Involvement of the PSC and external experts during interview processes of DDGs, DGs and HoDs
- Appointment of a HPS to manage the political-administrative interface and the career incidents involving HoDs
- Activation of the revolving door policy when specialist or technical skills are required in the public service that allow for temporary / short-term movement of Senior

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Management Service (SMS) members between the private sector, academia and the public sector; and

- Defining a clear policy on succession planning in the public service, without creating opportunities for nepotism and related malpractice.

2.3.4 Case studies

A synthesis evaluation of relevant literature on five government departments was conducted with a focus on the political-administrative interface.

1. International experience: The Westminster system of government

The Westminster system is a widely used example of a system of government to which the relationship between the political and administrative leadership of government is typically compared. The literature on the Westminster system is substantial, and several writers point to its core characteristics: merit-based selection, non-partisanship, anonymity, security of tenure, and ministerial responsibility. Nevertheless, the review of the literature on the system in several countries conducted for this study displays a wide diversity of experience. There are two broad manifestations of the system: the United Kingdom (UK) and the 'white' or 'settler' dominions, namely Canada, Australia, New Zealand and sometimes South Africa, which apply the 'traditional' British model; and those countries where the Westminster system had been established through imperial imprimatur, such as in India, Malaysia and Singapore.

Three elements of the UK model have relevance here: neutrality, permanence, and a near-monopoly on policy advice to ministers. The system is premised, first, on a bureaucracy that is non-political and neutral, loyally committed to the aims and the interests of the government of the day. This neutrality is possible because promotion is based on a merit system dominated by career civil servants and there are no senior political appointees in the civil service who come and go with change of government or minister. Second, a Civil Service Commission was responsible for the recruitment and selection of civil servants, with entrance to the service at a young age, promotion based on merit and seniority, and job security in a lifetime career topped with generous pensions and honours. Third, this neutrality in which civil servants are expected to regard the interests of the public as being above their own personal interests, together with permanent tenure, enables them to speak truth to power and enjoy a near monopoly on policy advice. However, from the 1980s this system changed when the Prime Minister of the United Kingdom was given power to appoint permanent secretaries (DGs in the South African context), leading to a politicisation of these positions and a change in the political neutrality of top civil servants.

The Australian Westminster model initially mirrored the early British one, with a civil service that was apolitical and permanent and which held a near-monopoly on policy advice that was frank, based on the best available evidence, and in the interest of the public. This position changed too, in the late 1980s, when a civil service-controlled public service board was abolished and power given to the secretary of the department of the prime minister and

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cabinet was given the power to recommend departmental secretary appointments to the prime minister. Permanent tenure disappeared as secretaries were placed on fixed-term contracts, and the prime minister was able to dismiss secretaries or not renew their contracts, as well as bring in people from outside the Australian public service. In addition, ministers were allowed to appoint political advisers, thereby introducing competition about policy advice. New Zealand followed the same path, giving ministers the power to make inputs into the selection process, appoint and even reject any candidate for departmental chief executive recommended by the State Services Commissioner. Political advisers were also introduced, with similar consequences to those found in Australia.

Recruitment to the civil service in Canada was based on merit up until the early 1960s, when its Public Service Commission delegated responsibility for hiring personnel to the administrative department head (most often the deputy minister). Although career public servants staff the senior ranks of the Canadian public service, this was challenged by the increasing role given to the prime minister to appoint deputy ministers – the heads of administration in the Canadian system – and associate deputy ministers. Nevertheless, these appointments are drawn almost exclusively from the civil service, with recommendations for these positions made by the prime minister's own deputy minister, who is also the head of the public service, on the advice of a committee of deputy ministers. This opened the way for the politicisation of appointments to the senior public service as well as increased public service loyalty to, and support for, the government of the day. Such politicisation undermines one of the core principles of the Westminster system of government: a neutral public service.

The Indian public service is a meritocratic one, with entry into the bureaucracy based on examinations. There is constitutional protection from dismissal for bureaucrats, but political interference is manifested in the influence of political leaders over promotions and transfers. Indian bureaucrats are thus not granted autonomy or a monopoly of influence in the policy-making process. In Malaysia, the non-partisanship and security of tenure of the public service is ensured by the role of a constitutional monarch, and officers of government are agents of the political sovereign. Whichever party comes to power, the bureaucracy remains the same. Singapore has experienced virtually one-party rule for decades, and the public service is more politicised than elsewhere where the Westminster system is applied. However, there is a close relationship between the political and administrative leadership because they share the same values and objectives and have a similar class background.

The key challenges arising from changes in the Westminster system in several countries, then, are increasing politicisation of appointments to senior bureaucratic positions, the potential for political interference and loss of job security for senior career bureaucrats, and competition over policy advice due to the introduction of political advisors.

2. Department of Public Service and Administration

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2.3.4.2.1 Departmental stability and the political-administrative interface

The Department of Public Service and Administration's (DPSA's) mission is to establish norms and standards to ensure that the state machinery functions optimally, implement interventions to maintain a compliant and functioning public service, and promote an ethical public service. Several entities report to the Minister of Public Service and Administration, including the Centre for Public Service Innovation (CPSI) and the National School of Government (NSG).⁷ However, the DPSA has experienced a high turnover of ministers and DGs over a number of years. Minister Collins Chabane, who passed away in 2015, was replaced by Minister Ngoako Ramatlhodi and Minister Faith Muthambi in short succession. The latter was replaced by Minister Ayanda Dlodlo in 2018, who was, in turn, replaced by Minister Senzo Mchunu in 2019. During this period, there were four different DGs, including one who served in an acting capacity for a short while.

2.3.4.2.2 Performance: Relevance, coherence, effectiveness, efficiency and impact

The DPSA is both the lead and contributing department for the various interventions to establish a capable, ethical and developmental state. To this end, the Department is responsible for a range of policy directives, frameworks, strategies, programmes and schemes aimed at reaching this objective, including a delegations framework, which restricts the level of executive authorities' involvement in appointments to the top two administrative levels while giving officials the authority to make appointments at other levels, which is aimed at stabilising the political-administrative interface; a directive on the implementation of competency-based assessments of senior managers in the public service to strengthen the recruitment process; a directive on changes to organisational structures by departments, aimed at professionalising the public service for optimal functioning with the objective of improving the efficiency and effectiveness (i.e., quality) of service delivery; a strategy to guide the department in implementing targeted support to strengthen the human resources capacity of poorly performing and / or struggling government departments; a mentoring and peer support framework for senior managers, aimed at developing the leadership competencies of senior managers; a programme to improve the SMS performance management and development system; a Public Service Graduate Recruitment Scheme to recruit dedicated young people, develop their potential and link their career progression to performance; a Productivity Management Framework (PMF) and tool to enhance productivity in the public service; and a policy framework for the management of protected disclosures (whistle-blowing) by public service employees.

The DPSA also provides support to other government departments as part of its mandate, including support to national and provincial departments and their entities to develop internal business processes and standard operating procedures; support to departments to strengthen their capacity to institutionalise service delivery planning; support to departments

⁷ In terms of Section 196 (2) and (5) of the Constitution, the PSC is independent, must be impartial, and is accountable to the National Assembly.

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to develop generic standards for all eight Batho Pele Principles and to use the generic standards to develop their own Batho Pele Standards that are in line with their beneficiary profiles and the specific services that they render; support to departments to acquire reasonable accommodation measures and assistive devices for employees living with disabilities and disposal; support to 27 departments to implement the Guideline on Mentoring and Peer Support; and support to these departments to meet the requirement to finalise disciplinary cases within a 90-day period.

Among the other services the Department engages in are monitoring and reporting on trends in the retention rates of HoDs; monitoring and reporting on vacancy rates in the public service; assessment of Thusong Centres; conducting workshops with national and provincial departments to prepare them for the implementation of the directive on compulsory capacity development, mandatory training days and minimum entry requirements for the Public Service Senior Management Service; managing the competency assessment process for the Senior Management Service (SMS) across the public service; providing support, monitoring and reporting on national and provincial departments' adherence to the Directive on Public Administration and Management Delegations; piloting productivity measurements in three different departments in three different provinces; conducting workshops to support departments in the application of the Productivity Measurement Tool; facilitating sector and departmental workshop sessions to provide technical support to enhance the development of quality Service Delivery Improvement Plans (SDIPs); and effective implementation of, and quality reporting on, the implementation of SDIPs by all departments.

The DPSA reports varying rates of compliance across the public service with directives, frameworks, strategies, programmes and schemes. Included here are a 100% compliance rate in both national departments and provincial administrations in relation to the implementation of competency assessments at SMS levels; an overall compliance rate of 74% (64% for national departments and 76% for provincial departments) with the Directive on Public Administration and Management Delegations by the end of the 2018/19 financial year; the piloting of the Graduate Recruitment Scheme in 12 departments; the appointment of 26,055 youths into learnership, internship and artisan programmes in the 2015/16 financial year alone; dramatically fluctuating compliance rates of submission of SDIPs by departments as well as poor quality of plans; almost 100% compliance by SMS members with the Financial Disclosure Framework; and widespread non-compliance with the requirement to finalise disciplinary cases within a 90-day period.

There have been no serious issues around financial management, although the Department achieved its first clean audit during the period under review in the 2019/20 financial year. The key issue was irregular and fruitless and wasteful expenditure. The impact of instability at the political-administrative interface and of inappropriate or inadequate skills and experience among staff, insufficient independence and professionalism especially among the leadership, weak ethics controls and poor consequence management in the public service are well-recognised. These factors all play a role in undermining good governance and in diminishing the quantity and diluting the quality of services delivered by departments and public entities. The impact of the DPSA's supportive and often innovative efforts at developing standards,

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frameworks and tools, at building capacity and attracting appropriate skills, and at raising awareness and improving understanding across the public service, while extensive, at times depends primarily on other role-players. A recent example is the Public Administration, Ethics, Integrity and Disciplinary Technical Assistance Unit (EID TAU) established in terms of section 15 of PAMA.

2.3.4.2.3 Concluding observations

In order to advance the attainment of a capable state during the period of the 2019-2024 MTSF, the DPSA plans to implement a number of critical policy and programmatic interventions, including reviewing the Public Service Act and introducing measures to curb maladministration, stabilise the public service by restoring stability and credibility in state institutions, and fighting corruption. It has also proposed the establishment of the post of Head of the National Administration and the Public Service to improve the political and administrative interface. However, several processes appear to take an unduly long time to implement, while others show uneven performance without signs of clear and consistent progress towards achieving goals and objectives. The DPSA has limited control over the implementation of applicable prescripts by other parts of the public sector. It may, therefore, be largely the responsibility of oversight bodies such as the legislatures to ensure that applicable prescripts are institutionalised by Accounting Officers and their Executive Authorities.

3. Department of Justice and Constitutional Development

2.3.4.3.1 Departmental stability and the political-administrative interface

The Department of Justice and Constitutional Development (DoJ&CD) had a single DG, who had previously served as DG in the department of Cooperative Governance from 2012 for more than four years, before being led by an Acting DG for one year and five months before the end of the 2020/21 financial year. The Department had a minister who served in this position for the entire duration of the DG's term of office, with the latter serving in this position for five months under a new minister, Ronald Lamola, until the appointment of Acting DG Pillay. This was thus a relatively stable department in terms of the position of DG, except for the period under an Acting DG. Nevertheless, there was significant political interference in some units in the department, and a dramatic decline in performance during the term of office of the Acting DG.

2.3.4.3.2 Performance: Relevance, coherence, effectiveness, efficiency, and impact

The Department has sought to ensure its relevance in several ways, including linking its mandate with the outcomes of the MTSF and playing a major and direct role in implementing recommendations of the NDP. There is coherence between the MTSF and the programmes

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and activities of the Department. The Department has also established coherence among some of its objectives by introducing new legislation to enhance its ability to achieve these objectives. However, some departmental entities indicated some challenges in the way they operate with each other that affect how coherently they function together. For instance, the Special Investigating Unit (SIU) expressed concern in 2016 about the lack of progress in cases it had referred to the National Prosecuting Authority (NPA) for prosecution. It was noted that all referrals were sent to the office of the National Director of Public Prosecutions (NDPP).

Fruitless and wasteful expenditure has been a serious challenge in the department, reaching close to R2.5 billion in 2019/20. Irregular expenditure is another serious problem, having increased by R1.147 billion during the 2018/19 financial year. Several challenges were identified in the DoJ&CD's Supply Chain Management (SCM) unit from as early as the 2016/17 financial year – including a high turnover of staff and the advertisement of vacant positions that were not necessarily filled timeously due to departmental-wide financial austerity measures, which had negatively impacted on the operations of the unit. In the 2015/16 financial year, the department achieved an unqualified audit, although the Auditor-General (AG/AGSA) made several material findings. Over the next four years the AG issued the Department with a qualified audit opinion. In all cases, the financial challenges related to the way in which irregular expenditure was handled and with procurement through the SCM unit. The challenge for the Department and government as a whole is the need to professionalise and adequately capacitate SCM offices. There were also instances of significant fraud and corruption in the Department. The challenges in financial management and inefficient use of resources relate largely to poor leadership and inadequate consequence management, as well as budgetary constraints rather than at the political-administrative interface.

The Department's performance decreased dramatically during the period under review (2015-2020). For instance, investigations of serious, complex, and high-profile corruption cases by the NPA were primarily limited by resources and capacity. To the extent that fiscal austerity contributed to these types of constraints, it may be noted that this policy approach is generally considered to be inconsistent with a developmental state model. The turnover in leadership at the NPA is attributable to political interference, undermining the independence of the institution and its role in dealing with corruption in the public service in particular. One of the main recommendations in the 2008 *Report of the Enquiry into the Fitness of Advocate VP Pikoli to hold the Office of National Director of Public Prosecutions*⁸ recognised that the Constitution requires a principled and careful balance to be struck between independence and accountability.⁹

⁸ Chaired by Dr Frene Ginwala.

⁹ Recommendation III reads as follows: 'The South African Constitution and legislation uniquely provide for both political accountability through the Ministers final responsibility as well as for prosecutorial independence. Until this relationship is established through practice over time, it will be necessary for any incumbent or incoming Minister and incumbent or incoming NDPP to discuss and try and reach a mutual understanding of their responsibilities and the parameters of their relationship.'

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The SIU has a limited statutory mandate, and it can undertake investigations only on the basis of specific, targeted presidential proclamations, which constrains its ability to root out corruption in the public service. In particular, the AG cannot refer issues directly to the SIU. The fact that the head of the SIU, as with DGs and HoDs generally, is appointed by the President poses a risk of the appointment of an unsuitable person and / or may affect the independence of the Unit by making political considerations or interference possible. Despite its impact in investigating allegations of maladministration and, and in freezing and recovering misappropriated public funds, the SIU has not had a significant impact in terms of reducing corruption, although its mandate is admittedly reactive, constraining it to investigating only those allegations as mandated by presidential proclamations.

The absence of a standardised independent and transparent recruitment process based on clearly defined and objective criteria has long been identified as a weakness that introduces unnecessary risk into the appointment of the heads of many organs of state and public entities.¹⁰ A notable departure from this lack of transparency was evident in the President's appointment of a panel of independent experts to develop a shortlist of qualifying candidates and interview them publicly¹¹ for the post of the current National Director of Public Prosecutions (NDPP) as head of the NPA. The shortlist was drawn up after an open participatory process inviting public nominations. Despite the promising nature of this particular process, it remains a matter of executive discretion rather than being founded in law or even policy.¹²

Other challenges of note include Legal Aid South Africa's (LASA's) consistent annual decline in legal representation in criminal and civil matters and legal advice during the period under review because of resource constraints and the charge that the Office of the State Attorney was plagued by "corruption" and has "a poor service delivery track record experienced by client departments". Austerity measures were seen as impacting negatively on the Office, with a moratorium on new appointments seen as placing a strain on existing staff, who normally carry a caseload of 500 cases per year. There are several indications of the poor performance of the Department:

- It has not effectively reduced fraud and corruption cases in the Department
- It has failed to reduce the number of criminal cases on the backlog roll in lower courts largely because of a steady increase in the number of cases postponed because of the unavailability of court administrative support
- Its efforts to introduce measures to reduce sexual offences have not met with much success; and

¹⁰ NDP: Vision 2030 at page 412ff.

¹¹ Greg Nicolson. 2018. 'NPA interviews impress and depress, but are at least transparent', *Daily Maverick* 14 November 2018. Available at <https://www.dailymaverick.co.za/article/2018-11-14-npa-interviews-impress-and-depress-but-are-at-least-transparent/> [Accessed 15 March 2018].

¹² 'President Cyril Ramaphosa on appointment of National Director of Public Prosecutions', 4 December 2018. Available at <https://www.gov.za/speeches/president-cyril-ramaphosa-appointment-national-director-public-prosecutions-4-dec-2018-0000> [Accessed 4 December 2018].

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- It has failed to reduce crime despite initiatives aimed at increasing conviction rates, including better coordination between departments in the Criminal Justice System and changes in document management.

At the same time, the Department can boast a number of achievements, including increasing access to justice services provided to historically marginalised communities. Increased efficiency in the provision of the Master's services is evident in that it has exceeded its targets on virtually all performance indicators. The Department met or exceeded its targets for most of the activities to promote broad-based knowledge about and support for the values of equality, human dignity and fundamental human rights for the period under review. There has been a significant growth in the number of black and women magistrates and judges, while the role of the judiciary has increasingly shifted towards the protection of the rights of individuals. (However, after 27 years of democracy black Africans in general and black women in particular still remain under-represented in the judiciary despite several initiatives to increase their numbers.) Finally, an integrated electronic Criminal Justice System (IJS) to modernise the management of criminal justice information has been instituted.

2.3.4.3.3 Key issues

Budget constraints, poor leadership, irregular expenditure, vacancies in key positions, and political interference have been particular challenges for the Department. The need for skilled leadership is acute, as is the need for changes in the appointment process at leadership level to preclude potential political interference.

4. Department Public Enterprises

2.3.4.4.1 Departmental stability and the political-administrative interface

Between 2016 and 2020, the Department of Public Enterprises (DPE) had three different DGs. A former DG, Mr Seleke, left the Department allegedly because he had been appointed because of a Gupta family reference, despite his link to irregular procurement tenders. In addition, besides the Department being linked to allegations of state capture, several of its entities are at the centre of the state capture enquiry. The seven state-owned companies (SOCs) under the DPE's mandate are Eskom, Alexkor, SAFCOL, South African Express Airways, South African Airways, Transnet, and Denel. Allegations of mismanagement, corruption and financial failure have dominated the narrative around SOCs. Testimony by numerous witnesses at the Zondo Commission have implicated senior officials in at least turning a blind eye to improper influence, conflicts of interest, and lack of suitable qualifications or experience while appointing HoDs in the Department and in filling key position in SOCs. This Department has faced the most critical issues related to political interference at several levels.

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2.3.4.4.2 Performance: Relevance, coherence, effectiveness, efficiency and impact

The DPE's mandate is to support the Minister to fulfil his/her oversight responsibilities in respect of the SOCs within its portfolio to ensure that, within their legislative mandates, they contribute to the realisation of government's strategic objectives as articulated in the NDP, government's 2019-2024 MTSF, and the Reimagined Industrial Strategy. A snapshot view of these companies illustrates just how poorly the department has carried out its mandate:

- *Alexkor*: Alexkor's losses in 2019 amounted to R173.6 million, largely due to poor management, corruption and low diamond prices, while it was expected that its cash reserve would be depleted before the third quarter of 2020
- *Denel*: Liquidity challenges and revenue collection decreases were the main cause of the arms company Denel's loss of R1.7 billion
- *Eskom*: From 2008 to 2020 Eskom received government bailouts to the tune of R133 billion. It will also receive R112 billion over the next three years. The company has a huge debt of R454 billion, although R300 billion was received as a guarantee by the government to facilitate borrowing. In 2020, Eskom's in-year loss was projected to be R20 billion.
- *Safcol*: A loss of R47 million was reported by South African Forestries Company Limited (Safcol).
- *South African Airways (SAA) and South African Express*: SAA reported a loss of R5 billion in 2019 and SA Express reported a R590 million loss. SAA was subsequently placed under business rescue in July 2020.
- *Transnet*: Transnet was the only SOC that reported growth of 3% amounting to R56 billion in the 2019/20 financial year.

A significant factor underpinning the poor performance of SOCs has been the practice of appointing poorly qualified individuals onto SOC boards and as SOC managers through political patronage. As early as 2016/17, the AG highlighted leadership concerns at the SOCs, linking financial and performance mismanagement, poor governance of auditees, poor audit outcomes, irregular expenditure, and financial health concerns to instability at board and executive levels. The AG noted a high level of political involvement in some SOCs, while the level of oversight of the SOCs was inconsistent.

A range of notable observations were made during the 2015-2020 period. They included SOCs' inability to meet demand, operational capacity constraints, and financial instability. Eskom and Transnet failed to meet demand. In the case of electricity generation, there is an overreliance on Eskom for this service. South Africa receives only 5% of its electricity supply from outside Eskom. The Department identified reliance on SOCs as a risk, since several of them are in very weak financial positions, especially those that are seen as critical entities that should contribute to the country's economy. The challenges faced by SOCs have resulted in a failure to contribute to NDP and MTSF targets and an inability to fund viable commercial and economic activity.

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2.3.4.4.3 Lessons learned

Since several senior managers are at the centre of various allegations before the Zondo Commission of Inquiry into State Capture and leadership in the ministry has also been tarred by numerous allegations of corruption and mismanagement, measures have to be put into place to ensure that there is no political interference in operational matters. The Department's key focus is to reposition itself as compliance-driven and a critical role-player in the South African economy by improving capacity and effectiveness within its portfolio of SOCs, including by setting standards that guide the oversight function across government. For global competitiveness and relevance to the local economy, there needs to be a major emphasis on the sustainability of SOCs' financial, commercial, operational and environmental performance, underpinned by clear and relevant standards. The SOCs need to operate and deliver services that offer competitive advantage for different sectors and industries in South Africa.

5. Department of Cooperative Governance

2.3.4.5.1 Departmental stability and the political and administrative interface

The Department has experienced instability, with top leadership positions being occupied by three ministers and four DGs between 2015 and 2020. Changes in DG took place during the tenure of Minister van Rooyen as well as Minister Dlamini-Zuma. For this period, four individuals occupied the position of DG, with only two occupying this senior position for more than one year. Two of the four DGs for this period were appointed in an acting capacity. The performance of the organisation may have added pressure to both political and administrative leadership and contributed to the short tenure of top leaders. The single largest threat to the DoCG may be the instability in its senior leadership.

2.3.4.5.2 Performance: Relevance, coherence, effectiveness, efficiency and impact

The Minister of Cooperative Governance, supported by the Department, currently oversees three entities: the Municipal Demarcation Board (MDB); the Municipal Infrastructure Support Agent (MISA); and the South African Local Government Association (SALGA). There is consistency between departmental efforts through its programmes and activities and its constitutional obligations, various legal and policy frameworks, and government-wide long-term plans, which include the NDP: Vision 2030 and accompanying MTSFs. The DoCG is instrumental in improving the coordination, coherence and impact of government service delivery across all three spheres of government. The District Development Model (DDM) Programme is one of the most recent examples of this effort, designed to integrate governance and enhance service delivery at the local government level.

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The DoCG has, however, received several negative audit opinions. For the period 2018/19, the AG reported on the poor quality of the Department's financial statements. The disclaimer audit opinion reflected challenges linked directly to the Community Work Programme (CWP). Another qualified audit followed: during the 2019/20 financial year the AG's office was again unable to obtain sufficient appropriate audit evidence for payments made to CWP implementing agents. Despite interventions such as the Clean Audit Roadmap introduced in 2016, the Department has not achieved clean audits as anticipated. The CWP proved to be particularly troublesome, and recurring audit queries and non-compliance with sound financial management prescripts continue unabated. Financial reporting showed that massive investments were made in local government through the Back-to-Basics Strategy, which focused on the improvement of service delivery.

National government has invested significant sums of money to build municipal capacity over the years. However, the less-than-optimal outcomes clearly indicate the urgency with which government must address the unresolved problems identified in previous municipal performance assessments and the intergovernmental impact of this failure, both institutionally and for communities. Systemic failures, ranging from a lack of critical technical and management skills to negligence in operations and maintenance, poor revenue management, and under-spending on capital budgets at municipal level, are some of the reasons advanced for poor service delivery.

The CWP has had mixed success: while the programme has made a significant difference in the lives of poor people, CWP sites have been established in only 213 municipalities.

The Deputy Minister of DoCG officially launched GovChat in partnership with the GovChat NPO (non-profit organisation) in 2018. The initiative sought to provide an effective community engagement platform by bringing government closer to ordinary people.

The impact of DoCG is clearly visible in several initiatives embarked upon or sustained during the period 2016-2021 – many in collaboration with partners such as GovChat, MISA, the Independent Electoral Commission (IEC) and several NPOs. Under the auspices of DoCG, MISA supported municipalities with service delivery challenges to build their own capacity to plan, deliver, operate and maintain infrastructure. Establishing and deploying District Technical Support Teams assisted MISA to support struggling municipalities.

2.3.4.5.3 Sustainability and lessons learned

The DoCG has had to deal with several challenges that threaten the effectiveness, impact and sustainability of the department. The single largest threat may be the high turnover of both political and administrative leaders. Systemic failures identified by the AG are a major cause for concern as they result in poor service delivery.

The DDM Programme needs to play an integral role in identifying solutions to such problems as under-spending of resources and gaps in policy measures for improving the usage of the MIG.

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Successful departmental initiatives were often undertaken in partnership with other stakeholders. The GovChat initiative, which originated outside of government, is a case in point. Further collaboration with other actors both in and outside of the public service is needed – with the proviso that vigilant oversight of large collaborative programmes such as the CWP is required.

6. Department of Social Development

2.3.4.6.1 Departmental stability and the political-administrative interface

The Department of Social Development (DSD) attributes some of the key challenges it has faced during the period under investigation to instability brought about by three events: the resignation in 2017 of its DG, Zane Dangor, who had previously been a political adviser to Minister Bathabile Dlamini before his appointment as DG in November 2016, and the appointment of a new acting DG, Linton Mchunu, who remains acting in this position; Minister Dlamini's handling of the payment of social grants – which led to the resignation of Dangor; and the replacement of Minister Dlamini by Minister Lindiwe Zulu in 2019.

2.3.4.6.2 Performance: Relevance, coherence, effectiveness, efficiency and impact

DSD is a critical department given the serious challenges the country faces with regard to unemployment, poverty and inequality. Social security and social welfare are seen as integral components of the country's goals and aspirations for reducing or eliminating these triple challenges. There is a significant body of literature that provides evidence of the positive effects of the South African social welfare system on poverty alleviation. The most serious factors impacting performance in this Department are charges of corruption, poor governance, and lack of capacity. Billions of Rands are lost because of maladministration and corruption through many civil servants across the civil service receiving both their salary and social grants. It should be noted that the South African Social Security Agency (SASSA) receives monthly 'allocations'¹³ from the Department in order to disburse social grants 'on behalf of DSD'.¹⁴ However, SASSA is established as an agency in terms of the SASSA Act 9 of 2004. While the Department, its chief executive officer is appointed by and is accountable to the Minister,¹⁵ 'DSD continued to oversee the management and administration of social grants by SASSA, and remained accountable for the over R220 billion received for the payment of social grants'.¹⁶ In addition, tender irregularities, the inability of provincial departments to observe and follow legal procedures, inefficient services, long

¹³ DSD presentation on its Annual Performance Report 2020-21 to the Portfolio Committee on Social Development, dated 3 November 2021, at pg 8. The AGSA has advised DSD that the term 'transfers' is inaccurate and misleading.

¹⁴ Ibid at pg 5.

¹⁵ Section 6 of the SASSA Act 9 of 2005.

¹⁶ DSD presentation (above) at pg 16.

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queues and unpleasant staff are characteristic of the social security sector led by the Department. DSD is also criticised for a lack of adequate financial support to social workers and non-governmental organisations (NGOs) engaged in social work-related activities.

The Department's performance regarding audit outcomes during the period under review has been mixed. It achieved a clean audit in the 2015/16 financial year, followed by an unqualified report with findings in the next year and underspending of funds allocated in the year thereafter. Most of the problems were located in the provinces. By 2020, the Department faced challenges relating to irregular expenditure that had not been resolved mostly due to the leadership changes described above. Service delivery failures such as payments to a contractor for work that was not done, rental damages, and late cancellations resulted in dramatic increases in fruitless and wasteful expenditure. However, the most serious challenge faced by the Department is sustaining the high level of social assistance currently required, while the country's economic trajectory has not been encouraging.

2.3.4.6.3 Sustainability and lessons learned

The DSD has not been immune to the budget constraints facing all sectors of government. These have affected the Department's ability to fill vacancies in senior management. The Department intended to minimise the impact of this challenge by embarking on capacity development initiatives across the Department and in all nine provinces to ensure that there was no shortage of skilled management. Nevertheless, skills retention has been a problem for DSD, which has a higher turnover rate of senior managers, who leave to take positions in other departments.

The Department's and SASSA's critical roles in providing welfare services and social security became even more vital during the Covid-19 pandemic and lockdowns, with the support provided through SASSA increasing significantly. However, because of under-funding the Department has faced capacity constraints, especially in relation to qualified social welfare practitioners who are able to oversee social welfare protection programmes. An intervention involving the training and upskilling of social welfare practitioners at the tertiary level may be useful. In addition, the adoption of a social welfare intervention programme through the employment of social protection providers at schools would facilitate the identification of young people in need of social welfare interventions – including social grants, social protection, social worker support, counselling, and other social welfare services.

It does, however, indeed appear that the challenges regarding audit outcomes, wasteful and fruitless expenditure, fraud and corruption, and retention of staff can be ascribed to instability at the senior administrative and political levels, at least for part of the period under study. Thus, the Department's audit outcomes of 'unqualified with no findings' in 2016/17, 2019/20 and 2020/21 were interspersed with outcomes of 'unqualified with findings' in 2017/18 and 'qualified with findings' in 2018/19.¹⁷ In addition, successfully combating and preventing corruption and maladministration, especially by instilling a culture of high ethical standards

¹⁷ AGSA. 2021. Consolidated PFMA General Report 2020/21, Annexure 3: Auditees' audit opinions over five years.

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and accountability,¹⁸ can make a significant contribution to addressing concerns regarding sustainability.

7. Department of Trade, Industry and Competition

2.3.4.7.1 Departmental stability and the political-administrative interface

The Department of Trade, Industry and Competition (dtic),¹⁹ in the form of one of its predecessors, the Department of Trade and Industry (dti), had one minister from 2014 until Minister Ebrahim Patel was appointed in 2019, and one DG, Dr Lionel October, from 2014 until he left the post in April 2021. The Department serves as a case study that demonstrates how a department can be well managed without inappropriate political interference because there was none during the tenure of former Minister Rob Davies. Over the years, the dtic has done very well in achieving clean audits. In large part, this has to do with stability within the Department.

2.3.4.6.2 Performance: relevance, coherence, effectiveness, efficiency and impact

The dtic steers South Africa's trade and industrialisation policy. Its key trade regulatory framework has been premised on the Industrial Policy Action Plan (IPAP) with its annual ten-year outlook, while its work is aligned with the strategic objectives outlined in the NDP. The Department has not been linked to corruption, inefficiency or state capture, despite the fact that it disburses large amounts of funding for business development in various ways. Instead, it is the Department's entities, such as the National Lottery Commission (NLC), that have attracted attention because of allegations of corruption. The Department supports the Minister of Trade, Industry and Competition in his role of performing oversight over seventeen entities.²⁰

¹⁸ AGSA. 2021. Consolidated PFMA General Report 2020/21 at pg 234.

¹⁹ The dtic was formed by a merger between the Department of Trade and Industry and the Economic Development Department on 1 April 2020. The new Department incorporated the former Economic Development Department following the disestablishment of the latter and the transfer of all its entities to the dtic in May 2019.

²⁰ The ToRs of this synthesis evaluation study required a specific focus on DGs and HoDs. For that reason, it hasn't been possible to consider any differences in the roles and responsibilities of, and accountability relationships between EAs and 'collective' AOs (such as SOC boards) and independent but reporting entities (such as the SIU and NPA). Recommendations concerning appointments to SOCs were made in the Report of the Presidential Review Committee on the Governance of SOEs/SOCs, and the report of the Judicial Commission of Inquiry into State Capture (the Zondo Commission) includes further findings and recommendations in this regard. A number of other research reports concerning the appointment of other public office bearers recommend a degree of standardised public participation and a role for Parliament. A separate synthesis review study addressing the appointment and accountability of these categories of public office-bearers could make a timely and significant contribution to government's response to the Zondo Commission's findings and recommendations.

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The dtic's work until 2018/19 was framed by IPAP, which is linked to the Medium-Term Expenditure Framework (MTEF) and the MTSF of government. IPAP was replaced by the Reimagined Industrial Strategy in June 2019. However, with some exceptions, South Africa's industrial policy has not been working efficiently, leaving the nation to continue down its current path of de-industrialisation. There are several reasons for this, including the significant difficulties the dtic faces in forging close, collaborative and conditional arrangements with the private sector – a major requirement for industrialisation. Another challenge has been the lack of policy coherence and programme alignment within IPAP. Coordination of government policies remains a stumbling block for effective implementation. Municipal provision and adequate supply of water and electricity to the manufacturing sector has been a critical constraint.

While there appear to have been no financial challenges in the Department – largely due to the implementation of effective risk management measures along with an ethics committee and 100% senior management disclosure of financial interests – industrial policy has not led to much job creation as unemployment remains a major challenge in the country. The dtic has been less effective in its support to the Minister in exercising oversight of some of the entities that are essential in implementing departmental policies designed to grow the country's economy and job creation. The study draws attention to: challenges the DG faced with the National Consumer Commission when he withdrew dtic staff from the Commission, which negatively affected its operations; the dysfunctionality of the South African Bureau of Standards because of a failure to account for some of its operational assets; and evidence of corruption at the National Lotteries Board.

2.3.4.6.3 Lessons learned

The Department has been affected by lack of inter-governmental collaboration in achieving its performance outcomes. A lack of departmental alignment can negatively influence the Re-Imagined Industrial Plan, which aims to kickstart growth and employment in challenging times. Finally, it remains to be seen whether the culture of lack of political interference and clean audits will remain in the post Davies-October era. It is important that the dtic maintain its current risk structures to sustain its record of clean audits, continued sound financial management, and improved accountability and compliance by entities; develop an effective monitoring and evaluation process to deal with challenges arising in some of its entities; and ensure that policy gaps in the IPAP are addressed and implemented through the Reimagined Industrial Policy. The ongoing impacts of the Covid-19 pandemic may require some further reimagining.

2.4 Recommendations

The literature review has given rise to a number of different sets of key recommendations.

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2.4.1 Recommendations from the literature on the Westminster system

2.4.1.1 Avoidance of potential disruptions caused by the political-administrative interface

Avoid the potential for political interference by creating a system in which there are no political appointments of senior civil servants and ensuring that civil servants enjoy job security in a lifelong career, provide objective and impartial advice, and are committed to serving the interests of the public and the objectives of the government of the day.

2.4.1.2 Meritocratic system of recruitment and promotion in the civil service

Establish an independent Public Service Commission or Public Service Board dominated by career officials or a Head of Administration drawn from the public service to oversee recruitment and promotion in the civil service by ensuring entry through examinations and promotions based on merit and seniority.

2.4.1.3 Near-monopoly over policy advice

Clearly define the respective roles of ministerial advisers and permanent / career officials, including the nature and extent of ministers' delegation of authority to ministerial advisers, and extend parliamentary oversight to include the overall number and conduct of these advisers.

2.4.2 Key recommendations of the NDP and the Twenty-Year Review

Several recommendations can be drawn from the NDP and the Twenty-Year Review:

2.4.2.1 Building a professional public service

Mandate the National School of Government to implement strategies to build a professional civil service.

2.4.2.2. Stabilise the political-administrative interface

Create clarity about the division of roles and responsibilities between political principals and administrative heads.

2.4.2.3 Administrative head of the public service

Create an administrative head of the public service to manage the career incidents and progression of heads of department without undermining the political oversight of senior public servants.

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2.4.2.4 Fixed-term contracts for senior managers

Provide fixed-term contracts for DGs and HoDs with measures in place to ensure that incumbents can be removed for below-par performance.

2.4.2.5 Give senior managers authority over appointments

Give greater and more consistent devolution of authority for administrative matters from political principals to their DGs and HoDs, and from DGs and HoDs to managers.

2.4.2.6 Development of skills

Establish and implement a long-term skills development strategy in the public service.

2.4.3 Recommendations made by the media

Our analysis of relevant media reports gave rise to the identification of the following key recommendations:

2.4.3.1 Administrative head

An administrative head, who might also double as the Cabinet Secretary, should be established as a new position or by allocating this duty to the DG in the Presidency or in the DPSA.

2.4.3.2 Professionalise the public service

Distinguish between administrative functions and political office, and establish a clear boundary between the two.

2.4.3.3. Meritocratic and independent recruitment and promotion

Introduce integrity tests for shortlisted candidates, extend compulsory entrance examinations beyond senior management, and conduct occupation band competency tests with DGs and their deputies.

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2.4.4 Recommendations from the case studies

2.4.4.1 Establish the post of Head of the National Administration and the Public Service to improve the political and administrative interface.

2.4.4.2 Take steps to minimise the high turnover of DGs and HoDs and other senior managers.

2.4.4.3 Provide that oversight bodies, such as the legislatures, ensure that applicable prescripts of the DPSA are institutionalised by AOs and their EAs.

2.4.4.4 Ensure that government departments are adequately resourced in terms of the financial and human resources required to meet their mandates.

2.4.4.5 Promote collaboration and partnerships with other stakeholders, inside and outside government.

2.4.4.6 Develop effective monitoring and evaluation processes to deal with challenges arising in public entities.

2.4.4.7 Ensure that there are effective measures in place to prevent political interference in operational matters, particularly through appointments at the leadership level in key units and entities such as the SIU, NPA,²¹ boards of SOCs, and SOCs. In this regard, consideration should be given to recommendation 4.21 of the *High Level Panel on the Assessment of Key Legislation and the Acceleration of Change* that: "Parliament should consider opening up debate on the desirability and feasibility of a system that incorporates public participation and Parliamentary oversight for certain categories of appointments to public office to increase independence (where required) and accountability to achieve the objectives of a capable and developmental state."

2.5 Conclusion

The synthesis evaluation of relevant literature on state capacity with a focus on DGs and HoDs reveals a number of challenges that have been identified in several publications and demonstrated in the case studies of government departments and the Westminster system

²¹ A commendable precedent of transparency and commitment to the rule of law was set by President Ramaphosa when he appointed a panel of independent experts to shortlist, publicly interview and recommend suitable candidates for the position of National Director of Public Prosecutions (NDPP) who met the somewhat generalised standard of independence in s.179(4) of the Constitution, and the more rigorous criteria in s.9 of NPA Act 1998. See <https://www.thepresidency.gov.za/newsletters/statement-establishment-ndpp-appointment-panel>. The lack of clarity regarding the independence of the NPA arising from the current legal framework were noted in the Recommendations by the Ginwala *Commission of Enquiry Into The Fitness Of Advocate VP Pikoli To Hold The Office Of National Director Of Public Prosecutions*, November 2008, at p.212ff (the Ginwala Commission of Inquiry).

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of government. It has also given rise to a number of recommendations specific to each area of the analysis, including a number in common. Every recommendation is important, and therefore careful consideration should be given to each.

3. FIELDWORK: PRIMARY DATA AND QUALITATIVE ANALYSIS

Taking into consideration the research questions outlined in section 1.3 of the report, this section presents the findings of the fieldwork component of the study, which involved interviews with key informants: DGs of national departments and HoDs of provincial departments. One MEC, three former DGs, two current DGs, three current provincial DGs and one current HoD provided the data that are analysed below.

The interview instrument is contained in the Annexure.

3.1 Turnover rate

In response to the question about whether there was a high turnover rate of DGs and HoDs in the South Africa public service, AO 9 responded “Yes, absolutely”: there was a high turnover rate in provinces and in the national sphere of government. There was almost unanimous agreement among respondents that there has, until relatively recently, been a very high turnover of DGs and HoDs, with one respondent merely cautioning that it was not ubiquitous. One respondent was regarded as a “senior” DG simply because they²² were able to “survive” their initial five-year contract period. More than one respondent mentioned reports that in about 2016/17 the average “lifespan” of a DG in a national department was about two to two-and-a-half years; one respondent indicated that the average length of tenure for HoDs in provincial departments was between two-and-a-half and three years.

A couple of respondents said their impression was that turnover had stabilised since about 2019, although AO 11 suggested that it was still too early to claim that a firm trend of greater stability was emerging – they had seen “too many” colleagues come and go. Another respondent endorsed this cautious approach: the process of finding an equilibrium was still under way in the current administration. As AO 5 explained it, the process of “renewal” under the Ramaphosa administration entailed a process of new executive authorities (EAs, i.e., ministers and MECs) trying to find common ground with incumbent AOs ‘inherited’ from the previous administration. It could take time before it emerged whether the necessary shared understanding of roles and responsibilities and mutual trust existed as the basis for an effective working relationship.

This caution may also stem in part from the fact that (as we shall see below) there is no single cause for high turnover in occupancy of these posts. Thus, for example, while the prevalence of some causal factors has declined, others persist. One respondent suggested that the high

²² The pronouns “they” and “their” are used instead of “she” or “he”, or “her” or “him”, even when referring to an individual, in order to respect the undertaking of confidentiality and anonymity given to respondents in this study.

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turnover rate had persisted for such a long period of time that there was an 'assumed' (or 'presumed') practice that DGs would change when there were changes in ministerial positions. In other words, the tendency towards or likelihood of turnover had become the norm.

In terms of what accounted for the high turnover, respondents indicated that various factors had led to the high turnover of DGs and HoDs. Some were described as "external" or beyond the control of DGs / HoDs, while others were "internal" and within their control.

"But *the most critical*," said AO 1, "[are] a very unstable and unfavourable political-administrative ... interface" and issues of "capacity" (emphasis added). AO 2 identified the same problem at the political-administrative interface, describing it as "role delineation" between the minister and the DG. "While, on paper, it says the minister is the political head of the department and the DG is the administrative head ..., your problem ... is that [the] minister ... comes and interfere[s] in the administrative part of the department. ... My experience is that everybody is aware of that issue, but no one is wanting to deal with this." AO 7 agreed, characterising the interface as an "external factor" because it was largely beyond the control of DGs and HoDs. These "issues and the tensions around the political-administrative" were a daily reality that "still raise[s] its ugly head from time to time."

AO 9 described the impact of how law and practice diverged on this issue of the interface. In the national sphere, the law empowered the President to appoint DGs for five years, subject to renewal, while at the provincial level this authority resided with the premier. In practice, appointments were "largely determined by the ministers and the MECs ... who make recommendations to the [President or] premier." If then there was a turnover of MECs or ministers, the new member of the executive would do "almost anything" to ensure the "release" of the incumbent AO. AO 7 agreed, saying that incoming EAs would do almost anything to ensure they got the DG / HoD they wanted, regardless of the performance of the incumbent AO.

AO 10 also identified the political-administrative interface as the primary reason for high turnover rates. This respondent described how "every five years there is a new principal who will come in determined to hunt with their own dogs." If a DG was not part of that "pack", "things will be made as uncomfortable as possible for you so that you can see that you are not wanted here, and leave." Even if you decided to try to stay, "you think about your pride, think about your health and think that you are better off leaving."

AO 5 endorsed this view, saying:

If one must look at why there is a high turnover, [one] could find that some of it could just be a mismatch between a particular DG and the minister responsible for a particular portfolio. But my experience, with hindsight, is that, in particular portfolios, the inability to turn a blind eye to malfeasance results in conflict between DGs and ministers, and those who assert the legal obligations of an accounting officer either get fired or resign. So, some of [the high turnover] has been by design. I think, as a deliberate attempt in some portfolios to make lives difficult for those within the public sector who felt that they could not [in good conscience] act in ways that was outside

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of the legal frameworks. ... [W]ays and means would be found to either make their lives difficult [so that they would] request transfers to other departments or move out of the public sector or resign.

AO6 agreed with the view that much of the instability arose from the virtually unfettered discretion of EAs, provided that the chief executive (whether president or premier) acceded:

I do think a lot of it has got to do with whoever seems to be the flavour of the month in terms of the person that the MEC wants to see as the HoD or the acting HoD. I do not know the politics very well because it is not my job to get involved, but I get the sense that a lot of it is based upon the relevant person's relationship with the MEC, the executive, the premier or whoever it may be within those respective provinces, and certainly the same thing at the national [level].

In my opinion, instead of people being appointed on the basis of their background, their experience, their capabilities, and you are appointed as the HoD on the basis of you being able to do that job, as opposed to your political connections, or perhaps sympathy might be the [more accurate] word. As a result, when something changes, or the minister changes, or perhaps you have been given instruction [from the political leadership] and you are not prepared to carry it out, you just say 'Thanks'; or [you are told] 'There is the door' or 'I am going to ... shift you out/up to another position'.

Several respondents pointed out that, whatever the reason for the relationship not working out, it was always the AO who left, not the EA. One respondent described how the relationship between the executive and their administrative heads could become "fraught, it really becomes unworkable, and leads to the DG leaving". The minister might actively request that the DG's contract be "redetermined" or terminated. If the DG was "lucky", they would be moved to another department, said AO 7. An alternative was to remove the AO through disciplinary processes. AO 3 put it this way: too often, if a minister "mess[ed] up" the administration of a department and it was "on its knees", there was a cabinet reshuffle and the minister was merely moved sideways, without real accountability, such as being demoted to deputy minister.

All respondents shared the experience that it was always the AO who moved on, not the EA, when there were problems at the political-administrative interface, highlighting the precarity within the administrative branch of government.

AO 2 identified weaknesses with the duration and management of AOs' contracts. First, the initial three-year timeframe was too short for AOs to be able to achieve anything meaningful and professionally satisfying. As other respondents indicated, it took the first year for them to understand how the department operated. In the second year, "you start thinking about the changes that you can implement. Then in the third year you're already thinking about leaving. So within those three years there's nothing a person can do to change the organisation." This problem was subsequently recognised and contracts for DGs were increased to five years.

AO 2 identified a second and related weakness – in the area of performance management. This respondent did not accept the current practice that if a person were appointed on a

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contract, one could effectively address that person's possible incompetence or underperformance. A DG's / HoD's performance was not affected by whether they were appointed on contract or permanently. Rather, "[p]roper performance management will promote performance, because people will know" that if they did not deliver then their employment would be ended. A DG's / HoD's performance could be monitored and managed as effectively as that of a person appointed permanently. Clear performance management systems were available, and the oversight authority was able to tell a DG / HoD where they were underperforming. For AO 2, the approach to and preference for contractual appointments was based on the "misunderstanding" that the public service did not have the ability to properly manage people and their performance: "we've got systems ... in place to say that if you don't deliver even for a one-year contract, we must fire you on the basis of your incompetence."

Instead of regular discussions about performance, AO 2 explained that ministers tended to leave their DG in the dark until after the contract had expired, at which point the DG was told to leave. This avoidance of engagement over performance left DGs starting to wonder in year three or four of their five-year contract whether their contract would be renewed. AO 2 expressed the concern that this sense of insecurity about their employment and their source of income opened the door to susceptibility to corruption. It enabled someone to approach the insecure DG with a "backup" plan of making some money through securing a bribe by using their possibly tenuous authority to ensure that a tender was awarded. As a result, contracts were preferred – possibly because they included a convenient built-in exit strategy that served the interests of the executive branch.

On the other hand, AO 11 indicated that it was perhaps more difficult than might be thought to remove a DG / HoD simply by terminating their contract. This key informant (KI) suggested that if someone was not performing, you had to follow labour legislation "to the letter to get rid of them". The law confined you if you had a plan to plough a field. "If a cow isn't performing, you can't just take it out and put it to one side. If you have a lot of cows that are hell-bent on frustrating you, it is problematic and gets political at times."

AO 6 described a similar sense of insecurity that arose even after their five-year contract as HoD had been renewed by the outgoing premier. Regardless of the renewed contract, the incoming premier instructed all HoDs to reapply for their positions. The new contract was worthless when the head of the executive had the authority to disregard it in this manner. AO 6 also described how some colleagues in a similar position then resigned in protest at what they characterised as a disrespectful attitude towards their hard-earned renewed contracts. This treatment left them feeling diminished and undervalued. AO 6 endorsed the understanding of this approach as reflecting a widespread attitude among the executive branch of government that public servants were not respected as members of the administrative branch of government as persons with specialist knowledge, skills and expertise. Instead, even senior public servants were disparagingly referred to as "Z.83s" – a reference to the form that applicants for employment in the public service had to complete. There was an unhealthy and unproductive "us versus them" attitude – a sense of superiority

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among political appointees who were not required to subject themselves to what should be a rigorously competitive appointment process.

There were also institutional issues concerning the roles and responsibilities of DGs, according to AO 7. “So much is expected from us as DGs, but there is little support that is permitted. ... [W]e're expected to know everything, but there is little support in terms of ... human resource development interventions that enable ... [us] to deliver. ... [N]obody really bothers whether or how DGs ensure that they nurture the system around them so that the system knows it all.” DGs were “expected to build [and] feed... the system. ... [I]f for any reason [as] DG I'm unable to feed the system so that it can support me, I'm certainly going to collapse and I won't be able to deliver on my [responsibilities].”

One of the systemic reasons for the high turnover rate was that “public service is not for the faint hearted”, according to AO 3. If you joined the public service, you should understand that you needed to be prepared to stay “for the long haul: you will need to sacrifice, sweat and get grey hair.” Some people lost friends and family because of the workload or work-related pressures and then said “I'm getting out”. This KI expressed the view that the public service was also an “unfriendly” environment, partly due the “very rigid” nature of bureaucracy. There were different aspects of the “structural hierarchy” that characterised the bureaucracy. If the HoD / DG came to an institution where the working environment was “hard and hostile”, staff would usually be unsure whether the new management style was going to be tough but fair, or just tough. Until staff members learned whether or not the new HoD / DG would allow them to continue to do their work without undue interruption, or without enabling or promoting maladministration or a corrupt approach, “hostility at work remains”.

AO 6 agreed with the characterisation of the working environment as hostile because of the additional factor of regulatory frameworks that inhibited effective decision-making. “Certainly, I think some of the regulatory environment is moving away from empowering heads of departments to feel comfortable to make decisions where they may make an honest mistake. I mean, we are human. And I think that in itself can lead to a high turnover or make them feel unsafe in a space and not supported to be able to take the kind of decisions that need to be [taken]”.

AO 3 expressed frustration at being “locked into this hierarchical system”, while asking whether it was “still relevant”. This current hierarchical governance environment was inherited, but whether or not it was working for them had not been interrogated. This respondent posed the question of the type of system our democracy needed for things to happen more efficiently and effectively, asking whether a document needed “twenty signatories” before a decision was made to construct a road and money was set aside for it. This respondent had personally monitored the movement of one document that went out for signatures on a service-based project; it took about nine months before it was signed. While “it currently takes three to nine months for a document to get signed off”, much of this was unnecessary, said the respondent.

There can, of course, be many reasons why a new political principal does not ‘click’ with an existing DG / HoD, and several possibilities were suggested by respondents. Sometimes it

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was merely a matter of personalities and workstyles – personal and interpersonal dynamics. However, other dynamics and motivations can play a role, including perceived or alleged levels of competence, or whether or not there is an inclination on the part of the accounting officer (AO) towards compliance with political direction by the executive authority (EA).

The first of these arises because, in practice, the public service lacks a reliable, accurate and comprehensive mechanism to objectively measure performance by administrative heads. While a performance management system does exist and has undergone improvements, as mentioned earlier, it is too often not implemented properly. A recent proposal is that individual AO performance be more closely tied to overall organisational performance.

Other “internal” factors may include, for example, a DG who is “out of his or her depth in the job”, but it may also be that the DG is very knowledgeable and technically skilled yet lacks adequate “people management” skills. According to AO 1, “[m]ost of the work of the DG is about relations management. If you are not able to [effectively manage relationships] with your minister, MEC, fellow staff members, DDGs, civil society, and role players and partners, it becomes very difficult ... and tensions arise, which [sometimes] necessitates the departure of the DG...”.

“Internal” factors identified by AO 7 included DGs’ own leadership abilities and professional capabilities, as well as how DGs managed conflict “and at times our own resilience. Resilient leadership entail that we must be able to keep focused on delivering on the responsibilities that have been given to us even when the conditions are not as good as we are hoping for them to be or as we are expecting them to be.”

One respondent identified the enticement of financial incentives elsewhere as one reason why some DGs asked their political principals to arrange their redeployment, for example, to a state-owned entity (SoE) or another position where the DG “will make three or four times more than what they making as a DG but with less work” (AO 10).

In the context of what had become the norm, one respondent suggested that the timing of a DG’s / HoD’s appointment could matter. If someone was appointed during one executive’s term of office or if their standard five-year contract ended midterm, this in itself contributed to instability as the question arose whether the contract would be extended, renewed, or terminated. Because of the pattern of experiences that emerged during the previous administration, the end of a contract had come to signal a convenient opportunity to part ways. The end of a contract had, in practice, come to signify a moment of instability. There was no presumption of an extension of the contract or expectation of a renewal of the employment contract. One reason for this was that a relatively high turnover rate had become the norm.

An element of the political-administrative interface was the quality of leadership, both political and administrative, but with the latter dependent on the former. AO 11 expressed some surprise at the high rate of turnover: “You would expect that the previous DG, being appointed by the ANC, would be fit to work with any other minister, but that is not the case.” Continuity had not emerged as the dominant trend because there was not “one ANC”. One result of an increasingly divided ruling party had been policy instability, which also contributed to high

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levels of executive and administrative leadership turnover. Thus, the strength and coherence of top leadership and their shared vision were significant factors. AO 5 recalled that

[there was stability] when you had a very strong DG like in the presidency of Mbeki. You had Frank Chikane as the administrative DG and Joel Netshitenze as the DG responsible for policy. That tended to have a disciplining effect on the rest of the government, in the sense that DGs who did their work were generally allowed to work and have longer tenures. And you had a really strong Forum of South African DGs (FOSAD).

AO 5 elaborated:

I think the idea of building a capable state was still fresh in the objectives from 1996 [when the Constitution was adopted]. You know, during that first ten-year period, institutional change was important. There was a [united] group of [committed] people who had come into government with, and stuck to, the [clear] objective of transforming the state into one that would be in the service of all South Africans. There was a lot of work around public sector management, in terms of what makes for good public policy to create a stable government.

AO 10 identified one cause of high turnover as excessive ambition and intense competition among DDGs for promotion to DG / HoD, which could lead to discord and jealousy among those who were not successful when an appointment was made. Those who remained as DDGs sat back and “did the minimum” as they waited to see if anyone “[bought] into [the] vision” and strategic direction of the successful candidate. If there was no effective and objective accountability for poor performance, the new AO would be seen as underperforming and might be forced out.

In response to the question about the main consequences of the high turnover, respondents indicated that, in their experience, the consequences were several and serious. AO 2 believed it was important to understand how an organisation reached a point of stability and effectiveness. If the administrative head was able to spend some time in a department, then when the political leadership changed they “will be able to adjust”. AO 2 experienced several ministerial changes, but because they had been there for a relatively longer period, “the impact of that change was not as severe as if it was changing the DG as well. So the [in]stability of DGs is very problematic in the government.” AO 10 described the negative impact in this way: “[P]eople that I think could have contributed positively towards the trajectory and development of the country ... they come, they go.”

Several respondents supported the explanation that it took one to two years just to “learn the ropes” and become familiar with the dynamics in a department. Only thereafter could one start having a substantial and sustainable impact through changes in the workplace environment, policy implementation and improving service delivery. AO 3 summarised the truncated lifespan of a DG / HoD as follows: in year one, they would undertake strategic planning for departmental performance and service delivery. In the second year they would focus on balancing the organisation’s budget and the staff would be getting to know them. In

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the third year, the AG's report started to look better, but then the AO left, and the department had to start again.

Almost all respondents identified the same set of consequences arising from the high turnover rate. Foremost among these was a loss of state capacity, which entailed disruptions to planning, implementation and service delivery, with ripple effects that ensued for at least two years until a new AO was appointed and acquired sufficient familiarity with their new portfolio. Closely related consequences included the loss of institutional memory (AO 6) and the resulting disruptions to decision-making, approval and implementation processes, which issued in numerous delays.

AO 5 described how high leadership turnover rates meant that "departmental strategy ... never has a chance to be stable, and that has a negative impact on governance." Similarly, AO 11 flagged the scale of the impact that unexpected and unplanned change could have "on the strategic direction of the department". While change could be positive and even necessary at times, it could have an impact on the overall strategic direction of a department, which could have a large-scale disruptive effect, especially if it happened "too often". AO 11 was blunt: "Poor service delivery. Look what is happening everywhere – people are suffering."

AO 11 also observed that leadership changes did not affect only those personally or directly involved but had a ripple effect on "cohesion within the team". AO 5 and AO 6 confirmed that changes of DG / HoD tended to have a knock-on effect on other levels of the senior management team that every AO built around themselves. The impact of the change of top leadership therefore became almost systemic as members of the senior management team, such as DDGs and chief directors (CDs), were either replaced by the successor or resigned in protest or solidarity with the leader, or found that they were unable to fit in with the personal ethos or modus operandi of the successor. This, in turn, could affect the morale of middle ranking and lower-level staff. Whether these ripple effects were positive or negative depended largely on whether or not the leader removed was competent and a positive influence on those around them.

AO 7 endorsed the value of "time on task" because it allowed the leader to learn. It was essential for leaders to have time to think and reflect, which enabled growth and improved performance, including innovation. Currently, however, the way the "system is structured ... [makes it] impossible to have time to think" and reflect. On the other hand, this was recently ameliorated by the shift to remote working necessitated by the response to the Covid-19 pandemic: "I don't have to be rushing from this meeting for that meeting." Remote meetings "give ... me time to be able to just organise my thoughts and focus on other things instead of rushing into a car to be driving to the next meeting and the next meeting and flying to Cape Town to ... this portfolio committee meeting or that ... meeting with MPs." Instead, this respondent had been able to use time more productively to think strategically and reflectively instead of merely reflexively.

While AO 8 understood why EAs wanted to bring in somebody as AO because they had worked with them before, it was "not a good basis [on which] to build an organisation". By adopting this approach, ministers lost out on the valuable opportunity to be "consciously

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incompetent". Ministers thought they needed to compensate for this perceived unmitigated weakness by having an ally they could trust as the head of administration, but they did not understand the value of their "ignorance", which enabled them to see things from a fresh perspective. While this could be a strength and an opportunity, it could be a drawback, so it was useful if there was an AO in place who had already moved from being aware of their ignorance to having developed knowledge and competence – moved from "conscious incompetence to conscious competence [along] the S curve," explained AO 8.

AO 8 considered it necessary to inform or reassure EAs that it was "not only administrators who don't know our jobs right [away] – even ministers don't know their portfolios when they arrive." "But that's okay," said this senior AO. The real problem was that ministers "just don't have the humility to accept that they don't know the portfolio and that they need to spend time to understand the portfolio." New EAs tended to feel that they were under pressure to understand and master their new portfolio, so they then "want to get involved in things that are not theirs by straying onto administrators' 'turf'".

Some ministers strayed too far and "give unlawful instructions and there are [officials] who will not take those instructions; they will not do the bidding of ministers that are not doing the right things." These officials "then leave", but often their "psyche" has been "damaged": "they have lost confidence; they feel that they didn't achieve; they're not sure of themselves; they're not sure whether they know what they thought they knew". The overall impact has "just been terrible [for] the human capital development strategy of the country because we're just ... killing ... professionals working as public administrator[s]."

This destructive cycle had led to the creation of "an incapable government", explained AO 8, because when you come in as a new AO after somebody else had spent just two years in the post before you, "you're not too confident. You ... don't know what that person did wrong, so [when] you come in, you're less confident, you're less willing to take the decisions that you need to take as a manager [, you're] less independent as a professional."

AO 8 expressed deep concern that their "professional independence ... [as] an administrator" had been compromised. AO 8 emphasised that: "I know about administration, I have views about how a department must be run, and I must be allowed to say to the executive authority: 'This is how these things are done. Let me prove [to you how we need to] arrange ourselves to be able to execute the strategy'." Instead, "[w]e are sitting in a situation where we now have accounting officers [who,] in order to secure their jobs, ... defer too much to the ministers."

AO 5 agreed that professional administrative standards, or the quality of governance, had suffered as a result of the high rates of turnover, as had the quality of service delivery. "The most significant consequence is that the goal of providing quality public service is derailed." AO 5 emphasised the broader effect on trust in both government and in constitutional democracy, highlighting "the importance of ensuring that there is this covenant between government and people around public service delivery that is good, effective and [of high quality, but instead it] is the main victim."

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This constitutional covenant had been broken “[b]ecause ... departments have almost been run without proper strategic leadership, and generally [have] become led by those who tell executive authorities or ministers what they want to hear instead of what they need to hear.” AOs had “become ineffective in holding the fort in terms of the public purse being used for the correct reasons. So, you find that expenditure is in all the wrong places and is done the wrong way.” By contrast,

during the 2006-2010 era, we spoke very clearly in [executive management] meetings about having to do the right thing. The right thing is substantive, it’s making sure that the correct policies are in place to achieve particular outcomes. The other [element of the ‘right thing’ is procedural] ... [a] managerial concept, which is to do the right things in the right way, to follow the procedures and making sure that rules of public finance management are adhered to and complied with. And this is what has been diminished with the deliberate removal of senior managers, and not just DGs, but senior managers who felt that these remain important objectives.

AO 6 emphasised that efficiency had been negatively affected, explaining how

whenever we met, there were new people around the table; new HoDs or acting HoDs from provinces. And it became incredibly difficult to make any kind of progress on matters because you are sitting with new people so that you always end up going back and answering the basic questions on matters and going back to the beginning. So, I do believe that turnover is real and it certainly, in my opinion, has an impact [on] ... performance.

The impact had been “felt on delivery”, said AO 8, urging the interviewers to “look at the NDP. Look at the target we set for ourselves in the NDP as the government and look at where we are. We will just not reach those targets and we’re not even moving in the correct direction”. They could not even say “we are cumulatively moving towards achieving the right direction [set out] in the National Development Plan. ... [T]he consequences of the high turnover shows directly in poor management, poor performance of government, poor delivery of services [and] eventually community unrest,” maintained AO 8 – concluding:

We said [in the NDP] that by 2030 we will have economic growth of 6%. Where are we sitting now? Where is our economic growth? And, [yes,] the pandemic and all [that], but even without the pandemic, our economic growth was not there. ... [W]hat do they say, ‘South Africa is ... a long way from where it came from, but ... it’s not where it should be – and that’s a nice way of summarising the situation.

AO 8 clarified that economic growth was not the primary objective, but a means to another more important end: “[W]e have set ourselves as a target ... of ... 15% unemployment by 2030 and we are now sitting at 42% on the expanded definition of unemployment. So, ... literally, ... we’re left with nine years and we have achieved a fraction of what we needed to achieve in terms of the NDP.”

On the question of what should be done to reduce high turnover, AO 11 recalled that “[w]hen we adopted the NDP, we agreed that there should be minimum influence by politicians on

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who becomes a DG. DGs should work much more closely and directly with the president or the premier” rather than with their immediate political principal.

“*The most important* [attempt to reduce turnover] is the emerging regulation that accounting officers at national level are appointed by the President and that career incidents involving accounting officers ... the President should deal with,” said AO 5 (emphasis added). This was significant, said AO 5, because it meant “that there is at least recognition at a formal level that there has been a problem between ministers being responsible for the hiring and firing of DGs. But in my view, in practice, the implementation of this has been slower than desired.”

AO 5 was in no doubt that there had “definitely” been “political contestation” over the pace of implementation of this role for the President. AO 5 described the factual complex underlying the current contestation as follows:

[T]he current administration ... found an existing set of relationships in place. You have a situation where you have competent ministers with incompetent DGs, but the ministers are now trying to work in a way that the career incidents are managed by the President. And conversely, you have cases where you have really competent DGs with troublesome ministers, but they may be politically powerful.

However, the pace of change might arise instead from the debate about whether the President or premier, or the DG in their office, should be the responsible oversight authority.

AO 2 explained that there was always a problem with the question of the role of the DG in the Presidency: was the DG of the Presidency “head of the DGs”? When it was clarified that this was not the situation, the Forum of South African DGs (FOSAD) was established. It was chaired by the DG in the Presidency and included all DGs / HoDs from the national and provincial spheres. FOSAD discussed issues of policy and programme implementation but did not address issues such as their relationship with their ministers, the challenges they faced and what assistance they could get. The DG in the Presidency “has got nothing to do with that”. The absence of an accountability relationship between the DG in the Presidency and AOs, “to me is *the major, major* issue which is causing all these problems we have in the public service” (emphasis added), said AO 2, one of the most senior and experienced respondents interviewed.

AO 2 expressed firm support for the appointment of “a head of the public service which differentiates between the political and administrative”, as did several other countries. The priority attached to the creation of this post was that it would enable “a clear role delineation between political and administrative”. If they could appoint the DG in the Presidency as head of the public administration,

then DGs should not be reporting in terms of their functions as such to the Minister. Yes, just report to the Minister that I'm here today and I'm doing this. It's just a dotted line, so to speak. But your task line is with the DG in the Presidency. Then if you do that, then that interference by the ministers in the operations of the DGs is going to be reduced dramatically. Because now these people have got nothing to do with each other. I think that that model can really work to reduce the problem.

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AO 5 and 7 also expressed support for proposed policy and legislative amendments to create the post of a head of public administration so that career incidents of DGs were dealt with by the DG in the Presidency. AO 5 noted that PAMA did not yet reflect the ideal position of the Head of Public Service (HPS) set out in “the NDP’s guidelines, which are rooted in constitutional provisions around public service rules” such as professionalism, accountability and responsiveness.

3.1.1 Professionalisation of the public service

“To resolve the high turnover, you have to address the factors that cause it,” AO 1 emphasised. However, the first step was “to have proper selection processes based on the notion of professionalisation as advocated in chapter 13 of the National Development Plan (NDP).” AO 1 was clear that

[o]ne of the key things we still need to learn in South Africa is to accept the notion of capability – meritocracy. ... We have had a long time to absorb a large number of those that were excluded [from] the public service. And we were supposed to then build a massive pool of qualified cadres from which we can select senior leaders, including DGs and so forth, with experience and skills, to assume leadership. Now, we need to strictly ... pursue the notion of meritocracy ... [which is] mainly ... about skills, capacity and experience. Secondly, when we started in 1994, there was always [the] idea that we need to consistently improve the capacity of the leaders of the public service through courses at various institutions in order to empower them to better handle the responsibility they are given to lead departments.

AO 1 welcomed the fact that the National School of Government would support these DGs in partnership with various universities in this country and abroad. As indicated earlier, AO 7 agreed that there was an urgent need for ongoing support for senior management, including capacity building. This respondent also emphasised the urgent need to improve and the related need for capacity building.

AO 6 emphasised the starting point of ensuring that AOs should have the

basic capabilities *and* ... experience *and* knowledge of the portfolio in which [they are] being appointed to manage, as public administration experience or a degree in public administration alone are inadequate. The first step needed to reduce the high turnover is to get suitably and properly qualified people into the positions, that *know the content* that they are managing because it means then *they can advise better and more appropriately and galvanise* the organisation in a particular direction in order to support the executive’s good [policy] intentions (emphasis added).

AO 8 agreed with this focus. Recruitment of “established” senior managers had to continue because a DG was like a CEO – one did not see the private sector taking people who were inexperienced and whose credentials were not clear. Second, the public service had to move towards professionalisation. For this respondent, this meant that you do not simply appoint a generalist public administrator in all positions. For example, one needed “a doctor to run the Department of Health, you need a lawyer to run the Department of Justice, you need an

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engineer to run the Department of Water and Sanitation.” Such senior appointments required specialist skills relevant for the portfolio: “the proper qualifications, proper criteria should be returned to for purposes of recruiting, including in seniority. That allows somebody to have the confidence to look at their [political] principal and say: ‘No, that's not how it's done; that's not how it's supposed to be done’.”

AO 6 agreed that confident and courageous administrative leadership came with professionalisation:

There is, at times, I think a fair degree of political pressure and it takes a strong HoD who believes in their own capabilities and with the backing of their management team to be able to stand up and say, ‘Well, if that is what you require me to do, ... put it in writing ... as per the legal prescripts’ or ‘I refuse to do it, and if you push me any further then here is my resignation.’ I think if you believe in your own capabilities that you can walk out and get a job somewhere else, you are not going to be easily swayed to be doing something wrong.

AO 6 added, however, that their preference was to propose a way in which the EA’s request could be achieved lawfully, if possible.

3.1.2 Permanent appointment of AOs and professionalisation of the public service

AO 2 was of the view that appointment of an HPS would also “clearly address the [problematic and destabilising] issue of DDGs being permanent and DGs on a contract basis.” They should make the position of DGs permanent and have a proper performance management process in place: “As I have said, I don’t believe that I’ll perform better because I’m on a contract or I will perform less [well] because I’m permanent. Proper performance management will promote performance, because people will know that if I don’t deliver then I’m gone.” AO 6 agreed with the permanent appointment of AOs because “appointing people on contract ... does bring with it a degree of instability”. This respondent explained that, in their experience, one of the consequences of this instability was that otherwise capable younger professionals did not apply because of concerns over the implications of appointment for their young families and associated financial commitments of the precarity of the position.

Respondents identified a link between permanent appointments and professionalisation of the public service. Thus, for AO 9, it was essential (“the best”) for a policy mechanism “to depoliticise” the interface and the accountability relationship. While there “may be different mechanisms” to achieve this objective, this respondent referred to the DPSA’s “position paper” on the professionalisation of the public service, which included several proposals “to eliminate and to depoliticise the process”.

“[A]t the core” of successfully depoliticising the interface and professionalising the public service was to “de-link ... the political term of the MEC or, for that matter, if possible, even the premier and the president from the careers of public servants, including DGs and HoDs,” explained AO 9. Related to this, there should “of course” be an overarching platform to

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coordinate performance management and consequence management, including where there was incompetence. The present “policy vacuum” around these issues made performance management an unnecessarily “high risk” exercise in the public administration.

3.1.3 Ministerial delegations and an enabling environment for AOs

AO 1 and 7 also expressed concern about the uncertainty that arose from the persistence of discretionary ministerial delegations to DGs, particularly the fact that ministers decided what to delegate to DGs and that some ministers and MECs would not delegate or take delegations back. This disempowered DGs so that they were unable to “run with operational issues” in order to ensure an effective functioning of their department.

AO 8 agreed, identifying the Public Service Act (PSA) as the source of the current contestation as it located the authority for human resources with EAs. However, this legal provision was a legacy of the early days of the democratic era when transforming the public service was a priority: “New ministers were given space to be able to appoint so that they could then bring [AOs] into the public service. It is problematic that, even now, new ministers are still enjoying that power. This authority shouldn't sit with them, because they are not implementers – the implementers are management.”

As implementers, “DGs need to be given space to manage and run departments, all the way from recruitment to financial management to dealing with people who are not performing and people who are doing wrong things,” said AO 8. AOs’ “operating environment should be enabling,” with the EA giving senior managers “space to manage”. It had been recommended that human resource powers be delegated to HoDs, who should be able to delegate further (where appropriate).

AO 8 identified a related causal factor – that “ministers are not educated” and there were no consequences when they withheld or withdrew delegations. AO 8 gave an example of a new MEC appointed in Gauteng who withdrew delegations and who now spent valuable time “appointing drivers”. When the PSC queried the MEC’s approach, “she just ignored them”. AO 8 expressed concern that this attitude – that it was acceptable for political principals to control everything and to disregard specialised state institutions – was viewed as acceptable among “people who get to the top to eat.”

In the executive branch, AO 8 said “even the ministers need to be trained” and “need to ... understand what their role is” in relation to a department. Here, AO 8 was explicit. The EAs’ role was to ensure that the policy of the party they represented found its way into the department’s programmes. Once that had been done and targets agreed with their HoDs, political principals had to “step back and give them space ... to operate and achieve,” and then exercise oversight to “hold them accountable” for achieving those targets. Senior management had then to be given space to do the things they needed to do to achieve those targets, which included recruiting the right people with the organisational structures determined by the DPSA. It was important to “leave that Director-General to recruit the people they believe will get them to where they need to get to.”

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3.1.4 Ministerial accountability

AO 6 endorsed the vital importance of establishing a clear separation of authority and accountability between the EA and the AO. This respondent observed that when reports of corruption emerged there “is always a fingering of officials, but very little that you see coming out in relation to political principals. I do not believe that officials necessarily only do it just off their own bat.” It was officials, not political principals, who were usually held accountable for maladministration or corruption, although more often than not the EA had influenced the irregular decision.

3.1.5 Performance management

As noted above by AO 9, an important factor in professionalising the public service was effective performance management. Capacity building of DGs and HoDs would not only improve their own performance but also their ability to ensure proper performance management of DDGs and CDs, with a cascading effect of improved individual performance and effective organisational delivery throughout departments.

AO 10’s proposal was to ensure that the AOs’ performance assessments were undertaken by an independent team, not by their political principals, “because I can assure you, if he or she wants you out, it does not matter how bad or good your performance is. It can be extremely bad, but because you are part ... of his [pack of] dogs, you will be told you are performing well.” Conversely, performance could be excellent, but the decisive factor was whether the EA wanted one out: “the person will definitely say, ‘Ah, this is not what I want, we do not have that chemistry between us’.” There was no protection from the stress of being “dependent on the political principal”, or any incentive for senior managers to stay in the public service when some of their former colleagues had found positions “less stressful and more rewarding in the private sector”.

Together, these measures were seen as critical elements in stabilising the political-administrative interface in order to improve the quality of governance with enhanced outcomes in terms of service delivery. In this regard, AO 8 recounted the recognised development trajectory for senior management, including administrative heads, referring to the management term the “S curve”:

In the first two years of a job, you are still learning, although you are also taking decisions. And then, in the second two years, you are living with the consequences of your decisions. That is when you really learn how to do things: getting to know what decisions to take and getting to understand the consequences of decisions. And so, when you have somebody for [only] two-and-a-half years, they know nothing – they’re still learning and still going up the S curve. So just from a management point of view, it doesn't make sense to have people spend that [short period of] time [in the post] and think you will see results.

AO 8 explained that there was universal appreciation of the value of spending time on the job. That process was designed to produce “proficiency”. You might have the qualifications,

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but you did not know how to do the job. You also needed to take time to learn to do the job and the longer you spent on the job, the more you become adept.

... [Y]ou know the science, you understand the art, you understand the idiom of the job. ... That is a big part of why government hasn't delivered in South Africa ... it just hasn't given itself the ability to deliver by keeping ... the administrative leaders and keeping the directors-general and the HoDs long enough in their jobs for them to be able to get on top of their jobs.

AO 8 pointed out that one of the departments currently performing well was Science, Technology and Innovation, but emphasised that their DG had been "on the job... more than 10 years. That is the only way," concluded this senior respondent.

3.2 Political-administrative interface

Interviewees were asked to what extent they saw the interface between Ministers / MECs and DGs / HoDs as a challenge for DGs / HoDs And what they perceived as the main consequences of a poor relationship between Ministers / MECs and DGs / HoDs.

All AOs interviewed saw the political-administrative interface as an area of immense challenge, with many negative consequences flowing from the poorly managed tensions and resulting poor relationships. Respondents generally felt powerless to address this in the current circumstances, although most mentioned the recent shift to vesting the appointing authority in the presidency instead of in the department's minister or MEC as an improvement. All AOs interviewed for this study indicated support for moving AOs' line of accountability from their EAs to a HPS, who could be the DG in the Presidency.

AO 1 described the country as having an "in-built crisis-inducing legislative framework". He explained that

[o]n the one hand, we have the Public Service Act, which assigns powers of public service management, not to the directors-general, [but] ... to executive authorities. On the other hand, we have ... the Public Finance Management Act, which assigns original powers to administer the finances of the department ... firmly [to] accounting officers, [who] are largely directors-general and heads of departments. These two [legal frameworks and posts] have a tendency to conflict.

AO 1 added that there were very few people who worked well with ministers, though the relationship was not necessarily difficult. The "first problem" arose with ministerial advisors, because "that advisor becomes your competitor as a DG, because ... when [they] advise [they have] no responsibility for ... implementation". A significant further concern was that they had "no responsibility to [even] try to buy [into] my vision [as a DG]", which could mean that the advice they provided to the EA undermined their ability to achieve their agreed targets. DGs were in a very different position to advisors because they had to secure support from their senior management team in order to ensure buy-in from their entire staff:

I must be able to come up with something that I will be able to implement because my vision will give what is required by the department if it gets successfully implemented.

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But an advisor ... just goes there and creates all sorts of problems because there is no accountability structure for them in government.

Where relationships become “fraught” they then became “dysfunctional”, with the EA simply “parking on one side” submissions from the AO, according to AO 1. AO 5 agreed that administration slowed down or even ground to a halt, the department was unable to spend its budget effectively, and efficient service delivery became unattainable, with the AO held accountable for underperformance.

AO 5 bluntly identified the stakes when an EA found themselves with an AO who was unwilling to implement instructions likely to result in irregularities. The EA simply replaced them with someone who was more “pliable”.

AO 1 described situations where mediation by the DG in the presidency had often failed to resolve disagreements between EAs and AOs, while AO 5 described situations where, in the interests of getting something done and services delivered, officials tried to find “workarounds” or ways to bypass the logjam at the top. Against this backdrop, it was not difficult to see how unauthorised or irregular expenditure became prevalent and it became the norm to ignore standard protocols and checks and balances.

AO 7 agreed that this interface “is a challenge,” saying “I have ... witnessed instances currently”. This respondent described the consequences as predictable: if the system was not “functional ... [it] will collapse”. There were current examples of this.

AO 7 considered themselves “lucky because I have a minister who I regard as a professional who understands [our respective roles and responsibilities] and who is very supportive of my role”. This respondent added that they “shouldn't be saying ‘I'm lucky’ [because] that's how it should be” throughout the public service. AO 8 also indicated that they had not experienced difficulties with their political principals.

An additional factor contributing to the challenging nature of the interface was that politicians were recruited differently from DGs and that the “professionalism and [capabilities of] politicians don't get tested” (AO 7). Political appointees / deployees “approach work differently and prefer some people over others for different sets of reasons. You can be the DG, but the minister may decide whether or not to approve your preferred appointments of officials even if they will be accountable to you.”

AO 8 expressed firm agreement:

The interface is a massive problem In 90% of the cases it's a problem ... [that] arises from the side of politicians who stray into the administrative arena. It might be in the form of ... appointments ... [or] procurement. Often, those are the two key areas where you have a growing number of problems, as well as political involvement in disciplinary procedures. Senior administrators have management tools that minimise our biases, that guide us to deal with our biases appropriately, whereas politicians intervene to protect personal or other agendas.

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Despite these management tools, both AOs and EAs were often “guilty of “immaturity”, said AO 8. People who lacked confidence in their capabilities could lead them to want to control everything, or to feel offended when they were ignored or are not consulted – even when the AO had no duty to consult the EA about certain decisions, such as appointments. “My approach is to treat my principal with respect, as a human being, to be transparent with them, to consult with them so that they feel more confident in their position because they know that I’m not trying to ‘hide’ things or exclude them from decisions.”

AO 5 agreed:

if you really have competent DGs, competent public sector leadership in particular departments, and you have a politically mature minister who might be politically popular but does not have all the necessary competencies for the portfolio, it can still work because that minister will actually understand what they know and what they do not know, and work with the competent officials to ensure that the agenda of government is met in a way that creates public value.

Human resources issues were an area of intense contestation, AO 8 reported, which affected organisational morale and distracted attention from the organisation’s core business of service delivery. AO 11 and others agreed that this was an area of concern, urging that once AOs were satisfied that a recruitment process to appoint staff had been properly implemented, the EA should not be permitted to overturn those decisions.

In part, said AO 7, this was “because of the approach of that particular person [and] sometimes ... there are also limitations” due to politicians’ inexperience. They

are not bureaucrats, so they do not understand the bureaucracy and ... this is ... the institutional tension I’m referring to. There’s the immediacy of politics and the process-based [approach] of bureaucracies, so there’s a very big clash [when a] minister wants it now, but it can’t happen now because there’s a process that must be followed and that process is even beyond my control as the DG, such as supply chain processes where I may not intervene. Equally, the recruitment process is outside of my control. Officials will have a grievance against me, saying I’m harassing them because I want to employ my own people, so it’s just a very delicate situation.

AO 9 agreed that the interface was problematic, primarily because the current “policy framework is open-ended” and “not well-regulated,” – that is, open to misinterpretation, misapplication and misuse. This respondent believed that one could see that the “underlying logic” informing the various policies that guided public service and administration “is to depoliticise the public administration as much as possible”. But then the “systemic omission sometimes defeats the intention”, which left AOs “too vulnerable to the whims” of ministers and MECs. This systemic omission made it “unlikely [that we can] achieve ... administrative stability.” AO 5, AO 6 and AO 7 agreed that the impact of this vulnerability included that AOs were afraid to take decisions as even relatively minor issues could become grounds for termination.

AO 5 was adamant that

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... a clear ... line in the sand needs to be drawn by the President on the relationships that will prevail – that’s important. ... The state capture project used this grey area to ensure that they could shape the public sector to meet their own narrow, selfish purposes. Accounting officers and senior managers who were in the way of those kinds of state capture objectives were either silenced or gotten rid of.... This pathology stems from poor management of this interface between the roles of the political and administrative heads. The level of protection that the DPSA should have provided, for example, against the [then-]President was just not there. ... [T]hat Ministry and that Department, over the last 10 years or so, has just not been providing the protection for accounting officers who felt that there was interference in the manner in which they did their work. More often than not they had to seek sympathetic political leaders or cabinet members to step in and provide protection. Sometimes it worked, and sometimes it did not.

While the President had subsequently been confirmed as the authority that hired and fired DGs, and essentially dealt with what was called the career incidents of accounting offices, that authority had been “delegated to and vested in the minister of public service and administration [MPSA].”

The literature on the theory of the developmental state emphasised the need for the public administration to have “some relative autonomy from the political leadership”, AO 9 pointed out. In a “democratic society where there are frequent elections [it is] reasonable to expect that the political leadership [will] change [at least] every five years. But that should not necessarily be translated into ... frequent changes of the administrative leadership”, they said. The PFMA and PSA were insufficient to introduce stability, particular at the interface, “because there are no clear-cut policies and guidelines” to manage the inevitable tensions in those relationships. AO 9 added that “there is no explicit provision in the legislation for any accountability or liability on the part of EAs who expect ... the DG or HoD to do illegal things.” While a Cabinet reshuffle might ensue, there was no obligation on the President or the premier to explain or justify a reshuffle, so any “causal relationship is in the realm of speculation”. This “systemic problem ... perhaps needs to be attended to through a policy change,” this respondent concluded.

AO 10 expressed similar sentiments about the limitations of the PFMA and the PSA and indicated concern about “those grey areas” at the interface that rendered “the wellbeing of the province [dependent] on that political-administrative interface, and dare I say, the interpersonal relationship with your political principal.” This respondent raised the issue of the competitive political party realities that exist between an EA and AO who belong to the same political party and that currently played themselves out at the interface: “[T]here is this unsaid thing that ‘You wanted to become the political party chairperson in the province and I am now going to ensure that I deal with you once we go back to the administrative component in the workplace’.”

In a clear indication that political interests of administrators can also affect the workplace, AO 3 recounted experiences of political rivalries when they saw “DGs and HODs who would fight

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to be in [publicity or electoral] pamphlets. [They] forget they are not politicians but administrators.” According to this respondent’s account: “That is when blame starts going around as there are those who want to use politics to manoeuvre instead of being a technocrat.” Administrative leaders should confine themselves to the kind of guidance provided by the PFMA and not allow themselves to become political actors.

AO 5 supported this analysis – tracing a connection between politicking, instability, weak governance and poor service delivery: “[I]t had a very negative impact on service delivery – because ... the accounting officer could not effectively manage how resources are to be spent. ... The inability ..., for example, to effectively manage an executive team that should be held accountable to them, and the impact on the public service, was ... a major setback.”

Because accounting officers were seen as vulnerable, depending on their relationship with political heads,

the ‘kill the leader’ syndrome became something that was common within the public sector. Some DGs were being undermined by senior managers for the sole purpose of ensuring that a lacuna in leadership is created. ... [I]t creates ... incoherent management within the public sector, and with some senior managers being placed in positions where their sole purpose was to be agents of state capture.

AO 9 described a similar scenario in which the unstable interface had led to the emergence of divisions between officials as they aligned themselves with either the political principal or administrative head. Mutual suspicion and power plays replaced teamwork in the service of departmental objectives.

AO 6 agreed and added that instability at the interface

does ... cause a degree of instability within the department, and, potentially, if you have not got a very strong team backing the HoD, you can find people jockeying for position trying to further undermine the HoD because they ... see a future for themselves in that position to put themselves forward. [The instability] trickles and filters through[out] ... the organisation and undermines effective delivery.

Respondents were asked what should be done to minimise the negative impact of the political-administrative interface. Solutions identified included decisive amendments to the policy and legal frameworks to clearly define respective roles and responsibilities and lines of accountability and ensuring that the executive was held accountable for respecting those boundaries.

The historical arrangement of appointments and removals of administrative heads by their executives created challenges, but AO 7 believed that the tensions were not merely at a relationship level and arose “institutionally”. AO 5 and AO 7 were in agreement that the political-administrative interface could not be perfect but that some of it could be managed through legislation and policy changes, although implementation was another issue: ministers were not often held accountable by the President for not implementing policy or did not effectively manage the relationship with their DG. The political system seemed to have its own rules and protocols about how it dealt with such issues – and perhaps even legislation

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could not be relied upon because it appeared to be ignored or not implemented – as were policy directives – all with apparent impunity.

All respondents agreed that AOs' line of accountability had to be moved away from their ministers or MECs to either the President or to the DG in the Presidency, with the latter being the preference of a large majority of respondents. All also agreed that this change should be enshrined in law and policy, but importantly, should also be enforced in practice. Most respondents shared experiences of existing law and policy being observed largely in the breach, with any accountability for breaches obscured by the absence of any requirement that the President had to explain Cabinet reshuffles.

AO 1 spoke for almost every respondent when identifying the need to create the post of head of the public service (HPS) as a critical prerequisite for stabilising the interface. The HPS should depoliticise the relationship between EAs and AOs by managing the career incidents of AOs. One respondent expressed some doubt about whether this measure alone would be sufficient to resolve the tensions at the interface; but neither did other respondents place all their faith in this one mechanism.

Similarly, AO 7 expressed the view of all respondents when identifying the need to amend the existing legal framework to clarify the delegations to AOs for operational matters. The current discretion vested in the executive too often left administrators without the critical tools required to perform their tasks effectively and achieve the executive's policy objectives. AO 2 expressed the firm view that DDGs should be appointed by DGs because "these people, we are going to work with them".

AO 1 repeated the concern expressed earlier that AOs were sometimes not given the delegated authority to employ people who could best assist them to undertake the required work: "You can make all the recommendations you want. Sometimes you even get told who to put on the list. And you end up with people who are not really the best."

For AO 3, "success stories" emerged when political and administrative leaders adhered to their respective roles. "Challenges due to the political-administrative interface hinder service delivery," warned AO 3, which "undermines the institution as a whole, including the staff". Leaders had to "rise to the occasion ... [W]e are not here for friendship but to deliver [on] a mission." A shared prioritisation of the complementary contributions to the joint mission of achieving the objectives of a developmental state emerged as a prominent theme.

AO 3's proposed solution was "serious education of all leaders, both political and administrative". Both groups of leaders needed training and capacity development. This training should not be limited to improving their knowledge of their respective roles and responsibilities but should also include exposure to the benefits of technology for improving efficiency. Many other respondents supported the need for education and training for both EAs and AOs in the practical value and principled importance of a clear separation between political and administrative roles and responsibilities. AO 9 proposed that both AOs and EAs should go through a formal standardised process of "induction" in their respective roles and responsibilities.

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Similarly, AO 8 urged that EAs needed to be properly “orientated ... and need to understand that they are there to ... oversee and guide the performance of the department, just making sure that the political mandate is translated [into] departmental programmes and then they must give the manager space to deliver but hold them to account.” AO 11 agreed, saying that objective measures should be applied to assess HoDs’ performance, “not the personal preference of the EA” in a particular portfolio.

Essential next steps, following on objective and apolitical performance assessments of AOs, included resolving issues concerning contractual appointments, with the primary aim of improving stability and continuity. Many respondents indicated that at least five years in the post was necessary before any real impact of leadership could be felt. Very few people were available in the “marketplace” to be parachuted into the post of DG or HoD. Thus, while qualified, skilled, experienced and capable leaders could be “grown” internally within the public service, this would take some time, given the wariness with which many potential candidates currently viewed the precarity associated with the position. Attracting outsiders to join the public service would not be easy. In the meantime, support and capacity building for SMS members was viewed as important. Equally important was to provide an enabling environment for existing AOs that permitted them to learn and grow in the position. Many respondents, especially the more senior KIs, highlighted the benefits of “time on task” – the irreplaceable value of learning on the job, being allowed to make decisions, choices and the occasional errors in judgment, and building on those experiences to acquire valuable insight and expertise. Several respondents added that there was no substantial reason why AOs should continue to be appointed on contract, even if contracts were renewable based on objective criteria and performance assessments. Provided that performance agreements were clear and performance management undertaken properly, there was no reason why AOs should not be permanent appointments.

Most respondents spoke of the need to professionalise the public service, starting with the political-administrative interface. Professionalisation should not stop at the senior leadership level, however, but should continue to flow outwards and downwards to include the process of recruitment and the criteria for recruiting qualified, skilled, experienced and capable officials, which should be the sole responsibility of AOs.

EAs needed to learn and understand that there were frameworks and systems that had be respected and implemented, urged AO 8 and other respondents, but it was necessary to develop new overarching frameworks for separate oversight for EAs and AOs. AO 8 elaborated by explaining that, although the HPS should manage AOs career incidents and assess their performance, EAs needed to understand the framework within which this was done. In this way, EAs would be able to better understand how performance is assessed and, with that understanding, to develop trust-based relationships with their AOs, thereby stabilising the leadership of departments.

AO 5 also highlighted “the quality of leadership issue, which is the more substantive thing”. Even a new set of rules governing the interface would be adhered to

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only ... if the quality of leadership is one that on both sides recognise this as something that is important for an effective public service. People should be appointed [as ministers], not because they wield some kind of constituency-based power, but the consideration for ministerial position should be around the capabilities of particular ministers to do the work in a particular portfolio, and that has not always been the case.

3.3 Skills and leadership

In response to the question about what they considered to be the critical qualifications, skills and leadership qualities that make for an effective DG / HoD, AO 1 spoke for most other respondents, providing a detailed set of qualifications, skill and leadership attributes:

1. Strategic leadership and management skills, as AOs “are not just doing operational things”
2. “[S]trong and advanced financial management skills,” as AOs are responsible for the management of large budgets. Ignorance in this area allowed one to be misled by one’s staff
3. “[P]eople management”, which included basics like manners (treating people with respect), as well as performance management, discipline and human resources development. AOs had to ensure that they enabled their staff to develop in order to “run a coherent department that consistently improves its ability to meet its mandate”
4. Communication skills were necessary to engage with internal and external stakeholders
5. An advanced understanding of economics and development
6. Advanced knowledge and skills in information and communications technologies, as well as 4IR technologies, “because nowadays things revolve around big data ... We know that decision-making at the level of DGs and HoDs, even at Cabinet and everywhere, is increasingly going to require the processing of big data through machines that have mastered artificial intelligence”; and
7. “I believe that particularly in the context of the world today, ethics has come to the fore again. We are seeing corruption, fraud and all those kinds of things. You need ... a DG ... to have some ... knowledge and skill in applied ethics, ... together with anti-corruption and anti-fraud strategies and techniques”.

These skills should be included in a packaged curriculum “to develop leaders or young people” and to prepare them and support them along the path to become DGs, said AO 1. AO 2 added the need for “character” in order to manage the relationship with one’s minister.

AO 8 identified a set of valuable “soft” people skills rooted in “mature” personalities on the part of both EAs and AOs, who should treat each other with respect, conducting themselves with consideration for each other, taking decisions transparently, and offering opportunities for informal consultation even when there was a clear division of responsibilities. This respondent highlighted the multidimensional nature of people management, also known as “360-degree” management. It started with self-management, which included resilience (AO 7 agreed) and the ability to manage relationships upwards (particularly with one’s EA),

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sideways (with one's peers) and downwards (with one's staff). AO 8 identified a deficit in self-management in South African families and society more broadly, urging that this life skill be included in the curriculum for leadership development.

People skills were essential, agreed AO 3, as they helped in dealing with attitudes: people management was "a lot about attitudes", including the widespread lack of urgency among public servants in doing their work. This respondent highlighted the need for the values and attitudes encapsulated within the philosophy of Ubuntu, which was the most essential leadership attribute in their view. "Even with a PhD, without [these] human skills you can't eradicate pit toilets and shacks," they said. In similar vein, AO 9 highlighted the need for leaders to have an engaged awareness, not merely academic knowledge, of the social and developmental challenges of the country.

AO 10 agreed that people skills were essential in a leader. This meant that at times it was necessary to be able to lead from the front, from the side and from the back. It was vital to be able to empathise, to encourage and to be a "team player" rather than a "dictator", especially when "things are tough". Similarly, AO 7 urged that leadership skills should acknowledge the value of "social influence" as a significant and relevant leadership style or dimension of leadership.

AO 3 accepted the need for formal academic qualifications but emphasised the need for skills "relevant to the times", such as technological acuity to enable leaders to increase the pace of service delivery.

AO 7 noted the current requirement of twelve "competencies" expected of SMS members, which included change management, and added that a Master's level qualification should be a requirement, although AO 9 suggested that the current requirement of even an honours degree might be a challenge given the context of South Africa's unequal past and present. AO 7 also mentioned "innovation", "analytical thinking" and problem-solving skills.

Several respondents alluded to the reality that, while one should have a high level of skill in various areas, no single person could be an expert in all of these fields of knowledge and practice, especially in a fast-changing world. It was therefore essential to be able to build networks within one's department, and across departments and outside departments where necessary, through identifying and collaborating with trusted individuals with the necessary skills that an AO needed from time to time. One respondent (AO 6) described an effective organisation as "networks of conversations" in which officials communicated with each other in order to share and learn from experiences and insights for the greater benefit of the public service and, ultimately, the country. In recognition of the need for a broad set of skills, AO 2 supported the current policy proposal for the SMS management development programme to enable public servants to spend about two years in the private sector to obtain relevant experience and skills.

In response to the question about what skills and leadership qualities were critical for staff in the department that supported DGs / HoDs in the performance of their duties, a range of answers was provided. If the focus was on DDGs and Chief Directors, these senior support staff should have the same qualities as DGs and HoDs, in the view of AO 1. However, "DDGs

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in particular must be experts in their own fields, [or] able to rapidly learn because in certain fields there are no experts.” Here, AOs 1, 5, 8, 9 and 11 were in close agreement about appropriate qualifications and expertise. If DDGs and Chief Directors were not yet experts in every subject that might arise [which is conceivable in a fast-changing society], they had to be able to source information and advice for the DG / HoD, who might be less likely to be a subject expert, explained AO 1. These senior support staff had to be able to contribute to strategic planning and also understand what knowledge and skills needed to be available in their divisions in order for the department’s agreed strategic plan to be implemented. AO 11 mentioned how, in the past, “people with no qualification or no matric were recruited into middle management positions and had no skill at all.” Equally, sometimes “people with qualifications have been fast-tracked to higher positions without acquiring the necessary experience”. It was thus essential that qualifications, experience and skills be viewed as a package.

In this regard, AO 2, AO 5 and AO 6 emphasised the necessity of each AO having an HR expert who understood the need for specialist skills in certain positions, and who had the skill themselves to recruit suitable candidates. For example, that HR expert would understand that in order to recruit a specialist surgeon (that is, a scarce skill) in a public hospital, or a doctor as a hospital manager, it might be necessary to remunerate them at a higher rate than another public servant appointed at the same director level. These AOs described tussles with their EAs over unsuitable candidates preferred by the latter. Having skilled HR capacity in a department was essential for that department’s managerial autonomy and for its capability to effectively implement the agreed strategic plan.

On the other hand, if a DDG were being considered for a Cabinet position in the Presidency, “there is no such thing as a course in ‘cabinet studies’ in any university in the world. It requires people to have an understanding of public administration.” Everything else was learned on the job.

AO 3 emphasised that we are “operating in a global world”. In Rwanda, the entire country had fast wi-fi connectivity and they were busy inventing robots for transporting medicines to rural areas. But in KZN there was only 9% connectivity. During lockdown, how did people access lifesaving information? Even departments with adequate connectivity do not use it effectively to communicate with each other, largely because of inadequate ICT skills.

For AO 7, people with the “right attitude” were most highly valued because they were open to learning; they could be trained and they could learn and innovate. AOs 5, 7 and 8 agreed that people with the right attitudes include those who had the correct values and ethics – those rooted in the Constitution and service to the public.

AO 7 expressed doubts that the public service properly understood what it wanted in terms of leadership skills, or how to assess those skills when recruiting or promoting public servants. In this regard, it was useful to understand what candidates’ / employees’ dreams or ambitions were, because this would help the AO to decide whether or not they had the right attitude and values and would be an asset to their department.

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In these senior support positions, AO 9 and AO 10 prioritised “dynamic” people who were not merely functionaries but were officials who could get things done.

AO 9 added that senior support persons also needed to be well informed about socioeconomic conditions and have humility and empathy with those who relied on government’s services so that these considerations found their way into strategic planning.

Asked whether critical skills should include a deep understanding of the Constitution, in particular the values that underpin it and the rights of citizens, several respondents, as alluded to above, emphasised the importance of a shared value system founded on the Constitution.

AO 3 set a particularly high bar: “We need them [senior public servants] to live the Constitution” and know how “to make it alive”. This was not open for debate: for AO 3, the Constitution “must be a living document, [a] binding doc, politically and administratively.”

AO 1 noted that the PSC had been actively advocating for broader and deeper recognition of constitutional values and principles (CVPs), and their importance for the public service. Service to the public was the essence of what these principles meant – the public was at the centre of what they did. They were not “government officials” but “public servants”; and the services were based on rights enshrined in the Bill of Rights. Departments collectively contributed to realising these rights. However, there were still public servants who did not seem to understand this, and who lacked diligence, who were negligent, and who engaged in corrupt activities for selfish gain. AO 7 believed that public servants did know what was in the Constitution, but agreed that some seemed to struggle to implement it in their daily tasks and activities.

AO 2 appeared to express some frustration: “I don’t know how we can ensure that everyone in [the public service] understands the constitutional imperative.” AO 7 suggested a “multi-focused approach” that included education and training institutions, as well as a process of ‘socialising’ the Constitution through leaders explicitly initiating discussions about how its values and principles applied in the implementation of departments’ programmes and activities. AO 8 similarly suggested that leaders should surface the CVPs and make them “visible” as an integral part of departments’ daily activities.

AO 11 agreed that the public service no longer undertook proper induction. The induction process should orient staff to constitutional principles – but “At the moment, induction processes are erratic. People get socialised into the organisation without proper induction.”

AO 5 indicated that the Constitution was clear on the role and responsibility of the public service. For this AO, when recruiting, whether a candidate “shares the right values of leadership that will enable them to assemble a good team around them to deliver on a particular mandate in the most efficient way possible” was as important as content knowledge, relevant skills and experience, and possibly more important than the right formal qualifications: “The quality of service is ... driven [primarily] by value[s] – ... this is important – and then you can bring in the technical capabilities to make it happen.”

AO 9’s response encapsulated the thoughts of many KIs:

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[I]deally, you'd expect someone who understand[s] the challenges facing the country, the political economy and other related matters in this country and then the Constitution is our holy script. ... [M]y expectation is that any person in the senior management service, not only DGs and HoDs, but everyone who is [a] director upwards should be well versed [in] constitutional values. Because in essence, he or she is appointed to implement the Constitution, especially if you want to talk about depoliticising the public service. Depoliticisation, by implication, means that any citizen who subscribes to the Constitution of the Republic and its related legislation ... becomes part of [the] public service to serve the Republic, and the best way to serve the Republic is to understand and implement the Constitution of the Republic.

3.4 Human and financial resources

On the issue of whether departments were adequately resourced in terms of human and financial capacity to enable DGs / HoDs to be efficient and effective in their duties, AO 3 was clear that some departments were not currently adequately financially resourced. There might be a need to review departments that were over-resourced and some that were under-resourced in terms of both finances and human resources. The mandate and focus of some departments had changed and some departments had been separated or merged, but their internal structure had not been altered to reflect this nor had the way in which they were resourced been changed adequately. As a result, some departments were overstaffed. Another respondent agreed, noting that this was particularly true when one compared similar departments in different provinces.

AO 3 supported the President's call for the public service to implement the NDP and deliver on it, but cautioned that this required a restructuring of public service departments. The current situation and times required this change. Echoing recent PAMA amendments, this respondent supported the retraining and transfer of staff in support of this reorientation and associated restructuring.

AO 1 acknowledged that the country's current debt and the fiscal austerity measures required to repay it and regain our previous credit rating played a role in departments' lack of funding to replace people who resigned or retired. They also recognised that this constraint on public expenditure had been exacerbated by Covid-19 and associated socioeconomic relief measures. AOs 1 and 9 observed, however, that departments would never say they had sufficient financial resources; it was the nature of economics that we lived in a world of scarce resources. Also, to simply blame scarcity was to misdiagnose the problem because most departments had not been spending efficiently or had been underspending – an assessment with which AOs 2, 5, 7 and 8 agreed. Most respondents highlighted that financial inefficiency and underspending had been compounded by irregular and unauthorised expenditure, wastage and “conspicuous consumption,” as well as increasing levels of corruption and misappropriation.

Reiterating the need for more efficient expenditure on personnel, AO 7 said that a perceived lack of human resources capacity might mean that the wrong people were being appointed,

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with inappropriate qualifications and skills. AO 9 agreed, noting that public servants had too often been appointed on the basis of “subjective” considerations rather than on merit.

AO 8 described themselves as a “contrarian” on the question of whether or not there were adequate financial and human resources, declaring that solutions could be found through proper reorganisation within departments and more efficient administration of expenditure. AO 8 indicated the need to assess and resource differently departments that were administration-focused and those that were service delivery-focused. AO 5 and AO 8 agreed that different kinds of departments should be structured differently, with specialists and professionals in service delivery-oriented departments, such as health, education, police, and justice, being better remunerated than inwardly-facing departments that focused on administration. AO 5 also suggested that it was preferable for public-facing service delivery departments to locate more middle-ranking public servants in frontline offices instead of in backroom administrative posts. This kind of restructuring would effect budget savings while utilising more highly qualified human resources more effectively to help ensure that shared values such as CVPs and the Batho Pele principles, and shared service delivery targets, were prioritised at the public interface.

AO 11 noted several factors that had contributed to current staffing imbalances. Some departments had been “harvesting resources from vacant posts,” staff in one particular department “are ageing and there are no incoming younger staff”, and disciplinary settlements were also depleting financial resources. There was also wastage in the public sector where people “don’t understand” the proper use of state resources.

While recognising the differences between various departments, AO 7 indicated – in response to the question about what support a DG / HoD should ideally have in this regard – the need for policy units within departments so that they could identify trends and changing needs and respond promptly to them in an agile manner. In a related response, AO 3 highlighted the need for ICT skills to be available to departments in a rapidly changing society. They would then be able to identify, adapt and implement suitably tailored technology solutions to improve productivity and efficiency and the quality of service delivery. AO 11 also identified the value of ICT infrastructure and recognised that the Covid-19 pandemic had forced departments to upgrade their systems. AO 6 identified the value of senior support staff who ensured communication and coordination across units within their department.

AO 5 and 8 indicated the need for a more suitable performance management system, such as the “360-degree” system, which had been piloted within at least one government department. AO 5 emphasised that this system enabled team performance rather than merely individual performance to be assessed. The advantage of this approach was that implementation of shared values and attainment of shared objectives could be measured. However, as AO 6 emphasised, for effective recruitment, training and skills improvement (and the 360-degree approach) to be effectively and optimally implemented, each department needed its own senior-level HR capacity, because departments’ mandates, structures and skills profiles differed from one another.

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AO 8 wanted to see coaching and mentoring being used in the public service, as well as more rigorous and comprehensive ongoing management development and support.

Continuing the theme of restructuring within departments, AO 11 identified the need to revisit “our structures” in order to “reduce unnecessary deployment of support staff to achieve efficiency”, and the need for support to rapidly revise annual performance plans (APPs) in order to reflect the changes required by the responses to the Covid-19 pandemic. By contrast, another respondent reiterated the theme of the comparative under-resourcing of the offices of some provincial AOs.

On the issue of cadre deployment and its impact on the professionalisation of the civil service, though several respondents pointed out that cadre deployment was not a uniquely South African practice (with two noting the practice in the USA of replacing the entire upper layer of government every time a new President was elected), all respondents decried the overall negative impact of cadre deployment as practised in South Africa. The practice had been “abused”, particularly where unsuitable and unqualified staff had been imposed on AOs’ departments and the need for a meritocracy had been ignored.

The negative impact of cadre deployment was evident in all three spheres of government, as the quality of governance and service delivery had declined. AO 1 identified a “well-known” practice in terms of which “the most useless” officials, the “ones you want to get rid of”, were transferred away from other posts and put in charge of technical departments, such as water, sewerage, roads, electricity, etc. That was why these departments were “in a mess, as expected”.

AO 1 spoke for many respondents, including AOs 3, 5, 6, 7, 8, 9 and 10, some of whom identified themselves as deployed cadres, when they emphasised that it was essential that public servants should be qualified, trained and should have acquired the relevant experience before they were deployed. AO 1 declared: “It is highly unlikely that we are going to get rid of cadre deployment. I want to be practical. But it should be governed by meritocracy and professionalisation, not by political patronage.”

AO 2 had a different response and was of the view that cadre deployment should be confined to cabinet appointments: “There is no need for any more than that. If the public service is professionalised, officials will understand that their responsibility is to effectively, efficiently and lawfully implement the programme of the political principals.” AO 5 agreed: “I always say that the easiest thing in the world is to be a South African public servant, because the Constitution guides you on what to do in terms of the quality of services, the nature of the services and how to do it. Therefore, you do not even need cadre deployment.”

One respondent mentioned the experience in their department, in which there had been a high turnover of ministers. Each new minister had brought with them a complement of staff who “had to be accommodated” within the department. The result was that several posts for professionals with specialist expertise were filled by people from these groups. These staff members had been parachuted in without consideration or assessment of their abilities or suitability. This respondent was pleased to be able to say that this practice had since ended.

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Explaining why the practice had been so detrimental, AO 5 and AO 7 shared the concern expressed earlier by other respondents that a candidate's value system, such as an understanding of the significance of the Constitution as the supreme law, and personal attributes such as empathy were among the essential criteria for identifying the most appropriate person to appoint in a post. For example, it would be completely counterproductive to appoint someone in the South African Social Security Agency (SASSA) who did not have an understanding that grant beneficiaries were not simply lazy, or that there was a constitutional right to social protection. Plainly put, "the criteria of professionalism [are] qualifications, skills and values," with values including integrity, explained AO 5.

Respondents were unanimous in their condemnation of corruption and state capture, especially with regard to their impact on service delivery. AO 3 put it plainly, saying that state capture had "robbed our people of very much needed services." AO 3 was concerned that in public administration there were inadequate risk controls in place. AO 1 described its impact as having "diminished our ability to provide public goods and services."

AO 1 characterised state capture as a form of "grand corruption" in which politically connected elites had controlled the levers of state power to extract and divert public monies away from service delivery. AO 2 agreed, as in many instances more junior public servants would not have been aware of what was happening, as it was senior public servants such as the AO or CFO who were pressurised into awarding tenders outside of standard procurement procedures. The lack of accountability at ministerial level enabled corruption to "thrive" and grow into large-scale state capture.

AO 7 expressed shock at evidence before the Zondo Commission that indicated how even public servants who were professionals accountable to various oversight bodies had disregarded their ethical obligations in terms of applicable professional codes of conduct. These so-called professionals were among the most culpable public servants and could not hide behind the excuse that they were obeying instructions from political principals. AO 10 expressed similar sentiments, saying many more public servants should be held accountable, as what had been exposed at the Zondo Commission was "child's play [in comparison with the actual extent of unethical conduct] because we all point fingers despite having issues ourselves."

AO 5 described the impact of corruption and state capture as "devastating" – leading, as pointed out by AO 6, to a widespread lack of trust in government and in the private sector, as well as within departments. AO 5 described how state capture had also "hollowed out the senior leadership in both National Treasury" and another key service delivery department, leaving "no institutional memory" or capacity for well-informed analysis concerning key policy initiatives, some of which had since been weakened: "That was the impact of the state capture agenda, that those who do not want to turn a blind eye, left. This meant that the ... drivers for effective service delivery were removed, and still have not been replaced."

State capture "had a huge impact on spending on infrastructure Instead of going into ensuring that you develop social infrastructure that will ensure that people have access to excellent offices to have ID documents, licensing issues sorted out, or getting a social grant,

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that [money] was moved into ... the pockets of people with vested interests". This "really meant that ... the public of South Africa was robbed of quality services, and it had a huge impact on government capabilities to become more effective."

AO 6 added that the impact of the loss of skilled and experienced staff had meant that organisational capacity to identify possible future corruption red flags has been weakened. Similarly, AO 8 described service delivery as having been "devastated" by state capture, with the economy crippled by corruption in the power sector, resulting in the loss of jobs. In some cases, state capture had led to members of the public being exposed to pollutants and materials hazardous to their health.

AO 9 described the impact as "extremely negative", highlighting the "huge impact on the ... ability of the state to collect revenue" and allocate resources to where they were sorely needed. Because public funds had been diverted, there were "high levels of poverty, high levels of unemployment".

AO 10 characterised the impact of state capture as having "derailed the country": "South Africa should be ten steps ahead of where it is now. We should not be diverting what is supposed to be for our population to those who are connected to us, where some of us are competing with the best millionaires outside in the private sector."

AO 11 said that corruption and state capture had had a "serious impact" in "our province". "Collusion and corruption" had limited the capacity of the state to meet its service delivery targets by "erod[ing] financial capacity". This respondent highlighted how fear had been instilled in people, so that "whistle blowers are afraid to [speak] out". One "can have strategies to fight corruption but you always find out [too late,]" when intimidation is used in this way.

3.5 Departmental systems and processes

3.5.1 Performance management

If performance management were utilised effectively it would be good. Instead, it was undertaken "more as compliance" and "for the bonus" (AO 3). The respondent was unsure how many performance agreements (PAs) were "really up to date", and wondered whether, "if it was done properly, would we get departments with adverse reports and audit outcomes?" The system was "supposed to be utilised to improve performance", but this was not the general practice (AO 3).

AO 6 found that performance management was generally "incredibly poorly handled". This respondent explained that their department adopted an approach to performance management that differed from that prescribed, in that it was not merely periodic but also ongoing. Although formal assessments were recorded periodically as required, this respondent explained their preference for an open, ongoing conversation in which their senior management team members were never left to wonder what their AO was thinking about their performance. In the process, occasional adjustments and minor course-corrections were possible instead of periodic shocks that required major changes to performance.

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AO 7 agreed that there were inefficiencies in performance management. In their experience, this arose in the way in which performance agreements were drawn up – largely the result of a lack of understanding by even some senior public servants. These public servants did not understand how government's political programme was encapsulated in the MTSF and how that was reflected in ministerial performance agreements and in departmental strategic and annual performance plans, and then in AOs' performance agreements. There was also a lack of insight into how the performance agreements of other departmental staff should reflect a cascading of responsibilities and objectives throughout their performance agreements so that annual targets were achieved and strategic objectives realised.

AO 5 expressed agreement that the management of performance “needs to be improved, as there has never been much adjustment beyond the individualised approach”, whereas it was advantageous “to assess a whole unit's performance together”. This 360-degree approach enabled performance management to more accurately assess adherence to, and promotion of shared values and achievement of shared objectives.

AO 1 indicated that they had been a critic of the public service performance management system “for a long time” and that there had been improvements in the new system. Government “has been advocating ... ‘joined up’ government, which is the destruction of silos [in which] departments operate as distinct entities unrelated to any other. And it should be like that. Government should operate in an integrated manner.” However, the performance management system, which “has [now] only changed a little bit”, ... [still] emphasises the individual work of the department and the DG in particular”. This was an improvement, because “[p]reviously your assessment was not even linked to the performance of the department. Now ... the performance of the department matters and counts as part of your performance” (AO 1).

However, when the AG audited the department, “they look at you as a department[, not] in a joined-up manner. When they sanction you, they sanction you as a department.” There was therefore still an incentive to act individually, so that “in order to avoid the punch of the AG,” one did not do “certain things which actually would be very good for you to do” – and which would contribute to objectives shared by more than one department (AO 1).

AO 9 agreed that the performance management system did not yet adequately reflect an integrated approach. For example, this respondent explained that they spent the bulk of their time on coordination between departments, but were given only a 20% allocation in the relevant PA, and while government operated in accordance with a cluster system, this was not articulated as a strategic objective in the relevant PAs.

AO 9 also expressed concern at the continued undue influence of political principals when contract renewal arose, regardless of objective measures of performance by the AO concerned. From a job security perspective, the situation was apparently “better” for AOs in the provincial and national rather than in the local sphere, “because if the political leadership is relatively happy with you, they can simply renew your contract with a stroke of a pen without going through [a] rigorous process.” The law did not allow this in local government, where

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municipal managers had to reapply for their positions regardless of their performance. This was one of the “discrepancies” that this respondent identified as requiring attention.

3.5.2 Finances and procurement

Section 217 of the Constitution requires that all procurement must be open, transparent, cost effective, etc., which is reflected in the PFMA. This required, said AO 1, that “we must advertise a tender and then appoint the lowest priced company, but with zero capacity to do what you want it to do, and then not deliver or complete the work.... People know how to play you.”

In this respondent’s view, “You are stuffed by your own rules”; but this conclusion seems to overlook the requirement that departments are required to exercise due diligence before simply appointing the bidder with the lowest price.

AO 3 was of the view that the PFMA was overly “bureaucratic” and “tedious”, and “impede[d] speedy performance”. If technology were to be used effectively, it “would increase capacity” and efficiency. AO 2 agreed with this assessment, citing the example of the State Information Technology Agency (SITA), which was able to overrule with what an AO considered to be in the best interests of their department. Apart from resulting in departments not always getting what they requested, AOs were held responsible if SITA’s intervention failed to help achieve the department’s targets and objectives. AO 2 described similar difficulties when AOs were required to work through the Department of Public Works and Infrastructure (DPWI). Despite alerting them timeously to the impending end of a lease, and the need to either renew it or find different premises, the AO was held responsible when DPWI failed to act in time.

AO 5 and AO 6 agreed that the PFMA was overly bureaucratic, and could at times undermine cost-effectiveness and efficiency; but AO 5 believed generally that the public service had failed to prove that it could be trusted to function effectively and efficiently without it. AO 6 expressed the hope that the AG would treat departments individually, so that, based on their track record of clean audits, they would be given greater discretion to take obvious measures to improve the efficiency and effectiveness of spending.

AO 2 expressed frustration that Parliament appeared to misunderstand the relative significance of different findings by the AG. Parliament placed equal emphasis on irregular expenditure and wasteful expenditure, although the former merely meant a failure to follow prescribed procedures and did not necessarily entail substantively fruitless or wasteful expenditure, or dishonesty or corruption. Nobody examined the underlying causes of irregular expenditure or took action to amend this restrictive legislation, said AO 2.

The absence of integrated financial and supply chain management systems put a great deal of pressure on departments to keep manual spreadsheets, tables, documents, and so on, which required enormous effort by staff (AO 6).

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3.5.3 Configuration of departments

AO 1 expressed concern about the configuration of departments, with some “not optimally configured to face contemporary challenges.” For this reason, “departments must consistently look at how they are organised” and should be able to change when necessary. However, in government

it takes time to reconfigure, because you have to go through long processes [involving] the Minister of Public Service and Administration. You go back and forth. It takes up to three years to configure a department. In that time you are sitting in limbo, trying to deliver things with a wrong structure. It is no wonder that you do not deliver what you set out to deliver, because you are doing it with the wrong organisation.

AO 1 identified difficulties with over-prescriptive and restrictive employment conditions in the public service, which were negotiated with the trade unions. In the digital age even before 4IR, the state had found it difficult to compete with the private sector, for instance, to employ high level IT personnel. Using existing public service employment conditions, for example, it was impossible to employ a hacker. They earned far more than was paid in the public service. As a result, the public service did not have the expertise or the systems to protect itself because it did not have “the proper dispensation to bring them on board. There is nothing to deal with exceptions. There are systems in the public service which will require greater flexibility for officials at the highest levels of the system.”

AO 3 agreed that many aspects of the HR system were unfit for purpose.

3.6 Institutional design

Asked how the current institutional design of government in general impeded or assist DGs / HoDs in the performance of their work, AO 8 said they did not “know [of] any government in the world that is not arranged the way we are.” Each department was governed by legislation, perhaps three laws for one department and five for another, and so on. In addition, there was cross-cutting legislation, such as the PFMA. Complying with these laws was the primary preoccupation of each department, too often to the detriment of service delivery, because their performance was assessed within these frameworks. But the real world was different – it required working with other departments in order to achieve their respective objectives (AO 1).

Government was organised into clusters “as part of the attempt to operate as a joined-up government”, and coordination was also pursued through FOSAD, which was a critical area of work for DGs, although it barely formed part of their performance assessment (AO 1). Indeed, coordination meetings of various kinds were extremely time-consuming for AOs (AO 10). Nevertheless, more progress had been made with coordination than many realised (AO 1). Despite these coordination structures, cooperation with other departments remained an area of significant uncertainty for DGs and HoDs, and often lay outside their control, although they took responsibility for resulting non-delivery or underperformance (AO 2).

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In addition, ministers often instructed their AOs to undertake tasks that diverted their time and energies away from this coordination priority. AOs generally complied lest they aggravated the fraught nature of their relationship at the interface. Parliament also contributed to the dilution of DGs' attention to their work, with individuals sometimes "abusing" their admittedly legal authority (AO 8) to demand the personal attendance of the DG on pain of disapproval and public reprimand, whereas subject expertise lay with DDGs (AO 2). The state needed to improve its understanding of how its branches could contribute to more effective oversight and accountability (AO 2).

The current institutional design "does not work". The existing hierarchical structure was bureaucratic and inflexible, boxing people in. It did not promote speed, creativity, innovation or teamwork. People had loyalty to a DG, for example, instead of a system (such as the constitutional framework) or the country's vision (AO 3). AO 7 agreed that organisational design for the entire public service faced inherent constraints, as did the need to develop norms and standards for the public service. These systems and processes tended to lack flexibility and adaptability, as they struggled to keep up with the changes brought about by technology and a fast-changing society, nationally and globally. This was a challenge with which government had to engage (AO 7).

In contrast to several respondents who highlighted the need for greater flexibility within the public service, one respondent appealed for greater cohesion, certainty and predictability, at least regarding the criteria for the establishment of new departments or the merger of existing departments (AO 9). These decisions, usually taken by new administrations, could be extremely disruptive to the ongoing work of government as a whole. As mentioned by another respondent (AO 1), past separations and mergers had not been properly completed, leaving some departments unfit for purpose. While this respondent acknowledged that, in the transition from the fifth to the sixth administration, the process was better managed "in the sense that there was a technical committee established in advance at the national level at least," they wondered why the economic cluster of government needed three departments – dtic, Economic Development, and Small Business Development.

The public service needed to learn to adapt in order to recruit and accommodate new specialist skills, especially in ICT. It also needed to adapt to the workstyle preferences of the young people who had these skills and who did not necessarily want one job for their entire career but preferred to stay for shorter periods linked to a specific project, or not to be tied to a single employer (AO 7). AO 6 agreed, saying that the DPSA tended to take the approach that "one size fits all." However, this approach failed to understand "the nuances that are embedded within each organisation". As a result, "professionally qualified people" such as doctors, various types of engineers and architects "are not classified as senior managers in the construct of the government hierarchy." This undermined the ability of the public service to attract and retain essential skills.

One experienced AO explained that they did not allow institutional design considerations to become an excuse for failing to try to find ways to be more effective and to get things done. While respecting legal prescripts, they engaged in an open manner with colleagues in other departments to identify mutually beneficial solutions (AO 6).

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AO 5 urged the public service to be more flexible in its approach to institutional and structural design. Resources should be focused where public servants “interface with the public”. Thus, especially in the case of service delivery departments such as Social Development and Home Affairs, the quality of “customer experience” in frontline offices could be significantly improved if these departments were to be allowed to locate more senior staff with decision-making authority in those offices in order to solve practical problems and to model values-based leadership, founded on CVPs and Batho Pele.

It was essential that “the policy making space should be excellent, and well-defined. You need to get the best people at that level who are really good at making policy, monitoring the implementation of policy, developing the plans to operationalise policy, so that it gets done, monitored, reviewed and improved all the time” (AO 5).

In terms of cooperation across departmental divisions / boundaries, there was “almost zero interest in cooperation”, which “impedes the work of the state [because] every department needs one another; ... I need you for my work to move. There is no connection. The lack of it impedes service delivery [also in] municipalities” (AO 3). This respondent emphasised that “[t]here have to be clusters that work” and that they “[may] have to be legislated.”

Many departments were “internally driven”, instead of being “externally focused” (AO 3) – not understanding who their clients were, failing to fully realise the value of mutually respectful partnerships across government or identifying ways to help meet each other’s objectives.

“A weak ... cluster system and a limited strategic focus on cooperation [and] coordination have a huge bearing on the way the state operates”, said AO 9. This respondent was convinced of the “importance of integrated planning and project management or programme management, hence the debate on the district development model” (DDM) which the President had announced. “[Y]es, that strategic direction is very important, but I’m not confident on whether the public administration, basically your DGs and HoDs, are agile enough for what the President expects us to do” (AO 9).

In government, one has to collaborate with others outside one’s department; there is no other way that an AO can achieve anything (AO 7).

AO 10 agreed that cooperation across departments was critical; they had to be “interlinked”. Effective interpersonal and working relationships between departmental HoDs were important.

Cooperation “is everything,” urged one respondent (AO 8). “We don’t achieve what we’re meant to achieve if people don’t work together ... Coordination, cooperation, collaboration, collegiality are critical ... fundamental in the success of ... accounting officers’ ability to do their work.” Not only was it an inherent necessity for success; “it is dictated by the Constitution, it is dictated by reality and practicality ... [although it] needs an attitude of collaboration, an attitude of collegiality, an attitude that says, I can do my part; government will do more if I work with my colleagues.” Unfortunately, attitude is subject to the “human factor”, which “undermines ... what we can do effectively as a government” (AO 8).

3.7 Regulatory frameworks

In response to the question about whether there were any legislative or regulatory frameworks that impeded the work of DGs / HoDs, AO 1 repeated the concern that the “disjuncture between the PFMA and the Public Service Act requires serious attention. There has to be change. If there are no changes, I think it is going to be a problem. I am convinced about that because that is the inbuilt problem of the political-administrative interface. It is the disjuncture. It has to be sorted out.”

AO 1 highlighted that applicable regulative frameworks differed from sector to sector, with some regulatory frameworks requiring review. For example, “there is a bit of disjuncture between the DPME and DPSA” in terms of mandate that needs to be clarified through “regulatory formulations” between the two departments. Similarly, the mandate and role of the DPSA and the Department of Communications and Digital Technologies in E-government needed clarification, although an analytical study had been conducted.

The discretionary delegation by EAs to AOs of recruitment powers remained problematic (AO 2 and AO 10). This area of persistent uncertainty left AOs unclear about their ability to fulfil their responsibilities and vulnerable to executive pressure.

AO 2 also expressed concern that “the Public [Administration] Management Act has got a lot of policies that impede the work of the DG”, but specific issues weren’t mentioned. However, this respondent did refer to a particular provision in the PFMA that requires anyone who is given an unlawful instruction to put that in writing and send it to the minister. AO 2 expressed their concern as follows: “If I were to report that to the envisaged HPS, I can do that, because [my] minister has got nothing to do with that. But now, if I do that today, tomorrow I’m gone.”

The PFMA is regarded by many respondents as “daunting”, as is the management of human resources (AO 3). The PFMA, the LRA and the PSA together are seen as preventing the public service from employing competent people or appointing people with specialised skills on contract, although the nature of work and technology were changing rapidly with profound implications. These frameworks were described as a “huge hindrance that hampers smooth progress” (AO 3). Another respondent disagreed with the characterisation of the PFMA as an excessively restrictive impediment, suggesting that proper planning enabled one to navigate the PFMA without major difficulties (AO 9).

A different perspective was advanced by another respondent, who explained that the PFMA was written with “big corporates” in mind and did not cater for the needs of, for example, women-led cooperatives or co-ops of people with disabilities. It worked well enough as a governance tool, but not as an enabling tool (AO 8).

One respondent bemoaned the increasing heavy regulatory burden imposed by National Treasury’s stream of new control measures and compliance requirements, but recognised that this was a reflection of Treasury’s necessary efforts to combat corruption (AO 3). Another respondent appealed for a lighter touch by the AG for those departments who had shown a consistent track record of clean audits (AO 6). However, yet another respondent, while agreeing that the PFMA framework and the AG’s approach did restrict and even penalise

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innovative practical steps to achieve greater efficiency in public expenditure, recognised that the public sector as a whole had generally not proven itself trustworthy and therefore deserving of greater discretion in the management of public finances (AO 5).

AO 7 highlighted the historical trend of dissatisfaction with the DPSA, particularly when it issued circulars with directives, including norms and standards. Additional frameworks that entailed a significant compliance burden included HR management and especially IT staff, which required 24 reports by each department. “[C]orporate services [in each department] spend more time on writing reports instead of spending more time on thinking about solutions on how to deal with some of the challenges they're facing in their department” – while the DPSA did not have the capacity to read and analyse them (AO 7).

All respondents endorsed the obligation on public service leadership that DGs / HoDs had an obligation to lead in setting standards of ethical behaviour in the state. As leaders, AOs had to set and model high standards of moral and ethical behaviour. They also had to exhibit a “high level of consciousness [of and] sensitivity [for] the plight of our people” and combating corruption should be a priority for them (AO 3).

AO 7 described ethical behaviour as being “about role modelling”. Leaders therefore had a critical role to play in how their staff conducted themselves and went about their work. The “tone must be set from the top” – leaders had an “absolute” obligation, one that could not be delegated (AO 8). As AO 9 said, “If you want to build [a] developmental state, you don't have a choice. The entire leadership, both ministers, and HoDs and DGs, will be subjected to high ethical standards, otherwise you will continue to have a problem as a country” (AO 9).

Because “actions speak louder than words”, leading by example was critically important for DGs and HoDs. “[W]ithout an ethical HoD or executive authority, corruption will continue corroding the fibre of our society and of government” (AO 10). This respondent explained that if they were to be “seen with unexplainable wealth in our communities”, words would mean nothing. This AO expressed their preparedness to open “my account, my wife’s account, my lifestyle, that should happen without me lifting a finger or complaining about having the right to privacy.”

“If there is no discipline at the top, everyone in the organisation is allowed to think that certain things are correct and acceptable,” warned AO 11. A DG had to be “the champion of ethical behaviour and set the tone at the top.” Without leadership from the top of the administration in each department, public servants at more junior levels started to “position themselves with politicians” rather than in accordance with particular standards of conduct (AO 11).

3.8 Other critical factors

Asked if there were other critical factors not previously discussed which impacted on the organisation and capacity of the state, and in particular on the ability of DGs / HoDs to do their work, AO 2 queried the role of deputy ministers:

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One can say that the deputy minister is your “boss” in inverted commas. Now, as a DG you will just be in between the deputy minister and the minister, because a minister must delegate certain powers to the deputy minister. And then as the DG you will work with that minister and then, later on, realise that the minister took back that duty without [you] having any written explanation.

AO 9 claimed that “Due to the magnitude of challenges that we face as a country, I believe that you need a strategic or systemic collaboration between the state and civil society and the private sector to fulfil what is outlined in the NDP.”

Echoing other respondents who mentioned how AOs felt that they were left without informal and institutional forms of support, AO 11 appealed for awareness of AOs’ psychological wellbeing.

4. CONCLUSIONS

The evaluation has found a significant degree of symmetry between the literature review and the fieldwork component of the study. This section reflects that commonality.

4.1 High turnover

The high level of turnover among AOs in the recent past has diminished to some degree, but it remains too early to conclude that this is a clear trend. Turnover among AOs is seen by respondents as a serious problem because it contributes to policy uncertainty and because implementation of strategic and annual plans is interrupted, which inhibits service delivery; it undermines the quality of governance through the loss of expertise and institutional memory; it causes instability and negatively affects morale throughout departments; and it discourages potential applicants who might otherwise be able to make a valuable contribution to the country’s developmental objectives.

Causes of the high turnover rates arise primarily from the weak policy and legal frameworks governing the political-administrative interface. This allows executive interference in what should be administrative responsibilities, such as the appointment of staff and the lawful management of expenditure and procurement. This interference weakens AOs’ ability to assemble a team of appropriately qualified public servants to support their efforts to efficiently and effectively achieve organisational objectives over the course of a reasonable period of time. AOs are treated with condescension and even contempt by some EAs.

Many AOs have resigned or been removed because of their reluctance to make themselves complicit in irregular or unlawful conduct at the instance of the EAs.

4.2 Political-administrative interface

Tensions and instability in relationships at this interface clearly remain a matter of great concern for all respondents.

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Because of the broad discretion that the law in practice currently affords EAs (with the sometimes tacit consent of the President or Premier) to appoint and remove AOs, their positions are vulnerable and precarious, which renders them susceptible to undue pressure from EAs, especially those who may be inclined to prioritise political or personal patronage and short-term interests over the demands of long-term policy implementation, monitoring and adjustment. The vulnerability of AOs is increased by the party political and personal ambitions among the senior management team. The result is an organisation whose staff feel uncertain and obliged to “take sides” with either the EA or the AO. Professionalisation of the public service, together with mechanisms such as a supervisory role for the PSC in overseeing the recruitment and appointment process, including interviews based on clear meritocratic criteria, and the creation of the post of a Head of the Public Service (HPS), offer the prospect of reducing the destabilising influences of both party politics and office politics.

Ministerial advisors create an additional source of tension at the interface, especially when they purport to give instructions to AOs. There is no accountability mechanism for advisors, which aggravates the porous political-administrative interface in which AOs occupy a weak position.

The depoliticisation of this relationship is a matter of urgency. The creation of the post of a HPS, with the DG in the Presidency responsible for the objective and transparent management of performance and career incidents of DGs and HoDs, is seen by all respondents as a critical reform that will make a significant contribution to reducing tensions between EAs and AOs and stabilise the working conditions of the leadership of the public service.

The creation of this post will also mark a substantial step towards the NDP’s goal of professionalising the public service, which respondents uniformly regard as a fundamental priority for improving the quality of governance and thereby of service delivery.

Some AOs indicated that they had managed to build a relationship of mutual trust with their EA, including by treating them with respect and consideration, and being transparent with them. Nevertheless, in the absence of a depoliticised performance management arrangement, AOs’ position remains precarious and largely susceptible to the subjective preferences of the next EA.

4.3 Skills and leadership

The following qualifications, skills and leadership attributes were identified by respondents:

8. Strategic leadership and management
9. Strong and advanced financial management
10. People management, which includes “soft skills”, as well as performance management, discipline and human resources development
11. Communication skills
12. An advanced understanding of economics and development, including people’s socioeconomic circumstances

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13. Advanced knowledge and skills in ICT, including an understanding of the significance of 'big data'; and
14. Applied ethics and modeling ethical leadership (i.e. integrity).

These skills should be included in a packaged curriculum “to develop leaders or young people” and to prepare them and support them along the path to becoming DGs or HoDs.

4.4 Departmental systems and processes

4.4.1 Performance management

Government pursues improved coordination through structures such as clusters and FOSAD, which is a critical area of work for DGs, but the AG does not audit departments and ministers do not adequately assess AOs' performance with this vital role in mind.

Even some senior public servants apparently do not understand how government's political programme is encapsulated in the MTSF and how that is reflected in ministerial performance agreements, in departmental strategic and annual performance plans, and in AOs' performance agreements. This hinders effective performance management, leading to annual targets not being achieved and strategic objectives not being realised.

The public service's performance management system has recently improved to take account of individuals', including AOs', contribution to the work of the department. Nevertheless, performance management needs to move beyond an individualised approach by assessing entire units', divisions' and departments' performance together. This 360-degree approach enables performance management to more accurately assess adherence to and promotion of shared values and achievement of shared objectives.

4.4.2 Human resources

Most respondents identified the necessity for DDGs to be subject / content experts, which made it all the more important that AOs, not EAs, should be able to appoint the most appropriate candidates in their departments.

AOs continue to find human resource-related legislative frameworks cumbersome, especially when needing to remove underperforming bureaucrats who negatively affect service delivery output. The lack of clarity surrounding the delegation of HR management to AOs contributes to poor ethical environments in departments, and to weak consequence management.

Many AOs identified the need for HR expertise to help them effectively recruit appropriately qualified candidates with the necessary skills, and to manage staff discipline where necessary.

It is essential that qualifications, experience and skills are viewed as a package, together with a commitment to constitutional values, integrity and Ubuntu, as well as empathy for those needing government services.

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Capacity-building in the public service needs to be continuous and tailored to support AOs' abilities to help meet NDP and departmental objectives.

Human resources are not appropriately shared across departments, partly due to the legacy of incomplete mergers and separations, and partly due to financial and public service constraints on recruitment. Perceptions of being short-staffed may be partly due to unsuitable appointments.

Scarcity is inherent in economics, but effective financial management can enable budgets to be allocated appropriately and spent efficiently. Retraining and transfer of staff may be required, as envisaged by PAMA.

Staff rotation can contribute to a solution – as provided for in PAMA. Staff should not work in the same location or post indefinitely, as this can lead to complacency, familiarity and opportunities for collusion and corruption.

4.4.3 Public finances and procurement

While several participants view the PFMA as unduly restrictive and as penalising initiatives that could improve efficiency, one participant emphasised that, while that was accurate, generally the public service has yet to show that it can be trusted with greater latitude and discretion.

Simply blaming inadequate funding is misdiagnosing the problem because most departments do not spend efficiently, or underspend their budgets. This is compounded by fruitless and wasteful expenditure, as well as increased corruption and misappropriation. More efficient management of expenditure can reduce perceptions of underfunding.

The PFMA is written with “big corporates” in mind and does not cater for the needs of, for example, women-led cooperatives or co-ops of people with disabilities. It works well enough as a governance tool but not as an enabling tool for marginalised groups to participate in the public sector component of the economy.

Parliament misunderstands the relative significance of different findings by the AG, placing equal emphasis on irregular expenditure and wasteful expenditure, although the former merely means a failure to follow prescribed procedures and does not necessarily entail substantively fruitless or wasteful expenditure. Nobody examines the underlying causes of irregular expenditure or takes action to amend this excessively restrictive legislation. As a result, the AG's approach disincentivises pragmatic cost-saving measures because onerous administrative procedures haven't been followed.

The absence of integrated financial and supply chain management systems within departments, and between departments and National Treasury, puts a great deal of pressure on departments to keep manual spreadsheets, tables, documents, and so on, which requires enormous effort by staff.

4.5 Institutional design

The present public service institutional design does not work effectively because of a hierarchical and fissured bureaucracy that is unable to promote creativity, innovation and cooperation, and instead breeds loyalty to certain EAs or AOs, rather than to the constitutional framework or the NDP's vision.

Complying with legal frameworks is the primary pre-occupation of each department, because their performance is assessed and audited within these frameworks. But the real world is different, requiring cooperation with other departments in order to achieve mutual objectives.

Cooperation across government is essential for good governance and effective service delivery. Despite coordination structures such as clusters and FOSAD, cooperation with other departments remains an area of significant uncertainty for AOs, and often lies outside their control, although the law prescribes that they take responsibility when their department underperforms or doesn't achieve its service delivery objectives.

The AG's approach to departmental audits together with performance management systems continues to incentivise prioritising siloed behaviour over an integrated approach that would contribute to achieving shared objectives.

The DPSA too often takes the approach that "one size fits all". However, this approach fails to fully understand "the nuances that are embedded within each organisation". As a result, some respondents believe that "professionally qualified people" such as doctors, various types of engineers and architects "are not classified as senior managers in the construct of the government hierarchy". This undermines the ability of the public service to attract and retain essential skills. However, it is necessary to note that professionally qualified public servants are remunerated through an occupation-specific dispensation (OSD) as a measure to attract and retain them. OSD salaries are often higher or equal to senior managers' salaries. Where this is not already the case, professionals should be accommodated through OSD.

Several respondents expressed the view that the public service is not currently able to take a sufficiently nuanced approach to enable departments to attract and appoint qualified professionals in appropriately senior posts. It is also necessary to adapt in order to recruit and accommodate new specialist skills, especially in ICT. The public service also needs to adapt to the workstyle preferences of young people with these skills. Departmental heads of ICT are currently appointed at Director level, which is part of the SMS. It is not clear whether salaries at this level are competitive for highly qualified and experienced specialists, or whether the responsibilities at this level might be unattractive for the less formal workstyle often preferred by highly skillful young people.

Parliamentary oversight is abused by some individual MPs in ways that hinder AOs' effective performance. Substantive content knowledge and expertise often lie with DDGs, who are likely to be programme managers, and the executive should be more directly accountable to Parliament. It is therefore not always necessary or most useful for an AO to be required to represent their department in the legislature, when the oversight body may benefit more from

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the presence and contribution of a DDG or of the EA. On the other hand, AOs currently have the prerogative to decide whether and which DDGs should accompany them when accounting to the relevant legislature. If an AO dislikes a DDG, the former need not invite the latter to accompany them when accounting to the legislature. The state needs to improve its understanding of how its branches can contribute to more effective oversight and accountability. It may be necessary to legislate or otherwise formalise a requirement for DDGs to accompany EAs and AOs, and to authorise them to account on behalf of their department where appropriate. They however should not necessarily always replace AOs when proper accountability requires the AO's presence.

4.5.1 Configuration of departments

There are structural challenges that have not been addressed that arise from the many mergers and separations over the years. Departments are merged without being properly integrated. For example, the Economic Development Department, although merged into the dtic, still operates as a separate department.

The public service currently lacks the structural flexibility to enable the deployment of middle managers to frontline service offices, even though this would enable decision-makers to actively manage service delivery to improve quality and efficiency, and to model the CVPs, Batho Pele Principles and Ubuntu.

4.6 Regulatory frameworks

The disjuncture between the PFMA and the PSA is one of the primary underlying causes of tensions at the political-administrative interface, as these laws obscure the clear allocation of responsibilities between the executive and administrative branches of government.

One implication of this disjuncture is the discretionary delegation by EAs to AOs of recruitment powers. This area of persistent uncertainty leaves AOs unsure about their ability to fulfil their responsibilities and vulnerable to executive pressure.

The provision in the PFMA that requires officials who are given an unlawful instruction to put it in writing and send it to the minister provides no practical protection to AOs who may wish to resist unlawful instructions. If they were to do that, their immediate removal would be the most likely result. The creation of the envisaged post of the HPS is therefore regarded as an urgent priority.

5. RECOMMENDATIONS

5.1 Political-administrative interface and turnover rate

- (a) The political-administrative interface needs to be urgently depoliticised through decisive amendments to the policy and legal frameworks to clearly define respective roles and responsibilities, and lines of accountability, and to ensure that the executive is held accountable for respecting those boundaries.
- (b) Clearly define the roles and responsibilities of ministerial advisors, and create an accountability mechanism for them, including to ensure their adherence to the clear guidance by the PSC that there is no 'relationship of authority'²³ between advisors on the one hand, and AOs and their staff on the other.
- (c) Cadre deployment is a reality, but, in accordance with the requirements of s.195(1) of the Constitution and the NDP,²⁴ it must be implemented in a manner that respects and prioritises meritocracy, integrity and professionalisation, not political patronage.
- (d) Urgently create the post of HPS, with the DG in the Presidency as the office-bearer, to objectively manage the career incidents of AOs.
- (e) AOs' primary accountability relationship should be with the HPS, not with their EA.
- (f) Consider the relative advantages of contract versus permanent appointment of AOs. If permanent appointments are not favoured, the current practice of contracts of at least 5 years' duration is recommended in order to promote stability and continuity, as well as professionalism and career progression.
- (g) Amend the existing legal framework, specifically the Public Service Act (PSA) and Regulations, in respect of HR management, to clarify, i.e. require, the delegations for operational matters to AOs and remove the discretionary delegation currently vested in the executive. As noted by the PSC, clarity surrounding the delegation of HR management to AOs contributes to improved service delivery.²⁵
- (h) Proceed urgently with steps to professionalise the public service.
- (i) Authorise the PSC to independently oversee and supervise the recruitment and interviews of AOs and members of their senior management team, particularly DDGs, in terms of clear and objective criteria that contribute to the professionalisation of the public service. The PSC's recommendations concerning all eligible candidates should be considered by the HPS and, if endorsed, conveyed to the President or Premier who should consult the relevant Minister or MEC before making a final decision on appointments.
- (j) The philosophy of Ubuntu is a form of patriotism for the public, as well as for public representatives and public servants; it holds that we are not here just for self-interest. It needs to be incorporated into public service orientation and training programmes.
- (k) Induction training should be strengthened through a compulsory five-day immersive programme for both executive and administrative leadership, as well as ministerial advisors and other public servants, so that the separation of executive and administrative responsibilities, and the supremacy of the Constitution and the Rule of Law, and the

²³ PSC. 2019. *Guide on Governance Practice for Executive Authorities and Heads of Department*, at p.25.

²⁴ *Ibid* at p.27ff.

²⁵ *Ibid* at p.15.

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significance of CVPs, the Batho Pele Principles and Ubuntu are thoroughly understood by all public representatives, their staff and public servants. These changes are recommended in order to support an ethical working environment and effective consequence management in departments and entities.

- (l) The PSC should continue to play a key role in the induction of EAs and AOs, and should play a similar role in the recommended induction of ministerial advisors and senior departmental management. Detailed departmental subject expertise often lies more with DDGs than with AOs, and these aspects of accountability to Parliament should therefore lie primarily with DDGs and the executive leadership. The state needs to improve its understanding of how its branches can contribute to more effective oversight.

5.2 Skills and leadership

- (a) Professionalisation of the public service means that meritocracy must be prioritised and must guide recruitment and promotion. Meritocratic criteria must include qualifications, experience, expertise, integrity and values.
- (b) AOs' performance agreements and assessment should give appropriate priority to ethical leadership and effective consequence management by AOs.
- (c) AOs should be encouraged and supported to continually enhance their knowledge and skills and should be provided with mentoring opportunities to enhance their competencies and wellbeing.

5.3 Human resource management

- (a) Capacity-building in the public service needs to be continuous and tailored to support AOs' abilities to help meet NDP and departmental objectives.
- (b) Capacity-building in the public service needs to be modernised in order to help meet our objectives as a country and should include mentoring, support and encouragement to improve AOs' wellbeing.
- (c) AOs should be provided with specialist HR capacity in their respective departments to enable recruitment and appointment of appropriate specialists and professionals.
- (d) As recommended above, the delegation of HR management to AOs should be decisively clarified by amendments to the PSA and Regulations. These amendments are recommended also to support an ethical working environment and effective consequence management in departments and entities. The PSC has noted that '[i]n terms of Regulations 22 and 23 of the PSR 2016, both the EA and the [AO] are responsible for creating and inculcating an ethical culture in a department. They assume final accountability to Parliament and therefore must set the ethical tone'.²⁶ While EAs and AOs must work together to create this culture in the workplace, a clear delegation of discipline management to AOs is permissible.²⁷ If this is done as part of the delegation of HR management to AOs, it is likely to enhance their ability to ensure more effective consequence management.

²⁶ Ibid at p.45.

²⁷ Ibid at p.51ff.

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- (e) The Presidency, with the assistance of DPME, currently oversees and facilitates performance assessments of AOs. The fundamentals of this arrangement should be retained, with the exception that that oversight should in future rest with the new HPS.
- (f) Performance management of AOs and their senior management needs to prioritise the value of teamwork internally, and the importance of joined up and integrated government through improved coordination and collaboration externally.

5.4 Financial management

- (a) The PFMA provides in clear terms that responsibility for financial management lies with AOs. Induction training for EAs and their advisors, and for AOs and their senior management, should emphasise this clear division of roles and responsibilities, and its implications for the interface between EAs and their advisors, on the one hand, and AOs on the other.
- (b) Review and amend the PFMA to authorise the responsible exercise of discretion and decisions that enable more efficient expenditure of departmental budgets and the way in which the AG reports on irregular expenditure.
- (c) Where EAs give or arrange for (such as through their advisors) unlawful instructions to AOs in contravention of the provisions of s.64 of the PFMA, the Act should be amended to require AOs to also lodge their written concerns with the HPS, as well as with National Treasury and the AG, and a provincial treasury where appropriate.
- (d) The PFMA should be further amended to provide for an accountability mechanism for EAs who contravene these provisions or who subject AOs to any 'workplace or occupational detriment' as a result of their actions in compliance with the injunctions in s.64.

5.5 Departmental systems and processes

- (a) Where appropriate, retrain and transfer staff, as envisaged by PAMA.
- (b) The public service should make the necessary changes to regulatory frameworks to enable departments to attract and appoint qualified professionals in appropriately senior posts.
- (c) Performance management and accountability mechanisms should give appropriate weight to team performance rather than prioritising mainly or solely individual performance.
- (d) With a view to improving efficiency, effectiveness and service delivery, performance management and accountability mechanisms should include greater incentives for mutually respectful partnerships collaboration and cooperation between organs of state and public entities rather than prioritising only an individual organ's or entity's internal objectives.
- (e) Give further consideration to performance management that entails an open, ongoing conversation in which senior management team members participate in honest exchanges and reflection, and are provided with regular opportunities for any minor adjustments or course-corrections.
- (f) Prioritise the establishment of an integrated electronic financial management system.

5.6 Institutional design

- (a) Service delivery-oriented departments should be enabled to appoint specialists and professionals in more senior and better-remunerated posts.
- (b) To the extent that this may not already be the case, service delivery departments should be enabled to locate more middle-ranking public servants in frontline offices in order to achieve human resource, financial and service delivery efficiencies, helping to ensure that shared values such as CVPs, the Batho Pele principles, Ubuntu and shared service delivery targets are prioritised at the public interface.²⁸
- (c) The public service needs to be more flexible and adaptable in order to recruit and accommodate new specialist skills and less formal and more impermanent and flexible workstyle preferences, especially in ICT.
- (d) The state needs to improve its understanding of how its branches can contribute to more effective oversight and accountability. It may be necessary to legislate or otherwise formalise a requirement for DDGs to accompany EAs and AOs, and to authorise them to account on behalf of their department where appropriate. They however should not necessarily always replace AOs when proper accountability requires the AO's presence.

5.7 Regulatory frameworks

- (a) Amend the PFMA and PSA in order to clarify the separation between the complementary roles and responsibilities of executive and administrative leadership, and thereby reduce tensions at the political-administrative interface and enhance consequence management.

²⁸ Feedback from a member of the State Capacity project Steering Committee indicated that there may already exist provision for more senior, i.e. middle-ranking, personnel to be appointed to head frontline offices. Support for this feedback was said to be found in the DPSA's 2009 'Framework for the Assignment / Appointment of Employees to the Pilot Thusong Service Centre at the Maponya Mall', read with sections, 9, 12 and 32 of the PSA.

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6. ANNEXURE: INTERVIEW INSTRUMENT

ISSUE	KEY QUESTIONS
Biographical	<ol style="list-style-type: none"> 1. Could you please give your name and the position you hold (or held) that is relevant for this study? 2. When did you join the civil service and how long have you worked in government? Please describe the various positions you held. 3. Could you please state your highest qualification? 4. Is there any other work experience and qualifications that you would like to highlight?
High turnover	<ol style="list-style-type: none"> 5. There is consensus that a high turnover rate of DGs and HoDs is prevalent in the South African public service, which has negative outcomes on departmental performance and service delivery. To what extent is this true? 6. What do you think accounts for the high turnover? 7. What are the main consequences of the high turnover? 8. What do you suggest should be done to reduce the high turnover?
Political-administrative interface	<ol style="list-style-type: none"> 9. Several studies have highlighted concerns around the political and administrative interface, which affects administrative stability. To what extent do you see this interface between Ministers / MECs and DGs / HoDs as a challenge for DGs / HoDs? 10. What are the main consequences of a poor relationship between Ministers / MECs and DGs / HoDs? 11. What do you suggest should be done to minimize the negative impact of the political-administrative interface?
Skills and leadership	<ol style="list-style-type: none"> 12. What do you think are the critical qualifications, skills and leadership qualities that make for an effective DG / HoD? 13. What skills and leadership qualities are critical for staff in the department that support the DGs / HoDs in the performance of their duties? 14. Should this include a deep understanding of the Constitution, in particular the values that underpin it and the rights of citizens?
Human and financial resources	<ol style="list-style-type: none"> 15. In your experience, are departments adequately resourced in terms of human and financial capacity to enable the DGs / HoDs to be efficient and effective in their duties? 16. Ideally, what support should a DG / HoD have in this regard? 17. How do you think the issue of cadre deployment, and in particular its impact on the professionalization of the civil service, should be addressed?

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	18. What, in your view, has been the impact of corruption and state capture on service delivery?
Departmental system and processes	19. In your experience, which aspects of departmental systems and processes – e.g., performance management, coordination, configuration, employment arrangements and conditions – impede or assist DGs / HoDs in the performance of their work?
Institutional design	20. In your view, how does the current institutional design of government in general impede or assist DGs / HoDs in the performance of their work? 21. In your experience, to what extent does cooperation across departmental divisions/boundaries (or a lack off) in general assist or impede DGs / HoDs with the performance of their work?
Regulatory framework	22. Are there any legislative or regulatory frameworks that impede the work of DGs / HoDs? 23. To what extent do you think that DGs / HoDs have an obligation to lead in setting standards of ethical behaviour in the state?
Other critical factors	24. Can you please identify other critical factors not discussed above that impact on the organisation and capacity of the state, and in particular on the ability of DGs / HoDs to do their work?