# THE STRUCTURAL AND SYSTEMIC CHANGES NECESSARY TO MAKE THE NORTH WEST PROVINCIAL ADMINISTRATION MORE EFFECTIVE AND EFFICIENT

Satish Roopa
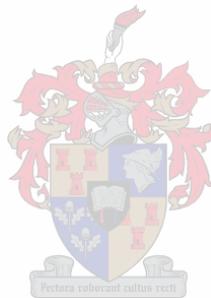
Thesis submitted in partial fulfillment of the requirements for the degree of
Master of Philosophy in Value Analysis and Policy Formulation
at the University of Stellenbosch

Study leader: Prof CJ Groenewald

March 2001

DECLARATION

I, the undersigned, hereby declare that the work contained in this Thesis is my own original work and has not previously in its entirety or in part been submitted at any University for a Degree.

SATISH ROOP   **DATE**

ABSTRACT

The introduction of provinces in South Africa since 1994 has not only provided for a new level of decision making but also a change dynamic generated by the integration of different government administrations of the second tier of Government. The original integration problems of the different administrations also extended the inquiry to the importance of greater efficiency and effectiveness of the Provincial level of Government.

Since the commencement of provinces many questions have been raised such as; why are provinces unable to provide the requisite services expected of them; why are provinces unable to succeed in implementation of their aims and objectives; should provinces empower rather than serve communities; should the public service be driven by mission statements and success/ performance criteria rather than bureaucratic rules; should the provincial government be anticipatory i.e. strategically focused, rather than reactive and crisis management driven. Are provincial governments necessary or can the services be provided more cost effectively by privatisation.

All the above questions raises the central inquiry of what structural and systemic changes are necessary to make the provincial administration more effective and efficient in delivery of services and what qualities of leadership will be necessary to enable this to happen.

The study covers six chapters. In chapter one the theoretical basis is discussed in the provincial context. Chapter two is an Opportunity/ Obstruction analysis of the North West Provinces and reaches the conclusion that transformation will not occur automatically and both structural and systematic changes will be required. Chapter four looks at the corporate rules of the Provincial Administration and by white papers, green papers, policy papers and regulations.

Chapter five looks at the way forward. The overwhelming conclusions reached by the study is that:

- Transformation would require both structural as well as systemic changes.
- Leadership would need to be much more focused to succeed with transformation.
- Efficiency would require a complete mindset change by civil servants.

- Effectiveness would require much greater co-ordination between budgeting and planning interfaced at the centre.

Chapter six concludes the study by answering the hypothesis and the questions raised in the introductory chapter.

4

OPSOMMING

Die instelling van nege provinsies in Suid-Afrika sedert 1994 het nie alleen 'n nuwe vlak van politieke besluitneming geskep nie, maar ook 'n nuwe veranderingsdinamika gegenereer met die integrasie van verskillende staatsadministrasies op die tweede vlak van regering. Die aanvanklike probleme met die integrasie van verskillende administrasies het ook die soeklig laat val op die noodsaaklikheid van groter effektiwiteit en doelmatigheid van dié vlak van regering.

Sedert die provinsies begin funksioneer het, is baie vrae oor hulle voortbestaan gevra soos byvoorbeeld: waarom slaag die provinsies nie in hulle diensleweringsfunksies nie; waarom kan die provinsies nie hulle doelwitte en doelstellings implementeer nie; moet die provinsies gemeenskappe bemagtig of dien; moet die provinsies burokratiese reëls volg of uitsetgedrewe wees; moet provinsiale administrasies strategies-antisiperend in hulle benadering wees of reaktief-administratief en is provinsiale administrasies enigsins nodig, of kan die meeste dienste meer koste-effektief geprivatiseer word?

Al die bogenoemde vrae het dus die sentrale vraag laat ontstaan oor wat die strukturele en sistemiese veranderings is wat nodig sal wees om 'n provinsiale administrasie in staat te stel om te voldoen aan groter effektiwiteit en dienslewering en watter leierskapskwaliteite daaraan gekoppel kan word.

Die studie ontplooi in ses hoofstukke. In hoofstuk een word die teoretiese uitgangspunte en die provinsiale konteks bespreek. Hoofstuk twee bevat 'n geleentheid-bedreigingsanalise van die Noordwes Provinsie en het tot die gevolgtrekking gekom dat verandering nie vanselfsprekend sal plaasvind nie en dat daar sistemiese en strukturele intervensies sal moet plaasvind. Hoofstuk drie fokus op die strukturele aspekte wat die gang van die Noordwes Provinsie bepaal soos dit manifesteer in onder andere alle tersaaklike wetgewing, witskrifte, groenskrifte, beleid en regulasies. Hoofstuk vier bied 'n sistemiese analise van die Noordwes Provinsiale bedeling en hoofstuk vyf beskryf die moontlike weg vorentoe. Ten slotte word daar 'n gevolgtrekking in hoofstuk ses aangebied.

Die oorwoë gevolgtrekking waartoe die studie kom is dat die mees ideale pad vorentoe vir provinsiale bedelings langs vier weë gesoek moet word t.w.:

- Daar moet meer aandag aan transformasie gegee word en dit sal beide strukturele en sistemiese veranderinge behels.

- Daar moet baie meer op leierskap gefokus word ten einde die transformasieproses te laat slaag.

- Om groter effektiwiteit te bereik sal daar 'n verskuiwing in die ingesteldheid (mindset) van staatsamptenare gemaak moet word.

- Ten einde groter doelmatigheid in die Noordwes Provinsie te bereik sal daar baie beter integrasie tussen beplanningsfunksies en begrotingsfunksies moet plaasvind.

6

INDEX

INDEX

CHAPTER ONE: THE NORTH WEST PROVINCE AS GEOGRAPHICAL ENTITY

1.1 Introduction

During the early decades of the twentieth century, roughly since the formation of Union in 1910, we started to invent Government in South Africa. We did so, during the years leading to the First World War and the depression of the 30's. We also had to cope with the emergence of a new post-industrial economy, which created many new problems for our vast rural populations and the rapid pace of urbanisation. This also created exciting new opportunities.

Today, almost five years after a democratic dispensation in the Republic, the world of government is once again in flux. The emergence of a post-industrial knowledge based, global economy has undermined old realities throughout the world, creating wonderful opportunities and heightening problems for a country trying to find its way into the 21st Century.

It is fundamentally true that a civilised society cannot function effectively without effective government - something that is all too rare in the world today. It appears that industrial-era governments with their large, centralised bureaucracies and standardised "one size fits all" service, are not up to the task of a rapidly changing information society and knowledge-based economy.

From observations that surface in this research, it appears that people who work in government are not at the heart of the problem; the system in which they work are the problem. This exploration into the nature of governance is not to berate public employees but to give them hope. At times it may seem as if these findings are assembled to indulge in bureaucracy bashing.

The intention is to unmask the gross inefficiencies and wastage of bureaucracies, not bureaucrats.

One has known many civil servants through the years. Most - although certainly *not all* - have been responsible, talented, dedicated people. They are trapped in archaic systems that frustrate their creativity and sap their energy. The argument will be advanced that these systems can be changed to liberate the enormous energies of public servants and to heighten their ability to serve the public.

We therefore must assume that the problems regarding public service delivery are systems of interconnected *"messes"* of problems, that would require a holistic approach. This approach is inseparable and therefore interlocked with the general transformation of bureaucratic structures underway in South Africa.

Our search for a better humanity cannot be locked in our current reality. As our everchanging, rotating world enters the new millennium, we need to honestly take stock of the vehicle we require

12

to embark upon this journey.

With the dawn of the new millennium is a natural human expectation of a better form of existence. This is witnessed in the call to write off debt of the world's poor - Jubilee 2000. There are conflicts and ethnic strife in virtually every continent on earth.

We take with us on this journey our human misery - the poor, the powerless, the informed. We are accompanied by our greed and desire to conquer all in nature and beyond. But we dare not embark on this journey without hope. Hope to make a difference to the existence of the less fortunate amongst us. We owe it to our children and generations to come to turn the tide of human fortunes.

1.2   The Context

Pre 1994, South Africa was characterised by three geopolitical entities viz.: the RSA, National States i.e. the TBVC States and self-governing States, e.g. KwaZulu. These entities were made up of thirteen administrations and eleven parliaments. At local government level in the then RSA, the four racially segregated populations had their own local government structures.

The North West Province inherited three geopolitical entities viz., former Bophuthatswana, former Western Transvaal and the northern portion of the Cape Province. Having inherited this situation, post 1994, the public service has become too large for both efficiency and cost-effectiveness. Bantustan administrations were replications of both national and provincial administrations - thus currently we find two or more officials with the same job description. There were also too many employees for a given job.

1.2.1   North West Socio-Economic Context

The socio-economic environment has a crucial bearing on the operations of the public sector. Consequently, it is of critical importance to contextualise the NWP government in relation to its environment, since the socio-economic environment impacts directly on its ability for service delivery. A comprehensive list of critical statistical information relating to the socio-political and demographic context of the North West Province is provided as Appendix I.

1.2.1.1 Poverty

In contextualising the situation of the North West Province, poverty is mentioned here, since it forms a critical area of concern for government. Indeed, for any country in the world, and particularly in a South African context, it becomes one of the most salient issues on the agenda of any government.

Although the World Bank (World Bank, 1995:20) classifies South Africa as a middle income country, a big proportion of the population live in poverty associated with low-income countries. As Whiteford et al (1995), points out: *"The RDP was formulated in response to this situation and aims to alleviate poverty and reduce inequality among races and between rich and poor"*.

13

Whiteford et al, describe poverty as a "multidimensional condition", which can only be defined by using Human Development Index, which in addition to income, also incorporates literacy and life expectancy.

Table 1.1: NWP poverty head count

Living condition	%	N
Household living in poverty	29.7	232 947
Individuals living in poverty	41.3	1248 724
Children living in poverty	49.2	585 890

(Whiteford et al, 1995)

According to Whiteford et al, the NWP rates the third highest in terms of the poverty head count and head count ratio in South Africa, whilst Gauteng rates the second lowest with 21.0% individuals living in poverty. This is indicative of the enormous unequal distribution of income in South Africa (see table 1.2 below).

Similarly, the NWP rates the third highest (49.2%) in South Africa in terms of children living in poverty compared to Gauteng which rates second lowest, with a ratio of 24,7% children living in poverty. The NWP has a share of 6.4% of all children living in poverty in South Africa.

The poverty head count ratio only gives the "incidence" of poverty. A reliable measure of poverty should also include the "depth" of poverty. The poverty gap refers to the sum of the difference between the poverty line and actual income levels of all people living below that line. During 1994, the poverty line for an urban household with two adults and three children was estimated at R840 per month and R740 for a similar size rural household. The total poverty gap in the NWP is R917 million, which resembles 6% of the share of the total poverty gap in South Africa. In terms of individual households, the poverty gap in the NWP is R3 936.00 per household (Whiteford et al, 1995:2).

The poverty gap should be considered of significant importance to government policy since it indicates the minimum theoretical transfer to the poor needed to eliminate poverty. Transfers should, however, not be considered as the ultimate policy alternative to eliminate poverty. Other policy options, e.g., human resource development and employment creation should form part of poverty eradication programmes of any government. A comprehensive Human Development Index is found in Appendix (1.18 to 1.20). Of particular concern in South Africa is the unequal distribution of income on spatial and racial levels.

14

Table 1.2: Provincial incomes (1993)

Province	Population share (%)	Income share (%)	Per capita income (R)	Disparity ratio Gauteng to other
Western Cape	9.0	14.2	11 162	1.3
Northern Cape	1.4	0.9	4 680	3.1
Eastern Cape	16.2	6.5		5.1
KwaZulu-Natal	21.3	17.3	5 727	2.7
Free State	7.1	8.4	8 362	1.7
Mpumalanga	7.1	7.3	7 259	2.0
Northern Province	13.0	4.3	2 343	6.2
North West	7.6	5.4	4 980	2.9
Gauteng	17.2	35.6	14 612	1.0

Disparity ratio: Income of Gauteng in relation to other provinces.

Source: Whiteford et al, 1995

Table 1.2 above depicts provincial income inequalities. Gauteng, the richest province in South Africa, earns more than one third of South Africa's total per capita income. The NWP ranks fourth lowest in South Africa in terms of per capita incomes.

1.2.1.2 Governance

Given the present context in which the province finds itself, it would seem that there should be five activities that will be necessary to ensure that there is indeed a desired quality of public service:

- The establishment at provincial level of the services essential for good governance
- Clear understanding of who should render what service between government and the private sector
- The establishment of management and organisational structures essential for rendering such service.
- The allocation of human resources for the established structures.
- A review of the financial implications and resources to enable rationalisation to occur.

In other words, to accomplish these five things we need to see change take place on a number of levels. Government must become entrepreneurial and measure cost-effectiveness of its services. Wage reform is necessary to attract and retain qualified personnel. South African social transformation as a negotiated revolution is different from cases such as the French, Russian or Chinese Revolutions. This means that there are some differences in the strategies and tactics currently employed by management in the absence of a comprehensive study of the desired public service.

Provinces are obliged to operate within the stipulations of National Government as regards the number of departments, and competencies as per the Constitution. This also determines the managerial positions available to the Province, exit strategies for the Voluntary Severance

15

Packages and representivity.

1.2.1.3 Competencies

Some of the competencies may not have been appreciated at the national level especially in the case of dual competencies. A thorough analysis at a provincial level of the situation has not taken place except for submissions on departmental structures and some mission statements. There is a dearth of information on qualitative and quantitative outputs regarding the desired improvement of the life of the population.

The focus on rationalisation of human resources has received inordinate attention, without any informed analysis or consultation. Quality should be defined in terms of outputs or productivity - i.e. in terms of effectiveness and efficiency. Departments and managers should have performance assessed and relevance established by relating budgets to outputs. This difference to the quality approach would represent a new ethos - shifting emphasis away from rules, regulations and procedures that yield very little output.

Much is being said about the different provinces, without a socio-economic analysis of the North West, comparative to Gauteng or Western Cape. The province is mostly rural with limited alternative employment opportunities for its population. The strong but generalised National dictates on administrative matters handed down from National level do not allow for unique responses to unique problems. Added to this is the logic of placing a ceiling of 35 % of total expenditure on personnel. The Provincial Service Commission initially dominated the process, determining and finalising departmental structures on an inadequately informed basis.

Evidence with specific instances will be presented to show that the Public Service, generally in South Africa and specifically in the North West Province, is bloated, costly, unrepresentative, ineffective and inefficient. It will be demonstrated that this places extraordinary strain on the wage bill and on the budget. It will be demonstrated that, as is the case with other such organisations in South Africa, it was designed to address the problems of an era gone by, i.e. British Colonial in origin and development, modified through the Industrial Era, it became neo-classical in its working and current dysfunctionality. This is not a problem unique to South Africa, as the whole world is engaged in rapid transformation from separate states taking care of their own interests, without concern for the larger socio-economic, political and ecological environment, to a globalised, interdependent and interactive totality. Governments as well as business organisations (they are all "social systems" sharing specific characteristics, challenges and dynamics) are being redesigned for greater effectiveness and efficiency, and there is therefore no reason why South Africa can escape the necessity of addressing this challenge.

It is important to note that with the changes that occurred in 1994, South Africa has a New Constitution (HEAD) with an old Public Service (BODY). No matter how hard the head desires to move - the body is unwilling or slow in its response.

1.2.2 Global Context

There has been a considerable opening up of political systems from ones that were dominated by one-party states and military structures, to some form of multi-party politics. According to the

Human Development Report, 31 countries have allowed for opposition political parties to operate. In addition, over 30 multi-party national elections have been held, in some countries for the first time and the most notable of all is South Africa (UNDP, 1995).

This pendulum swing commenced fifteen years ago with the end of the Cold War, and influenced countries around the globe. In 1974 only thirty-nine countries were independent i.e. one in every four world-wide. Today nearly two out of every three countries hold regular elections to determine leaders-one hundred and seventeen in total.

Since our re-introduction into the community of nations, the IMF, World Bank and other such institutions have been at pains to influence the direction we take as a country. Adam Przeworski (1995:8) very eloquently covers this development in our environment.

"The neo-liberal ideology emanating from the United States and the multi-national agencies claims that the course to follow is obvious. This ideology is based on a belief that the virtues of markets and private ownership that is not justifiable in the light of contemporary economic theory, including neoclassical theory.
It values efficiency over distribution to the extent of justifying social horrors. It places economic considerations over political ones, willing to sacrifice other economic and political values at the altar of efficiency. It is based on a profound conviction that there is only one way and this way must be followed: not only any opposition but even discussion is portrayed as self-interested, 'populist' reaction...Western advisors are in the duplicatious situation of having to say, as Steglitz (1992:162) put it, 'Do as we say, not as we do'"

Przeworski warns that the term internationalisation by definition implies a competitive environment and that while some strata of society may benefit within the international system, the strategy will conclude with winners and losers. Every country will not succeed as a net exporter. And the losers would not necessarily be nation states but different interest groups in society. Hence, this strategy will generate, and already has produced, a sharp increase of regional, sectoral and social inequality across and within nations.

1.2.3   Governance in Transition

Since our transition to democracy we have been faced by a debt deficit, similar to many other emerging democracies facing simultaneously the need to consolidate our new institutional democracy and face rising economic challenges. Our democratic institutions can only be nurtured provided we create space for different interest groups to satisfactory channels and reasons to process their needs within the context of the new democratic institutions. The reforms we have embarked upon have led to a perception of a transitional deterioration of the material conditions of many interest groups - which in turn threatens to undermine democracy.
Our negotiated settlement in South Africa has shaped our Constitution and the institutions arising therefrom, e.g. Nine Provincial Governments. This was clearly born out of the conflictual nature harboured by the negotiating parties and in the words of Przeworski (1995:51), *"and as in many strategic situations the pursuit of partisan rationality is likely to generate collectively suboptimal outcomes...Thus while institutions have an autonomous impact on the performance and durability of democracies, their effects depend on the political and cultural context in*

17

which they function ".

According to Van der Waldt & Hembold (1995), the public servant environment is dynamic and never the same for long. As in any other organisation - employees are not insulated from this environmental influence from outside which is characterised as a political environment, a social environment, a socio-cultural environment and an economic environment

Globally, within South Africa, and particularly in North West Province, sources for generating revenue are decreasing rapidly. No nation or region can afford the luxury of costly and ineffective institutions any longer. Moreover some civil servants have a strong ideological bias and lack professionalism. The Public Service, today as in a previous era, is seen as providing a secure "job for life", expecting increased wages and promotion as a matter of course, divorced from measures of performance. The Public Service lacks motivation and there is no incentive for doing anything better. It reflects different criteria (INPUT) from the private sector (OUTPUT), for recognition, promotion and status.

As a result of how this institution functions, there is a total absence of contractual, moral or ethical obligation to perform and deliver services, as required. It might even be a good idea for senior civil servants to be elected and politicians be appointed! A static structure such as the current Public Service, is inimical to change and innovation, yet it has to function in an ever-changing political, cultural and social milieu. In fact, all those who were ten years ago portrayed as enemies of the state are now the leadership of government. In the words of Dodds (1998:5):
"The information era, which has created the global knowledge economy, has transformed our operating environment, requiring shifts in both mode of enquiry AND mode of organisation to handle the level of complexity. It is currently pushing our social and environmental systems beyond integrative capacity of the mechanistic and organismic models. Whilst the paradigm shift in knowledge has developed quite far in such a short time (past 50 years) within the sciences of complexity, we ironically and potentially tragically, cling to a REDUNDANT MODEL OF ORGANISATION, AND TRY TO MAKE IT 'FIT' A REALITY FOR WHICH IT CAN NO LONGER BE A SOLUTION".

1.2.4 Context Analysis

To develop a better understanding of the context of this investigation, a report is summarised here, taken from the work of a Task Team, established by the Minister for the Department of Public Service and Administration, who visited the Province from the 17th to 21st February 1997. (NWP, 1997a) This team was established to investigate the capacity of provincial administration to deliver services to the community. These are some of their findings:
- New policies are often set at national level without due consideration to the organisational, financial and service delivery implications in provinces.
- Many national and provincial departments are not monitoring the performance of service delivery activities; departments do not know how well they are doing their jobs.
- Current Public Service regulations work against excellence in service delivery instead of encouraging it.
- National departments are not adequately supporting provincial departments in the performance of their tasks.
- Provincial governments are hampered by the inability to restructure their departments

18

around the needs of service delivery and the constraints placed upon them by budget formats.

- The Public Service in the provinces are still not focussed on service delivery. The administrative processes inherited from the previous dispensation restrict them.
- Provinces do not measure how well they do in executing their function. There are few performance targets set, and little monitoring of performance with a view to improving service delivery.
- A lack of human resource development and skills training programmes is aggravating the situation.
- The Voluntary Severance Package has not adequately reduced the numbers of public servants, and has caused many skilled people to leave.
- Financial information systems do not fully promote the effective management of public funds, they are not user friendly and do not produce reports that managers can adequately understand.
- Relations between the Tender Board and departments are problematic and not clearly defined.
- The states' assets are not well managed. Poor inventories of assets lead to losses and poor control.
- The employment of new managers from outside the previous administrations of the North West region has introduced new blood to the management cadre. This is both positive and negative; whilst new ideas and approaches have been introduced there is a need to develop the new cadre and retrain existing staff.
- Public servants, especially those within regions and districts, expressed concern at the lack of human resource delegation to their areas.
- Service delivery was severely impeded on account of lengthy delays in finalising staff appointments.
- Some departments lack human resource capacity in both staff and line functions to enable them to manage human resource effectively.
- Whilst representivity in terms of race had already been achieved, the redress of gender disparity still remains a considerable challenge.
- There is a need to install skilled Financial Managers throughout the departments, and develop capacity in both specialist financial staff and line managers.
- Departmental budget committees tend to micro-manage a financial matter, which impacts on managerial efficiency.
- The Province has a coherent strategic management approach, developed in a way which allows departments to relate their activities to a common vision.
- Monitoring of achievement against the objectives set in the strategic plans is however weak in SOME departments.
- Communication of strategic plans within departments is uneven, and staff are often not conversant with the objectives set out.
- Strategies for the management of information are underway - however few departments have appropriate skill or experience to drive this. The capacity problem is not being addressed.

The list is fairly comprehensive and the range of issues to be faced daunting to say the least. The very situation, in which provincial governments find themselves on the eve of the second democratic elections, demands that we answer the following questions.

19

1.3   Fundamental Questions

This research will seek to answer the questions that appear below. - thereby also seeking to assist provincial governments in gaining clarity in their quest to become more purposeful in their pursuit of fulfilling their mandates.

- Why the national/provincial government is not performing the services it is charged with and implementing its stated aims, efficiently and effectively;
- Why the provincial government is not able to implement its aims as stated in numerous policy documents and white papers. Should the government separate "steering" (policy) from "rowing" (monitoring and control) functions;
- Should the public service empower rather than serve communities;
- Should the public service privatise the delivery of services;
- Should the public service be driven by mission statements and success/performance criteria, rather than bureaucratic "rules";
- Should the public service be driven by outputs (results) rather than inputs (time on the job);
- Should the public service be "customer - needs driven", and designed around these ends;
- Should the public service be enterprising, i.e. charge service fees at market rates and generate income aside from merely acquiring and spending it through taxation;
- Should the public service be anticipatory, i.e. strategically focussed, rather than reactive and crisis-management driven;
- Whether, aside from the Defence Force and Police, we need a public service at all, or perhaps a drastically reduced one, with its role and functions based on current needs and challenges and not simply the continuation of past "functions" handed down through time from a completely different era;
- Should the public service be based on a completely decentralised and flexible model of organisation, so that the authority is devolved to the lowest level; to make accountability a reality; and should such a model be introduced, what will be the nature and criteria of operationalisation.

1.4   Aim of the Research

In seeking to answer these questions, the aim of this research is:

i.   To determine that these conditions indeed exist.
ii.   To determine why they do exist and how they are sustained.
iii.   To determine what needs to occur for this situation to be turned around, so that policy can be effectively formulated and efficiently implemented.

1.5   Hypothesis

The questions posed above are based on the following hypotheses:

1.5.1 *That the Public Service is bloated, ineffective and inefficient; that it is founded on a*

model of organisation that represented a solution to an era gone by; that it therefore cannot serve the purpose for which it came into existence, in a radically changed and continually changing social and economic world, and that it can neither serve as an adequate vehicle for implementation of Government's policies nor for its existing functions.

1.5.2 It will furthermore be argued that if this is the case, then a radical reassessment of the nature, functions, structures and processes of government and the civil service is called for and a leading question that underlies the study is: What *structural and systemic changes will need to be made in order to turn the situation around and what qualities of leadership will be necessary to enable this to happen*?

1.6   Methodological Basis for the Study

The research will be undertaken on the basis of social systems methodology, and not from a particular disciplinary viewpoint. Whilst not taught in many traditional institutions as a specific "subject", this methodology has been developed through social research institutions since the early seventies, and provides a coherent systematic framework for dealing with complex social problems, both from theoretical and practical perspectives.

Social systems methodology not only deals with quantifiable information, but places it in an interpretative systemic framework, so that the dynamics of the system as a whole can be understood and explained. This methodology also allows for coherency in presentation of data as well as argumentation around its significance.

It is therefore a framework of "form", not of "content", which allows for application in diverse complex problem contexts. As such, it is "trans" rather than "inter-disciplinary". (The latter assumes aggregation of particular findings to build a picture of the whole, whereas the former starts from the nature of the whole within context, and frames the specific in terms thereof). Analysis, therefore, is a "special case" within the larger paradigm.

This approach is particularly relevant, as questions pertaining to the efficient and effective functioning of social institutions and organisations, are the product of human interaction and behaviour, which is value-laden and creates specific "working cultures", such as that characterising the Public Service. Currently the government is introducing the practise that "all civil servants should sign a performance management contract", but this would require explanation of the what, how and why of organisational performance and behaviour. This includes the decision and value-criteria underlying performance on all levels of the organisation, a phenomenon also addressed within social systems sciences and methodology.

1.7   Theoretical Basis for the Study

Social systems sciences, as both theoretical and practical methodology, as developed primarily by Gharajedaghi and Ackoff over the past thirty years, entails a comprehensive and experientially grounded set of premises and hypotheses about the nature of human or social systems, the stature of organisation and how different models of organisation perform in different environments and

21

within specific sets of conditions and constraints. It focuses on human and national development, and is therefore highly relevant to the transition of the South African socio-economic and political context, both from a policy and institutional perspective.

The need to approach this study from a systems dynamic formulation is undertaken so that interactions can be understood in terms of the interactions of critical variables in the context of time; the totality and the interactive nature of change within the system; and the systems interaction with its broader socio-political and economic environment.

Interaction amongst parts of a whole signifies a dynamic process - the product, a time dependent state. Gharajedaghi (1998:58) "*In other words, the emergent phenomenon [e.g. learning, membership] is being reproduced continuously online and in real time... If the processes that generate them come to an end, the phenomenon ends as well. They cannot be stored or saved for future use. And for sure, none can be taken for granted. Life, love and happiness can be there for a moment and gone in a moment. The same is true of success; it is just as vulnerable as love and happiness*".

An understanding of the emergent outcomes of spontaneous ongoing processes requires an understanding of the processes that generate them. Gharajedaghi holds that success is an emergent property meaning **- that management is about management of interactions, not ACTIONS**. Management as leadership will need an understanding of those who participate in the process thereby generating emergent outcomes. This requires the creation of compatibility between parts and their reinforcing mutual interactions - creating resonance, a force of magnitude higher than the sum of the forces generated by separate parts. When the force is negative, for e.g. where there is a structural conflict one arrives at $1+1 = 0$; when it is positive $1+1 = 5$.

By pairing emergence and resonance with a third systemic principle - multidimensionality, Gharajedaghi sees the success of an organisation as product of interactions among the five basic processes of:

Throughput	-	economic or wealth dimension
Decision making	-	political or power dimension
Learning and control	-	knowledge or truth dimension
Membership	-	beauty dimension
Conflict and management	-	values or cultural dimension

Gharajedaghi (ibid) further claims that: "*These processes correspond with generating and disseminating wealth, power, knowledge, beauty and values*".

While growth has been considered an important performance measure, successful organisations can grow without ensuring success, as one could grow by faking or acquiring stupid acquisitions.

The parameters that co-produce the future are found in the interactions of five dimensions of a social system.
- Generation and distribution of wealth
- Generation and dissemination of truth
- Creation and dissemination of beauty
- Formation and institutionalisation of values
- Development and duplication of power.

22

According to Gharajedaghi (1998:58): "*It is quite feasible to use any four of the above dimensions to partly explain the characteristics of the fifth. For example, power, as 'the ability to do' can be defined in terms of wealth, knowledge, beauty (CHARISMA and values TRADITION). Each dimension could be a source of power. However, we also need to recognise the significance of power in the decision process and as the organising element of society in its own right*".

We can arrive at a definition of all the critical attributes of an organisation when we undertake to bring these dimensions and these interactions into a systemic mode of inquiry. This will include the principles of openness, purposefulness and their emergent properties, which will of necessity include the counter-intuitiveness of social behaviour.

Four sub inquiries are included in a systemic mode of inquiry

- AN OBSTRUCTION/OPPORTUNITY ANALYSIS, which entails the identification and definition of obstructions to the systems development, and analysis of these to identify and define opportunities inherent in each. This identifies malfunctioning within the power (political) knowledge (educational/technological) wealth (economic) aesthetic (quality of life) and cultural value (ethical) dimensions of the system (the five broad functional dimensions of any social system).
- A SYSTEMS DYNAMICS FORMULATION, is undertaken to enable us to understand the interactions of critical variables in the context of: time; the totality and interactive nature of change within the system; and the systems interaction with its broader socio-political and economic environment.
- A SYSTEMS ANALYSIS of the civil service, using the North West Province as example of a "generic" government institution and type of organisational model. This entails a detailed examination of the state of the system, its functions, structures and processes, how it operates, those it affects and how it affects them (i.e. its stakeholders) and how it is affected by its environment
- EXAMINATIONS OF A POTENTIAL ALTERNATIVE MODEL OF ORGANISATION which can serve as a "road map" for institutional transformation in the Public Service of both the North West Province and the South African Public Service as a whole.

These four sub-inquiries evolve interactively, starting with a general systematic level to which later analysis can add higher levels of specificity. Included would be the identification of specific obstructions within the five functional dimensions of the system. Quantitative and "structural" mapping of the structures, functions, operations/processes of the system, interpretation of the "state of the system" as a totality, in terms of criteria outlined as indicative of organisational pathology, as already outlined under "aims" above.

The study was conducted using multiple sources of information. The writer's personal experiences within the North West Provincial Administration allowed for access to documents generally not easily available.

The data used covered a very broad spectrum from White and Green Papers, to legislation, service providers reports to expert analysis from visiting civil servants outside South Africa. The literature study also covered the many books available on the subject of transformation. The many service providers to government conducted research surveys on issues related to their briefs.

23

However, the quality checks associated to these surveys were not done.

The study roughly covers the first term of the new dispensation i.e. 1994 to 1999. The limitations of the study are associated to the absence of quality checks on data utilised; the subjectivity of the author in experiencing of the North West Administration, and the absence of any reference sources to a comprehensive study previously undertaken.

A broad overview giving a chapter outline of the study will commence with chapter one. The North West Province is examined from a socio-economic context.

Fundamental questions regarding governance are raised as to why governments are unable to fulfil their mandates. The underlying basis of the study is introduced i.e. what are the structural and systemic changes necessary to make the North West Province Administration more effective and efficient.

Chapter two examines developmental challenges by means of an obstruction, opportunity analysis looking at power, knowledge, wealth, economic insecurity, aesthetics and cultural values. This is done from a systems enquiry and systems design approach.

Chapter three looks at governance challenges particularly of the North West Province against the backdrop of all applicable laws affecting the administration.

Chapter four critically examines those issues that can assist in greater efficiency and effectiveness of the North West Provincial Administration.

Chapter five looks at process re-design in search of the ideal road map. Concrete proposals are made in answer of the hypotheses.

Chapter six concludes the study on the premise that provinces can continue to exist provided structural and systemic changes are made so as to improve efficiency and effectiveness.

The data of the study was obtained from the following sources:

1)   Writers personal experience as a legal practitioner since 1981 and having litigated against the bureaucracy till 1994. Subsequently 1994-1999, the writer served in the North West Government as Member of the Executive Council tasked with the safety and security portfolio.

2)   The very many workshops and "bosberaads" over five years in government attended by the writer and the records having been available for this documents preparation

3)   Various reports prepared by consultants engaged by the provincial administration to render particular services.

4)   Inter-departmental Task Team Reports and reports by the Department of Public Service and Administration.

5)   Reports prepared by civil servants from Manitoba, Canada who did fact finding visits to the North West Province.

6)   Reports prepared with assistance of consultants provided by the Commonwealth Secretariat.

7)   The community survey regarding government delivery in the North West Province

As a summary of the salient features of North West Province Table 1.3 is presented.

Table 1.3: Diverse socio-economic indicators for North West Province

Size	116 320 km²	Proportion of country	9.5%
Population	3354 825	Share of National Population	8.3%
Population density	29km	Proportion Women	50.8%
Level of urbanisation	34.9%	Age under 15 years	33.9%
Adults/no schooling	21.9%	Adults with Std 10/G12	12.8%
Adults Higher Education	41%	Senior Certificate pass rate	50.0%
Pass rate - matric exemption	11%	Per capita exp. on education	R2 890
Economically active	34.8%	Unemployment rate	37.9%
Gross geographic product	R6 410	Proportion earning R500 or less	29.8%
Proportion earning R 4500 +	5.6%	Number of households	720 643
Proportion/formal dwellings	63.1%	Proportion/informal dwellings	22.1%
Proportion/traditional dwelling	7.0%	Proportion/homeless	0.03%
Housing shortage	296 561	Housing provision 94-98	50447
Houses built 94-97	22 107	Proportion no electricity	51%
Proportion with electricity	44.1%	Proportion tap in dwelling	29.5%
Proportion no flush toilets	68.0%	Proportion - refuse removal	34.8%
Women HIV at antenatal	18.1%	Doctors per 10 000	1.8
Nurses per 10 000	21.2	Human Development Index	0.543

CHAPTER TWO: DEVELOPMENTAL CHALLENGES

2.1   OBSTRUCTION OPPORTUNITY ANALYSIS

The process of obstruction / opportunity analysis entails the identification and definition of obstructions to the system's development, and the analysis of these to identify and define opportunities inherent in each.

Furthermore, this analysis identifies any malfunctioning within the five broad functional dimensions of any social system:

- Power (political)
- Knowledge (educational/technological science)
- Wealth (economic)
- Aesthetic (quality of life) and
- Cultural value (ethical)

This analysis is based upon the interpretation of *"A Prologue to National Development Planning"* (1986) by J. GHARAJEDAGHI in collaboration with R.L ACKOFF.
All page references to follow will be reference to this work

The primary obstructions to development are scarcity, mal-distribution and insecurity. The ideal pursuits necessary for development are set out above and their intersection with the obstructions will be examined.

2.2   POWER (POLITICS)

2.2.1   Scarcity

Politics is about power and its distribution within society. The extent to which citizens participate in selecting society's ends and means distinguishes it being autocratic or democratic. The extension of choice defines that society as pluralistic. Given government's role to ensure the continuity of civil life, it should facilitate the development of its citizens efficiently and effectively in a sustainable manner. However, even in a democracy - no rights are absolute.

Development planning thus always confronts political obstructions or opportunities - the implementation of the plans not seeking to control the collective behaviour of those for whom the plans are designed.

Power is of two types: power over and power to. *Power over* entails the element of coercion for non-compliance, while *power to* entails voluntarism in getting others to do what you want done. It is possible for both or either powers to be had. *Power to* is also about leadership and the ability

26

to influence. *Power over* is the ability to force or coerce. Obstructions to power are internal to a society - not external to it. Conversely, the power behind obstructions can be harnessed as a significant contributor to society's development.

Scarcity of power results in a "lame duck" government, unable to get anything implemented. An example of this is witnessed presently in Angola. Besides the impossibility of development under these circumstances, the country has been set back decades. Similarly, Mozambique, as a result of its protracted civil strife, has retrogressed to one of the world's poorest nations with the attendant scarcity of power. South Africa's negotiated settlement and subsequent Constitutional State has prevented us taking the above route.

While lawlessness has not assumed serious proportions in the North West Province, developmental planning does come under pressure when schools/clinics in the process of being built are stripped of materials for private use. A case in point was the recent media reports: Sunday Times April 1998, of an entire school that was stripped down to its foundations in Port Elizabeth.

Law is legitimately enforced through the executive arm of government. It may do so regardless of the effects on society - which independently observed, are structural rather than functional. The ultimate objective of the law is justice, the peaceful resolution of any societal conflict. The law must also then settle differences of political opinion. Once a decision is arrived at, by precedence, it gets embodied in the structure to solve future disputes.

Development planners legalise plans, which is then followed by enforcement. What can follow in response to this is public indifference, legal threat or public service sabotage. In such instances law becomes an obstruction to development Once settled the plan (contrary to any notion of participative development planning) belongs to the bureaucracy and participation and adoption comes to an end.

The reverse side of the coin is illustrated in what happens when the law is against planners. Co-operation should be sought between the planner, the law (both planners) and recipient of their actions. Given time, patience, respect and mutual co-operation they will be able to settle on common objectives. If the law is seen as fair, impartial, consistent and just - confidence grows, having far-reaching consequences on development. When confidence is weak or at worst shaken then alienation and withdrawal follows. If government and law muster enough power to guarantee basic freedoms, the necessary conducive environment for development flows.

2.2.2 Maldistribution of Power

Maldistribution of power occurs where some members of a society have more freedoms, opportunities and choices, while others have less. A classical example of this is observed during the era South Africa left behind in 1994.

There is a difference between ruling and governing. Governing is fulfilment of the collective mandate to execute and administer, whereas ruling is doing so in the name of the ruler, usually in violation of the collective will. In a highly centralised structure, authority flows from the top -

down, and responsibility flows bottom - up. Whilst the positive feature is its strength, such a government is at risk because of possible cliques and power groups collecting at the top resulting in what is commonly called the "palace revolution".

Structurally, the weakness of centralised government is both vertical and horizontal. Vertically, since authority and responsibility flow from top to bottom and in reverse. The communication between the separate lines is inadequate. Interactions of units are discouraged at the same level to consolidate the supervisor's power. Orders are commanded with little support from units close by charged with similar functions. Responsibility consequently is bureaucratically appointed, making it difficult for co-ordination.

The obstruction to development of such a pyramid structure leads to paternalism - portraying government as the "be all and end all" in terms of emergent social needs, without giving responsibility to the governed. Such structures have excessive red tape and bureaucracy, because anyone who has authority can revoke decisions at a lower level. No one is empowered - all decisions are tentative - and implementation can only follow once "approved from above". Responsibility is easily avoided, since seeking approval from above absolves civil servants of responsibility for their actions. No one could be accountable for decisions, consequently performance cannot be evaluated of individuals. Results flow from "who you know" and not "what you know".

The further effect is work overload at the top, by conscientious public servants, allowing those below to shirk responsibility as decisions are pushed upwards. Delegation to subordinates however only follows if subordinates accept responsibility for intervention. Under this system patronage occurs frequently when officials are selected and appointed out of nepotism. Wherever this practice has taken place it has proved to be destructive in the medium and long term. Where people are appointed on merit, they are much more loyal. Patronage is a serious and dangerous obstruction to social progress.

Often we find the professional (expert/intellectual elite) enters the organisation with individualistic rivalry and competition. They then convert the structure into a battleground of competing interest. This very much fits the scenario between the old bureaucrats and the new incumbents in the civil service. The consequence - inefficiency and ineffectiveness of the public service, the first hypothesis as borne out by the task team of the DPSA on Provincial Government.

2.2.3   Insecurity of Power

Insecurity of Power follows when legitimate power has been accepted by those subject to it, while those who wield it are under threat of losing their legitimacy. Due process of law characterises most Western industrialised states as practised by the judiciary. So fixated are they to due process, that criminals escape justice on technicalities, and we notice that those who wield power are now losing credibility and legitimacy.

Insecure authorities in such environments tend to become more bureaucratic and tighten controls under threat to enforce compliance to rules, even at the expense of harming organisational objectives. Insecure power leads to a system where persons or institutions "personify the

legitimacy in themselves". They are all-powerful and wise, with authority that cannot be transferred - as it becomes personal.

No criticism is permissible and attacks are viewed as attacks on the system. Control is the order of the day and all communication is curtailed which will include a subservient press.

As a consequence of this there is usually a lack of critical and constructive debate of strategic issues and no mirror of policy outcomes. Mistakes are covered up - with no lesson learnt. Private thinking is to be controlled - with informers proliferating, leading to obstruction of all development. Resources that should have been used for development are spent on methods of control.

We were witnesses to this state of affairs in South Africa pre 1994. There is no free flow of ideas and educational frontiers are closed. Zimbabwe currently faces this prospect.

To some extent this has changed. What may not have changed is the bureaucratic mind-set that allows systems to change at the surface while at the deep structure they are still replete with corruption, inefficiency - and the ever present resistance to change.

Lack of public support is a very strong sanction. This could be overcome by allowing greater public participation in development and planning, with government co-ordinating and distributing resources. This would lead to increased distribution of power. Power should be seen as a means to development and never the other way round.

A win-lose situation that involves a struggle for power, mostly reduces both parties' power. In a win-win arrangement, the power to of both parties is substantially increased. The competition between old and new civil servants, the structural conflict leading to $1 + 1 = 0$.

2.3   KNOWLEDGE (SCIENCE, TECHNOLOGY AND EDUCATION)

2.3.1   Scarcity of Science

Ignorance is an obstruction to development of both individuals and societies. Science produces evidence and proof enabling us to find more effective ways of dealing with our reality and extending our experience. It counters hopelessness, helplessness, stagnation and decay. Social sciences are weakest in autocratic regimes, because they counter abuse of power, exploitation, organisational inefficiency and ineffectiveness. Physical and biological sciences do not suffer the same setbacks. Sustained national development requires a great deal of information, knowledge and understanding of society and its institutions.

In less developed countries, because emergent needs create a situation of crisis management, there is little value attached to science to the extent that it should be. However, in reality science really can assist in addressing these crises. Countries that have greater science and technology capabilities are better able to deal with emergencies, natural or otherwise.

A technological society is more able to deal with its environment. This is often accentuated where technology and science are considered private property. Given the high cost associated with the development of science and technology, it is mostly not feasible for less developed countries to spend money in this direction. Often there is the perception in these countries that technology can also threaten ruling elites.

Technology is know-how, and often those that have it, create dependencies among those without it, leading to abuse. Absence of knowledge that produces technology, is an obstruction to development. To overcome this scarcity, developing countries insist that foreigners produce locally with empowerment of the local populace, as a pre-condition.

Most often the scarcity of science and technology is associated with the scarcity of education. In the present global situation we have come to acknowledge that the dissemination of science and technology takes place mostly by means of education. It makes people conscious of a better life and how to achieve it. Education is costly. More efficient and effective ways of scientific and technological education must be developed.

Education can be used to maintain a particular social order. Any totalitarian education system can be seen as examples of this, as was experienced in Apartheid Education.

The effect of this however is to structure compliance and mediocrity in the system. This demotivates learning by putting a damper on curiosity and creativity. The manner in which science and technology is currently being taught appears to be ineffective, inefficient and inappropriate.

Because education, science and technology can promote or obstruct development, they are means not ends. Effective use for development of all three requires careful planning and control.

2.3.2 Maldistribution of science

Maldistribution of science occurs when some have more and others less of it. Mostly we find that those with excess usually use it to exploit those without it.

Science and development mutually contribute to each other's, increase. The population's engagement in science and development shares proportionality. In less developed countries, the absence of knowledge often allows influential scientists to dominate the terrain and promote their status.

While maths, physics, biology etc. get preference; social sciences dealing with human behaviour are neglected, and their potential contribution is lost. The few scientists in the field tend to monopolise the terrain. The more serious the maldistribution, the more knowledge is hoarded at the expense of public development, and this obstructs development.

Maldistribution of technology in the form of researchers, engineers and doctors is acute in less developed countries. These professions are then also most reluctant to engage in public affairs. Normally rural segments of society and different economic sectors are prejudiced by inequitable

allocation of technology. The social service backlogs in terms of potable water, electricity and housing now being discovered in South Africa clearly underlines this phenomenon.

Less developed countries, not having gone through an agricultural revolution, have shortages of foods. What they require in times of need is imported. This in turn compounds the import of technological products for industrial development. The resultant unfavourable balance of trade, foreign debt, and inflation, entrench further dependency and obstructs development.

The absence of mechanised agriculture contributes to rural population increases. In these communities, the offspring are required for low cost labour, which in turn entrenches manual, and often subsistence farming.

Technological solutions to rural development have been negative and increased socio-economic disparities. The quality of transport, basic amenities such as water, electricity, sewage disposal all differ remarkably between urban and rural folk..

Architects and other specialists provide modern places for work and home in cities, while peasants live in low-cost housing for centuries. Infrastructure costs being high, has meant that few provinces have made provision for rural infrastructure. We have seen disproportionate resources being ploughed into few urban industrial centres, with little left for rural development.

This situation has forced rural populations to migrate to the cities in search of work, thus creating an unmanageable unemployment pool. As their numbers increase they begin to create a threat to political and social stability. Residents of Gauteng Province bear testimony to social instability - witnessed by their fortresses they call homes.

Medical practitioners (e.g. biological technologists) are educated and trained through a subsidisation from tax revenues. These professionals mostly settle in urban areas where there is comfort and luxury. Rural areas have become marginalised, with high infant and child mortality rates. Alongside this is the phenomenon of high birth rates to offset the mortality rate - there appears to be no escape from this vicious cycle.

2.3.3 Maldistribution of education

Maldistribution of education in least developed countries arises when just a privileged section of its society is educated. These persons enjoy and then often hoard the advantages of education at the expense of their uneducated fellow citizens. There appears to be no moral responsibility for the state of ignorance.

Knowledge is power. Can any society sustain the perpetuation of a dependency syndrome with its consequent exploitation by those who have - of those who do not have?

This situation also breeds a sense of superiority of the "schooled" over the "non-schooled", with disparity in power, wealth and prestige. This is then transmitted to children and thus the perpetuation of the system, as if by inheritance. But for the low social productivity and wastage of human and physical resources, development could have benefited. The advantaged continue to

improve their lives, precluding the masses from improvement and maldistribution of education becomes worse. This maldistribution of education, science and technology between citizens also applies to that same maldistribution between the community of nations - with consequent exploitation. Africa's indebtedness to the world is clear proof of this. Scientific insecurity occurs when scientists hoard their information, knowledge and understanding. They can do this if they feel their status threatened by the society in which they find themselves. They then refuse to allow common knowledge thereof to be made known. Often less developed countries find their scientists moving to developed countries in which they have published their work. Their countrymen lose out while their stature increases among the educated.

Restriction of student numbers and demanded loyalty and subservience characterise scientists in less developed countries. Studying abroad is completely controlled - as well as employment by patrons. The consequence of this is that there are then too few scientists and no development direction for less developed countries. Non-involvement in public affairs insulates them from evolution and criticism particularly by ruling elites.

The distinction of "pure" science and applied science in less developed countries becomes critical, since in developed countries, application of outputs follow quickly, whilst the contrary is true in less developed countries. The skewed consequences are that the pure sciences in less developed countries contribute more to technology of developed countries than their own countries. India vis-à-vis the computer industry illustrates the point.

A solution to a problem i.e. a cure for a particular disease medically does not automatically mean the same solution would work in another culture. A simplistic importation of a solution from one culture to the next does not necessarily always work

Scientists, who desire security, seek to insulate themselves and thereby they create artificial barriers preventing interdisciplinary scientific activity. This certainly does not contribute to national development.

Technological insecurity occurs when local technologists convince their countries to undertake public projects with advanced technologies - creating the demand for their services. The projects are not necessarily in the country's best interest. For example, engineers in developing countries enter public administration. Projects are embarked upon with foreign skills at considerable costs and when projects fail they are not accountable, and "responsibility is buried in a bureaucratic cemetery". (P123)

Technologists sometimes create artificial barriers to others seeking entrance to their profession. They do this in order to ensure that the status quo is not disturbed and their associations remain rigid and ensure compliance. This also serves to cover up possible incompetence. Entering the profession without official approval leads to castigation. Paraprofessionals are frowned upon and resisted - the excuse, it lowers the professional's skills and diminishes stature. This opposition helps to keep technological costs high - depriving many from access to it - and thus obstructing development.

Educational insecurity in less developed countries occurs when the educated elite spends a fair amount of effort to keeping their advantages. Public education is not as good as schooling for the well educated. Urban and rural education is badly skewed, with private schools providing better

education and salaries to their teachers.

Scientific opportunity in less developed countries does not enjoy the attention it deserves. Scientific policy must be placed on the same footing as national development in a partnership relationship between government and the scientific community. The importance of science as a method of enquiry and the organisation of knowledge must be instilled in the population. Science education should emphasise development of scientific attitude and understanding the method of enquiry. All sources of education media can be used including print and electronic media in user friendly language.

Science fairs, exhibitions and museums can be used to encourage young minds to engage in ordered and systematic thought. Interdisciplinary research oriented toward developmental priorities, needs to be locally familiarised through teaching and research in these areas. Science can be a phenomenal lever for national development, provided there is a culture change in government to appreciate its value and the effort needed to harness science and technology for national good.

A solution to a problem i.e. a cure for a particular disease medically does not automatically mean the same solution would work in another culture. A simplistic importation of a solution from one culture to the next does not necessarily always work. .

Technological products, such as motor cars, used in developed countries may not be the ideal solution in less developed countries. With the pollution, traffic control, energy and safety problems, motor cars have been exported to less developed countries without much thought. So too the glass - wall skyscrapers with their high heating and air conditioning costs. Waste management is a serious concern for developed countries and need not be imported into developing countries by way of non -reusable containers.

Local needs such as low cost housing should receive government grants to further technological developments by incentives to speed up development. The types of manufacturing plants being imported into less developing countries are no longer as productive as in the countries of their origination - leading to alienation from work. These are in the process of being redesigned and should not be imported to less-developed countries.

Opportunities abound for less-developed countries not to repeat the mistakes of the industrial revolution. An example is the idea of rural rather than urban industrialisation. Rural industrialisation should enhance agricultural development. Rural factories should be designed for rural development - to serve other needs in the non-growing season, such as energy supply for example.

Since science and technology in developed societies are highly developed, it becomes difficult to re-direct their directions. Only when facing a crisis can a change of direction take place e.g. the search for a cure to AIDS.

Each educational opportunity properly handled leads to development. Current methods of teaching appear to be outmoded. There seems to be the perpetuation of the impersonal and authoritarian teacher-student culture, quite unsuited in the changing times we live in. Any advocates of change in this area seem to be obstructed by vested interest of the teaching fraternity

33

and the bureaucracy. The basic structure has been in place for centuries now. The opportunity in less developed countries could exist for greater efficiency and effectiveness in public education, if resistance to change could be overcome. The model of organisation represents solutions to a bygone era. A classic example was the introduction of outcomes based education, the tremendous resistance to its introduction, and the current policy shift to move away therefrom. .

Other than themselves, educators mostly blame all and sundry for the educational dilemma. They cite the chief enemy, as lack of funds. Or it is the building, equipment and even the curriculum content, which they assume, is fixed.

The absurdity then surfaces; money availability determines the amount of instruction and facilities at educators' disposal. Quality of education is equated to student funding per year plus the number of years for which education is provided. This situation is far from "quality education". Opportunities to increase the role of formal education, so that it contributes toward national development can be advanced, and the present assumptions must be challenged and re-visited individually and comprehensively. A redesign of the system to experiment with new educational content, and organisation of that content, new design of facilities and equipment used, to de-bureaucratise education and give parents opportunity to influence content, delivery and management, would drastically reduce the education budget. The struggle for survival determines institutional and organisational development.

Public schools have not engaged in struggle, they are subsidised and have a monopoly on consumers - thus there is no incentive to satisfy on service.

They follow regulations and survive - innovation and experimentation are not encouraged and the system is moribund - stuck in the mud, and judging by the matriculation passes over the last few years, we may actually be retrogressing.

2.4   WEALTH (ECONOMIC)

Sustainable development needs the pursuit of abundance. Such abundance will require production, distribution, maintenance and protection of material resources, all needed to satisfy human needs and legitimate desires. Governance of the country and the economic activity therein has the principle responsibility for addressing the country's needs. It should also provide the information, knowledge and understanding in order to manage the country's economy and related institutions effectively.

The elements of nature, the natural resources are used for development, say the economists. This is trotted out in the face of evidence that countries such as Japan, which are not well endowed with resources for development. Human endeavours are the source of development - natural resources cannot develop people - people develop resources.

2.4.1 Scarcity of economic resources as an obstruction to development

Resources such as food, water, clothing, shelter etc. in terms of their scarcity, define poverty for the duration of one's life. Scarcity of resources for survival are an impediment to development, and since development includes "thrival" and survival, more than just biological essentials are required.

Resources are natural or man made. Natural resources are given worth by man. For example the movement of water from a river to plant vegetables, which normally requires other resources such as chemicals to purify the water. Scarcity of needed resources serves to obstruct development, particularly if there is no alternative for it. Efficiency influences the amount of the resources required. Substitution and reduction are tools to reduce scarcity, which also require scarce resources. We find this where the substitution of oil as source of energy is currently the subject of intense search for alternatives in developed countries.

There is a link between affluence and waste of resources - the "throw away" culture. Conservation and recycling are not high on the priority. Following fashion is a typical example of how our society is constantly disposing of items despite their being usable.

Less affluent people automatically conserve more because of need. Consuming more replaceable resources increases their prices. Waste disposal costs are high, with high-income earners projected to be creating more waste - increasing the collection and disposal costs. As government's disposal of waste increases so does the costs and so too inflation.

Given the pool of unskilled labour in less developed countries, the use of this form of labour is critical to the elimination of economic scarcity and creation of material resources. Where human labour is abundant it seems that it is mostly wasted. Most governments have too many employees, who then create work by cranking up red tape to obstruct those who have enough work to do. There are people employed merely to serve tea to supervisors. The justification is that people are not gainfully employed because of capability and insufficient resources to reverse the situation. This does not seem logical and will not survive scrutiny.

2.4.2 Scarcity of Income

Society distributes incomes through employment and the produce of goods and services. In free market economies the private sector is expected to provide employment for most of the citizenry - something yet to happen even in highly developed countries.

High unemployment obliges government to create employment to avoid political instability caused by unemployment. This generally obstructs development. Humanitarian welfare support is regarded as an essential service to the sick, disabled and aged, and this aid is extended to those involuntarily unemployed.

Because welfare does not produce wealth but rather consumes wealth, this form of distribution of wealth reduces the amount available for future distribution. Some argue that systems such as the

"dole" reduces the work ethic and is counter productive to development.

In less developed countries financial assistance to the unemployed is severely limited - the unemployed then relying mostly on family, friends or resorting to crime.

Protectionism as a policy seeks to protect domestic market and jobs, but is both advantageous and disadvantageous. While jobs are protected, the cost usually increases, and quality of products and services decrease. Subsidies by government are also often used to preserve jobs in certain industries that keep people employed. Or they may purchase goods from non-profitable industries. Using these methods usually results in resources not being properly allocated. Wealth is then reduced instead of being increased for distribution.

Governments also sometimes nationalise in order to subsidise. Most often this results in less efficiency and productivity. The managers of such institutions are mostly there by patronage - resulting in wealth consuming operations. Work stabilisation prevents laying off but the costs thereof are built into the product. This could also lead to bankruptcy in times of economic depression. Many parastatals are no longer adequate vehicles for implementation of government policies - nor for their own existence.

In difficult times, governments often have to engage citizens in jobs to reduce the pool of unemployed. This has happened across the globe. The net effect of this stance is to raise the obstruction to those with work. Quality of service is reduced with increased overheads and concomitant inflation. This is underemployment, which eventually does not provide opportunity for individuals or society to develop.

The unproductive employment by the previous require of persons within parastatals etc is legion. This was much more acute in the Homelands i.e. nepotism and patronage being the order of the day.

Protectionism, particularly in the agricultural and related sectors has had the consequence, with our countries return to the international economy, in high job losses. It is cheaper to import.

2.4.3   Maldistribution of wealth as obstruction to development

Equality of opportunity does not mean economic equality. Wealth generation is dependent on individual endeavours, as is their views on play and work by choice. Skewed wealth in a society leads those who have more wanting to protect it. They do so in conflict or co-operation with government provided their own interests are promoted.

For example issues related to the economic, social and environmental matters are not the issues for the affluent. They appear to be problems of government and no responsibility seems to accrue to the private sector. Up until recently welfare and the environment were not business problems. Business is law compliant and the less government legislates, the happier they are. Some expect the government to protect them from foreign competition. They also demand infrastructure and assistance when they face difficult financial situations they cannot resolve. Often they may also evade taxation since they view governments as abusive of the fiscus. Governments who do not

pursue efficiency and effectiveness allow the conflictual relationship to be perpetuated. These behavioural characteristics within the system must be eliminated. If this were achieved, there would be a fairer basis for welfare distribution and poverty relief.

Out of choice, no human being wants to be poor. This is even truer for the affluent. And yet there appears to be an unwillingness to use wealth for welfare, or allow others to enjoy the same fruits. The poor, who find changing their ingrained life styles difficult to change, often obstruct development.

When custom or law assist maldistribution, governments have difficulty in making any changes. Any attempt to improve the lot of the poor, for example land redistribution, does not achieve the desired effect. Even religious institutions mostly do not get involved, as they get their monies from the affluent. Salaried people have their taxes deducted from their salaries, while wealthy people tend to find ingenious ways to evade their tax liabilities. Political power can be used to improve the lot of the poor by creating safety nets - but the experience of less developed countries indicates that instead maldistribution actually becomes worse.

Land maldistribution in less developed countries becomes possible as internal finance makes it possible for the wealthy to branch out into other areas of production which are more profitable than agriculture. Land redistribution often results in lots of small, non-viable farming operations. Failed agriculture then results in rural people flocking to urban areas for a better life, which puts pressure on these areas to support the new residents.

The resultant decreased food production often leads to importing of more food, which is much more costly to purchase. The balance of trade then becomes unfavourable and often leads to currency devaluation, making food and other commodity importation more expensive. Land reform programmes thus often fail along with wealth distribution. Industrialisation of agriculture through new technology often makes workers redundant and adds to the pool of urban poverty. Wealth maldistribution then becomes aggravated. The meagre earnings of rural workers do not improve with agricultural industrialisation. National development requires a break from conventional land redistribution. We need to take a new stance toward utilising suitable land for agriculture and a fresh look at agriculture production and distribution.

Our own balance of trade and foreign reserves have reached alarming proportions. It is common cause that the rands value against most major currencies is extremely low. There is also acceptance that many job losses have taken effect- and in a rural province such as the North West unemployment now stands at a record high of 37%

2.5   ECONOMIC INSECURITY AS AN OBSTRUCTION TO DEVELOPMENT

Economic insecurity arises from loss, appropriation or reduction in a person's wealth or ability to generate it. While neither rich nor poor are exempt, the consequences for development are significant when the rich are affected. Competition is feared by the affluent in poorly developed countries. They are often protected by governments through interventionist economic policies, which are designed to reduce competition. A case in point was the Nedcor/ Stannic take over bid,

which would drastically have curtailed competition in the financial sector.

Whether private or public, institutions whose performance is not tied to their continued existence, do not generally make the grade. The lack of competition between them normally negatively affects the poor. In poorly developed countries competitors fix prices which, combined with prohibitive imports, maintain high prices. The rich then find ways to get their wealth out and move it to more favourable situations. The poorly developed countries are not able to keep up with this ingenuity and thus protect the wealth of the state. Billions of rands have recently left the country under the guise of off-shore investments with the relexation of exchange regulations.

Threats of currency devaluation drive the wealthy to convert their money to currencies considered to be less of a risk. Since many have access to information about the timing of the devaluation, they are thereby able to benefit from it. All these actions are aimed at avoiding the erosion of the value of money. Where this happens on a large scale these actions can contribute to a greater wealth maldistribution. When faced with this situation, governments then budget for deficits and repay their debts later. The debt trap is thus sprung and they borrow at punitive interest rates to bridge the deficit - wasteful public spending.

2.5.1 Economic scarcity as opportunity for development

Resource scarcity can lead to more effective use of money and thereby becomes an opportunity. This can result in surpluses, which are then traded for more scarce resources. Billions of rands have recently left the country under the guise of offshore investments with the relaxation of exchange regulations

Provision of income is effectively obtained through employment, thus reducing poverty. Governments are mostly the predominant supplier of services to society. The cost of these services may lock out many who should be recipients. If the costs were reduced through efficiency, more services would thereby become available. Typical bureaucracies perpetuate their existence rather than efficiency and effectiveness to address their purpose.

Because performance determines the survival of private organisations, they generally provide better services and should be allowed to tender in competition to public agencies. When there is more competition for services, the consumer often benefits. Services provided by public agencies, which have no direct relationship to costs often leads to abuse. When public and private agencies compete there is further motivation to perform efficiently and effectively - which could extend employment prospects justifiably.

Nationalised industries like Eskom, Telkom and others, on account of patronage, protectionism, bureaucracy, monopoly and corruption, consume rather than generate wealth. This often changes when governments allow the private sector to share ownership, particularly management thereof. When compensation of employees becomes dependant on profit, substantial efficiencies can be obtained.

In order to address the plight of the poor, sectors of society such as labour, industry and government could well consider foregoing resources in the short run. The way labour and industry

size up to each other in bargaining for better shares of the cake, the ones' loss is viewed as the others gain. There can be a win-win scenario if all parties co-operate including government.

In order to reduce the cost of industrial products for export markets, government can reduce taxes for exports. Labour can then also agree to produce these goods at lower wages or increased productivity, and industry agrees to reduce profit margins. This would translate to increased employment opportunities for the unemployed, with greater political stability. Government would be levying more taxes from the additionally employed, and labour would have a greater availability of employees from whom to recruit new members and add to their coffers. Industry would obtain increased markets and consequent increased profits with the exclusion of negative conflict, $1 + 1 = 5$.

The promotion and support for Small, Medium and Micro Enterprises is internationally accepted as the most progressive way to expand the economy.

2.5.2 Maldistribution of wealth as an opportunity for development

Taxation as the principal form of government revenue is difficult and costly in less developed countries (LDC's) because of scarcity of information in order to enforce compliance. Low employment also reduces this source.

Wages are taxed at the source of payment and tax on consumption is levied on products such as "sin tax", harmful items or luxuries. Maldistribution of wealth occurs because tax is regressive and is often more punitive to lower and middle income earners in comparison to those earning higher. The development of consumption based taxes which is non-regressive is an opportunity to LDC's.

2.5.3 Economic insecurity as an opportunity for development

Fears of economic insecurity are varied such as inflation, recession and devaluation. This is often only addressed when the economy shows growth and government provides a stable environment for protection of property and external threats.

Economic insecurity has its origin in absence of economic development. This provides government with an opportunity for an inclusive, participatory plan such as the Job Summit-harnessing role-players with collective skills and a sustained effort to implement the plan.

One must accept that given the countries inward focused economy primarily dependant on gold and maize exports-by a 360 degree turn around to one that is manufacturing competitive within a global economy takes time. The effects of the Job Summit will only bear fruit in the years to come.

2.6 AESTHETICS / QUALITY OF LIFE

Aesthetics scarcity - when there is no beauty, one has ugliness - it is negative to the pursuits of the ideal. When there is no excitement, we have boredom, which suppresses activity. Poor people live in a world of scarcity of beauty and absence of fun, a life of mere existence - a fight for survival.

Affluent people may justify this by claiming their poor fellow citizens are happy with their lot. Poor people do engage in leisure activity such as sport - but quality of life remains a challenge and obstruction to development. Mostly the affluent person's life style shuts out the poverty around them, where they live, travel and entertain are usually all away from places of poverty.

When the poor accept their conditions - the pursuit of any ideal has no relation to reality. Religion can play a role in getting them to accept their squalor for the promised paradise of the hereafter. This too obstructs development. Thinking that one's wealth absolves a person from responsibility to address these conditions in whatever way one can, is also an obstruction to development.

The hopeless acceptance of ugliness destroys the pursuit of beauty. All this can be reversed by honest and productive labour, care and sensitivity, which is not in short supply in LDC's. There are numerous examples where in informal settlements, quality of life was improved by development. (Mail & Guardian, 1999).

Programmes that are initiated are alternatives to hopelessness, and government should encourage and support these. "Idleness is the devil's company". Where people are engaged in any inspirational activity - it helps to prevent social abuse such as drugs, alcoholism and crime. Beauty has a commonality - wholeness, harmony and radiance.

A collection of elements constitute a whole with each playing a role in the fulfilment of function - collectively. No one part can measure to what the whole can. Segregation can be an example of being aesthetically offensive and a moral obstruction to development. When the separate constituents/elements operate harmoniously they produce a product such as music from a piano - both black and white keys played in harmony. Any element/part that does not contribute to aesthetic inspiration is an obstruction to development. Filth and squalor de-beautify a city and so too is crime a social disharmony.

Radiance is an alive-ness, it sparkles with vibrancy - we get affected by it, feeling good and inspired to do. It can be associated with trying to be worthy by touching the lives of others in a beneficent way. An artist or musician, who refuses to share his creativity, contributes to aesthetic obstruction. In developed countries, more time is spent on re-creative - rather than creative art forms - with greater entertainment value than stimulation, indicating a fear of loss, rather than a desire to want to improve.

LDC's import TV programmes and motion pictures from their developed counterparts, with potential threats to development. There must be some balance between creation and recreation to avoid obstruction to development. Boredom can be overcome with entertainment and the participation in development and implementation.

The gist of the problem lies in the many social needs existing amongst the majority population of the country. The most common reaction is to divert funds from art/music/drama etc for more pressing needs such as water and electricity. The closure of national structures such as orchestra's etc currently taking place bears testimony to what is happening. As less monies become available to the arts- the greater the contribution to the destruction of creativity.

2.6.1 Scarcity in quality of work life

Alienation from work on account of its quality, reduces productivity and economic growth. Tasks that are repetitive in very gloomy surroundings, with retrogressive management styles "allows despair to set in. This is so where perceptions are set that the conditions cannot be altered. When knowledge unfolds of others having better work conditions" persons in poor surroundings naturally become demoralised and demotivated, resulting in a quantitative and qualitative reduction of output. Staying absent, coming late, frequent accidents, high staff turnover and even insubordination or sabotage are the end result.

A number of more developed countries have embarked on steps to address this by reconsidering the work structure, job rotation, job enrichment, autonomous work groups and community councils.

Delegation of decisions concerning what types of food to be served in the canteen, are given to workers. This reduced control instils a sense of responsibility and satisfaction with increased productivity. The only problem with this is that once these needs are saturated - job satisfaction goes down again. The solution to this is a perpetual commitment to recreate and so doing, constantly seek to expand the horizon for greater job satisfaction.

Job rotation is undertaken to overcome the boredom of repetitive tasks, but eventually a radical redesign of the job is undertaken to offer challenges and interest.

Job enrichment occurs when work is made to fit workers, not designed to fit machines. Tasks are made larger and more complex to increase performance. Socio-technical systems design can be undertaken to address the technical, psychological and social aspects of work. The public service in the North West Province is cold and the model of organisation has not adapted to progressive changes in managing people.

With autonomous work groups, tasks are given and workers are free to organise themselves to achieve results. Leadership and tasks can be rotated - they have almost complete control, save for outputs required.

Community councils of all sectors / government, labour and business meet to discuss job satisfaction and the future of the community. Other "humanising" efforts have been career-pathing with employer responsibility, benefit "packages", and flexi-time. LDC's can thus obtain economic advantage by pursuit of aesthetic objectives.

41

Humanising efforts in the North West Province have met with mixed reactions. At a specially arranged two-day stress relief work-shop, only a few leaders from both the political and administrative leadership attended. The most common apology-people had was too many commitments and they were unable to attend.

Efforts to include rank and file staff to allow ownership over decisions also had set backs. Most junior staff were intimidated in speaking there minds as they feared victimisation from management.

In other cases the humanising efforts did create a more casual environment. This more particularly when personalised birthday wishes and seasons greeting messages were introduced.

2.6.2 Maldistribution of aesthetics

Aesthetically the areas where the poor live are normally densely populated urban slums. This is very different from where the affluent live in properly planned and resourced suburbs. Economic status decides which side of the "road" you will live on. Access to cultural, artistic, and recreational facilities is normally for the affluent only. In South Africa a small percentage of the previously disadvantaged have climbed the ladder. But the majority of our populace is locked out from cultural and recreational facilities.

While information technology through electronic media can potentially bring entertainment to every house, this is mostly prevented by an absence of electricity or television in poor households. Besides the lack of creativeness in the programme content, it is also not participatory. Neither painting nor sculpture can really be appreciated through the electronic media. Cities that are integrated both socially and economically could allow for equal access to artistic and recreational facilities for every member of society. Integrated societies are much less depressive than segregated societies.

Aesthetic insecurity arises from those who are satisfied with the quality of life, those who seek to insulate themselves from the rest of society. High walls and fences go up around them, effectively shutting off any contribution to development. Behind the wall may be a swimming pool, a tennis court and other such recreational facilities and access to these are only for the chosen few. Whether in South Africa, or any other part of the globe, if the gap between rich and poor is greater and continues to grow wider-no amount of policing can resolve the consequent crime that is likely to follow. The challenge therefor is not raised by more policing but alleviation of poverty.

Works of art and recreational facilities, which are publicly owned, are kept in public facilities far from where they could be stolen or abused. Without transportation, access is denied to the poor. Since these are public goods, they should be dispersed more widely, so that access is easier to them. Insecurity has done the reverse.

Developed countries have separated work, play and learning in every way. Work does not allow for playing or learning and schools prevent useful work or play while learning. The way work and learning have been separated, only muscle or brain separately and respectively is required - not both. Feelings find no accommodation. Education had to satisfy the need of the machine-

conceived work set up. Work-study methods and industrial engineering clearly prove that human beings must fit into work conditions and not vice versa. The public service therefore cannot serve the purpose of its existence without radically changing in a rapidly changing social and economic world.

LDC's in which the separation of activities are not too deeply embedded can allow for scientific, technological, economic, ethical, moral and aesthetic aspects to impact on all parts of the whole, which is life and life itself becomes an expression of art. We must seek to establish a model of organisation that allows for expression of our wholeness of being.

2.7   CULTURAL VALUE / ETHICS AND MORALITY

Morality and ethics help define the rules by which societies are knit together and then with minimum conflict. Reforms are the products of demands based on moral arguments - such as Apartheid being a crime against humanity. Political programmes then convert these demands into law or religion. Morality based human rights, as in South Africa, leads to more widespread political support and action and then consequently legal reform. Morality could thus assist or prevent development – "the essence of morality is co-operation, that of immorality is conflict". We could as a nation so easily have followed the Angolan Road Map.

Co-operation does assist development, conflict the inverse of this. Constrained conflict defines permissible rules of behaviour. This is best illustrated in wrestling or boxing - as opposed to a bar brawl. Healthy competition within the rules is permissible. The rules that govern the conduct of business, differs from the rules of war.

Fairness usually distinguishes the boundaries of socially acceptable competition. It is also an efficient means to certain ends - such as a soccer match. If winning becomes all, then the rules will be broken and development becomes regression.

Moral scarcity occurs when freedoms and basic human rights are denied. Freedom has limitations in that, it ends immediately when one's rights infringes upon those of another. Therefore human rights laws are intended to limit conflict and especially between state and individual.

First generation or basic human rights are freedom of religion, speech, conscience, thought, opinion, protest, a bill of rights to protect accused persons, protection of property and appropriation, freedom of assembly and equality before the law.

The second generation rights are being expanded to include the right to work, to a decent standard of living with regard to health care, shelter, education, environmental protection irrespective of race, religion, gender, colour or status.

The cycle of moral principles to be embedded into a culture would be firstly to engage in a moral debate, to be followed by political programmes and then legislation - conversion from functional (moral) demands into structural dictates (laws), such as the Reconstruction and Development Programme.

Most MDC's have reached their present state of development through recent regional wars, and conflict with colonial powers where there was the exploitation of the poor and tremendous damage to the environment. These activities were once considered necessary for development. Today these conditions are not encouraged to a point where, countries with poor human rights track records, are unable to develop quickly. The guarantee of freedoms is now entrenched in the South African Constitution and these arise from the moral requisites for it to be legally binding. Whilst freedom cannot be planned for - collaboration between political development and legal planners can protect rights. The absence of rights results in moral bankruptcy

2.7.1 Freedom and opportunity

Freedom of access to opportunity, the right to enquire, to question, to learn, and to pursue ideals are basic freedoms. We seek happiness and satisfaction through these pursuits and the opportunity to work with others in planning civic unison. These activities allow for development to penetrate a society. Knowledge in a developing and changing world is critical, for development of abilities and increasing capacity to pursue objectives.

When intellectual pursuits are not guaranteed, society's ability to learn stagnates. When intellectuals do not have freedom where they are fearful or suspicious (to constructively criticise government), their productive capacity is destroyed.

Learning is usually expanded when scholars exchange information, knowledge and understanding at conferences, publications or associations of the like minded. If these are prohibited, knowledge will not be furthered. In autocratic regimes, this is likely to be the case.

A case in point is the debate around the residents view on HIV/AIDS. Not getting embroiled on either side of the debate, one needs to encourage the principle to address the issue.

2.7.2 Freedom and government

In a system such as Apartheid, where government was built on narrow racial ideology, it was preserved by power for decades with huge levels of repression. In a democracy, this will not be permitted.

2.7.3 Freedom from religion

Religion has often been used to suppress human rights and whilst it is protected under human rights declarations - freedom is not protected from it. Certain religions are permissive while others dictate life style from cradle to grave.

Voluntary acceptance of religious dogma would not pose difficulties, but their imposition on all and sundry is problematic, especially where narrow sectional views are imposed. Over the past 3000 years organised religion has sought to prevent new and creative thinking. The church's opposition to Galileo's research is an example of this, where they sought to prevent alternate

44

thinking that would threaten or contradict their positions.

Where organised religion takes on the position of being self-righteous and infallible it lifts ethics and morality out of the arena of choice and denies the freedom of others, by their zeal and propaganda. Learning and development can serve as an escape from this rigidity of thought. It is critical for development that the excesses of any cultural expression be avoided.

Religious zeal would attempt to justify exploitation now, since the pain of the present is of no consequence in relation to life after death. Often organised religion will collaborate with oppressive regimes. But when oppressed by the state they will oppose government under the guise of civil liberties. This sort of involvement reflects a misperception of morality in reacting to a threat opportunistically for self-preservation. Organised religions have been and remain divisive forces, tending to promote the distinction between the "they" and "us". To protect individual freedoms there must be separation of state and church, and further a possible prohibition of church involvement in politics.

2.7.4   Maldistribution of morality

This occurs where separate freedoms and opportunity are prescribed to members of a society, thereby obstructing development. This normally stems from discrimination and prejudice on grounds of colour, gender, language, social origin etc. or caste such as in Hindu societies - no less than disguised slavery.

Discrimination occurs in almost every society; in India by caste, Saudi Arabia against women, United States against communists, Cuba against capitalists, Northern Ireland against Catholics and in Eire against Protestants.

Discrimination based on heredity features such as race or sex is normally through alleged inferiority - based on pseudo-science. Discrimination based on acquired differences for example, political views would be argued out. Differences in this category, represent potential threats to ordered societies. Where these differences are not resolved we force the overt opposition to resort to violence to stake their societal claims.

Discrimination's product is civil wars. This is witnessed in many parts of Africa and the world, retarding development with the destruction of human and natural resources. This exposes man's inhumanity to man and the great suffering of millions of people. No one needs to be deprived of freedom and opportunity. When we do this we reveal our most destructive capacity - as we currently witness the events in Kosovo.

Moral insecurity seems to follow when competition breaks into conflict, when rules are broken and the social purposes are diverted; a fear of opportunity loss can motivate cheating.

2.7.5   Cheating and corruption

Ambrose Bierce described business intercourse as "never steal, cheat". Cheating is an obstruction to development, a global scourge where lying and deception is accepted internationally. Technology and economic growth can perpetuate cheating.

When competitors are equally matched, they cannot harm each other. So it is only the innocent, poor and disadvantaged who are impacted upon negatively by these activities - eroding the moral fabric of society. It is so deeply ingrained in human existence - some believe, it is beyond containment. Animals display altruistic behaviour - and humanity would not have survived without altruistic characteristics.

Cheating gives birth to corruption with eventual subversion of the law and this finally finds expression in anarchy. There is a perception that the wealthy, having been able to access government bureaucracies will be among the few to obtain access to government's services, making the distribution of wealth that much more skewed.

Trust and confidence is eroded when one party expects that the other party will attempt to cheat him/her. Neither co-operation nor development can prosper in an environment of distrust. Trust can be restored by willingly helping others. Trust is easily destroyed and hard to restore when rumour is the order of the day.

In the absence of open communication rumours are taken for truth. An example is when the corruption of officials gets exaggerated. It is often presented so that public co-operation in national development is diminished. When communication is perceived as propaganda, ambiguous misunderstanding and deep mistrust sets in. This acts as an obstruction to development as people withdraw from contributing to social development. The controversy attached to the Job Creation Fund bears testimony to this problem, where opposition to the ruling party refused to support the fund making accusations that the money would be mismanaged and not serve the desired interest.

Governments must preserve order. To do so intelligence gathering assists in doing a threat analysis. Where a government uses excessive means of force, communication is decreased and development is obstructed in both society and government.

The morality of planning is somewhat contradictory. Politicians and planners are accused of paternalistically planning for others - depriving them of choice since the public gave to the planner the mandate to plan and develop in the best interests of people and environment. The counter argument is that this is immoral because the freedom to choose is removed, with government doing everything for them. Arguments for, and against planning are obstructive to development.

Organised religions can and often do openly challenge planning and change and thus can either retard or assist development. In this regard it is perhaps best to engage in participative planning, locking people inside rather than outside.

2.8   A SYSTEMS DYNAMIC FORMULATION

To better understand the interactions of the critical variables discussed in the preceding pages, one will explore the nature of systems in the North West Provincial Administration. This is done in the context of: time; the totality and the interactive nature of change within the system; and the systems interaction with its broader socio-political and economic environment.

Alvin Toffler (1991:17) in *Powershift* says that "*... in describing today's changes, the media fire blips of unrelated information at us. Experts bury us under mountains of narrowly specialised monographs. Popular forecasters present lists of unrelated trends, without any model to show us their interconnections or forces likely to reverse them. As a result, change itself comes to be seen as anarchic, even lunatic.*

By contrast, this trilogy starts from the premise that today's high-speed changes are not as chaotic or random as we are conditioned to believe. It contends that there are not only distinct patterns behind the headlines, but identifiable forces that shape them. Once we understand these patterns and forces, it becomes possible to cope with them strategically, rather than haphazardly on a one-by-one basis.

However, to make sense of today's great changes, to think strategically, we need more than bits, blips and lists. We need to see how different changes relate to one another".

Tom Peters (1998:11) in "*Thriving on Chaos*" says, "*So this book is about a revolution - a necessary revolution. It challenges everything we thought we knew about managing, and often challenges over a hundred years of American tradition. Most fundamentally, the times demand that flexibility and love of change replace our longstanding penchant for mass production and mass markets, based as it is upon a relatively predictable environment now vanished".*

Having examined many successful firms in the 1990's he concludes that they have the following commonalities: They are, flatter, populated by more autonomous units, oriented towards differentiation, quality conscious, service conscious, more responsive, faster at innovation and users of highly trained, flexible people as the principle means of adding value.

The lengthy quotations that follow are justified on the basis that they so accurately capture the thoughts to be conveyed. They are also included here since each of these authors, support the central concept of systems dynamics. It would be an exercise in folly to have paraphrased their wording.

In *The Knowledge Creating Company*, Nonaka & Takeuchi (1995:9) make the following statement:
"*Although Western managers have been accustomed to dealing with explicit knowledge, the recognition of tacit knowledge and its importance has a number of crucially relevant implications. First, it gives rise to a whole different view of the organisation - not as a machine for processing information but as a living organism. Within this context, sharing an understanding of what the company stands for, where it is going, what kind of world it wants to live in, and how to make that world a reality becomes much more crucial than processing objective information. Highly subjective insights, intuitions and hunches are an integral part*

47

of knowledge. Knowledge also embraces ideals, values and emotion as well as images and symbols.---once the importance of tacit knowledge is realised, then one begins to think of innovation in a whole new way.

It is not just about putting together diverse bits of data and information.

It is a highly individual process of personal and organisational self renewal. The personal commitment of the employees and their identity with the company and its mission becomes indispensable. In this respect the creation of new knowledge is as much about ideals as it is about ideas. And that fact fuels innovation. The essence of innovation is to recreate the world according to a particular ideal or vision. To create new knowledge means quite literally to recreate the company and everyone in it on an ongoing process of personal and organisational self-renewal. It is not the responsibility of the selected few - a specialist in research and development, strategic planning, or marketing - but that of everyone in the organisation. --- we focus on explicit knowledge and tacit knowledge as building blocks in a complementary relationship. More importantly, the interaction between these two forums of knowledge is the key dynamics of knowledge creation in the business organisation".

Dodds (1998:15) concludes: *"...for today's methods of inquiry, two critical elements are required in our world in which knowledge and thinking have been artificially separated from the evolutionary transformation of a world which we both shape and are shaped by.*

They are:
- *the ability to generate information, knowledge and understanding and*
- *the ability to operationalise what we know so that we may improve what we do, how we do it and why.*

Inquiry is purposeful activity by which we attempt not only to understand, but also to shape the world, society and our common destiny. Therefore it needs to be anchored for us in the meaning of life as an evolutionary whole as human beings. Life therefore is not something that happens external to us in an abstract environment, but as an integrated process in which we are closely connected to all that happens across the globe.

Knowledge is then viewed as human purpose and values, instrumentally not the means by which we exercise power over nature or each other, rather as interface of understanding by which we map into our future and learning from mistakes of our past. Reality has been artificially separated, having created conflict between ourselves and nature and also between and within people; by these false distinctions. Our mistake of separating them have led us to understand that 'efficiency' at managing them as we thought they were, has led to the quality of life being reduced of the whole and the understanding that the nature of life and the world we live in is not divisible.

As Gharajedaghi states 'Learning to be is essentially a character-building activity. It is about values, world views and identities. It involves desires as opposed to abilities; the capacity rather than the content; the direction rather than the speed; the why's rather than the how's; the feeling rather than the thinking; the meaning rather than the action; the process of becoming rather than the state of having. It is about doing the right thing rather than doing it right. Learning to be, in essence, involves aesthetics...Aesthetics, contrary to popular belief, is not a luxury. Societies which were antithetical to aesthetics invariably proved to be anti-human and anti-development as well'.

...Success [therefore] depends on the ability to separate those core assumptions that are essential for our existence from ones which are obstructive and dysfunctional. Even then, the pursuits of successful strategy for change cannot be externally imposed. The only chances of effecting a cultural transformation is when the process is attempted, selectively, interactively and participatively. The process is a high level social learning and unlearning. It is only by the act of discovering and interpreting our deep-seated assumptions that we can reintroduce us to ourselves.

The experience is liberating because it empowers us to reassess the purpose and course of our lives and, through that, to be able to exercise informed choice over our preferred future".

Dodds (1998:1) in her paper titled "Third Generation System Thinking" makes reference to Gharajedaghi's book (1998) "Interactive Design: Third Generation Thinking" where chaos, interdependency and choice are examined, as they apply to <u>mode of organisation</u> (practise) and <u>mode of inquiry (theory)</u> of social systems.

Dodds continues to argue that systems thinking and mode of organisation as per Gharajedaghi's methodology are presented as coherent, mutually re-inforcing as well as self consistent principles cutting across human activity, a combination of systemic concepts, their application in both organisation and society learning that follows therefrom.

Quoting Gharajedaghi (1999) (see Dodds, 1998:2) "Shifts in paradigm can happen in two categories: a change in the nature of reality or the change in the method of inquiry. Also possible, however, is a dual shift involving both dimensions. The significance and impact of any paradigm shift cannot be overstated, but facing a dual shift is an even more formidable challenge. It tests the outer limits of human capacity to comprehend, communicate and confront the problematique."

We are now facing the challenge of a dual shift. Not only has there been a shift of paradigm in our understanding of the nature of the beast-i.e. from our conception of an organisation as a biological model to a sociocultural model-but there has also been a profound shift in our assumptions regarding the method of inquiry, the means of knowing, from analytical thinking (the science of dealing with interdependent sets of variables) to holistic thinking (the art and science of handling interdependent sets of variables). The complementary nature of these two dimensions is at the core of understanding how the game is evolving and identifying the drivers of change.

As for the competitive game between nations and corporations, Garajedaghi distinguishes a "multidimensional devil" at play, each dimension having profound domino implications on how we assess both <u>what we do</u> and <u>how we understand</u> an environment that is constantly changing. The hierarchy of forces eroding competitive advantage is:
- IMITATION; erodes successful distinction through imitation whereby exceptions become norms.
- INERTIA; results in delayed reaction to technological "breaks" - the more success a company has with a particular technology, the greater the resistance to change.
- SUB-OPTIMIZATION; is exaggeration reflecting a tendency to push one's strength to the edge, where only one right answer exists - a narrow path to victory and subsequent failure as competitors explore alternatives.
- CHANGE OF GAME; when the problem is successfully resolved, altering the original concerns, which generate new qualitative different problem sets playing the game

49

changes the rules.
- PARADIGM SHIFT; when the totality of the preceding kinds of change negates conventional wisdom, revealing new dilemmas and contradictions that can't be denied/ignored with the current paradigm unable to take one forward.

Compounding this multi-dimensionality within the nature of change are other complicating time frames in these dimensions. Different types of systems exist in different types of time cycles and rhythms so that one discovers separation of cause and effect in both time and space. Cause and effect could even replace each other, revealing circular and resonant relations. Gharajedaghi (1999) says that social dynamics are fraught with counter-instinctive behaviour, occurring on a level of complexity beyond the reach of the analytical approach. Gharajedaghi further points out that what we need is a **systems inquiry paradigm** such as a multi-minded social systemic model, does not imply the paradigm shift in mode of organisation, whether mechanistic to organismic/cybernetic model. The social systemic model advocated here is one that represents a multi-dimensional inquiry that will include a two-dimensional shift as occurs at the thinking level and also needs to occur at organisational level. Low levels of change and complexity would have sufficed with an organismic model - not however in this post information era we are now in. Yet governments and most institutions, despite us having travelled beyond that environment, still try and plaster the cracks based on the old organismic model. We fail to realise that the problem has changed, the rules of the game has changed as well as dual shifts of paradigm in mode of inquiry and organisation.

The world has become concurrently totally interdependent whilst its parts acquire increasing independence - which requires a paradigm of knowledge and organisation that can absorb the levels of complexity currently experienced. In this regard Jantsch (1980: 75) points out,

"Complexity emerges from the interpenetration of processors of differentiation and integration, running 'from top down' and 'from bottom up' at the same time.

Higher levels of integration needs higher degrees of differentiation in order to ensure there is no autocracy and oppression. The challenge of ASHBY'S LAW OF REQUISITE VARIETY lies in the NATURE and AGENT of control which differ in organisational models such as in the autocratic control/mechanistic; in the top down management/cybernetic control, and in the social systemic, self governance by all the individuals of the system".

Control in a social system is a function of "mind" and the models are:
- mindless - mechanistic
- uniminded - cybernetic/organismic
- multi-minded - social systemic

Leaders are caught in the analytical paradigm responding to the challenge by duplicating of complexity in the structure and control of management. This does not provide for order out of chaos, but rather adds to the complexity - retrenching people through downsizing while the nature of the structure (model) remains unchanged.

The solution lies with different kinds of integration for different levels of complexity - a qualitative challenge not quantitative challenge. (See Gharajedaghi, 1999: part 1, 3-6).

2.9   CHALLENGES OF THE GLOBAL KNOWLEDGE ECONOMY AND CHOICE - DRIVEN SOCIETY

Both the mode of enquiry and mode of organisation of Government require shifts, because of the changed operating environment created by the global knowledge economy and information era. The effect of this is to push the social and environmental systems past the threshold of their integrative capacity. Even past the boundaries previously established by the mechanistic and organismic models. Yet our model of organisation has not progressed equivalently - trying to make it "fit a reality for which it can no longer be a solution".

Choice prohibits old order control. Organisations consist of purposeful members who exercise a choice of both ends and means is a sociocultural view. Thus the way a system behaves with parts having choice has to be understood differently.

The key here is purpose; can government for e.g. produce the same outcome in different ways in the same environment and can government for e.g. produce different outcomes in the same or other environment.

As a purposeful system, government is part of the purposeful society in which it operates driven by purposeful people as its members. This plays out in three levels of a hierarchy of purposeful systems. A solution at the one level will not necessarily impact on the other two. The challenge this has in aligning the interests of the purposeful parts of government with each other and that of government as a whole is the challenge of the system. Evolutionary models of organisation/social systems models are the way forward for the post information, knowledge era - moving into the sphere of knowledge and understanding as competitive advantages. People defined as knowledge workers cannot be controlled as their counterparts were after the Second World War. Information technology specialist and others know more about their work than their managers - thus management as supervision cannot be applicable, with management no longer being administrative control but leadership - the management of interactions (creating teamwork and synergy) and addressing conflict. Clearly therefore, the public service as an institution cannot serve as the vehicle to implement government policy or its own functions.

On account of the high conflict levels, simply acquiring information and then disseminating it, assuming people who have information they need in order to perform, will do so, is an error. People as rational beings have choices as to how they react to information made available. If alienation is prevalent, they could sabotage the whole organisation.

Choice and purpose are not merely questions of information but of understanding the why, how and what that people engage in. This includes:
- rationality (relation of means towards ends)
- selective preferences (what excites and inspires people)
- cultural values (the defaults of specific cultures)

There is a need to align the interest of purposeful members of an organisation and create excitement and commitment to the purpose of the whole. This implies that you cannot do to people but you need their active and creative participation. Empowering others is much more important than "power over" them. The old control function needs to be converted to a learning function.

This also requires prevention of the win/lose tug of war, which brings paralysis to the organisation and wastes its energy and seeking conversion to a win/win culture. This also requires purposeful groups and stakeholders outside the institution must be considered to avoid the institution finding itself in conflict with its containing systems and values, which find application therein.

Choices and purposes of stakeholders irrespective of whether inside or outside the institution have changed the ability to control to no control. Mutual influence in a large "transactional" environment where interests of multiple stakeholders must be ironed out synergistically, in order to create desired futures. This poses the demand of "openness" and leadership.

All this means developing the ability to accommodate three levels of choice/purpose:
- That of the containing system the institution is in,
- The organisation itself / and
- Its parts / the members.

Conflict in society will never be eradicated - systems can be designed to contain or dissolve it as and when it arises. This challenge is what interactive management will do within a socio-cultural model, which seeks to address the organisation through ongoing design and redesign.

Rahmatian (1998:6) writes: "*The official party line of MIS is: To make decisions, managers need information. From this was born the naive and simplistic view that what stands between problems and solutions are facts, and if only managers had the right information, problems would be solved. The factor completely ignored in all this is, How managers use (or fail to use) the information received: how their mental models and hidden assumptions influence the way they use information?... The fundamental paradox of decision-making is this: Decisions are always about the future consequences of present actions, whereas factual information is always about the past... failure lies in ignoring the decision-makers mental model of the situation and his/her hidden assumptions*".

Availability of information is no longer sufficient (answers to what, when, how many questions). The problem is not resolved. Knowledge is also not enough (answers to how - questions, outcome of analytical science). What is required is understanding (answers to why questions) and wisdom (what should we do questions). Ethics and other dimensions that were discarded in the sub-optimal analytic emphasis of technological means that questions must be brought back into the inquiry i.e. what ends do we seek to achieve.

What we choose to do as government charged with OUR OWN evolutionary future is not a given. Our potential future creation options cannot be a continuation as we did on the back of the industrial era - this in the face of the environmental and social pathology caused by the ever increasing and intensifying growth.

Understanding can lead to wisdom, which encompasses the ability to make a decision of what needs to be done and why, taking open systems responsibility- which is the essence of leadership. This means we need a multidimensional and multivalent paradigm - both in inquiry and organisation.

While social systems scientists have been propagating this for 20 years, the responses have been quantitative (DOWNSIZING) a solution which is unable to resolve a problem that has undergone qualitative transformation to a different state.

The global economic paradigm has underlying it the "growth" default, a product of the biological systems paradigm which had its root the organisation as uni-minded system. The simple assumption made is that an organisation is similar to a human being, its purpose assumed to be that of survival. Biological beings have to grow in order to survive. Organisationally, this means growth is the measure of success, the most important performance criteria - profit is its measure. Profit is associated with growth, looked upon as socially good, giving profit social acceptance and status But social systems being multidimensional, have more than one end or purpose.

The product of pursuit of wealth is standard of living. This cannot be equated to quality of life nor the meaning people seek out of existence. For purposeful members of institutions, these matters must be resolved to avoid conflict and alienation.

Parts of a social system are capable of choice and do have purposes of their own. They receive information, which is unsatisfactory. Parts displaying choice concentrates the main issue on conflict and the ability to manage it.

Gharajedaghi (1999:12) observes the challenge being designing an organisation with members operating as independent parts having individual choices while simultaneously acting in concert as responsible members of a coherent whole with a collective choice. This needs management of interactions of the parts, with continual or ongoing learning and redesign capability.

Interactions between members/parts of an institution can have different forms. Co-operation may be the order with one tendency, competition over others, conflict with regard to different sets at one and the same time.

Generally whether there is agreement or disagreement with one another over the compatibility of ends, means or both, four types of relationships arise: co-operation, conflict, competition and coalition as described below (see Gharajedaghi; 1999:68):
- Conflict, every party seeks to reduce the expected value of outcomes for the opponents
- Competition is where there is lower level conflict (game of soccer) serving attainment of one common higher objective - enjoyment of the game of soccer (conflict of means)
- Coalition, where actors with conflicting ends come to terms to remove a perceived common obstruction to their separate and conflicting ends
- Co-operation, when there is agreement over ends and means to achieve same. This is a win/win outcome - the purpose of interactive design.

2.10   CONFLICT MANAGEMENT

The different ways of addressing conflict are:
-
- Solve: chose one outcome-win/lose struggle
- Resolve: chose outcome to reach a compromise
- Absolve: avoid decision-neglect
- Dissolve: change in nature or the environment of institution where conflict is embedded-removing conflict
  (See Gharajedaghi, 1999:68).

Zero-sum games (war/competition/ and negotiation/compromise) have an either/or logic, where one party is "right" making the other automatically "wrong". It is assumed that parts of the same system could win at the others expense without allowing the whole to lose/lose, also assuming that the opponent's loss would automatically be translated into your gain. Within an interdependent system the above strategies result in a lose/lose situation or gridlock and paralysis. In this environment, it is easier to make the other lose than to win yourself (since anybody could influence the game). Winning is thus promoted by making the other lose.

This either / or logic which underpins the analytical paradigm completely, where separate functions within an organisation, optimised separately - with competing sets of ends and means, could result in a lose/lose outcome for the whole. Authority and responsibility being separated, results in a situation where workers and management interests' appear inherently conflictual.

When trying to apply systems thinking analytically in the context of organisations in the absence of a systematic model, there is the set pattern to aggregate or combine different systemic organisational solutions despite them possibly having conflicting sets of assumptions at their base.

If one were to presume that selecting a "dominant" model next to other "sub-models" would resolve the problem of structural-conflict inherent to the effort, the problem of paradigm shift is not solved in the mode of organisation. (akin to wanting to breed a shark by mating a whale with a dolphin). Irrespective of whether the whale or dolphin is the stronger in the gene pool, it is not a shark.

This is illustrated by Dodds (1998:8): *"A paradigm shift in mode of organisation, allows us to sell the organisation as a multi-minded, socio-cultural system, a voluntary association of purposeful members who have got together to serve themselves by serving a need in the environment. The paradigm shift in mode of inquiry allows us to see through chaos and complexity and learn how to deal with an interdependent set of variables. Prevailing organisational structures are designed to prevent change - thereby dominant cultures, by default keep reproducing the same non-solutions all over again on the assumption that organisations are just like organisms".*

Given the very many voices calling for transformation in the structures of governance, a social systems methodology will be followed in seeking to address the question of greater effectiveness and efficiency in the North West Province Administration.

2.11   SYSTEMS INQUIRY AND SYSTEMS DESIGN

If we examine the kinds of states in which social systems find themselves in with relation to Integration/Differentiation and Complementarity, they coincide with the Chaos Theory attractor states viz, Point, Cycle, Torus and Strange Attractor. The Jungian states of feeling, thinking, intuiting and willing are also reflected. Social systems as purposeful, have choice of both ends and means i.e. choice regarding STRUCTURE, FUNCTION and PROCESS which are subject to design.

Figure 2.1: The four systemic states

INTEGRATION

ORDER

ORGANIZED SIMPLICITY	ORGANIZED COMPLEXITY
limit cycle attractor	*strange attractor*
agricultural to industrial era	**where we need to be**
responsibve system	*creatice / purposeful system*
high order / low complexity	high order / high compelxity

2   4
1   3

CHAOTIC SIMPLICITY	CHAOTIC COMPLEXITY
point attractor	*torus attractor*
hunter gatherer society	**current state of global system**
reactive system	*active / goal-seeking system*
low order / low complexity	low order / high complexity

CHAOS

SIMPLE   COMPLEX

DIFFERENTION

Source: Dodds, 1998, Fig 5

Excessive structural conflict in organisations as well as society, anxiety, feelings of impotency and resistance to change are the result of a failure to recognise the dual nature of paradigmatic shifts taking place both in mode of inquiry and organisation.

According to Gharajedaghi, (in Dodds, 1998:11) despite all protests to the contrary, all organisational structures are so designed so as to obstruct change.

"Dominant cultures by default keep reproducing the same non-solution, which is why the experience with corporate transformation is fraught with frustration. The implicitness of the organising assumptions residing at the core of the organisation's collective memory, is over powering. Accepted on faith, these assumptions are transformed into unquestioned practices that obstruct the future. They function like self-fulfilling prophecies. UNLESS THE CONTENT AND IMPLICATIONS OF THESE IMPLICIT CULTURAL CODES (WHICH FUNCTION MUCH LIKE DNA) ARE MADE EXPLICIT AND DISMANTLED, THE NATURE OF THE BEAST WILL OUTLIVE THE TEMPORARY EFFECTS OF THE INTERVENTION, NO MATTER

HOW WELL INTENDED".

Analytical thinking preoccupies itself with independent variables via a three pronged process; separating or taking apart the subject of inquiry, explaining the individual behaviour and lastly aggregating the understanding of the parts into an exploration of the whole Systems thinking uses a different process. It puts the system in the context of the larger environment of which it is a part and structures the role it plays in the larger whole (Gharajedaghi, 1999:15).

The method of analysis is founded on a static, structural view of the world, taking it apart first, what it seeks to understand, then attempting to explain the behaviour of each part, and finally trying to "aggregate understanding of the parts into an explanation of the whole". Systems Thinking uses a different process. It puts the system in the context of the larger environment of which it is a part and studies the role it plays in the larger whole (Gharajedaghi, 1999:15).

Gharajedaghi (1999:26) argues that this dominant analytical language only produce a partial understanding of our reality and only seeks to engage only the parts of our being, not the whole.

He continues to argue that we need a holistic language, one of systems that will allow us to see through the chaos and understand the complexity-one of interaction and design to assist with a new mode of living by looking at various ways of seeing, doing and being in the world.

Having done this, we could design new methods of inquiry and new models of organisation resulting in a life in which rational, emotional and ethical choices for interdependent yet autonomous human/social beings.

This systems language will look at two dimensions, one being a framework to understand the nature of the beast and secondly an operational systems methodology to in a practical way define problems and solutions.

The method of analysis was founded on a static, structural view of the world, taking it apart first, what it seeks to understand, then attempting to explain the behaviour of each part, and finally trying to aggregate understanding of the parts into an explanation of the whole.

They form a set of interdependent variables in a somewhat circular relationship. Each of the variables co-produces the others, which in turn is co-produced by others. Which one occurs first or second is of no importance since none exists without the others. Without effective differentiation - there could not be sensible integration and vice versa. Failure to see the importance of this interdependence is excluding the most important challenge of the problem of complexity.

Gharajedaghi thus contends that the set of structure, function, process and their environment are also complementary. There is a co-existence and continuous interaction. To address them holistically, all at the same time, requires understanding each of the variables in relation to the other members of the set. This requires interactive inquiry and design.

Each iteration results in greater understanding and more closely approximates the nature of the whole. Assumptions are examined in the first iteration, and the properties of each element independently, then in its relationship with other members of the set

In the second iteration, validity of the assumptions is established, conflicts/compatibilities are highlighted and dissolved. Iterations that follow provide an integrated design, showing the relationship among structure, function and process, in context of a given environment.

Interdependency imperatives, endless conflict reduction, and the need to produce manageable simplicities proceed from a basic frame of reference and focus on the relevant issues. Inquiry and design each need purpose-specific detail, as the same systematic elements and iterative treatment are being addressed. This needs to happen in conjunction with the social systemic dimensions and principles. See Figure 2.2 and 2.3.

Figure 2.2: Interactive management

BASIC ASSUMPTIONS

How the game is evolving — *Drivers for change* — *Basis for competition*

Systems Dimensions — **Systems Principles**

Defining Problems and Opportunities

POWER Leadership — OPENNESS

Systems Analysis

BEAUTY shared vision — PURSPOSE-FULNESS

Systems Dynamics — Obstruction Analysis

WEALTH internal market — EMERGENT PROPERTIES

DESIGNING SOLUTIONS IDEALISED DESIGN

KNOWLEDGE org. learning — MULTIDIMEN-TIONALITY

Mission — Structure — Function — Process

VALUES dissolving conflict — COUNTER-INTUITIVE-NESS

EFFECTIVENESS — **ADDING VALUE**

LEVELS OF OUTPUT

Redesigning the Business — Redesigning the operations — Redesigning the product

Source: Gharajedaghi, 1999:22 Figure 1.9(a)

Figure 2.3: Successive iterations of function, structure and process

MAINTENANCE OF BALANCE IN SOCIETY

PURPOS

TO ENSURE STABILITY WITH IN SOCIETY IN USE OF RESOURCES BETWEEN PEOPLE

PUPOSE

LAWS PASSED TO BALANCE COMPETING SOCIETY INTERESTS

P R O C E S S

BY USE OF BUDGET

GOODS & SERVICES & REGULATE SECURITY

P R O C E S S

F

C T I

E R

C E

F U N C T I

TO COLLECT TAXES IN ORDER TO REGULATE AND DISTRIBUTE GOODS & SERVICES

STRUCTURE

IN PROVINCIAL DEPARTMENT

STRUCTURE

INTERFACE WITH POWER, BEAUTY, WEALTH, KNOLEDGE AND VALUES - FORCES OF SOCIETY

Source: Gharajedaghi, 1999:22 Figure 1.9(b)

59

Continuous iterations produce an integrated design, revealing relationships among structure function and process.

In this regard defining problems and designing solutions is critical within the context of the North West Government.

In the North West Administration transformation for greater efficiency and effectiveness, we are less likely to succeed because we failed to solve the problem, but because we fail to analyse the right problem.

Neither problems nor solutions can be entertained in respect of a separate enquiry on the efficiencies and effectiveness of the different departments independently. The cutting of money supply by the Finance Department which is good for itself is not necessarily conducive to adequate treatment of HIV/AIDS by the Health Department. We would have to deliberately separate the process of defining the problem separate and distinct from the process of designing a solution.

A mess is thus a system of problems within the North West Administration. It is the future of government implicit in its present defective behaviour. If the province administration is operating within budget, this does not entail further cuts in budget is even better. (See Gharajedaghi, 1999:128).

In seeking to design a solution for the North West Provincial Government, one should work from the premise that the system of governance was destroyed last night. However the developmental needs of the populace remain as the challenge.

This would require improvement in the throughput of the provincial administrations delivery system. A shared understanding among the critical actors i.e. politicians, bureaucrats and society will need to be created by re-design.

Having achieved this, one would need to buy-in and take ownership of the new systems design. Invariably conflict will be generated because of the competing interests of the role players i.e. the politicians, bureaucrats and society. This would require the creation of win/win solutions so as to dissolve conflict. In every crises or obstruction lies a unique opportunity. Creative thinking by the role players can assist in conversion of the obstruction to an opportunity i.e. shortages of finance leading to improved efficiencies in delivery mechanism. (See Gharajedaghi, 1999:129).

CHAPTER THREE: GOVERNANCE CHALLENGES

3.1   A SYSTEMS ANALYSIS

This chapter will describe the public service systems as they currently exist in the North West Province. It will use documents, surveys conducted by different organisations, outcomes from different workshops, meetings and deliberations. .

A SYSTEMS ANALYSIS will follow of the civil service, using North West Province as example of a "generic" government institution and type of organisational model. The obstruction/opportunity analysis previously mentioned will inform the analysis using a social systems perspective.

3.2   ORGANISATION

The North West Province currently employs 82 000 personnel of which approximately 65 000 are permanent employees and 17 000 are temporary employees.

The Provincial Administration has no jurisdiction over salaries of its employees as salaries of officials are presently negotiated at the Central Bargaining Chamber. The wage bill is allocated approximately 62 % of the annual Provincial Budget of R7,2 billion.

The administration in 1994 was amalgamated from three different components viz the Transvaal Provincial Administration, the Cape Provincial Administration and the Bophuthatswana Administration. Having teased out National and Provincial Competencies, ten provincial departments were brought into being. A political office bearer or Member of the Executive Council heads each department with the Premier as head of Provincial Government.

3.3 GOVERNMENT OF THE NORTH WEST

The constitution of the Republic of South Africa (1996a:25), Act 108 of 1996, provides in Chapter 3 as follows:
"Government of the republic. 40(1) In the Republic, government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated"

Chapter 6 (p60) further provides 104(1)

"The legislative authority of a province is vested in its provincial legislature and confers on the provincial legislature the power-

a) to pass a constitution for its province or to amend any constitution passed by it in terms of section 142 and 143

b) to pass legislation for its province with regard to-

    i)   any matter within a functional area listed in schedule 4
    ii)   any matter within a functional area listed in schedule 5
    iii),(iv) any matter within a functional area listed in schedule 6

The Provincial Administration comprises of ten departments through which basic services are provided with the Office of the Premier tasked with overall responsibility for the Provincial Government:

- Agriculture
- Public Works
- Education
- Health and Social Welfare
- Finance and Economic Affairs
- Transport and Civil Aviation
- Tourism and Environmental Affairs
- Local Government, Housing, Planning and Development
- Safety and Security
- Sport, Arts and Culture

The administration has also inherited a number of parastatals and Government Supported Institutions. Some of these have been abolished and others have had name or structural changes such as: North West Development Corporation (which has interests in gambling houses to property development); North West Transport Investments; Parks and Tourism Boards; Housing Board; Consumer Council and the Arts Council.

Figure 3.1: ORGANISATIONAL CHART OF THE NORTH WEST PROVINCIAL
GOVERNMENT
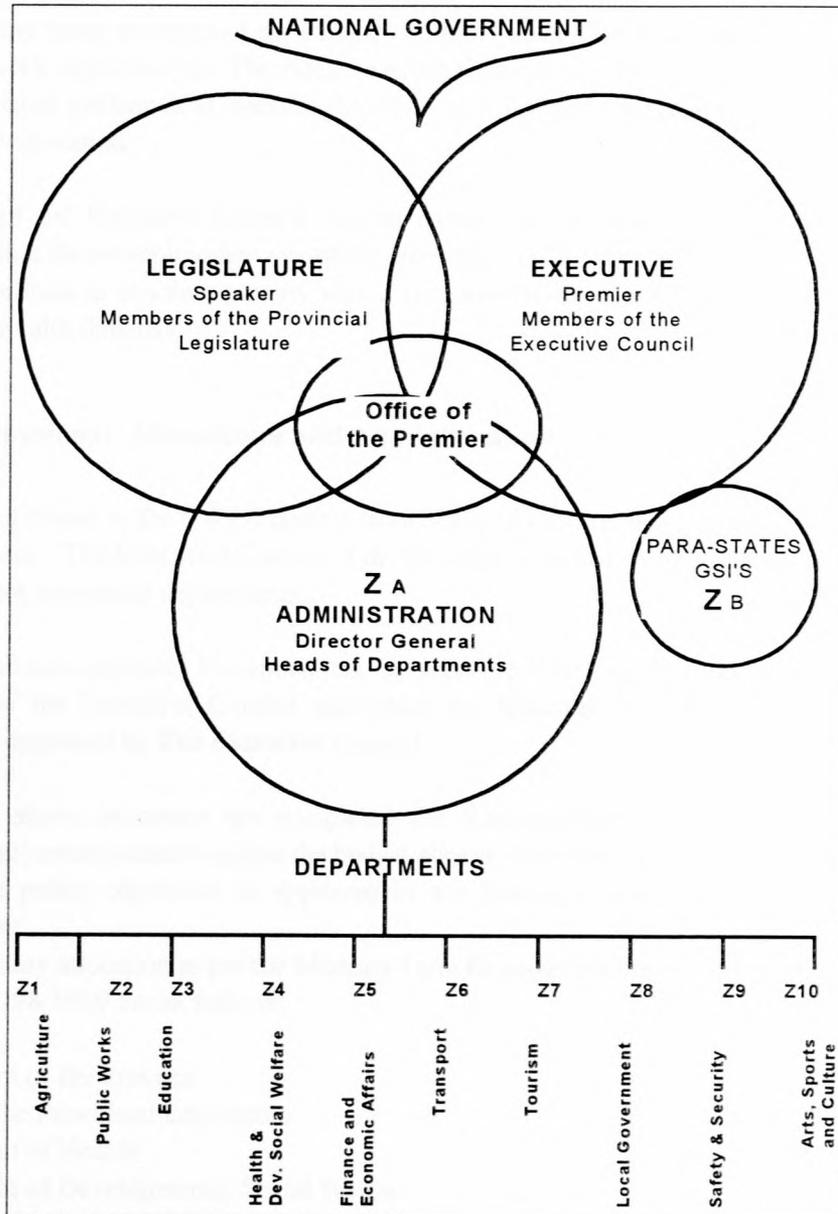
Source: Own design

3.4   THE LIMITATION OF GOVERNMENT IN THE NORTH WEST PROVINCE

There is a scarcity of power vis-à-vis the National Government in that limitations imposed by the negotiated Constitution on provincial government allows for very little autonomy in legislative and administrative authority.

The province also has the disadvantage faced by all rural localities ie educated and highly skilled people reside in urban areas and consequently the scarcity of knowledge workers.

The economic (wealth) base of the province is extremely limited with the principal components of

63

the economy being mining and agriculture - both of which have been shedding jobs rather than creating work opportunities. The extent to which financial viability of provinces featured during the negotiated settlement is questionable. The province only raises approximately 4% of the budgetary allocation.

Member of the Executive Council, Martin Kuscus, in his Budget Speech (24/2/1999: P4) confirms that the unemployment rate of the province is 37%. He continues to say that 57% of the population lives in absolute poverty with a Gini-coefficient of 0,67 amongst the worlds most unequal (wealth dimension).

3.4.1 Financial Allocations and Administration

The flow of money to the NWPG derives from National Government transfers and generation of own revenue. The Executive Council of the Province is tasked with the allocation of monies to the different provincial departments.

The Legislature approves the allocations by separate Vote based on the motivation by each Member of the Executive Council motivating the spending of monies allocated per policy directions approved by The Executive Council.

Once the above processes are completed the Administration (Director-General/Heads of Department) are expected to utilise the budget allocated per line functioning and spend the monies to achieve policy objectives as approved by the Executive and Legislative components of government.

The budgetary allocation as per the Medium Term Expenditure Framework per line function for the year 1998/1999 are as follows:

Department of the Premier	R 79, 860 million
Office of the Provincial Legislature	R 29, 695 million
Department of Health	R1336, 310 million
Department of Developmental Social Welfare	R1316, 610 million
Department of Safety and Security	R 5, 451 million
Department of Tourism and Environmental Affairs	R 69, 144 million
Department of Finance and Economic Affairs	R 142, 771 million
Department of Education	R3229, 584 million
Department of Local Govt, Housing, Planning & Development	R 352, 764 million
Department of Transport and Civil Aviation	R 351, 621 million
Department of Public Works	R 588, 786 million
Department of Arts, Culture and Sport	R 80, 916 million
Department of Agriculture	R 194, 817 million
TOTAL	R7,773, 329 billion

Of the total allocation to the Province, only R 284, 071 (million) goes towards development, development in its broader sense is with reference to the generation and distribution of wealth, power, beauty, ethics and knowledge The rest of the allocation is towards fixed expenses i.e.

wages, administration, etc.

The flow of this R7,773, 329 (billion) through the NWPG takes place via the different departments which will be analysed per vote and displayed in Appendix II. This is no doubt an economic obstruction to development - a scarcity of resources to address all the socio-economic needs of the province. The province only generates 4% of its total budget internally, with the balance provided by central government.

3.4.2 Systems Design (Power) as Obstruction to Development

The manner in which materials and orders flow through, in and out of the administration i.e. in respect of the R 284, 071 (million) for capital development, is as follows:

Departments such as Public Works who would have budgeted for projects would go out on tender. If for example Public Works requires a new road to be constructed to cover 284 kilometres at the cost of R284 million (ACTUAL ESTIMATE) they would advertise via the print media calling for tenders per specification via the Tender Board.

Once the tenders have been received from interested suppliers, these would be assessed and sent back to the Tender Board of the Province with a recommendation to give a decision. The decision having been made, the tender is allocated and work commences with payment affected as work progresses.

This would also apply to other goods and services required by government in access of R 5000,00. All such procurement must be duly authorised by the Provincial Tender Board.

The operations performed on these inputs are for e.g. engineers who are employed by Public Works to monitor the quality of the road construction to see if these meet specification and criteria. The employees of Local Government would similarly monitor the construction of houses etc.

According to the Roads Directorate of the Department of Public Works the criteria applied to determine the construction of roads would entail a balance between National Government Policy such as the White Paper on Transport, Provincial Priorities (such as development of infrastructure) Road Network and Management. The Province currently has 23 000 kilometres of road of which only 6000 kilometres are surfaced roads with the rest being gravel roads. In order to preference road development the department considers other weighting factors such as traffic volumes, expected usage, socio-economic factors as well as inter-sectoral needs such as tourism development.

The Department has developed a Road Master Plan covering developments over a ten year period and indicates the need to surface at least two hundred kilometres of road networks per annum over the next ten years at one million rands cost per kilometre road. Because National Government has competency over national roads and Provincial Government over other roads, the system is dysfunctional - a scarcity of both power and resources obstructing development.

The Department spends approximately R120 million on 3000 employees per annum in order to undertake the work required of them.

One of the frustrations regarding information flow is the long and centralised process of procurement via the Tender Board. Ideally between the advertisement of the tender and commencement of construction should not take longer than 6 weeks. However, in practise this process on average takes between 10 to 15 weeks and cases of a three month delay are not uncommon - clearly inefficient as set out in hypothesis one.

The capacity (or absence thereof) of the Tender Board largely contributes to the inordinate delay in service delivery. Depending on the volume of work to be processed, even after a decision on the awarding of the tender is made, there is a delay of between three to five weeks waiting for the official minutes (record) of the Tender Board Meeting. Pending the availability of the minutes everything is placed on hold, as contractors are reluctant to undertake any work without written confirmation of mandate.

This example of Public Works typifies very much what would be the way materials, money, orders and information flow into, through and out of government. There is no assessment of the interactions of the departments - the outcomes, each one operates separately and independently.

As for co-ordination, control and capacities Human (1998) aptly describes the negotiated revolution and its sunset clauses i.e. the New Public Service.

According to Human, plans can only be worth their salt if they are operationalised. This capacity is however sadly lacking. The "old guard" managers do not have experience of applying new concepts and policies into redefined structures and new projects to be serviced. Therefore the new policies would be "cosmetic re-arrangements" to fit their old world-view. The pattern of the river flow is too deeply embedded to change direction.

Similarly, the new intake into the civil service appears to be skilled in theory - but weak in translating these into action plans, confirming a scarcity of experience and consequent obstruction to development.

Human attributes this shortcoming to a number of factors ranging from lack of understanding of the management environment, lack of experience, an account of opportunities denied. The old guard may lack qualifications but do have a wealth of managerial experience. The new managers very often get employed in support functions - not empowered enough to change the fundamental structure (DNA) of the organisation. Whilst they are most committed to transformation they lack the experience and the clout to bring change and conversely the "old guard" who have the experience and skills are least committed to change.

Says Human (1998), *"There are a variety of reactionary forces that work against deep transformation. The attachment to the ways of the past, and the ingrained models of running a country are some. Our emotional liaisons with the paradigms of the past and the tendency to use only "Western" solutions, are dangerous obstacles to transformation. It is all too easy for the inherited institutions, as material and cultural powers, to perpetuate both themselves and the past into the future. It is within this context that the goats – Fanon's "greedy little caste" motivated only by self interest and greed – thrive".*

66

Human goes on to argue that the consequence of the goat mentality, is the non-development and maintenance of strong institutions - on the contrary they are eaten by their personnel until there is nothing left but bones - they feed off organisations instead of building them, and confirm the hypothesis, that public service currently cannot be a vehicle for transformation and development - and the goats are abusing their power to obstruct development.

3.5   LAWS AND REGULATIONS AFFECTING THE ADMINISTRATION

The power (political) malfunctioning is made explicit by the fact that all of the twenty-three laws referred to below were legislated in the National Assembly. Each of them have profound and far reaching consequences for provincial governments - without any or very little consultation on the substance of these laws with provincial governments, leaving provinces with a scarcity of power, converting them to mere implementing agencies.

As for the knowledge dimension (educational/technological fields) the implementation of the legislation will require more than a Herculean effort. With Mafikeng being the dusty, distant provincial capital that it is, very few well-educated and experienced personnel would desire to work for Government. Consequently, the human capacity to achieve the desired results is in short supply - a dire scarcity of education and concomitant construction to development.

Looking at the cultural value - Gopane, a small village outside Zeerust is a very good example. The disappearance of two young boys in January 1999, led to the community consulting spiritual practitioners. Based on this information they sought to punish the alleged perpetrator. In terms of our Roman Dutch tradition of law, such information is inadmissible in a court of law. The consequence - the community wanted to take the law into their own hands - clashed with the security agencies and chaos prevailed. The process of registration for the coming elections could not be proceeded with - the very essence of an election being the nurturing and empowerment of citizens in the laws of the land.

There are a number of laws, regulations and policy considerations that impact on the administration. In listing them, the following would be of application; but not exhaustive of all laws:

i.	The Interim Constitution, 1993 (RSA, 1993)
ii.	The Public Service Act, 1994 (RSA, 1994b)
iii.	The Constitution, 1996 (RSA, 1996a)
iv.	The Public Service Commission Act, 1997 (RSA, 1997e)
v.	The Public Service Laws Amendment Act, 1998 (RSA, 1998h)
vi.	The Basic Conditions of Employment Act, 1997 (RSA, 1997d)
vii.	The Public Service Regulations, 1998 (RSA, 1998i)
viii.	The Reconstruction and Development White Paper, 1994 (RSA, 1994a)
ix.	The Medium Term Expenditure Framework (RSA, 1997a)
x.	Growth Employment and Redistribution Macroeconomic Strategy (GEAR) (RSA, 1996c)
xi.	White Paper on Transformation of the Public Service, 1995 (RSA, 1995a)

67

xii.	White Paper on a New Employment Policy for the Public Service, 1997 (RSA, 1998c)
xiii.	White Paper on Human Resources Management in the Public Service, 1997 (RSA, 1998)
xiv.	White Paper on Transforming Public Service Delivery, 1997 (RSA, 1997f)
xv.	White Paper on Public Service Training and Education, 1997 (RSA, 1998b)
xvi.	The Finance Handbook (Blue Book) (RSA, 1995b)
xvii.	The Ministerial Handbook (RSA, 1995c)
xviii.	Green Paper on Procurement Policy: Public Works and Finance, 1997 (RSA, 1997b)
xix.	Green Paper on Skills Development Strategy for Economic and Employment Growth in South Africa, 1997 (RSA, 1997c)
xx.	White Paper on a Conceptual Framework for Affirmative Action and the Management of Diversity in the Public Service (RSA, 1998d)
xxi.	Green Paper on Employment and Occupational Equity, 1996 (RSA, 1996b)
xxii.	Green Paper on a New Employment Policy for a New Public Service (RSA, 1997g)
xxiii.	White Paper on Higher Education (RSA, 1998a)

3.5.1 The Interim Constitution, 1993 (RSA, 1993)

According to the 1983 Constitution (Act 100 of 1983) legislative institutions e.g. Parliament, had supremacy over all functional activities of elected politicians i.e. State President and subordinates including public officials.

The 1993 Constitution has changed this entrenching the supremacy of the Constitution - whereby all legislative institutions are now subordinate to the Constitution, with every elected official now directed by the Constitution. This applies to public servants as well, who are expected to act within democratic principles of public accountability (Van der Waldt & Helmbold, 1995).

The National Cabinet and Provincial Executive Councils play an important role vis-à-vis the public service and the legislatures. When implementing policy as prescribed by the government of the day, public servants must bear in mind that they are fully accountable to the citizenry for their needs.

3.5.2 The Public Service Act, 1994 (RSA, 1994b)

Given the fragmented public service inheritance in 1994, the Act sought to rationalise the different administrations by defining national government departments and the provincial administrations as separate legal entities. The Minister for the Public Service and Administration was endowed with the legal authority over national public service norms and standards, salary determination and related conditions of employment. Other powers over personnel matters were shared between the Minister and the Public Service Commission.

3.5.3   The Constitution, 1996 (RSA, 1996a)

Basic values and principles governing public administration as provided for in section 195(1) states that public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:

- A high standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- Public Administration must be development-oriented.
- Services must be provided impartially, fairly, equitably and without bias.
- Peoples needs must be responded to, and the public must be encouraged to participate in policy-making.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human-resource management and career-development practices to maximise human potential must be cultivated.
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.

The above principles apply to -
- a.   administration in every sphere of government
- b.   organs of state; and
- c.   public enterprises

National legislation must ensure the promotion of the values and principles listed in subsection (1) 197 (4) Provincial governments are responsible for their recruitment, appointment, promotion, transfer and dismissal of the public service in their administrations within a framework of uniform norms and standards applying to the public service.

3.5.4   The Public Service Commission Act, 1997 (RSA, 1997e)

The new Constitution abolishes the existing Public Service Commission's powers and Provincial Service Commission's and creates a single Public Service Commission (PSC) for the Republic, comprising 14 Commissioners to be nominated by the National (5) and Provincial Legislatures (9) and appointed by the President.

The Constitution empowers the PSC to promote the values and principles enshrined therein. The Public Service is now tasked with investigation, monitoring and evaluation of the administration and personnel practices as implemented.

The Commission will have to propose measures to ensure effective and efficient performance of civil servants. If necessary, direction must be given to ensure that personnel procedures such as recruitment, transfers, promotions and dismissals comply with the Constitutional values and principles.

Grievance enquiries and remedies can be recommended by the PSC that is accountable to the National Assembly. Their vision is: The Commission is committed to excellence in governance by adding value to public administration to enhance the capability of the Public Service to deliver sustainable and affordable quality services to the communities and people of South Africa. The mission is: The Commission intends to achieve its vision by promoting the democratic values and principles of public administration through: researching contemporary administration approaches and sharing information on emerging trends and facilitating applications by departments, and investigating, monitoring and evaluating public administration, and reporting thereon to ensure efficiency, effectiveness and general compliance with the Constitutional principles.

3.5.5 The Public Service Laws Amendment Act, 1997 (RSA, 1998h)

The Public Service Act, 1994 still allowed areas of uncertainty about the role and function of the Director-General, the Members of the Executive Council and heads of provincial departments. These areas of uncertainty had negative effects on managerial and administrative authority of the aforementioned persons.

The amendments proposed will aim to address issues such as: Slow service delivery in provinces, which according to a provincial audit, was due to uncertainty about the roles of provincial heads of departments in the province and the heads of provincial administrations (D-G's). The head of the provincial administration was responsible for the whole budget of the province, whilst the amendments propose that heads of departments in provinces be responsible for their own budget vote, thereby making them accountable for their departmental budget. This will improve service delivery because decisions will now take place at the appropriate operational level.
Key issues that must be addressed are the following:

- Remuneration
- Nepotism and favouritism in the public service
- Delegations of power
- Employment equity
- Performance management
- Training, education and labour relations.

By its intentions, the legislation confirms the trappings of a rule bound culture in which civil servants find themselves - no regard to aesthetics.

3.5.6 The Basic Conditions of Employment Act, 1997 ((RSA, 1997d)

The main features of the Act are the provisions of a 45-hour working week (with 40 hours as a long term goal, four months maternity leave with full pay, maximum overtime of three hours a day and ten hours a week and Sunday work to be payed at double the normal rate.

The Public Service is exempt from the provisions of the Act for 18 months; begging the question: Why the delay? This merely confirms the environment within public administration, bloated, inefficient and ineffective.

3.5.7 The Public Service Regulations (RSA, 1998i)

The Public Service Regulations (old), the Public Service Staff Code, as well as other prescripts issued in terms of the Act, or its predecessors, which applied prior to the Regulations (new), are repealed as from commencement of the Regulations.

The Regulations are a comprehensive provision of all facets of employment ranging from delegation of authority, responsibilities, nepotism, service delivery, vacancies, remuneration and general conditions of service including performance management. This indicates a clear opportunity to break from the past of control and freeing civil servants to do their best.

3.5.8 The White Paper on Reconstruction and Development (RSA, 1994a)

The RDP is an integrated socio-economic policy framework. It is aimed at mobilising citizens of the country and its resources with a view to eliminating the remnants of apartheid and building a democratic, non-racist and non-sexist future.

The programme consists of six basic principles i.e. an integrated and self-sufficient programme, one that is people driven, providing for peace, security and nation building. There must be a clear linkage between reconstruction and development in the process of democratising the country - a clear opportunity to addressing poverty.

The key programmes would address basic needs whilst developing human resources. Economic growth enjoys priority in the democratising of both state and society.

3.5.9 The Medium Term Expenditure Framework (RSA, 1997a)

The MTEF is one of three broad reforms to the budget process, which seeks to publicise a three year forward estimate when the budget is tabled in Parliament.

In so doing there would be a focus on outputs and outcomes of government spending programmes. The process would strengthen co-operative governance by involving national and provincial treasuries and spending departments. Much more detailed information will be made available to promote an understanding and debate both in Parliament and within civil society.

The process is aimed at informed political responsibility for budget priorities and spending plans. This three-year rolling budget framework means that departments can plan and reprioritise with greater certainty about future resource allocations. It also provides Parliament and society at large with clear signals of governments spending patterns.

While absence of wealth is constantly under pressure by infinite demands compared to finite resources, by diverting funds to social spending, an opportunity to change the wealth dimensions of our society is being exploited.

3.5.10 Growth Employment and Redistribution (RSA, 1996c)

The government in terms of the Gear strategy is primarily perceived as a facilitator that creates the conditions within which civil society functions. In particular, Gears objectives are to reconstruct the economy and orient it further towards the export sector. In so doing poverty levels should be reduced promoting higher levels of economic growth with more work opportunities to reduce unemployment. There is a clear realisation that scarcity of wealth and skewed income in the geographic boundary of the country - are a constant threat to the power and authority.

More importantly, government spending is pegged to meet internationally acceptable norms vis-à-vis budget deficit as a percentage of GDP, further complicating wealth scarcity as an obstruction to development.

3.5.11 White Paper on Transformation of the Public Service (RSA, 1995a)

The principle aim of the White Paper is to establish a framework to guide the introduction and implementation of new policies and legislation aimed at transforming the South African Public Service. The paper has three constituent parts.

The first part sets the scene by outlining the new Vision and Mission as well as highlighting the main challenges and opportunities presented by transformation. Comparative insights and lessons from abroad are examined while looking inwardly at priority areas and processes for change. There is also coverage of the instruments necessary to effect change with its consequent financial implications.

The second part outlines a strategic framework for change, by specifying policy objectives, guidelines and instruments to carry the transformation effort forward.

Priority areas identified are rationalisation and restructuring. Institution building and management needs attention as well as affirmative action to ensure representivity. This is the single clearest statement by government of the service being bloated, inefficient and ineffective. Service delivery requires transformation as the state is democratised. Human resource development and training become critical within a labour environment of conducive employment relations. A professional service ethos must be promoted. This is acknowledgement that the service cannot achieve the objective of its existence, and that radical change is over-due.

The third part of the White Paper draws a number of conclusions with regard to carrying the transformation process forward.

3.5.12 White Paper on a New Employment Policy for the Public Service (RSA, 1997g)

The Department of Public Service and Administration knows, from its own involvement, in

72

administering the existing personnel management procedures, acknowledges that these procedures are ineffective, discriminatory and inefficient. For example,

- It takes around 3 months, and extreme cases up to 12 months to recruit a new entrant;
- Some 79% of the public servants are black; however only 0,16% of black public servants are employed at Director level and above;
- The Public Service Staff Code and Regulations comprise a total of approximately 1700 pages; the Personnel Administration Schemes around a further 3600 pages.

Human resource planning barely exists; many levels of the Public Service are still effectively closed to external applicants; post-filling and promotion criteria place emphasis on education qualifications, seniority and performance in the existing post , and too little on requirements of the job to be done. Performance management is underdeveloped - all this, a clear vindication of hypothesis one.

The vision of human resource management in the Public Service is of a representative, competent and well managed workforce, capable of and committed to delivering high quality services to the people of South Africa.

The mission of human resource management in the Public Service is that it should become a model of excellence, in which the management of people is seen as everyone's responsibility and is conducted in a professional manner.

The values which underpin resource management are:
- fairness
- equity
- accessibility
- participation
- transparency
- accountability
- efficiency
- professionalism
- effectiveness
- flexibility
- decentralisation

These values, by their absence gives credibility to the hypotheses.
There has been very little if any adherence to these values by employees who grew up in an archaic system

3.5.13 White Paper on Human Resource Management (RSA, 1998)

The initiative seeks to achieve a fundamental managerial shift from a centrally controlled, process-driven Public Service to a service which is representative of all the people of South Africa and treats all public servants as a valuable resource.

The values which underpin resource management are fairness and equity in the work place. There must be accessibility of particularly senior civil servants and participation by all members of staff.

Transparency, accountability and professionalism must translate into a more effective and efficient public service. Both flexibility and decentralisation will need to be encouraged.

This shift can be summarised as a shift from personnel administration to human resource management. The White Paper strongly promotes the development of departmental/provincial policies within the parameters defined by national policies. This strongly effects the notion of managerial autonomy.

National and provincial administrations in South Africa employ approximately 1,2 million people, who account for more than 50% of all public expenditure. People are therefore the Public Service's most valuable asset, and managing human resources effectively and strategically must be the cornerstone of the wider transformation of the Public Service. This speaks both to the scarcity of wealth and an opportunity to change the conditions as captured by hypotheses.

The North West Provincial Administration employs approximately 80 000 people, who account for almost 98% of the budget

Managing people in the Public Service has traditionally been seen as an administrative task undertaken by a specialist group of personnel functionaries applying centrally devised regulations and prescripts. The White Paper sets out a policy framework that will accomplish the shift from personnel administration to human resource management.

A professional and impartial Public Service which is representative of all sections of society is essential for efficient and effective government, and the achievement of South Africa's democratic, economic and social goals. This is also no doubt an opportunity of a lifetime to change the swing of the pendulum and making South Africa a winning nation.

Transforming the Public Service into an instrument capable of fulfilling its role in bringing about the new South Africa depends on many things, but, above all, it depends on the commitment and effectiveness of its employees, which in turn depend on the way in which those employees are managed.

3.5.14 White Paper on Service Delivery - Batho Pele (People First) (RSA, 1997f)

The White Paper's purpose is to provide a policy framework and a practical implementation strategy for the transformation of Public Service Delivery.

The White Paper on Transformation of the Public Service, sets out eight transformation priorities, amongst which Transforming Service Delivery is the key. This is because a transformed public service will be judged by one criterion above all: its effectiveness in delivering services which meet the basic needs of all South African citizens. Improving service delivery is therefore the ultimate goal of the public service transformation programme.

The White Paper is primarily about how public services are provided, and specifically about improving the efficiency and effectiveness of the way in which services are delivered.

It is about what services are to be provided - their volume, level and quality - which is a matter for Ministers, MEC's, other executing authorities and heads of departments. However, their decisions about what should be delivered will be improved as a result of the Batho Pele approach, for example through systematic consultation with users of services, and by information about whether standards of service are being met in practice. The White Paper urgently seeks to introduce a fresh approach to service delivery: an approach which puts pressure on systems, procedures, attitudes and behaviour within the Public Service and reorients them in the customer's favour, an approach which puts the people first. This does not mean introducing more rules and centralised processes or micro-managing service delivery activities. Rather, it involves creating a framework for the delivery of public services, which treat citizens more like customers and enables the citizen to hold public servants to account for the service they receive. A framework, which frees up the energy and commitment of public servants to introduce more customer focused ways of working.

The policy framework consists of eight principles, viz:
- consultation
- service standards
- access
- courtesy
- information
- openness and transparency
- redress
- value for money

Batho Pele affirms:
- That the public service is bloated, inefficient and ineffective
- That it is founded on a model of organisation that expressed a solution to an era gone by.
- That it cannot serve the purpose for which it came into existence, in a radically changed and continually changing social and economic world.
- That it can neither serve as an adequate vehicle for implementation of governments policies nor for its existing function.

3.5.15 White Paper on Public Service Training and Education (RSA, 1998b)

Unleashing the transformation potential of training and education in accord with the principles contained in the Constitution, the developmental objectives of current government policy and the strategic priorities of the different provinces and departments will necessitate a decisive and radical overhaul of the training and education regime inherited from the past. The core problem the White Paper seeks to address are the following inter-related elements:
- Firstly, the fragmented and uncoordinated approach to training and education across the entire public service - resulting in the absence of resources and accountability for ensuring that staff are empowered and developed to take on the challenges they face.
- Secondly there is a lack of strategic, needs-based, outcomes-based and competency-based approach to training and education. This need is directly related to the developmental thrust as outlined in the Reconstruction and Development Programme and the White Paper on Transformation of the Public Service and other policy documents.

- And thirdly the nature of training and education that is provided by many in-service and external providers is inappropriate to current developments in the field.

Public service training and development will be founded on the following vision: To contribute towards the development of a dedicated, productive and people-centred public service staffed by public servants whose performance is maximised and whose potential is fully developed through the comprehensive provision of appropriate, adequate and accessible training and education at all levels. The vision is based on the belief that any organisation is only as strong as the people who work for it, and in particular on the conviction that training should and must play an integral and strategic part in the process of building a new public service.

Whilst acknowledging the danger of seeing training and education as the solution to all the organisational problems, the government nevertheless recognises the significant contribution that training and education can make. It sees this contribution as part of a broader strategy for human resource development, to the efficiency, effectiveness, accountability, responsiveness and representivity of the public service.

In pursuit of the vision, government sees its mission as: The creation of a co-ordinated framework for ensuring the provision of appropriate, adequate and accessible public service training and education that will meet the current and future needs of public servants, the public service and the public, and contribute positively to the realisation of the vision. Through the creation of such a national policy framework for training and education, government will seek to enable all public servants to develop their knowledge, skills and attitudes in ways, which serve to maximise performance in their current roles.

Civil servants will be allowed to regularly review their training and education needs and requirements and ways of meeting the need. Opportunities must be provided to prepare for changed roles, duties and responsibilities.

Job satisfaction must be increased and there must be clear career progression. Public servants must be motivated to enable themselves to contribute positively to the transformation and operations of the new public service. The realisation of the above will be evaluated in terms of the following indicators on an annual basis.
- VISION: Output - whether the capacity of public servants has improved in accordance with an agreed measurement.
- IMPACT: - whether improvements in the capacity of public servants have improved the overall efficiency and effectiveness of the public service from a citizens point of view.
- MISSION: Output- whether an efficiently and effectively coordinated framework for ensuring the provision of appropriate and adequate public service training and education has been established and sustained.
- IMPACT: - whether the training and education needs of public servants have been met.

As for the North West Province Administration, a training unit called the Directorate For Training and Transformation was established.

Capacity was brought in from outside government to assist in areas of training by the University of Witwatersrand, Harvard University and a number of NGOS etc who provided needs specific training

76

The South African Management and Development Institute was also active in giving direction on elements pertaining to training.

Many civil servants were encouraged to pursue further studies at tertiary level, and hundreds rose to the challenge and enrolled at tertiary institutions.

While the North West Civil Service is far from the required standards of training envisaged, the long journey has commenced

3.5.16 The Financial Handbook (RSA, 1995b)

This is a guide produced by the Provincial Treasury on do's and don'ts regarding expenditure. It also provides details generally regarding policy issues on spending.

3.5.17 Ministerial Handbook (RSA, 1995c)

By and large guidelines are provided regarding the expenditure in respect of elected officials vis-à-vis benefits and privileges. Aspects covered would look at transport, accommodation, travel abroad etc.

3.5.18 Green Paper on Public Procurement Reform (RSA, 1997h)

Total procurement by the different Organs of State is estimated at R56 billion per annum. The government realises the importance of small, medium and micro enterprises (SMME's) as part of the macro economic development of South Africa. Tendering has always favoured the more established businesses, making it difficult if not impossible for new entrants. Public Sector procurement systems needed to be more accessible to SMME's. The emphasis is on the development and stimulation of the SMME sector and using the procurement system as an instrument to achieve certain socio-economic objectives without compromising the principles of good financial management. Herein lies a unique and progressive manner of wealth distribution.

Institutional and economic reform lies at the root of the public procurement transformation process and should address skills development of key procurement personnel. Specific areas of procurement excellence must be focussed on such as IT. Improvements should reflect value for money and an integrated process which focuses on whole life costs and benefits. TOTAL QUALITY MANAGEMENT must be introduced and bench marking procedures and performance must be aimed for to achieve world class standards. An inter-phase or networking of procurement departments must be obtained to promote effective and efficient procurement practices and systems to enable timely delivery of quantifiable and qualitative services. A clear opportunity to improve on educational scarcity, better usage of scarce economic resources and changing the power dynamic of government's wealth clout - and the elite (those that derive their income from state offers) that currently benefit from the R56 billion per annum.

3.5.19 The New Skill Development Strategy for Economic and Employment Growth in South Africa (RSA, 1997i)

The overall vision is an integrated skills development system, which promotes economic and employment growth and social development through a focus on education, training and employment services. The Skills Development Strategy is an integral part of the government's commitment to overall human resource development which includes education reform and the transformation of health and welfare services. There is no doubt of addressing an opportunity, the aesthetic dimensions of the South African populace.

The core strategy is to create an enabling environment for expanded strategic investment in skills development.

The system should be more flexible and decentralised, but with adequate levels for national co-ordination and direction to support effective localised decision-making. There should be a more strategic approach to education and training.

The system should be demand led, with particular emphasis on the new skills and competencies needed by enterprises to work experiences thus supporting better prospects for employment or income generation. There must be a partnership between the public and private sectors providing for joint control over the new Skill Development Strategy and shared costs arrangement.

The objectives of the policy are to speed up the achievement and progressive improvements of the numeric targets set out in the White Paper on the Transformation of the Public Service - hypothesis one to four.

A further objective is to develop and introduce practical measures to support the advancement within the Public Service of Black people, women and people with disabilities - reducing the power of elites and seeking to redress the economic and wealth dimensions of the populace.

3.5.20 White Paper on Affirmative Action in the Public Service ((RSA, 1998j)

The goal of the Public Service affirmative action policy is to speed up the creation of a representative and equitable Public Service, and to give practical support to those who have been previously disadvantaged by unfair discrimination, in order that they can fulfil their maximum potential within the Public Service. Given the skewed wealth distribution and denial of equitable resources to the majority of our population, historically the playing fields must be levelled. Consequently there are those that perceive service delivery to have been effected negatively.

The objectives of the policy are to speed up the achievement and progressive improvements of the numeric targets set out in the White Paper on the Transformation of the Public Service - an opportunity not be allowed to slip by.

A further objective is to develop and introduce practical measures to support the advancement within the Public Service of Black people, women and people with disabilities.

78

There is also a need to inculcate a culture which values diversity and support the affirmation of those who have been previously unfairly disadvantaged.

The guiding principles will be; integration with human resource management and development, productivity and improved service delivery, cost effectiveness, communication, participation and transparency - addressing hypothesis one to four.

3.5.21 Green Paper on Employment and Occupational Equity (RSA, 1996b)

Eradicating all forms of discrimination in the labour market is one of the fundamental objectives of the government. This is a constitutional demand and is an integral part of the processes that would help achieve social justice in South Africa.

The Green Paper makes proposals of key policy considerations that have gone into the Employment Equity Bill. These proposals are made in the context of South Africa's social and economic development.

The Paper effectively seeks to define employment equity, then puts the concept in context with reference to inequalities in income and status, then looks at factors leading to inequality in employment, proposals are made for employment equity and discussion follows on the institutional framework - which is an acknowledgement of aesthetic scarcity amongst the poor and seeking to exploit the opportunity to redress the situation.

3.5.22 Green Paper on a New Employment Policy for a New Public Service (RSA, 1997g)

The Paper commences by confirming that the Public Service needs to transform itself into an efficient, democratic and fully representative instrument of service delivery.

The Public Service Act, 1994 and the Staff Code contain detailed rules and procedures relating to the employment of public servants, the management of their career incidents and performance, and the termination of their services. Not only are many of these rules and procedures outdated, they are also over-prescriptive, do not focus effectively on the attainment of key human resource objectives such as the establishment of employment equity and tend to emphasise process at the expense of the achievement of strategic outcomes. A case in point was the discovery of a hole in the fence at a game reserve. Since no provision was made in the budget for repairs, several game wardens guarded the fence day and night at a cost of R 7000-00 per week for 5 weeks. The repair costs to the fence amounted to R 5000-00.

The Paper suggests the development of a new Public Service Act which will establish appropriate mechanisms and structures to create broad policies on the employment, development and deployment of human resources, the development of a management system in which the responsibility and capacity to make decisions are devolved to the most appropriate level of management.

It will also address a systematic approach to accountability in which indicators are developed for measuring, monitoring and evaluating the quality of performance of institutions and employees.

While the Paper gives direction on the development of a new Public Service Act and a Code of Best Practices, it contains little detail about the philosophy and principles which should underpin a new employment policy.

The introduction of new employment practices will be incomplete without linking continued employment and promotion to clear performance indicators. This will require the introduction of new mechanisms to monitor and evaluate performance on the basis of results and quality of service. There are currently no performance measures in place.

3.5.23 White Paper on Higher Education (RSA, 1998a)

The White Paper aptly captures insofar as Transition and Transformation is concerned, the two simultaneous challenges faced by the country.

- The first set derives from our past. Successful policy will have to overcome a historically determined pattern of fragmentation, inequality and inefficiency, increase access for black students and for women, generate new models of learning and teaching to accommodate a larger and more diverse student population.
- The second set of challenges derives from the present and the future. Successful policy must reconstruct the higher education system and its institutions to meet the needs of an increasingly technologically-oriented economy. It must also deliver the requisite research, the highly trained people and the useful knowledge to equip a developing society with the capacity to participate competitively in a rapidly changing global context.

The following are considered fundamental principles that should guide the process of transformation:
- equity and redress
- democratisation
- development
- quality
- effectiveness and efficiency
- academic freedom
- institutional autonomy
- public accountability

3.6 Conclusion

Gharajedaghi (1999:29) concludes that there are five principles which acting together as an interactive whole give definition to the important characteristics and assumptions about organisational behaviour- looked upon as purposeful and multiminded system. They are openness, purposefulness, multidimensionality, emergent property and counterintuitiveness

Critical to understanding the animal called government of the North West is that we would better be able to explain the parts by a study of the behaviour of the whole.

The creation of the 23 policy dictates as set out above clearly sets out the government's view of a desired future. It has largely succeeded in creating dissatisfaction with the current state of affairs and encouraged civil servants to seek out the desired future. But this is a complex journey, which must be undertaken. As Gharajedaghi (1999:97) says "It cannot be avoided. We may be able to deal with it if we shift our attention from micromanaging the parts (power over) to macromanaging the interaction (power-to-do)"

Each of the departments of the North West Province must be looked upon as a module or platform. They will continue to operate freely provided they meet the needs of the larger purpose of government

In seeking to understand the modular structure by which to create the energy for change Chapter 4 describes the North West Government in terms of outputs, inputs and the surrounding environment.

The North West Administration has created Departmental Transformation Units or DTU's to generally assist in achieving transformation. While they are semi-autonomous unfortunately they are not self sufficiently resourced. Collectively they form the Provincial Transformation Unit under guidance of the Steering Committee on Transformation (SCT).

While each DTU makes decisions regarding its own department, decisions impacting on the Provincial Administration as a whole is influenced by the SCT.

These DTU's and SCT were purposefully created on account of the realisation that the administration was deficient on account of the ways in which departments interacted and not from the action of the departments operating separately. The objective of the transformation vehicles is to journey along to the desired future as contained in the 23 policy dictates referred to above.

The planning and control systems is undertaken by the Provincial Executive Council or EXCO consisting of the political heads of the ten provincial departments chaired by the Premier of the Province.

Systems methodology is based on the design approach dealing interactively with structure, function and process- which together with the containing environment form the interdependent set of variables that define the whole- the North West Province Administration will be analysed in the Chapters to follow.

CHAPTER 4: THE CORPORATE RULES OF THE GAME FOR PROVINCIAL ADMINISTRATION

Currently budgets are so designed as to encourage managers to waste money. The budget cycle commences in April and ends in March of the next year. If all the money is not spent the managers run the risk of getting less the next year. Thus at the end of the financial year comes February and March money is squandered on all types of unnecessary purchases - so long as the budget is spent.

The Administration is totally rule bound. Nothing - and nothing at all gets done if it is not provided for in the rule book. For e.g. the rules do not provide for accountants to have a small petty cash float. Consequently, if you require an item costing R5 - R10,00 you complete an order form - which must go through its own layers of authorisation. What we are saying to civil servants clearly is that they may not be trusted, they must stick to the rules and not be smart and any streak of innovation is discouraged and looked down upon..

The Administration is completely rigid - with no scope for flexibility. The police cells in Potchefstroom were closed because of its poor state of repairs. The Health Department certified it unfit for human occupation - and closed the building. Awaiting trial prisoners now need to be transported to nearby police stations. The consequence: the police are now doing an extra 60 000 kilometres of travelling per month. Many hours of crime fighting time is now wasted on the transporting of prisoners. This results in low morale of members and a disincentive to make arrests as this would only add to the workload.

Every time an accused is required for court or investigation he must be transported to and fro. The Department of Public Works has not responded for over 6 months to the problem. Adding all the costs of transport/wasted working hours etc., etc. the cost of repairing the cells have already been wasted on all the unnecessary additional costs on account of the failure to repair the cells timeously. The organisation clearly cannot serve the purpose of its existence in a changed social and economic world.

Osborne and Gaebler (1992:14) aptly describe this paralysis by stating: *"In making it difficult to steal the public's money, we made it virtually impossible to manage the public's money. In making it impossible to fire people who did not perform, we turned mediocrity into deadwood. In attempting to control virtually everything, we became so obsessed with dictating how things should be done - regulating the process, controlling the inputs - that we ignored the outcomes, the results"*.

A common tendency in the administration is the protection of turf, resistance to transformation, the building of empires, to ever expand control and to protect projects and programmes even if there is no further need for them.

4.1 A "Rule-Bound" Example

A classical example would be that of the former Information Services of Bophuthatswana which had a name change to North West Communication Services post 1994. This structure in the old order was a propaganda tool - to market the homeland system. As North West Communication Services they re-focussed to inform the public of government activities, projects and programmes. This objective they fail to meet - their outfit cost taxpayers in access of nine million rands per annum, illustrating both an obstruction as well as opportunity for wealth distribution, if corrected.

The institution (state) continues with every effort to control society - they refuse to empower the citizenry. A case in point was the establishment of Community Police Forums that would oversee police services and seek to engage the client base as partners in rendering its services. These CPF's were to be jointly run and organised with citizens.

Yet the police in certain cases chose to run the show - calling elections and in certain instances ensuring that people well disposed to themselves were elected on the committees. Information such as crime statistics which formed the foundation for joint action were denied to CPF's on the excuse of regulations and red tape - or the most common coined phrase of civil servants i.e. "Orders from above". The "power" obstruction continues to bedevil transformation.

Training does not enjoy the requisite attention or emphasis by Government, nor does it seem to change. Most of the courses offered are outdated and serve no useful purpose. They appear to serve the entrenchment of the rule bound service community. As basic a course as "*Introduction to Computer Usage*" cannot be provided by the in-house training component.

Given all the changes that have taken place with regard to technology, trainers have not been innovative and consequently as for training, it's a case of the "tail wagging the dog" and thus rule bound behaviour continues. All of these examples serve to confirm- that the public service cannot serve as an adequate vehicle for implementing government policy nor for its own existing functions.

4.2 Role Confusion

The Administration is not entrepreneurial - it does not separate steering (policy decisions) from rowing (service delivery).

The lack of capacity by the civil service fraternity of the Province often times forces both politicians and senior management to venture into the operational sphere - denying them the role of setting direction and taking decisions. It is all too common for the Premier to personally engage in dispute resolutions between conflicting interest groups because line functions fail to resolve the issue.

Very often the political head of a department would have to get involved in operations. This is seen where feuding taxi organisations, demand the political head to personally engage in the dispute. Another example of this situation is seen in the dispute on retrenchments in letting casual workers take packages. This has had the effect of requiring the political head of Public Works to

engage in negotiations directly with employees!

Top management very often have to do mundane operational activities such as prepare an agenda for a meeting and photocopying minutes of previous meetings because junior officials are unable or unwilling to execute these tasks. The examples are boundless and reinforce the notion of inefficiency and ineffectiveness.

4.3   Institutional Sedimentation

When funds are cut off the budget, departments' automatically cut the range of services that are rendered. No attempt is made to re-look at the way things are done, to re-prioritise in terms of outputs, or to cut costs in seeking to do more with less.

The Administration is totally rule bound. It is either the Personnel Administration Standards, the Financial Handbook or the Ministerial Handbook. Nothing happens outside of these many mini "bibles".

In 1994, when the new breed of politicians came into office, they brought along with them community activists who had massive credibility and deep understanding of societal problems in the North West Province.

So rigid were the employment criteria that very experienced persons could not be accommodated as the salaries accruing to them per PAS was so low, they could not possibly take such major drops in income.

In other cases whilst some of the incumbents had remarkable experience in community resolutions i.e. from the NGO/CBO sector - they did not have the requisite qualifications. Consequently many experienced and seasoned activists were frustrated and left Government - the lack or scarcity of formal educational certificates served to frustrate development.

Osborne and Gaebler (1992:110) very eloquently describe the prevalent culture: "*Most public organisations are driven not by their missions, but by their rules and their budgets. They have a rule for everything that could conceivably go wrong and a line item for every subcategory of spending in every unit of every department. The glue that holds public bureaucracies together, in other words, is like epoxy: it comes in two separate tubes. One holds rules, the other line items. Mix them together and you get cement".*

All departmental budgets are broken per line item spending i.e. the budgets described previously are exactly how money is allocated. This was clearly initiated to prevent abuse of spending by civil servants - but this has now made prudent management impossible.

The North West Parks Board discovered a hole in the fence of one the game parks. The cost of repair was estimated at R 250 000 per the average of three quotes for repairs to the fence. Because no provision per spending "line item" was provided for in the budget - the fence cannot be repaired. It now takes 5 rangers per shift to protect the hole - keeping animals in and poachers out. The costs currently of providing this 24-hour shift of 5 rangers to date currently stand at R5

84

million and no end in sight to the hole being fixed.

4.4   Empowerment and Delegation

There is no incentive for managers or accounting officers to save money from their budget allocations. In preparation of budget many managers take as a base line the previous years budget, add for inflation or prepare a budget that is a wish list:

As the North West Provincial Administration both at a political level as well as senior management, hundreds of hours have been invested in preparation of the budget as required by the MTEF proposals. Many more hours of elected representatives' time will have to be spent in combing through the departments' budgets examining line items before approving the requests. Add to that the additional human resources that would be required to police the spending.

Mission Statements are never cascaded to front line employees and hardly get discussed outside the confines of the boardrooms. In trying times which Public Managers face with a transforming landscape, different policies from National Government often leave managers bewildered in that hardly are they mid-way with new policy when rapidly a fresh one appears on the horizon. The task team from the DPSA confirms this scenario.

4.5   Recruitment and Dismissal

The hiring of staff in the civil service is completely rule bound. Public Management as one writer noted, is the art of the impossible. The process to engage suitably qualified personnel takes several months and has to fit in with pre-determined grades or categories which then determines salary scales to benefits. And these are enforced rigidly by the Public Service Commission. Progression up the ladder is then determined by the time your jacket was hung on the chair rather than performance. When people reach the ceiling of their salary scale, without a promotion to a different work description - they cannot move or progress from where they are.

Dismissing rotten apples becomes just as difficult as a result of collective bargaining agreements. In the Public Works Department several employees were criminally charged for fraud involving a few million rands. Managers were up in arms over their inability to discipline or dismiss these employees because of the red tape involved in disciplinary hearings.

In another department, viz. Education, where a similar incident occurred, the accused employees were still retaining their positions over which they could easily manipulate sensitive information regarding their criminal trials.

As the old saying goes: "*Government workers are like headless nails: you can get them in, but you cannot get them out*" The North West Provincial Administration suffers from an extremely high turn over of competent staff. The Secretariat for Safety and Security has lost no less than 50% of its staffing component. The reasons for this high turn over can be ascribed to, but not restricted to the following:

- Too many categories of work and too many pay bands
- Salaries are not market related
- Pay is not based on performance
- Inability to recruit the best people because of the prohibitive rules and regulations.
- The inability to retrench employees.

The North West Administration is fully aware of the bloated structure it has inherited. There is no doubt that patronage of the past has resulted in a fair measure of appointments by patronage - consequently many people are employed in positions they cannot function within.

The instrument for retrenchment however is absent. Since matters pertaining to staff are negotiated at a Central Bargaining Chamber over which National Government dictates the agenda, the provincial administration is completely trapped in paying huge amounts of salaries to people who add no value to the Provincial Administration. In the absence of instruments for corrective measures, taxpayers' resources would not be achieving maximum value. The scarcity of power no doubt impacts on development.

4.6   Resistance to Change - Obstruction to Development

In a remarkable show of turf protection, preparations, for the MTEF budget have shown how locked into "pigeon holes" our managers are. After very extensive efforts at formulating a Mission for the Province together with Provincial Priorities - all accounting officers were told "You have no budget at all - tell us what you want to do this year and how much do you need".

Despite all the time and effort, immediately when budgets have to be justified - priorities went out the window - it was each department for themselves.

John Mudd (quoted by Osborne and Gaebler, 1992), a former New York bureaucrat in his book titled "Neighbourhood Services" captures this turf protection accurately: "*If a rat is found in an apartment, runs into a restaurant, the health department has jurisdiction; if it goes outside and dies in an alley, public works takes over*".

4.7   Service Orientation and Outcomes

The Provincial Administration is not results oriented: they do not fund outcomes they fund inputs. In effect they are rewarding failure such as when crime increases more money is thrown at the perceived problem - results are not measured. Scarce resources are squandered impacting directly on development.

While the Provincial Government has endorsed "Batho Pele", consequently each provincial department has now developed service standards - no reward follows for attainment of customer satisfaction - on account of economic scarcity.

Government employees do not see the recipients of their services as "customers". For instance most motorists complain about standing in long queues to renew their motor vehicle licences. They accuse those behind the counter for being slow, unresponsive, downright rude and arrogant and totally non-committed to service delivery.

Now in an age of technology where money can be drawn from auto banks - why can't motorists be able to renew their vehicle licences through a similar system? This would free pen pushers behind the desk to really make a difference where it matters - out on the streets and highways making it safer to use our roads with the shocking accident statistics.

Osborne and Gaebler (1992) conclude that: *"Traditional public systems - even those that put resources in people's hands - are designed for the convenience of administrators and service providers, not customers".*

The power game continues to frustrate development. The civil servants do not pay much attention to revenue generation or collection. They do not think of making money - only how to spend it. A classical example is the cost of processing an application for a firearm licence. The time spent in processing an application is enormous - yet only a fraction of the cost is recuperated as a basic fee from the applicants. Dozens of such examples can be sited - if government was more enterprising, money deficits would be catered for and more funds made available for critical social spending. This concept is called user fees and many local governments across the globe survive by this form of income. It can be utilised as a major opportunity for revenue generation.

4.8   Reactive or Proactive Government?

The administration is reactive - not proactive. While we all accept that prevention is better than cure - government does not operate that way, we manage crises day after day.

Andrea Duncan, who is in charge of the Louisville Housing Authority *says "We wait until there is a mess on our hands and then say 'Now what do we do?'*, instead of thinking, *'Okay, what's coming down the road? Let's plan for this and anticipate it'".*

There are many examples of this experience. Our taxi transport system, was anticipated would become over traded and that competition would lead to violence. Up until today, we are forced to resolve conflict and taxi feuds almost on a daily basis throughout the Province. The scarcity of income-generating opportunities and thus wealth, derail developmental initiatives with many hours wasted on mediating the conflict of greed.

Most government supported institutions' futures were in jeopardy and their fates were literally "written on the wall". Without massive intervention of state funds - they could not survive in a vigorous competitive environment of the business world. As monies became scarce - these institutions are now literally on the brink of collapse. The amount of resources needed and time

87

spent in attempting to make these institutions viable, is not commensurate with their contribution to the public good. The vehicle for economic development in the North West Development Corporation is currently under judicial management.

Departmental spending patterns do not speak to each other, and the impact of one department's spending on the other is rarely brought into the equation. This is the outdated organismic model. We fail to create compatibility between parts and their reinforcing mutual interactions - creating resonance, a force of such magnitude higher than the sum of the forces generated by separate parts.

Local Government has a brief to build houses - which they do. However, little if any consultation has ever taken place with other service departments, such as Health or Education or Police, to determine whether those line functions services are in alignment - so that collectively they would meet the needs of people who were going to occupy the houses, and thus form a new community - the structural conflict of $1 + 1 = 0$.

The problem is further compounded in that because of certain competencies being exclusive national functions, Justice, Prisons, Water Affairs, Labour, etc. there is no synchronisation of their activities within the province and even less between themselves - leading to a total dysfunctional planning and co-ordination of developmental activities. The organisation is not multi-dimensional in the interaction between through put, decision making, learning and control, membership and conflict and management thereof.

It is impossible to remain proactive in the absence of a comprehensive Asset Register, a situation which has been evaded since 1994. It is not possible to obtain from management a comprehensive Asset Register for the North West Province! Without this detail, it becomes impossible to provide for depreciation of assets such as roads or dams or buildings. Consequently massive maintenance costs are accrued which will come and haunt society at some later stage of collapse, whilst inefficiency and ineffectiveness continues unabated.

4.9   Transformation interventions

David Ceruti (1997) of Transformation Process in his Annual Report on Consultancy Work Supporting Transformation in the North West Province (October 1996 - September 1997) makes certain valuable observations of the "rules of the game". Middle management of the Province lack capacity in both quality and quantity. Role confusion is the order of the day and duplication of tasks permeates the entire administration. There is a grey area of interface between political and administrative roles that are unclear and a source of great tension and uncertainty. Discipline is sadly lacking. Analysis of the movement of civil servants recently conducted (by means of access control) suggest many staff do not keep to official hours and very many make no attempt to return to work after lunch.

There is a conflict in prioritising work schedules in that managers find themselves dealing with short term crisis rather than building the foundations for long term success. Good performance says Ceruti, is not rewarded either financially or otherwise and poor performance bears no consequence.

Ceruti confirms that the approach to performance has the following shortcomings viz it is too codified. There is more of a legal obligation not associated to outcome of activities. There is no dynamism in the system that looks at performance from event rather than process. Civil servants act in pure mechanical form. Ceruti has found despite many of the Grievances of Civil Servants having been addressed, there is still inadequate performance, a poor work ethic and low motivation and morale.

4.9.1 Internal Communications

A Communication Task Team (NWM, 1997e) was established in the Province in July 1996 and published their survey report on the 7th March 1997. These were the findings in so far as the practices, which are prevalent in terms of communications.

Meeting effectiveness was poorly rated and requires urgent attention Lack of basic principles such as clear meeting objectives and inviting only relevant people plagues the administration. Most attendees do not have authority to take decisions and there is insufficient preparations for meetings. But of critical importance decisions of meetings to affected persons does not take place with little progress on decisions arrived at. This is confirmed independently by the DPSA task team that there is no monitoring of performance on service delivery activities.

Managers are not very good in listening to inputs of staff nor addressing their problems timeously. Most managers fail to communicate openly with their teams and hoard information rather than share it - thus downward communication is non existent. The task team also confirmed that provinces are prisoners to the administrative processes, inherited from the past dispensation.

Issues are rarely discussed openly at meetings because delegates feel restricted in discussing issues freely for fear of victimisation. There is a lack of trust and openness amongst employees which has its origins between the old and new civil servants, perceptions based on educational levels, culture, race and political beliefs.

The task team confirmed some departments lack human resource capacity in both staff and line functions to enable them to manage human resources effectively.

There is in other instances an information over-load with official documents containing too much information. Communication through newsletters, notice boards and social gathering is inadequate. Documents do not filter to all departments and rarely to people at grassroots level.

Far too much irrelevant information was given to staff or the documents arrive late, or the mail is misdirected and distribution is slow and inadequate. A recent test conducted to determine speed of mail within government found that it takes 7 days for a letter between one department to another over a distance of 300 metres - inefficient and ineffective to say the least, whilst technology provides for immediate e-mail communication

Information often gets stuck at head offices or management keep information to themselves with many senior managers desks depicting filing cabinets. Knowledge is power - subordinates without knowledge remain passive, docile and subservient.

89

Equipment is inefficient and filing systems with proper re-call facilities are outdated and difficult to manage. Confidential and secret information is not stored as required losing their value as such.

4.9.2 Right Sizing - Rationalisation

As to the size of the Civil Service, Mokgoro (1995) in a paper titled "Ratification of the Public Service in the North West Province" raises fundamental issues to the retrenchment debate:

- Pre 1994, South Africa was characterised by three geopolitical entities viz: the RSA, National States i.e. the TBVC States and Self-Governing States, e.g. Kwa Zulu.
- These entities were made up of thirteen administrations and eleven parliaments.
- At local government level in then RSA, the four racially segregated populations had their own local government structures.
- The North West Province inherited three geopolitical entities viz, former Bophuthatswana, former Western Transvaal and the northern portion of the Cape Province. Post 1994, the public service has become too large for both efficiency and cost-effectiveness. Bantustan administrations were replications of both national and provincial administrations - thus currently two or more officials with the same job description.
- Consequently we have too many employees for a given job.

Given the highly ideological conditions appertaining to civil service employment, many structures and positions are irrelevant to the new dispensation. Also, many persons employed lacked skills particularly with regard professional and technical job descriptions compounded by the over - recruitment into the entire public service.

Before rationalisation three issues need considering:

- The quality and quantity of the public service we wish to end up with
- That we understand the composition of the public service as regards quality and quantity.
- That the likely consequences of rationalisation be forecasted on individuals and society at large.

The changes required under a democratic dispensation require changes dealing with the macro - variables of apartheid viz. legislation, public institutions and spatial segregation.

Since rationalisation embodies institutional restructuring - defining a new value system and function as well as establishment of new structures and human requirements, one needs to desegregate public institutions into functions, structures and human resources at one level and financial resources at another level. This is in reality a situation where finances determines what is possible in terms of a desired public service - the economic/wealth obstruction.

The desired public service should be enshrined into the text of the legal system encompassing the Constitution, Parliamentary legislation and administrative rules and regulations. As for spatial segregation these should be influenced by devolution of power and authority to units such as District Councils etc. - The power obstruction.

Mokgoro's paper (1995) concludes as follows, the rationalisation process therefore must be

90

associated with the removal of the macro-variables. Five activities will be necessary for the enquiry as to what should be the desired quality of the public service:

i. The establishment at provincial level of the services essential for good governance
ii. Who should render what service between government and the private sector
iii. The establishment of management and organisational structures essential for rendering such service.
iv. The allocation of human resources for the established structures.
v. A review of the financial implications and resources to enable rationalisation to occur.

Government must become entrepreneurial and measure cost-effectiveness of its services. Wage reform is necessary to attract and retain qualified personnel. South African social transformation as a negotiated revolution is different from cases such as the French, Russian or Chinese Revolutions.

Provinces are obliged to operate within the stipulations of National Government as regards the number of departments, competencies as per the Constitution, the managerial positions available to the Province, exit strategies per the Voluntary Severance Packages and representivity. Some of the competencies may not have been appreciated at the National level especially those with dual competencies.

A thorough analysis at a Provincial level of the situation has not taken place save for submissions on departmental structures and some mission statements - there is an abundance of information on qualitative and quantitative outputs regarding an improvement of the life of the populace.

The focus on rationalisation of human resources has received disproportional attention, without any informed analysis or consultation. Quality should be defined in terms of outputs or productivity - i.e. in terms of effectiveness and efficiency, about management of interactions, not actions.

Departments and managers should have performance assessed and relevance established by relating budgets to outputs. This difference to the quality approach would be a new ethos - shifting emphasis away from rules, regulations and procedures that yield very little output.
The current environment under which the rationalisation is occurring suffers the following shortcomings:

i. No clearly articulated vision of a rationalised public service i.e. without sufficient knowledge of its quality or quantity - or the different kinds of integration for different levels of complexity.
ii. The rationalisation process may be compromised by its negotiated nature
iii. The absence of simulated or forecasted scenarios of likely consequences both at the individual or societal level of various shades of the rationalisation process
iv. Without a socio-economic analysis of the North West comparative to Gauteng or Western Cape - the province being rural and limited alternative employment opportunities
v. The strong National dictates on administrative matters handed down from National
vi. The logic of the ceiling of 35 % of total expenditure on personnel (Provincial).

91

The Provincial Service Commission initially dominated the process determining and finalising departmental structures on an inadequately informed basis - concentrating on a quantitative challenge rather than a qualitative challenge.

4.10   Twin Provincial Analysis - Financial Management

Eric Rosenhek (1997) from Manitoba Province, Canada produced a report titled "Report on Financial Management Exchange" dated November 1997. Some incisive observations were made-in his report to exco regarding the strategies that currently apply:

Several key departments do not have the experience or skills presently to effectively manage their expenditures. Consequently this has resulted in problems such as over-expenditure, payments made with inadequate documentation and no control over government assets.

Because of inherited debt accumulated prior to 1994, financial crises regarding availability of cash timeously to meet supplier payments is a daily occurrence. Departments are obliged to prioritise payments, which are affected, using a tremendous amount of time and effort in the departments and is a distraction from staff regular work activities.

The Auditor-General finds difficulty in locating supporting vouchers against payment made. Many cases were discovered where payment documents were not properly approved in the line function before payments were made. Some invoices submitted for payment are significantly in arrears and should have been submitted much earlier.

The return of cheques to the same party that initiated the payments is unhealthy and increases the risk of misappropriation of funds. The processing of fraudulent payments is a daily challenge. The financial handbook is of little value to inexperienced and untrained staff in many departments.

Departmental accounts clerks and staff at operational level need step-by-step guidance in the processing of orders, the approval of invoices, the input of accounts on documents etc. Errors at this level cause improper payments and inaccurate data. The current accounting statements summarise receipts and payments of current Public Accounts - it is not very informative on the Province's assets and liabilities, revenues and expenditures and accumulated deficit nor does it show net operating results for the fiscal year. The hypotheses one to four are reinforced by these findings.

4.11   The North West-Manitoba Agreement on Governance and Economic Development Co-operation

The North West - Manitoba Agreement on Governance and Economic Development Corporation also allowed for Mr Gerry Bosma (1997) of Manitoba to provide a financial report on the Department of Public Works and Roads dated November 1997. The observations made in the report are most revealing. The budget process is not supported by adequate planning and analysis

to determine relative priorities - and there is a lack of financial management information for monitoring expenditure, with commitments not properly recorded.

Too much time is devoted to cash management and financial management capacity requires strengthening as well as internal controls. The database for personnel and payroll expenditure is not correct and assets are not properly recorded and maintained.

Some planning and process changes and focus involving programme and regional managers would result in a more realistic budget process, one that would require directorates and program managers taking responsibility and ownership of their budgets. Currently the linkage between planning and budgeting is weak. With the exception of the Roads budget, there are minimal planned performance indicators or program activity objectives documenting projected outputs to be achieved.

The Chief Directorate Roads, utilises a Road Network Management System that produces comprehensive management information that can be utilised for budget development. As a result the Road Budget requirement seems to represent a realistic estimate of required budget resources.

The estimate of expenditure for Building Services reflect a "guestimate" of actual needs and are largely based on national standards respecting maintenance experience costs, previous year allotments and actual expenditure numbers. Building Services cannot plan for fact based estimates of maintenance costs as the directorate does not have supporting management information. In order to adequately assess the building maintenance requirements, a full inventory of buildings together with an assessment of building conditions must be obtained and maintained. The absence of an asset register is a matter of great urgency.

Similarly, departmental operating expenditure estimates are developed based largely on previous year budget numbers. Because of poor expenditure data, that quantifies details of past expenditure, it is not possible to accurately forecast projected expenditure by type of expenditure.

There is little communication between Treasury and Departmental officials respecting the development and analysis of estimates. The estimates do not include specific "how to" instructions outlining standard practices for calculating and completing the draft budget. Staff are expected to consult the Financial Handbook, which is in the main a policy reference and includes only high level instructions.

Although the initial budget request does provide some format templates the instructions are not sufficiently detailed to assist departmental staff with calculating and ensuring that all cost components are captured. Management information i.e. budget information is mostly collected at program level rather than at cost centre/responsibility level. Access to information is essential for effective budgeting. This top down approach also results in regional managers taking little ownership of the process although they must live with the results of the process.

Salary estimates are derived through an analysis of the previous years actual as a basis for calculating salary requirements. The base information is derived from the Persal System that is downloaded on a PC spreadsheet. The projections reflect only high level forecasts rather than detailed level requirements. The calculations do not consider detailed costs for increments, overtime, standby pay etc and approved allowance.

The lack of staffing and related salary expenditure control presents a major challenge to the Department of Public Works and Roads. Effective budget monitoring at the position level is currently not done. One of the major contributing factors is that although there is an approved organisational structure and staffing compliments this is generally not adhered to. Reporting and monitoring is difficult as the basis for budgeting and reporting levels are not consistent i.e. the Persal system and the Walker (expenditure system) report at different levels - complicated by the method by which salaries are budgeted for.

Analysis of cost benefits indicated a significant over-expenditure in benefit allowances viz. the budgeted amount. There is a much greater utilisation of casual staff than is budgeted for i.e. there are 600 budgeted positions while there are 1 800 actual casual employees on the payroll. Budgeted rationalisation is handled by way of reducing overall allocations rather than privatising or deleting certain programme. There are no apparent documents outlining the proposed adjustments - which are a prerequisite for planning and prioritising related decisions.

There is no process for adjusting resources (staffing levels) in conjunction with program adjustments. Because staffing costs represent a large component of the budgets, the departments' ability to manage cost containment measures is restricted. The departments have not reconciled the staffing establishments with the payroll needs. It is suggested that the occurrence of inappropriate payment of salaries and allowances are currently possible. Not all salary costs are being allocated to the appropriate cost centres. Time sheets for permanent staff are not maintained. Absenteeism is rife and being advised only on an exception basis. This allows for possible attendance inaccuracies that could result in salary overpayments. The current system of distributing casual payroll cheques requires considerable additional effort. From a control perspective, cheques should be mailed directly from the Finance Section to employees.

A major problem exists with the determination of funding availability. The department does not operate on a commitment accounting system but only records expenditure concurrent with the payment process. Except for those officers with a manual record of commitments, many Procurement Order commitments are freely entered into with no consideration of budget availability. This largely contributed to budget over expenditure.

The level of control for the purchasing process as per prescribed procedure appears some what excessive. Certification of funding availability should be the responsibility of the requisitioning office and should not be confirmed by the Procurement Office. The level of purchase delegation values is fairly low, especially when considering the departmental mandate and operational requirements.

All purchases in excess of R5000-00 must get Tender Board approval-an excessive control measure. No purchasing statistics are maintained i.e. it is not known how many purchase orders are issued annually, nor are the statistics kept on the type of purchases etc.

The processing procedures require that the payment section perform a funding availability check. This is not done effectively, as the section does not have commitment accounting information or have access to free balance information. Most transactions are triple checked and approved. The process suggests considerable duplication of effort resulting from moving paper from desk to desk. The process is also fragmented by the involvement of different sections that handle various

types of payment. Staff only know parts of the process - and opportunity for cross training is difficult due to work load and staff vacancy rates.

The Departments of Health and Education's capital project expenditure are not being routinely recovered, resulting in Public Works having to absorbed these non-voted expenditures at the expense of departmental programming activities. In previous years such expenditures were charged to a suspense account, resulting in suspense accounts with large credit balances. The use of suspense accounts have also resulted in lack of proper records. The use of suspense accounts is not consistent with good accounting practices, especially since related transactions are not cleared at the year end. The order trail for these entries are not adequately recorded.

The arrangements for Health and Education are far from satisfactory. A more formal accounting mechanism must be developed to ensure recovery of all legitimate expenditure made on behalf of all other departments. Alternatively, all capital funds should be voted via the Department of Public Works budget. The cheque distribution section must also deal with supplier payment enquiries. This is problematic and time consuming as the order trail is not easily accessible. Submissions of invoices are often delayed at regional/district level.

Cost containment results in delayed processing of cheques due to lack of funding. This results in crisis management and wasted time and effort. Staff is besieged by angry suppliers who suffer a knock-on effect of cash flow problems. As a result of this problem in 1997, dozens of businesses were closed down in Mafikeng, the seat of the Provincial Capital - and consequent economic maldistribution.

Non-payment has also resulted in consequences such as non-payment of operational accounts with fleet trucks and staff sitting idle. Central staff responsible for checking and processing accounting transactions are under significant operational pressure. This leads to procedure short cuts and omission of important control activities. Although monthly expenditure status reports are informational, the expenditure data is not meaningful in that it reflects paid expenditure but not including committed expenditure. Regional staff do not get monthly expenditure reports - despite these being essential for effective management. Consequently regional staff obtain information via the cheque distributing process.

Because of the lack of commitment accounting, the department must guesstimate their outstanding commitment liabilities. This affects their ability to manage effectively as any estimation of commitments is simply an academic exercise. A visit to several warehouses did not provide confidence that the prescribed procedures are being followed to maintain accurate inventories. A recording of stock additions, stock deletions were out-of-step with the prescribed practices and it is questionable whether all such transactions were actually recorded.

The warehouse visits also do not provide confidence that current inventories are correct and left a great concern about the security of these departmental assets. Observations did not either engender confidence in staff qualifications and experience. It is necessary to have properly qualified staff to enable effective management and performance of warehousing duties. The scarcity of education once again hindering development.

The branch organisation which gives audit responsibilities, representing a staff function, and line responsibilities for warehousing and inventories is contrary to accepted organisational practices.

The number of senior staff vacant posts especially in the Finance Directorate provides a serious risk to the integrity of the financial management function of the entire department.

Most of the clerical staff, Accounting Clerks, and Chief Accounting Clerks lack formal accounting training. Although they are knowledgeable of their specific tasks they do not have an appreciation of the big picture. In order to be effective and efficient, management staff needs to be fully conversant with word processing and accounting analysis - computer software. This does not appear to be the case in the department.

From a management perspective, benefit could be derived from consolidating the financial management function, e.g. having the financial accountant, control and budget responsibilities report to a head of finance. Such a move could enhance reporting and accountability as it would consolidate corporate responsibility for the departmental financial management function.

The department does not have accurate inventories of fixed assets nor details of earnings from any asset rental because of incomplete asset detail. There is no formal method of recording these assets as they are being obtained. The Walker Accounting System does have the capability for recording fixed asset information but this system component is not being utilised. While the problem is being addressed, there is a concern that once the register is completed, it will not be effectively maintained. The department however suffers from a lack of qualified and dedicated resource persons required to implement the various recommendations that will assist in establishing the required systems and capacity building programmes.

4.12 Financial Report of the Health and Developmental Social Welfare Department

The North West-Manitoba Agreement also provided an opportunity for Kim Sharman (1997) of Manitoba to do a Financial Report of the Health and Developmental Social Welfare Department of the North West Province. The department is the second largest government department in the North West Province in terms of budget - R2,3 billion for 1997/1998 representing 32 % of total Provincial budget.

The observations contained in the report are very helpful in understanding how the department functions: Currently budget data is gathered from responsibility centres within the department and centrally "rolled-up" into programmes and rates based on standard items, e.g. personnel expenditure etc. While this approach provides very comprehensive numerical data for responsibility centres to use as baseline to monitor expenditure during the year - presentation of budget requests using programmes and sub-programmes (and/or activities) rather than standard items would provide more strategic information for decision making.

Budgeting would be much more effective if it were presented in terms of departments plans and priorities, indicating "what-if" analysis, with detailed explanations of requests and implications of potential decisions. If it were to be compiled based on review of the component of the budget rather than in terms of incremental increases over the previous year's budget - this would give a more accurate picture.

Prior year's actual expenditure data in budget submissions would be a healthy practise, on a program basis, to serve as a comparative baseline for departmental deliveries. The department to its credit has been actively developing statistical and planning data in relation to major programs. Enhanced integration of this data with financial management information would greatly strengthen the links between planning and service delivery and budgeting/financial management.

This could be achieved manually through a strengthened role for program directorates - that of leading planning and budgeting processes for their respective programs, and linking budget requests and in-year forecasts with the statistical planning data generated. The MTEF is no doubt a measure of progress in this regard, breaking down categories for e.g. District Management, Community Health Services, Emergency Medical Services and Community Hospitals.

This breakdown provides information necessary to determine the impact that a budgetary decision would have on each of these four sub-programs. Based on standard items, the impact for e.g. Community Hospitals of a decision to reduce personnel expenditures could not be readily identified.

While planning for capital expenditure is initially undertaken within the department, planning for operations of new capital facilities appear to lag behind the capital building program, largely due to the budget restrictions in subsequent years. Consequently, there are a number of newly constructed facilities that have not been able to open due to lack of personnel and operating resources.

Proper coding enables data to be captured and recorded against programs and activities accurately through the Walker and Persal Computer Systems. Inaccurate coding results in expenditures being charged to incorrect programs and even incorrect rates. Training to avoid these errors is crucial to avoid inaccuracies of data by program or rate. Also the terminology used to identify "levels" of cost units require clarification. Generally, the language used by the department, as well as numerical codes, do not distinguish between those cost centres which are facilities (units within a cost centre), and those which are responsibility centre.

For management to have an accurate forecast of spending requirements, it is important to be able to identify what commitments have been made or are expected to be made in all programs. While the Walker System has the capacity to record this data at the time the order is placed, this facility is not being utilised with data only being entered into the system when an invoice for payment is received. Regular monitoring of expenditures and internal management reporting, on a program basis, are integral elements of sound financial management. It is important that both monitoring and reporting occur regularly and frequently - which is not currently happening.

In a decentralised environment, monitoring and forecasting should start in cost centres. Every manager who is responsible for managing a budget should be monitoring and reporting on their expenditures. The centre should be compiling the individual reports on behalf of the entire department, reviewing and analysing these reports, discussing significant variances with responsibility centres, and preparing reports for the executive. Currently in the absence of full capacity in cost centres, training and a strong commitment accounting system, this reporting and forecasting function in the department is largely being performed centrally, based on expenditure patterns, rather than a strategic input from directorates.

97

There are currently many uncertainties related to the personnel data base for the department such as differing reports on the total number of posts in the department containing different total numbers of approved posts for the department. Concerns have also been expressed over the possibility of "ghost" workers. For the 1997/1998-budget cycle personnel expenditures are forecast to be over budget. Very problematic is the fact that expenditures is formula based rather than line-by-line for each position.

Recently there has been a conversion from System 38 to Persal without having cleaned out the data transferred to the new base. Consequently, there have been cases of personnel on Persal System in more than one cost centre generating more than one pay cheque. There have also been cases of personnel no longer in the departments' employ remaining on the system for a protracted period of time. The department should choose a specific date and perform a one time comprehensive audit of all personnel, including salary, benefits and allowances to establish an accurate database.

Personnel expenditure for the 1997/98 fiscal year is budgeted in the sum of R0,7 billion, which is more than 30% of the department's total budget. Given this sum, it is critical that expenditure be budgeted accurately and monitored. The budget for personnel expenditure was however prepared by a consultant, with insufficient information available in the department related to how the budget was arrived at. One of the principles of internal control is a separation between authority to commit funds and authority to request payments. The same employees (as is the case) should never be in a position to both authorise the commitment of funds and the payment thereof.

The functions of cash management should not be that of the department, as this takes away time which managers should be utilising to focus on the business of the department, and not on the status of the Province's cash flow which is the task of the Finance Department. The hypothesis once more finds support in this report.

4.13   Financial Processes in the Department of Education

A review of Administrative and Financial Processes in the Department of Education was also undertaken by Dr Gerald Farthing (1997) of Manitoba, Canada in November 1997.

This report in highlighting the management culture of the department noted the following: There is an apparent lack of financial and program analysis that could provide answers to questions as to what are the financial and program impacts and implications of taking certain actions and not taking others? Or how are policy decisions and actions related and interconnected. A continuous effort is required of an organisation such as the Education Department to ensure that all directorates act together in support of a common purpose. Some directors are of the view that too often individual directorates seem to act in relative isolation of one another - there is no management of the interactions of the constituent parts; i.e. $1 + 1 = 0$.

The Personnel Directorate must keep data on Persal current that is collected from schools by circuit and district managers in the Co-ordination Directorate, which is relied upon by the Finance Directorate to pay educators. However, there is no regularised process in place that provides assurance that on the number of departmental employees, the directorates are working together to mutual benefit. This clearly reveals the inefficient and ineffective functioning of the organisation as a product of the human interaction and behaviour, which is value laden and creates specific working cultures as displayed above.

The analysis identifies malfunctioning within the power (political) knowledge (educational/technological) wealth (economic) aesthetic (quality of life) and cultural value (ethical) dimensions of the system.

There is no monitoring around a common vision. Many employees, particularly in lower ranks, do not understand what to do, why they should do it, or how what they do connects to the larger purpose. There is a considerable opinion that many employees are not sufficiently motivated by the idea that public servants are there to provide a public service in the most economical and efficient way possible. Evidence is abundant of frustrations at management level regarding the lack of diligence exhibited by many employees and the apparent very limited sanctions that can be applied in such cases.

The workload of managers consequently results in organisational culture of crisis management which is threatening to develop wherein managers focus exclusively on issues. The ensuing problem is that organisational strength is in the doing i.e. the ability to get the day-to-day work done in an efficient and effective manner which in turn depends on the threshold level of competence throughout the organisation. This implies that capacity building in the lower ranks must become a priority. This will not be possible if managerial behaviour and priorities are critically influenced by a crisis management process. This clearly serves to confirm the scarcity of the knowledge dimension particularly critical at lower management serving as a major obstruction to development.

This results in work overload at the top by those public servants with a conscience, making it possible for lower management to shirk their responsibility. Compounding the problem, professionals within the organisation with turf rivalry and competition has converted the department into a battleground of competing interests - this underlies social systematic reality. A multi-dimensional enquiry is necessary with dual shifts of paradigm in mode of inquiry and organisation.

The 1997/98 budget of the department is R2,7 billion or nearly 40% of the total provincial budget - with over-expenditure for the previous year being R380 million. Thus the placing of primary responsibility for the allocation of revenues on a sectoral basis with a committee of appointed as opposed to elected officials does not work well. It is extremely difficult to get agreement when departments feel that there is not enough revenue to fund the status quo let alone address new needs and challenges. The setting of budget priorities is a highly political activity in that the determination of spending levels is synonymous with the identification of political agendas. If the budgetary process from Governments view is a clear, well articulated corporate (Provincial) vision then the allocation of revenues is an important first step in the process of setting an expenditure budget - in which case the political head of a department must play a more visible and accountable role in the revenue allocation process.

There appears to be very little evidence of an internal departmental process wherein the financial program impact of various expenditure proposals and options are systematically analysed, modelled (what if? scenarios) and assessed in an effort to reach realistic decisions on the allocation of limited means.

Guidelines from Treasury do require consideration of whether the activity should be performed by government?, is the activity justifiable? and in what way does it contribute to the goals of

99

government? Although the 1997/98 budget was a bottom up approach, in terms of identification of inputs and cost drivers, the questions aforementioned were neither posed nor answered. Hence there is an apparent lack of management information which is essential if linkage is to be created between planning and budgeting i.e. a process for determining the relative importance of priorities in light of the fact that not all programs can be resourced. Analysis, modelling and assessment does not make difficult decisions easier but it can help to clarify the options and their impact. In this way, painful as it may be, a credible relationship between policy priorities and means may be established - as intended by the Financial Guidelines

.

What is most disturbing was the approval of the departments budget by the Legislature with senior administrators knowing and informing the Provincial Treasury that expenditures had been understated in relation to expected future actual costs, particularly with regards to educator salaries. Each month the Finance Directorate produces a cash flow variance report for each directorate and district and a roll-up for the department. Each directorate and district must compare allocation to expenditure reported in a variance report plus the level of commitment on the registry. Significant over expenditures, with explanations of the variance gets reported to the Finance Directorate.

Some directorates are of the opinion that the cash flow reports they receive are of limited value in terms of financial control and management practices because the reports too often list expenditures that do not apply to their directorates. Not all directorates and districts maintain an up-to-date commitment registry. The reasons being they are manually maintained and time consuming, it is not a priority and staff lack the necessary skill. The Finance Directorate does not request a status report on commitments and there is no regular review by this directorate - hence they do not know the status of the commitment registries. Because the commitment registries are manually maintained (not on Walker from which a computerised report can be produced) the departmental variance report provided to management does not include commitments.

The lions share of the departments budget is for salaries of educators i.e. R2,4 billion or 86% of the departments total budget. The number of pupils roughly determines the number of educators and where they are posted in the system and setting the staff ratios. Because these details determine both the total amount and distribution of the salary bill, it is imperative that there be internal control measures in place to ensure that the data is a accurate and reliable as possible.

With 950 000 learners, 33 000 educators and 25 000 schools, this is an enormous challenge. There is however a wide-spread perception in government that the department does not know how many educators there are in the system. A review of the process for maintaining an accurate list of educators for payroll control purposes was conducted which included inspections in loco. Some observations made from the process was neither the school nor the circuit district office had received pay sheets since September. They were apparently under the impression that pay sheets would not be necessary on account of direct salary deposits. The principals are responsible to report changes in school personnel to the circuit manager. The circuit manager may send changes to the Personnel Directorate for changes to the personnel system or the district manager who forwards the information to the Personnel Directorate.

The circuit managers know of more than one case where someone was being paid without having a post. While the Personnel Directorate updates and verifies the data on Persal by sending

Establishment Reports, which list all vacant and filled posts, circuit managers for verification - the reports are NOT sent to principals. The Personnel Directorate further are of the opinion that pay sheets are not useful for the purpose of maintaining personnel data on Persal. This clearly indicates that more attention needs to be paid to the maintenance of pay sheet control through Persal and that the three directorates need to better coordinate their activities to ensure integrity of the data.

Senior managers recognise that there is a great need for skills development of all types throughout the department, but particularly in the lower ranks. Managers frequently note that due to the shortages of skilled staff in lower ranks, and the continual presence of issues demanding attention, managers are unable to address capacitation of staff. Because the responsibility for departmental administrative staff developments is housed in the same units as that for educator staff development, administrative staff do not enjoy priority and funds to do skills development are not enough. Thus unless the content and implications of these implicit cultural codes are made explicit and dismantled the nature of the beast will outlive the temporary effects of the intervention no matter how well intended.

Some managers and supervisors have tried to develop a coaching and mentorship but this is of limited impact. The Adult Basic Education and Training (ABET) has provided an opportunity for a "train the trainer model" for the delivery of internal training. These developments harbour within them the seeds of a particular workplace culture. It says to employees that what they do is important and therefore time can be found to help them do their jobs right.

It is based on the assumption that most of the time most employees want to do a good job. It contributes to the building of an organisational culture that recognises the value for the work done by all employees and the need to continually search for more efficient and effective work practices. Much of the literature on leadership suggests that creating the right organisational culture is one of the primary tasks of those in charge. One of the most effective ways leaders can build an organisational culture is by example. Leadership by example has a cascading effect.

However, even after all this managers need to sanction employees who consistently under achieve. Presently there is much frustration in management ranks regarding this matter. Those in a superior reporting relationship feel that either there is nothing they can do or they don't know what to do.

A source of continuous controversy and debate in the field of public administration is the extent to which administration and politics can and should be separated. Early in the century it was believed that the two could be totally separated. In the latter part of the century this position was successfully challenged in that it is now accepted that senior administrators will normally play a role in the formulation of policy. Nevertheless, it remains the primary responsibility of senior administrators to provide administrative leadership and policy advice in a neutral and non-partisan fashion. It is worthy to note that the department has had changes of both political head as well as administrative head of the departments.

4.14   External Communication

Having examined some line function departments, a closer look at the policies, practices, strategies and tactics which apply to the North West Communication Services, the Provincial Governments official Communication institution may be apposite.

The North West Communication Service (NWCS) Mission Statement (NWP, 1997c) states that they are: *To promote the North West Province through professional and effective communication, to educate, inform and ensure a broad understanding of the vision and objectives of the government.*

The Objectives:
- To educate and inform the population, and the world, of the history, current affairs and goals of the North West Province and its people.
- To play a vital role in the reconciliation process among racial groups in the province.
- To play a meaningful role in maintaining information as a two way process, by communicating the governments policies to the people and allowing them the opportunity to respond.
- To promote the understanding of:
- The North West government and its policies
- The RDP, its values and implementation
- The Masakhane campaign and its objectives
- The Province, its people, organisations and facilities

The two most important aims of the NWCS are: To aim for the highest professional standards of information management and distribution in the media, and to nurture, encourage and develop the skills and abilities of staff to the best international standards.

From their Strategy document, certain salient features are highlighted: The NWCS in its broadest sense have just one purpose - the dissemination of information, both to the outside world, through the national and local media and to the people of the province through publication and information centres. Communication is a vital component of any Government's window to the people they serve. In the past communication was a propaganda vehicle that manipulated the media in a way that best served the government of the day and its policies. Communications enjoy a relatively low status in the machinery of government. This is reflected in the uneven and often inadequate availability by the different components of government, the low pay of governments communicators, the failure to recognise communication as a profession in its own right and in the lack of understanding of the role of the press.

Many of the problems government is experiencing can be traced directly to the inherited structures through which it must conduct its dialogue with society. Even where there have been attempts at transforming those structures, the way communications relate to government structures make effective communications delivery unwieldy and difficult.

The proposed new structures take a number of important factors into consideration:

i.	the need to put elected government in control of communications
ii.	the need to co-ordinate messages
iii.	the need to reach communities via the three tiers of government
iv.	the need for credibility
v.	the need for corporate image
vi.	a professional corps of government communicators

The NWCS should be the communications arm when it comes to provincial matters and all releases of news value intended for national and international consumption should emanate from it. Regrettably, this is not the case and the culture now exists for each department taking care of its own communication.

There ought to be a much closer relationship between the NWCS and the communications unit of departments to the extent that there should be formal meetings on a regular basis to formulate communication policy evenly in the province and resolve differences. Almost five years later, the North West Provincial Government is no closer to having an effective communication machinery. The NWCS requires funding of approximately nine million rands to function and does not serve the needs of the new democratic order. The old culture is so dominant that by default it keeps on reproducing non-solutions - a complete obstruction to the future.

4.15 Human Resource Development

Mr Gordon Draper (1997), a consultant to the Commonwealth Secretariat was requested to visit the North West Province and provide us with a Human Resource Development Review. This study was undertaken in April 1997 and the report makes the following salient comments:

The White Paper on the Transformation of the Public Service (RSA, 1995a) articulates the following vision for the service, *The Government of National Unity is committed to continually improve the lives of the people of South Africa through a transformed public service which is representative, coherent, transparent, efficient, effective, accountable and responsive to the needs of all.*

Amongst the goals identified in pursuit of this vision are the following:

- To promote human resource development and capacity building as a necessary precondition for effective change and institution building.
- To upgrade the standards of efficiency and effectiveness and improve the quality of service delivery.
- To create an enabling environment within the public service, in terms of efficiency and stability to promote economic growth within the country.

The White Paper identifies a number of priorities for the transformation effort. These provide a critical framework for HRD interventions. The White Paper further identifies a strategic framework for effective human resource development to include the elevation of the role and status of HR development within the overall framework of government policy. Attention must be paid to the development of effective and lifelong career development paths for all categories of public servants. Employment conditions must be improved.

Government must introduce an effective appraisal system and the use of incentives to reward individual and particularly team performance. Career promotion and development must be focused on performance rather than on seniority or qualifications. There must be targeted training of new lateral entrants to the public service through introduction and orientation. Long serving officials must be retrained and reoriented particularly at senior management level to identify with the new ethos of government. This would entail the development of programmes in such crucial areas as policy management, strategic planning, change management, project management, leadership, organisational development and the management of change and diversity.

Training should be targeted for the management and delivery of services in key departments and programmes linked to the RDP, especially in education, health, police and social services. Adult Basic Training must be extensively promoted and competency based training for staff must be introduced. If restructuring results in redeployment, training and retraining opportunities for the displaced must be provided. Affirmative action beneficiaries must be given accelerated and intensive training programmes. Gender and race awareness, ethics, constitutional law and human rights should from part of the training manuals.

While the existing programmes provide good coverage with respect to core management issues, given the strategic imperatives there are some critical areas such as project management which would require more focus. Attention will also have to be given to management information systems and auditing methodology. Stress management should be incorporated in the HR management.

The training directorate is operating without a library or training resources normally associated with contemporary such facilities. This severely limits the training programme designs and denies participants access to supplementary training material. A review of the training manuals reveals that much of the reading material is not representative of contemporary management material. In today's information age this is an impediment to international competitiveness. While change management and diversity management has been introduced, this is completely outside the training directorate. The absence hereof could send mixed signals and lead to confusion in the minds of public servants.

The structure of top echelon management programmes does not reflect the strategic priorities nor the skill demands for competitiveness. There must be a clearer focus on team building, managing change and diversity, IT and global issues.

There needs to be a comprehensive HRD intervention with a focus on service delivery. The report also noted that there is no systematic methodology in place to evaluate the effectiveness of training programmes. Of concern is the absence of follow-up work with trainers to re-enforce classroom work. The DPSA task team also noted the absence of HRD and skills training as an aggravating feature.

The Draper report also notes that there is no systematic approach within departments to identify training needs. The self-analysis by participants of current courses is not the most satisfactory manner to identify needs. While HRM directorates have been established in departments, there is a need for institutional strengthening in this area.

Staff within these departments require training and development opportunities to allow them to function effectively. Departments will need to be able to identify their own HRD providers. The formulation of departmental training committees is a useful vehicle to mobilise staff around training issues. However the mandates and roles of these committees must be clearly set out.

HRM/HRD functions are a line management responsibility. Line managers and HRD directors cannot abdicate their responsibility to the training committees. Role clarification is thus crucial as to who is responsible for what. The institutional strengthening for HR directorates will require training and development for their staff and the development of HR policy and procedure manuals.

The training directorate must have the capacity to design and deliver interventions based on departmental needs and provide HR consulting services to departments. The training directorate must also undertake the evaluation of training effectiveness and communication of their services.

Draper also notes that managers should have hands-on computer experience as part of their training. A computer lab should be established at the training centre as a matter of urgency. There is a need for an analysis of training needs based on skills profiles. The hypothesis is also supported by this report.

4.16 *Predominating management styles*

The previous pages have indicated the degree to which systems analysis is able to demonstrate the obstructions to transformation of the public administration. The degree to which this is compounded by inappropriate management styles was shown in an organisation scan conducted in 1997. The report highlights the relationship between the predominating management styles in the administration and what organisational culture they promote

The North West Government engaged the services of Social Research and Consulting, in association with Old Mutual to assist in analysing the quality of work life of personnel in the Office of the Premier.

The report titled "An Organisational Scan Report" (Social Research and Consulting Associates. 1997) was produced after the study was conducted in September 1997. The study was comprehensive, moving from the production of an Organisational Health Index up to Management Styles.

By way of introduction the authors Dr Martin Fisher, Gavin Julyan and Sanette Swart indicate the purpose of the study: The report describes a predominating organisation culture as it manifests through the analysis of the data, the free responses and the interviews. The picture that emerges may remind the reader that nothing is simple anymore and nothing is stable. The business of providing service for citizens in each province is changing every day in the direction of more complexity. The report highlights that providing good and efficient service is not a precise science. It is rather more like a balancing act, a creative developmental process - based principally on the prevailing culture, values and traditions alive within the province at that time.

The purpose of the scan is to help "read" correctly the culture living within the Premier's Department. We need to do this if we want some of the truths about the behaviour of people to be put alongside the technical aids we have, to make the Administration as effective and efficient as it can possibly be.

The report will seek to find "frames of mind" and mental models that are open. Open to the picture that emerges from the report, open to change which is needed, and finally, open to the huge human potential which may continue to transform the Premier's Department into a living and vibrant organisation. The study has a strong systems analysis methodology, recognising that the organisation is multi-minded and a socio-cultural system.

4.16.1 Organisation Health Index

This is based upon the residing interactive human quality of what lives between people in their functional roles within an organisation which can be said to be the culture of that organisation. This includes the way things are done, and would embrace the following assumptions:

About the manner in which people THINK and LEARN. We can sum this up as the LEARNING ENVIRONMENT. Organisations grow only inasmuch as the people within them grow. If people are not growing and learning then they are stagnating.

This in turn affects the creative, innovative climate of the organisation and its capacity to respond to service delivery.

About the beliefs we collectively hold concerning the manner in which humans are INFLUENCED and CHANGED. This can be summed up as what people believe about themselves and their FUTURE PERSPECTIVES.

About the personal interactive opportunities created in which people are MOTIVATED and REWARDED. We can see this aspect of organisation life in the mode in which people are WORKING TOGETHER. If we reward rugged individualism, people are motivated to behave in a highly competitive manner. But, where structures and process promote team work, we motivate and rear activity based upon a culture of mutuality, and working together becomes a way of being. This is in stark contrast to how the civil service currently functions.

The Organisation Scan is designed to produce a composite health index of all three aspects of a culture climate, as well as an index of each one separately. To the degree that a given culture supports the successful business activity, one may say that such an organisation is healthy and interactive.

With the Organisational Health Index at 62.09%, one may be tempted to conclude that all is well. However, the score merits some scrutiny as to where the issues rest, that are impacting upon this percentage score. The 38.68% which we may label "Open Space", is open in every sense of the word. It represents an opportunity, a creative response to the present situation, an uncharted area in which to move forward proactively.

106

4.16.2 Three areas of focus

The most noticeable feature of the study showed the low scores achieved by the Middle Management in working together at 55.36%.

Another feature is the score of 59.59% for the General Staff in the Learning Environment. This score is dangerously low and will need to be addressed as soon as possible.

The results would indicate that to reach into each of these vital areas of the present culture climate, any planned developmental intervention, would need to be phasal and multi-dimensional in approach.

It is important to note that all indices are lower than the threshold indicative of health. This points to a measure of urgency for the process to commence. Delay here may entrench the present culture, if it is not already so.

These issues are all related and there may be need to focus on individual aspects of the scan where individual items from the questionnaire are unpacked.

4.16.3 Management Styles

There is no mystery as to why managers carry so much influence in the creation of a culture of the organisation. Managers by virtue of their positional power, reward or punish behaviours which then percolate through the organisation.

They are also high profile status positions and as role models impact upon the social behaviours in the organisation.

Given these facts and the reality of status, power and economics within organisations and the manner in which they influence organisational behaviour, managers and their management styles play a vital role in determining the sort of culture that exists in any organisation. It is necessary to be reminded that efficient and effective organisations are the consequence of human interaction and human behaviour - value laden and work culture specific.

4.16.4 Management Challenges

Behind each style lives a rich context of cultural assumptions about how things are in the world and how tasks should be accomplished.

Clearly the North West Province has come through a difficult time.
- The uncertainties of the last few years in administration direction and performance
- The escalation in the cost of delivery of services
- Bringing together different administrations with different cultures
- Creating a work ethic relevant to the needs of the people of the province
- The ever escalating wage demand, have all impacted upon this department

Effective management, as well as just being employed, in such a developmental climate as discussed, is difficult to say the least. A deep sense of anxiety about the future is detected throughout the department, as well as a general lack of initiative taking. No-one is taking risks. All these factors have played a role in the results of the Organisation Scan.

4.16.5 Information

As air is to the body, so is open communication processes to the organisation. From the LEARNING ENVIRONMENT INDEX, every indication points to the need to develop a communication structure that moves vital information throughout the department. No organisation can sustain a healthy culture under conditions where communication (INFORMATION) is used as a weapon to carve out status and power.
See the content of 4.16.2 above

4.16.6 Training and Development

The apparent absence of clearly developed and articulated developmental process for human resource development, is out of step with the highest aspirations of human beings - to grow, both as persons and as useful members of a working social environment.

So much of a person's self-esteem is based upon what we can accomplish through our different levels of competencies. If these accomplishments are not enhanced through our latent competencies, which are not encouraged then the culture of THINKING and LEARNING will diminish considerably. That such a process of diminishment is underway - is shown in the Health Index pertaining to the LEARNING ENVIRONMENT.

- It is crucial that the Learning Environment is cultivated that will enable people tot see the relationship between their behaviours, their learning and the LEARNING ENVIRONMENT that can sustain a shared vision
- Management teams must explore their Role Structures
- Roles are then defined and uncertainty is prevalent among staff concerning reporting lines..

4.16.7 Values

Leadership within the management function must be able to mirror the core values to the department. Values that underpin effectiveness and efficiency must be uppermost in management behaviours, such as:
- Punctuality
- Being accountable for actions or lack thereof
- Commitment to service delivery
- Building trust by being trustworthy
- Honesty and openness to outcomes

The report clearly highlights the quality of work life for personnel in one of the Provincial Departments. It however gives a bird's eye view of what is no doubt prevalent within the other departments of the North West Administration in depicting the unique working environment and the work culture that is prevalent as a result of interactions of the different components of the organisation. The report also confirms the need for structural and systematic changes that are necessary.

4.17 How has the Administration worked in the past and how it is working now?

The specific barriers preventing a successful transformation were identified as follows: There is a lack of a common vision and role confusion between the political and administrative leadership of the Province. The two streams of functionaries will have to be harmonized and synchronize their activities. The command and control mode in the public service must cease. The organisation must strive to become a learning organisation allowing the workforce creative capacity to be unlocked to improve efficiency and effectiveness.

Planning, budgeting and delivery must be coordinated and the continued dysfunctional and fragmented service delivery should be brought under control. Skills and expertise were not being adequately utilised and a skills audit is urgently required across the administration.

Communication remains a challenge and will need radical improvement. The lethargy and absence of a sense of urgency must be substituted with one of a sense of purposeful direction and achievement bearing in mind the resource limitations available to the province.

The Aloe Ridge priority focus areas were once again confirmed by the Sehuba Inn Workshop of 16 November 1998 viz: job creation, physical service delivery, skills development, combatting HIV/AIDS, crime prevention and lastly public service transformation to be accellerated.

4.17.1 Priority focus area one

In assessing governments' performance to the priority focus areas, no less then President Mandela has echoed the sentiment that government must not be accorded the status of providing jobs. At best, government facilitates an environment which is conducive to economic activity that spurs on growth and employment opportunities.

Areas that did not receive adequate or any attention of critical importance to the province are tourism, the manufacturing industry and mining. Our current unemployment rate (latest figures) stood at 37.9% and would have exceeded the 40% barrier by end 1998.

The South African economy was not immune from the Asian economic crisis which saw the Johannesburg Stock Exchange all-share index being reduced by one third of its value by August 1998.

The private sector has not been very eager to invest in new ventures in the province. Incentives to keep people in employment were non-existent.. There has been no focused HRD or skills training within the private and public sectors. Compounded to all of this was the lack or absence of adequate resources to fund public sector physical infrastructure programmes. It is alleged that while labour laws contributed to better conditions for the employed - not much was achieved to address the unemployment question.

The assumption that information made available to all social partners i.e. government, business, labour and the NGO sector would get them to perform synergistically is wishful thinking. People as reasoning beings exercise choices of how they respond to the information. The conclusion of a binding SOCIAL CONTRACT between societies' role players will need to be addressed.

At the expense of repetition, statements made in Chapter two will be repeated to underline the challenge.

Choice and purpose are not merely questions of information but of understanding the WHY, HOW and WHAT that people engage in as purposeful beings. This includes:

- rationality (relations of means toward ends)

- selective preferences (what excites and inspires people)

- cultural values (the defaults of specific cultures).

There is thus a need to align the interests of purposeful constituents of society (government, business, labour and NGO's) and create excitement and commitment to the purpose of the whole. By implication you cannot do to people but you must seek and obtain their active and creative participation. Empowering others is much more important than "power over" them.

What is also required is the prevention of the "win-lose" tug of war that brings paralysis to society and wasting energy. That energy should rather be harnessed in seeking to establish a "win-win" culture.

Social systems as purposeful, have choice of both end and means i.e. choice regarding structure, function and process which are subject to design so that we may within the context of integration and differentiation reach the state of organised complexity(See page 48).

Three levels of choice/purpose must be accommodated: That of the containing system the institution is in; the organisation itself and, Its parts - its members. Conflict in society will never be eradicated - but the system can so be designed to contain or dissolve it as and when it arises. This challenge is what interactive management must do within a socio-cultural model that seeks to transform the organisation through ongoing design and redesign.

The objective would be to have consensus with societies constituent components - government, business, labour and NGO's operating as independent parts having individual choices while simultaneously acting in concert as responsible members of a coherent whole with a collective choice. This needs management of interactions of the parts (members) with continual or ongoing learning and redesign capability.

We need to have co-operation between the role players mentioned above with an agreement over ends and means to achieve a desired future for the province which will be well governed, secure and stable with a continually improving quality of life for all its citizens which will be underpinned by a growing and sustainable economy.

4.17.2 Priority focus area two

As for the priority focus area of physical service delivery of the 1998/99 budget of R7.7 billion only R284 071 (million) was available for capital expenditure.

Despite the resource constraints, the Province has completed 260 school projects, 2754 agricultural projects. Twenty five thousand three hundred and fifty nine (25, 359) houses have been built and national government has extended water supply to 450 000 beneficiaries. Eskom has provided electricity to 120 706 households and 419 schools.

Telkom has provided 220 000 new telephones with 30 000 pay phones by 1998. Four hundred and thirty two (432) farmers were allocated land. The total beneficiaries (some more than once) impacts upon 2,3 million people.

Despite all these achievements, with the current backlog, ever increasing population growth and stagnant economy the pool of poverty continues to widen.

The asset base of the Province is valued at R12 billion requiring R480 million annually for maintenance, with a further 500 million for the existing road network maintenance. In the absence of the R1 billion required for maintenance for the next seven years - the entire asset base will be depleted within 10 to 15 years.

These do not even take into account the physical infrastructural needs of the Province.

4.17.3 Priority focus area three

As to the next priority focus area, skills development despite increased funding and budget allocations, the Province's matriculation failure rate keeps rising from 29.8% in 1994, 46.0% in 1997 and 43.3% in 1998.

From the estimated 42 000 new entrants to the job market, only 1 out of 6 will get employment, increasing the unemployment pool by 35 000 to 40 000 people annually. Job losses in the mining industry since 1994 is estimated at 24 000 workers. With a matric university exemption rate of 11%, the pool of very poor skilled workers will increase by 90% of all school leavers - for whom employment opportunities are extremely limited. With only 4.1 % of adults having higher education, even if diversification of the economy takes place, the skills and expertise do not exist in the Province.

4.17.4 Priority focus area four

Priority focus area HIV/AIDS is cause for alarm. The HIV/AIDS statistics showed a marked increase from 6% in 1994 to approximately 18.1% in 1998 of the total provincail population infected by HIV/AIDS. There are approximately 100 000 new babies born to the Province annually - many of them infected by the virus.

4.17.5 Priority focus area five

Safety and security as a priority focus area has concerns for stock theft, rape and assault. All other crimes are below the national average. The Province is favourably disposed regarding crime compared to the national average. But statistics of crime are high and the situation does not look optimistic in the light of the ever disturbing socio-economic trends.

4.17.6 Priority focus area six

As for priority focus area on transformation of the administration, on the 11-12 November 1998, the political and administrative heads of all provincial departments held a two-day bosberaad to evaluate progress in respect of transformation and to assess its impact on service delivery improvements. The bosberaad agreed that a number of factors in the North West Provincial Administration were hampering progress.

- Too big
- Too much fragmentation / uncoordinated planning and budgeting
- Culture of resistance to change
- Culture of control
- Absence of service culture
- Lack of common organisational culture
- Lack of common vision
- No internal audit of skills
- Lack of involvement, sharing and creativity
- Over regulation / penal system
- Absence of unifying project
- Structure not reflecting core functions
- Weak communications systems
- Lack / wastage of resources / capacity
- Role confusion
- No cascading of vision / mission or collective ownership
- Complacency
- No sense of urgency / apathy

On the 10-11th September 1998, the Cabinet Committee on Transformation held a two-day retreat and assessed transformation of the North West Administration using the STRIDE methodology. The following emerged regarding the Province's performance:

4.17.7 Applying the STRIDE methodology

For a full description, refer to appendix 3.

4.17.7.1   Situation now

- Lack of administrative and political will
- Lack of co-ordination, integration, shared vision and strategic plan
- Poor information strategy
- Inadequate implementation and low level capacity (human resource skills) due to lack of resources

- Lack of alignment due to poor communication that leads to low morale
- Poor service delivery resulting in support withdrawal which impacts on image of politicians and government
- Loss of ownership by some administrators, politicians and leaders in civil society.

These are all barriers/obstructions to improvement.

4.17.7.2   Target

- Restructured administration resulting to fewer focussed departments with improved service delivery
- Satisfied stakeholders resulting in better co-operation that improves the image of the Province
- There will be harmony, law and order that results to heightened sense of democracy leading to a new sense of patriotism
- Information strategy is in place that leads to decisions based upon access to reliable information
- Effective Performance Management System at all levels of government and administration structures
- Get the highest political power behind transformation and allocate resources to corresponding action plans

4.17.7.3   Restraining forces

- No shared values resulting in lack of political and administration will (fear of failure)
- Role confusion in policy strategy and operations resulting in decision making paralysis
- Lack of identified critical projects and action plan for immediate action
- Information systems inadequate and mostly absent leading to uninformed decision making
- Wrong composition of Departmental Transformation Units with unclear and non-negotiated Terms of reference leading to narrow-mindedness of public service
- Mission not linked to transformation strategies resulting in lack of clearly defined implementation plans
- Rigidity of government systems and rules and regulations does not allow for creativity and innovation and are used as excuses to cover resistance to change
- The manner in which transformation was introduced lead to the lack of support and buy-in from key stakeholders, resulting in many people talking about transformation without a deeper understanding of it.

4.17.7.4   Deciding, doing and designing

- Reduce, simplify and translate White Paper on Transformation of the Public Service
- Communicate the provincial transformation projects via the Mirror (provincial paper)
- Co-ordinate and streamline Management Information Systems
- Unions and operational staff should always be taken through similar processes to create ownership and buy in

- Provincial Management Committee members (heads of departments) to be evaluated on their contribution to the transformation

4.17.7.5   Evaluation

- Evaluation of all activities covered in deciding, doing and design section to be reviewed on a quarterly basis
- Management will begin to perform roles they are meant to perform
- Setting and achievement of milestones / objectives
- Employee satisfaction - high morale
- Service delivery to recipients
- Savings on budget
- Reward for those who perform and penalties for those who don't.
- Besides the normal service deliveries such as health, education, welfare etc. the North West Provincial Administration embarked on a number of initiatives to improve performance.

4.18   *Performance generally*

Personnel expenditure or the wage bill is a matter of extreme concern. Despite broad acceptance generally that the administration has a bloated work force, the personnel cost increased from 40.5% of provincial budget to 58.2% in 1998/99. At the heart of the problem lies the answer to the question as to whether government departments have indeed been restructured.

The skills base in the administration is low with almost 70% of personnel being categorised as low skilled with a further 20.1% in the semi skilled band.

While performance management was conceptually introduced to the Province in 1996, very little progress has been monitored in terms of implementation. Resistance clearly played no small role in the lack of progress with implementation of PMS.

Budget allocation from National is restrictive to say the least. Save for the first financial year, budget allocations have been consistently less than the annual inflation rate. The revenue generated provincially has seen a sharp decline with its current percentage only 3.9% of the provincial budget.

The largest proportion of the budget, 80% gets consumed by Education, Health and Welfare. The salary bill is at 58% of the total provincial budget. Capital expenditure has decreased to less than 6.1% of the budget.

While the Province clearly understands the development challenges to uplift the poverty conditions of its citizens, the impediments placed by the constitution limits the ability to deliver. Given the sheer weight of the backlogs and the shrinking resource base, the impact of government spending becomes dwarfed.

The Constitution restricts provinces with regards generating of our revenue.

The Constitution prevents provinces to independently enter onto finding arrangements from banks etc.

The powers devolved to provinces are limited to particular fields and are even further restricted even in the devolved field.

The Sehuba Inn Workshop agreed to address the priority focus areas by programmes and or projects. However, when Treasury finalised the current years budget, it was business as usual with incremental increases only.

Whilst top slicing in principle was accepted to address provincial priority focus areas and programmes - no provision within the MTEF provisions have been made. The decision will remain hollow and empty.

The net effect is that whilst there is a political realisation of the challenges the budgetary regime remains hostile to a practical implementation of any agreed upon priority focus areas.

There is discord between planning, budgeting and delivery. The old systems just will not adapt to the changes and challenges - like DNA - they mutate and become ingenious in their ability to survive.

While many statements politically are made about public-private partnerships, there has been little progress in practise. The only notable Public Private Partnership was with the Airports Company of South Africa and Sun International for the development of the Pilansberg Airport.

Savas (1997:3) in his book titled "Privatization, The Key To Better Government" says, the distinction between public and private is elusive. We speak of a park or government office building as being publicly owned, but we use the same term to describe IBM because it has many stakeholders and any member of the public may buy part of the company; it is a private firm that is publicly owned... We use the same word public to describe three different circumstances; government ownership; widespread ownership and widespread access. This semantic confusion is nevertheless instructive, for it implies that government ownership - and by extension, government action - is not necessary to achieve widespread (i.e. public) benefits.

4.19   Who are the Administrations Stakeholders?

How many of each type are there? How dependent on the administration are they? The North West Province has a variety of stakeholders ranging from individuals to its society at large. The following is my identification of the stakeholder community:

- The Executive wing of government
- The Legislature which votes money
- The Public Service, organised and unorganised
- Organs of Civil Society such as NGO's and CBO's
- Central Government
- Local Government / District Councils

- Trade Unions
- Political Parties
- Universities / Technikons and other educational institutions
- Monitoring Agencies of Government e.g. Human Rights Commission
- Business
- The Donor Community
- Other Provincial Governments locally and internationally
- Policy analyst
- Residents of the Province

4.19.1 How many of each type are there?

- The Executive wing of government in the province consists of the Premier and ten Members of the Executive Council.
- The Legislative wing of government consists of thirty elected members of the province.
- The public service has a community of 75 000 members working for the provincial administration.
- There are a wide variety of Non Government Organisations and Community Based Organisations in the province.
- Central Government as represented by its own branches at Executive, Legislative and Administrative wings.
- There are 52 local government structures and five district councils provincially.
- There are a wide variety of trade unions who organise in and out of the public service.

4.19.2 The political parties in the Province

- The African National Congress
- The New National Party
- The Freedom Front
- The South African Communist Party
- The United Christian Democratic Party
- The Democratic Party
- The Conservative Party
- The PAN African Congress of AZANIA
- The Federal Alliance
- Afrikaner Eenheidsbeweging

4.19.3 Secondary Stakeholders

- The institutions of higher learning are the University of the North West, the University of Potchefstroom, Technikon South Africa and a number of private colleges.
- The monitoring agencies range from the judiciary to the Human Rights Commission, the Public Protector, the Independent Complaints Directorate and the Public Service Commission, the Commission for the promotion and protection of cultural, religious and linguistic rights. A Commission for Gender Equality, the IBA, Auditor General and IEC.

- There are a number of organised business formations from the North West Province's Business Forum, the African Chamber of Commerce, SACOB and a number of structures organising in particular towns or regions such as KOSH.
- The donor community ranges from other National Governments, Provincial Governments in other jurisdictions, International NGO's and local outfits.
- There are a number of sister Provinces locally and internationally with whom the province has formal relationships.
- Policy Analyst range from the International, National, Provincial and local level.

4.19.4 How dependent on the Administration are they?

The Executive is entirely dependent on the Administration which is the vehicle by which the Executive can implement its policies. The Legislature, similarly to the Executive - comprising of elected representatives, are also dependant on the Provincial Administration to implement the policies it approves by way of law.

The Public Service is the Administration. They staff its offices, they grease the machinery and they make the apparatus tick the way it does. Their careers are embedded in the structure and it determines their lifestyles. It is where they work, live and grow.

NGO's and CBO's are normally interest groups formed to rally support or lobby for particular policy directions. Because of their grass root contact, they form an important source of contact and very often get support if given recognition by the administration.

The Constitution enshrines co-operative Governance between the three tiers of government. Many policies of Central Government are totally dependant on the Provincial Administration to achieve objectives i.e. health care, welfare, etc.

Local and District institutions not only receive their funding and legal framework from Provincial Government but much of their infrastructure needs are addressed by the province.

Trade Unions put a high premium in ensuring that their members remain in employment. Given that the Province employs so many people and trade union coffers are influenced by membership figures, they are fairly linked to the Administration's existence.

Political parties seek to contest power via the ballot box to gain control over the Administration in order to implement their policy claims on society. They would not be able to achieve much in the absence of the provincial administration.

Institutions of Higher Learning, other than the financial relationship they have with government, are where ideas, research, experimentation and generally the development of progressive thoughts takes place. They therefore contribute this way to enrich the policy making process and have many of their graduates employed by government.

Monitoring Agencies have as their purpose and function the overseeing of government activities - no administration - no one to monitor.

Business is dictated to by the legal framework and environment within which they may operate as provided for by the Administration.

From taxi regimes to the price of fuel - all of these impact on business and are determined by government.

The donor community is comprised of many interest groups - from individuals to nation states that seek to give humanitarian aid. Very often, they seek to achieve their own objectives and see the administration as instruments to obtain their objectives.

Other Provincial outfits have a mutual interest in co-operating with each other on a host of issues ranging from economic agreements to improvement of governance by pooling and sharing of experiences.

Policy analysts normally are engaged by the administration as consultants to assist in policy briefs.

Residents of the province are dependent on the Provincial Administration in many and various ways from education, health, security, welfare etc. Further details in this regard will be discussed.

4.19.5 How dependant is the Administration on them?

The Administration is completely dependent on both the Executive and the Legislature for their very existence. They obtain their mandate and account to these structures. Without the public servants there can be no administration. The Administration obtains vital information from NGO's and CBO's as where best to direct public resources in addressing social needs e.g. civics.

The Administration by and large receives its finances from Central Government as well as directives on non-provincial competencies. Local and District Governments as the third tier of government undertake many tasks on behalf of the Administration by way of agency e.g. revenue collection.

Trade Unions assist in bringing stability to the work place by entering into collective agreements on behalf of their members. One could just imagine having to negotiate annual salaries with each of 75 000 employees. Political parties have different roles - the majority party gives directives to the Administration while opposition parties seek to serve as a check and balance on government excesses.

Institutions of Higher Learning provide the Administration with trained personnel and offer other specialist services that the Administration cannot provide in-house. Monitoring agencies ensure that there is no abuse of power in a democratic society. Many problems experienced by the Administration are often channelled to these agencies for investigation or assistance.

Business provides taxes without which no Administration can survive. The extent of resources - human and material is dependent on the only source of government income - viz. taxation, and

business makes a substantial contribution in this regard. Given the limitation of resources, the donor agency plays a critical role in filling the gaps in particularly service deliveries.

No administration is an island: developments in technology, better methods for governance, sharing and pooling of experiences makes for a fair dependence on other regional governments. Without objective monitoring and analysis the administration would not be able to determine if policy objectives have been met. Analysts make a significant contribution in this regard.

The residents give the administration purpose for their existence. Citizens have the vote and are important customers of the administration.

4.19.6 Customer usage of the Administrations Services (how and for what)

The Province commissioned the University of North West and Potchefstroom University (1997) to conduct a COMMUNITY SURVEY regarding government services. The report dated February 1997 highlights the following:

- The majority of respondents consider themselves relatively uninformed of government policies.
- 63.2% of the respondents indicated the NWP government does not communicate its policies effectively. Those who indicated they were not well informed attributed this to a lack of communication on the part of the government.
- The respondents' perception of the administration was generally positive, with those perceived as good being library services, schools, electricity supply and health services. 72.7% felt that the NWP government has not delivered on the election promises, only 17.3% of respondents indicated that the government has begun to deliver. The particular areas of non-delivery were in the areas of job creation and employment opportunities, the lack of provision of new houses and health facilities.
- 56.2% of the respondents felt that the NWP government has introduced some changes since it came to power, while 39.9% felt that nothing much has changed. The performance of the national government was rated as 6 (median) on a scale varying from 1=dissatisfied to 11=satisfied, the score for NWP government was 5, that of district councils = 3 and that of local government was also = 5.
- 51.4% of the respondents were dissatisfied with the performance of the NWP government, only 35.8% were satisfied and 12.6% were neutral.
- 58.6% of the respondents felt that the NWP government was important, 32.1% felt that it was unimportant and 9.1% were neutral.
- 60.7% of the respondents who indicated a relative understanding of affirmative action, were dissatisfied with the rate of implementation of the policy.
- On the issue of the impact of affirmative action on service delivery, the majority of respondents (53.7%) felt that the policy is bad for effective public service delivery, while 33.1% indicated it was beneficial and 11.8 % neutral. The majority of respondents prefer communication to be in three languages - Setswana, English and Afrikaans.
- The majority of respondents in the province mostly speak Setswana at home (60.4%), followed by (23.1%) who speak Afrikaans, 7.8% who speak Sotho and 1.9% who speak English. The main sources of information regarding public services, policies and programmes, were from the radio (45.7%), with TV being used by 22%.
- Informal sources of communication seem to be the major source of information in the districts of Temba (53.7%), Ventersdorp (51.9%) and Delareyville (33.3%). It is to be noted that very

few respondents identified the NWP government mouthpiece - The North West Mirror - (now Seipone) as their source of information on public services, policies and programmes.

- The public services mostly utilised for the first ten months of 1996 were: Health services (41.3%), General municipal services (12.4%), School facilities (5.8%).
- Of significance was 17.9% who indicated they had not used any public service at all.
- The majority of respondents 37.2% expect the Premier to give priority to improving and developing facilities such as houses, schools, etc; 14.0% indicated the creation of more jobs was important and 6.0% indicated the need to visit and develop rural areas; 53.6% of respondents did not know what the main functions of national government were; 58.6% of the respondents did not know what the main functions of provincial government were.
- 53.1% of the respondents indicated that RDP forums exist in their areas, and 46.9% of the respondents indicated there were no RDP forums in their area.
- Some 22.1% of respondents indicated having benefited in some way from RDP programmes/projects; in the Rustenburg area 68% of the respondents benefited from a RDP project, in the Southern Region 56.8%, in the central region 53.1% and in the eastern region only 37.7%; 90.4% of the respondents stated that they voted in the 1994 general elections. The remainder 22.3% did not have ID documents and 31.8% were under age.

With the advent of democracy in South Africa, the RDP was introduced with five key programmes for the delivery of services to meet basic needs of all citizens. Whilst the creation of effective and efficient service delivery systems embraces all aspects of the civil service, the issue of consultation deserve special mention because it is a prerequisite for the democratic process to be embedded. The civil service of the previous dispensation was characterised by a culture of control and autocracy, where services and the quality thereof were determined by convenience and expediency rather than by the needs and wants of the broader population. In order to change this culture the principles of effective consultation with all stakeholders is critical.

In the survey, consultation was used as a vehicle to solicit public input into the process of service delivery by government. This was done by soliciting views on how effectively government has performed in the past.

4.19.7 Who are the Administration's Competitors?

The competitors to the administration are business, organised business organisations, NGO's and CBO's. The business community undertake a host of service functions sometimes complimentary to and on other occasions in open competition to the administration

The type of services conventionally undertaken by the administration which are now also provided for by business are as follows:
- Private security firms
- Private medical clinics
- Private medical practitioners
- Private schools
- Private dispute resolution institutions
- Private housing corporations
- Infra-structure companies
- Non state aided transport facilities
- Non state aided postal and delivery services
- Non state aided telecommunication/broadcasting

According to South Africa Survey 1996/1997, for this period there was a 41% increase in private security companies and a 124% increase in the number of active security officers employed by them.

According to the Security Officers Board, (the regulatory body of the private security industry), there were approximately 11 000 active security officers employed by about 3 300 security companies in South Africa in June 1996. In May 1996 Minister Mufamadi told Parliament that there were 102 340 active police officers in 1995.

The Telecommunications Act of 1996 makes provision for a liberalisation process in which fixed line telephoning would be subject to competition at the end of a six year period. Sun Air has already been sold by government. Telkom has sold 30% of its holdings to Malaysia Telekom.

According to the same survey, the North West Province has 32 regional and community hospitals, 20 community health centres and 278 clinics. For the same period the province had 17 private hospitals and 4 fully fledged comprehensive service clinics.

The health care personnel (registered) for the Province in 1995 were as follows:

	PUBLIC	PRIVATE
DENTIST	40	64
DOCTORS	357	261
NURSES	7793	814
PHARMACISTS	59	647
SPECIALISTS	42	86

Some 86% of all nurses in the country worked in the public sector. However, the majority of pharmacists (94%), dentists (89%), specialists (58%), and doctors (58%) worked in the private sector.

According to the very same SURVEY, according to the Independent Examination Board (IEB), which ran national public examinations in schools and adult education centres, the number of schools writing the IEB examinations had increased from 29 in 1995 to 97 in 1996. The total number of matric pupils writing the examination had increased from 1335 to 2960 over the same period.

In terms of private schooling, in 1995 there were 22 private schools, with a primary school enrolment of 2992 and a secondary school figure of 1848 having 237 teachers employed collectively.

The Financial Mail reported in May 1996 that more parents were turning their backs on the public funded schools and resorting to private schools. According to Mark Henning, director of the Independent Schools Council, the number of private schools nationally grew from 93 in 1991 to 550 in 1995 (by 491%).

4.19.8 NGO's and CBO's

The South African Survey 1996/1997 (SAIRR, 1997) states that as per the White Paper for Social Welfare, 1996, there were about 10 000 organisations in South African civil society which had a welfare and developmental focus. These organisations were either based in the formal welfare sector (i.e. government - subsidised organisations or religious organisations delivering welfare services, some of which were government subsidies). In the 1995/96 financial year government had spent R1,1billion on non-government organisations providing welfare services.

With the coming into being of the South African National NGO Coalition, NGO's and CBO's are no doubt going to influence the landscape by their activism. They are however faced by enormous funding challenges and consequently at a provincial level their chapter was re-launched on the 18th March 1998. The North West Province being largely rural, very few resources, financially and otherwise exist for NGO's or CBO's to compete with the administration. They have very little stake in the activities in which the administration is engaged. The NGO and CBO sectors in the Province are thus not considered as competition to the activities of the administration. However, through the Masakhane Campaign, they have actively been engaged in partnership with government to address specifically socio-economic challenges within the Province. Community Policing has also being successful in a partnership between civil society and the South African Police Services in the fight against crime.

CHAPTER FIVE: IN SEARCH OF THE IDEAL ROAD MAP

The purpose of this Chapter is the examination of a potential alternative model of organisation which can serve as "road map" for institutional transformation in the Public Service of both North West Province and the Public Service at large

5.1   CHANGE

The leading question is: What structural and systematic changes will need to be made in order to turn the situation around and what qualities of leadership will be necessary to enable this to happen. This includes the decision and value - criteria underlying performance on all levels of the organisation.

In seeking to plot the "road map" for transformation certain matters need to be accepted as fundamental to the journey.

In seeking the best system we can imagine, we cannot seek to recreate the past, we are not satisfied with the present recognising that we cannot predict the future we seek the system that would be subject to future modification as we learn more and correct unintended outcome.

It should allow for the North West Provincial Administration to continue to create its own success, reaching ever higher levels of efficiency and effectiveness - for these are not destinations but a moving target that is dependant on a multidimensional socio-political, economic, cultural and ecological context - one which is not stagnant over time.

In the process of introducing conventional "business process engineering" without participation of the whole organisation and done only within a part of the institution, complexity is increased in attempts to "patch" discrete solutions onto the parts of the system where problems are identified, with the contra-intuitive result that the system becomes overburdened and further demoralised and suboptimized.

The argument has consistently been made that the ultimate effectiveness of the system is defined more by the interactions amongst the parts than the sum of the actions of parts taken separately. The interactions are subject to design failing which form an invisible "architecture" that obstructs meaningful change. This is a problem of the social and management culture in the organisation - the so-called "default values" (unexamined assumptions of how "things should be") within the system.

The North West Provincial Administration has been analysed to death as the preceding pages have confirmed. The bosberaad of leadership on the 11/12 November 1998 have set out the values and properties sought to be operationalised within the Administration viz. personal growth, growth of the organisation, change and variety, efficiency, responsibility/accountability, achievement, excellence/effectiveness, competency, integrity, honesty and ethical practices.

These ends which find expression in the White Paper on Transformation of the Public Service (RSA, 1995a), are the very ones which characterise world class leading organisations. All of them are not separate and independent issues but form a system of interdependent and interconnected values, meaning achievement of any one is dependant on the achievement of all the others simultaneously - and are not unrelated programmes which can be tackled separately with interdependent solutions.

The solution cannot be found in the methods of traditional business school thoughts that have been dormant since the late sixties. They are unable to solve the organisational challenges of today's turbulent and rapidly changing, complex environment - they are all based on the same set of assumptions about management, organisational design and planning that CREATED the existing system in the first place. They need to be replaced by flexible, adaptable organisations based on the social values, needs and purposes of their members and stakeholders.

The solution can neither be found in external plans being prepared, designs or solutions for others, but what is required is to facilitate better planning for civil servants based on sound understanding of the dynamics of social systems. Implementation methods are similarly not pre-packaged fixed solutions to for example human resource development questions, but adaptable frameworks designed to be infused with the intentions and needs of the specific context in which they are operationalised.

Interactive design, as transformation process, is a vehicle for actualising democracy within the public service and society, whilst simultaneously creating the framework for provincial development planning. As a whole systems methodology it creates economic and service performance transformation as well as cultural alignment and compatibility.

Learning and adaptation are taken as key requirements because no organisational problem stays solved for long, and the duration of a solution reduces as the rate of change accelerates. The solution to a problem, moreover, generates new and often more difficult problems - this interactive planning/design is a "moving target" becoming a way of doing and learning and improving within the organisation.

It is not done for the provincial government but with the administration, transferring the methodology, and technologies in the process and allowing civil servants to continually recreate the organisation in terms of their own values and stake-holder requirements in a continually changing world. It would not be necessary to restructure every few years or attempt new solutions as time progresses and the environment or organisation changes.

There is no context-free problem, so that what may be considered to be a problem in a given situation may not be a problem in another one. Failure often stems from failing to face the right problem - not because one fails to solve the (supposedly given) problem being faced. This is critical in deciding which solution to accept in the transformation process. Thus defining the right problem is even more important than developing the right solution. Transformation of the whole is not an "aggregate" of individual elements, but the product of their interactions.

One often assumes that "what should happen" (the END) are given and that transformation is a technocratic solution of a means problem, questions of "doing it right" making us lose sight of the "right thing to do". Doing the right things refer to the EFFECTIVENESS (ENDS) - doing it right

refers to the EFFICIENCY (MEANS). By way of example, while dedicated projects to reduce HIV/AIDS have been implemented, the statistics reveal an increase rather than a decrease.

Since the ends sought in the design of any system is culture and context-specific, they are not a predefined set of values brought into the administration from the outside, but specified as the desired properties of the system by those engaged in the design i.e. the civil servants and their stakeholders.

There is an erroneous belief that the chief benefit of planning derives from the use of its product i.e. the plan. Interactive planning/designing moves from the premise that the process is the most important of planning. It is the vehicle whereby the members and stakeholders of the system seize control over their own future, providing them with the learning and development tools to continually recreate the organisation and broader society according to their values, aspirations and collective purposes.

Transformation is not an event just as planning should not be the yearly "rain dance" once formalised and budget approved, is shelved in the filing cabinet whilst the organisation assumes its "business as usual". It is similar to a lifestyle change (after a heart attack) a different way of doing what we do, and allows for ongoing learning and development due to the way the process and its parameters are designed and structured. The outcomes of the two bosberaads of November 1998 have all been neatly filed, money has been allocated, and things remain the same as usual.

The effects expected from implementation and the assumptions on which they are based are continuously reviewed, reason sought for undesired outcomes, and designs modified accordingly. This requires a continuous, iterative process of monitoring, evaluation and modification. Thus design and planning become a form of managing, of self-governance and self-evolution by the civil servants and their stakeholders.

The principle is akin to a coin with two sides: co-ordination and integration. Since organisations such as the provincial administration are divided into levels (hierarchy) and units differentiated by function, outputs or "customers" served (departments/divisions), co-ordination has to do with the interactions between different units at the same level (horizontal) and integration concerns interactions between units at different levels (vertical).

The requirement of co-ordination is based on the fact that no part of the administration can be designed, transformed or managed effectively if this is done independently of any other unit at the same level. Their ends, means and performance criteria need to be compatible and their reward structures need to reflect this compatibility. Unless we change the money flow, and reward change agents, the dominant culture will stick like glue.

Threats, problems and opportunities do not necessarily arise where they manifest themselves. For example, a production problem can often be resolved through a marketing solution, and these situations are therefore an outcome (emergent property) of the larger system. Such systemic problems and issues require interactive solutions from cross-functional teams, not localised solutions for parts of an organisation operating in isolation (or pre-packaged, content rich, independent solutions to specific "parts" inherently conflicting assumptions about the nature of organisation, governance and management).

The fact of the matter is that the provincial administration is still based on "ensembles" of supposedly good parts (functions/units/department), but which in fact are in conflict as to different sets of means used to pursue their ends. It is this STRUCTURAL CONFLICT which is creating the massive waste, inefficiency and ineffectiveness in the administration. This is a CONTROL model (no deviations) and are so designed to serve the interest of those in control of the administration - not delivery of service to clients or customers whose values are also to be valued by government.

Separate solutions, like parts from different types of cars, do nothing to resolve the fundamental problem of redundant bureaucracies ie. their inability to deliver the services required by the community of the province, since they are designed and structured for:
- no deviation - control and obedience
- separation of authority and responsibility - making accountability impossible
- distortion of information - making transparency and openness impossible
- fixed competencies which are not adapted to changing circumstances - stifling creativity, learning and innovative behaviour
- conflicting solutions to separate ends - creating conflict, waste, time lags and unnecessary complexity.

Iterative planning process is simultaneously a vehicle for learning and development, creating a self-managing system, where both responsibility and authority coincide, allowing for accountability. This allows every employee of government to learn how to perform at her/his best, to continue learning and developing and this becomes the "way of doing things" within the civil service, not something that is done to the organisation.

Piece-meal solutions do not take into account the particular needs, aspirations, values and cultures of those who have to make the system work for them i.e. the public service.

In Chapter Four we formulated the mess in which a detailed examination of the state of the system, its functions, structures and processes, how it operates, those it affects and how it affects them. But neither a mess nor a problem is directly experienced - what we experience lies somewhere between the two. We do not have direct experience of either a house as a whole or its individual furnishings separately. Problems, like pieces of furniture, are extracted by analysis from what we experience. Messes, like houses, are constructed out of our experience by synthesis. Messes have to be composed out of our experiences, problems come from their decomposition. It is important to remember that independent solutions to each part of a mess do not add up to an effective solution to the whole. The effectiveness of treatment of the whole depends on the way the solutions to its parts interact, not on how they act independently of each other.

Because underdevelopment and organisational messes are very large and complex, they are usually difficult to formulate in a way that is useful in planning. Ordinarily they are treated much like the elephant of the familiar allergy in which blind men, each feeling a different part of the animal describes the whole differently. A mess is not merely a system of problems only. One hardly characterise a situation that seems like a mess that one believe will improve if left alone. Thus "mess" refers to a situation that we expect will deteriorate unless there is an intervention. For this reason, a mess can be understood and appreciated by perceiving the future that is implicit

in it, by comprehending the consequences of no intervention. We get the essential nature of a mess by extrapolating from it and its recent past, the future that it contains. This is the future that would come about if there were no interventions, no deliberate or accidental changes that would alter the "normal course of events". It is the future that the system is currently in.

5.2   THE ROAD MAP - A DESTINY WITH DISASTER

Reference projections using the principal measures employed for the North West Province are based on information obtained from the South African Institute of Race Relations (SAIRR, 1999) and the Annual Report from the Department of the Premier 1997/1998 (NWP, 1997/98). The following observations can be made.

Gross Geographic Product in real terms only improved marginally from R21,3 billion in 1994 to an estimated R22,5 billion in 1998. This represents an increase of only 5.6% over 5 years. The required growth for the Province should be 5% per annum. Population growth being 3.2% per annum, the average GGP per capita dropped from R6 471, meaning the average wealth per capita is now 93% of the levels of quality of life experienced in 1994. The entire population of the Province is becoming poorer.

The economy is totally dependent on mining and agriculture contributing 47.6% to the provincial economy. This is unhealthy and diversification in service, tourism and manufacturing is urgently required. The TRESS index is estimated at over 6.0 indicative of an unbalanced economy.

Unemployment is steadily increasing and is expected to reach 40% by 1998. From the estimated 42 000 new entrants annually to the job market, about 7000 (1 in every 6 persons) is expected to get employment. Job losses in the mining industry since 1990 is at 24 000.

The Gini-coefficient is above 0,6 placing North West amongst the most unequal populations in the world. We have two communities of extremes - the super rich and the ultra poor.

White women represent 37% and black women 1.3% of all graduates in 1991. The higher educated demand will increase for skilled and higher educated categories. The role of institutions of higher learning need to be examined against this background.

The poverty rate at 57% places the province in the seventh worse position of all provinces - and rural poverty is particularly of concern. The poor etch out a day-to-day existence for survival. With only 4.1% of adults having higher education, even if diversification of the economy takes place, the skills and expertise do not exist in the province. And this happens despite the billions given to institutions of higher learning with enrolment of thousands of students. With a matric pass having university exemption at 11% the pool of very poorly skilled workers will increase by 90% of all school leavers, for whom in any event work is a scarcity.

At the current rate of building houses, it would take 42 years to catch up to the current backlog. This is without providing for the thousand of new families needing houses annually.

More than half the population do not have electricity and two thirds do not have flushing toilets,

128

with about two thirds of the population not having a tap at home. Approximately two thirds of the population have no weekly refuse removal. This reflects scarcity of wealth of extreme proportions.

Clearly, without any changes - we are heading for an explosion of our society. With the homeless and jobless pool increasing, civil unrest leading to anarchy will follow. Ruling elites will become more desperate to protect hard-earned gains and resort to state power to protect society a vicious cycle will continue with a larger pool of have-nots waging armed conflict. If popular rule occurs by revolution - this would be the end of the public service - no negotiated settlement. History is replete with violent social changes: the French, Russian and Cuban Revolutions.

Annually as civil servants salaries increase, with no growth in the fiscus, less money would be available for growth or capital expenditure. At the current rate we are heading for a lose/lose situation. We have a majority - which live in poverty - while civil servants conference to convey they are sorry.

Having done a systems analysis, an obstruction/opportunity analysis and reference projections, the road ahead looks very bleak. These are "what if" extrapolations and are known to be false based on the assumptions that no significant change in either the system or its environmental behaviour will occur.

Every operating system, including the public service, contains the seeds for their own destruction.. Thus the purpose of reference scenarios is to identify the nature of its self-destructive tendencies and to suggest changes that can increase its ability to survive and develop. A good formulation of a system's mess provides planning for that system with a focus and baseline against which design elements and solutions can be ultimately measured.

The reference projection is not meant to be a realistic prediction of future problems. If prediction at all, it is one of which ought not to be allowed to happen. It serves as a resonance box or microscope, to amplify the latent contradictions in the system here and now. It is an aid to an evaluation of the present. It is also a vehicle for organisational learning. It clearly reveals the potential crisis inherent in the current behaviour of the provincial administration that is most in need of change. Thus, if we take the necessary corrective measures with planning and design we can avoid such a future.

One should work from the premise that the current system was destroyed "last night" but all else remain the same, the environment, the needs and desires served by the system and those who have them remain the same.

5.3   PROCESS RE-DESIGN

The three steps involved in the design process viz. would be to: selecting a mission, specifying the desired properties of the design, and designing the system. The mission of the North West Provincial Government is to have a well governed administration, a secure and stable environment with a continually improving quality of life for all its citizens which will be underpinned by a vibrant, growing and sustainable economy.

The properties of the redesigned system are:

- a restructured administration consolidated to fewer focussed departments with improved service delivery (BATHO PELE)
- Information strategy must be in place leading to decisions based upon reliable and credible information.
- Effective Performance Management Systems at all levels of governance and administrative structures.
- Getting total political commitment behind TRANSFORMATION and allocate resources to corresponding action plans.
- Rigidity of rules and regulations to be removed to allow for innovation and creativity, breaking the chains of bureaucracy.
- There must be alignment, empowerment and enablement within the system.
- There must be a culture change in the way things are done - not following the rules is a good way to signal that rules are being changed. PRITCHETT and POUND put it this way "you must hint with enough shock effect to immobilise the old culture at least temporarily".
- Change the reward system - what gets measured gets done and expect casualties, but involve everyone.

An effective retrenchment tool is a sine qua non. The product of an idealised design is an adaptive - learning system that is capable of improving its own design over time. Because it is subject to improvement, it makes no pretence at perfection - hence being neither utopian or ideal. It should therefore be subject to subsequent revision by its stakeholders. It is a methodology in which democratisation finds its practical application.

The North West Provincial Government was prescribed to by a negotiated settlement in its powers and functions. In redesigning the Provincial Government one would look at:

5.4.1 STRUCTURE FUNCTION

The arrangements of the new departments within the design keep to the notion - form follows functions. Functions that interface are allowed to move toward integration. Functions via the negotiated settlement occurred more out of political expediency - resulting in fragmentation.

This has resulted in eleven separate departments, who independently focus narrowly on what they believe is their mandate without much co-ordination with sister departments. This makes it impossible to co-ordinate activities and avoid duplication and overlapping - the centre is weak, if not non-existent. There is no management of interactions. We are blindly negotiating a mountain hoping that we do not fall to our death.

5.4.2 SERVICE ORIENTATION

The current eleven departments should be consolidated to five, the rationale for the proposal will be examined and motivated in the discussion to follow.

5.4.2.1 DEPARTMENT 1: LOCAL GOVERNMENT, SOCIAL WELFARE, SAFETY & SECURITY

This grouping deals with matters municipal, allowing co-ordination of all activities that occur at the local level. The White Paper on Local Government RSA, 1994a) also seeks to strengthen as far as possible local governance to bring into effect the processes of empowerment through democratic association. Social Welfare and Community Policing are local matters - most communities know the challenges and probable solutions. While these are national prerogatives, they find their application and working at a local level. In that sense, both Local Welfare and Policing can be seen as co-ordinating functions.

5.4.2.2 DEPARTMENT 2: AGRICULTURE & ENVIRONMENT

Agriculture is embedded in the environment. No planting and cropping activity can be accomplished without a grounded understanding of the powerful manner in which development of the one interacts with the well being of the other. Care for the one raises levels of consciousness about the use or abuse of the other.

The North West Provincial Government is custodian of its territory and of this heritage and must protect the environment from those who would destroy and pollute in the name of progress. The province is largely rural and the populace directly dependant upon mother earth they reside on giving special attention to the interaction between the environment and agriculture.

5.4.2.3 DEPARTMENT 3: PUBLIC WORKS, ROADS & TRANSPORT

Roads and Transport are two sides of the same coin. You cannot have transport without roads, and planning requires these two functions to be talking to each other all the time. Building and maintaining roads with no policy link to transport policy is ridiculous. Public Works can function more fully when it interfaces through an activity with the other "client" departments. Being part of a more integrated network of activity brings its core functions to the fore where many of its "non-core" functions could be up for outsourcing.

5.4.2.4 DEPARTMENT 4: EDUCATION, ARTS, SPORTS & CULTURE

The present separation of Arts, Sports and Culture is an anomaly and should be integrated into one with Education on an agency relationship. In having accepted stereotype management principles in society, we have dissected life in its chief components of work, learning and fun. Each one is separately conducted and partitioned with no attempt to understand the contribution collectively of the three components to the wholeness of being human. Every attempt must be made to fuse the three into a holistic co-ordination so as to produce a better quality of existence.

5.4.2.5 DEPARTMENT 5: HEALTH

With the second biggest share (See Appendix 2, NW provincial budget 1994-1999) of the budget

this department should stand alone. Given the challenges of HIV/AIDS and other illnesses (absence of water, electricity, flushing toilets and waste removal) and with only one doctor per 10 000 residents this department should focus on its core function.

5.5   THE CENTRE OF THE MODEL: PLANNING, BUDGETING AND CO-ORDINATION

Good governance centres on good planning, budgeting and co-ordination. The entire design is viewed as a dynamic interactive organism, with each of the five service oriented departments interfacing with the centre through planning, budgeting and co-ordination via a dynamic information management system in which the entire administration is embedded. Without this interface, the dynamism ends and the process of fragmentation begins. By so doing we can understand the interactions of critical variables in the context of time; the totality and the interactive nature of change within the system, and the system's interaction with its broader socio-political and economic environment.

A diagram (see Figure 5.1) setting out the design will assist the explanation. The Premier would be an elected office bearer, with executive function of the organisation which oversees the operation of the whole system and orchestrates the activities of all other dimensions.

The Deputy Premier would be appointed by the Premier for a fixed term contract for the duration of his/her term.

The heads of the human, technical and financial systems will be appointed jointly by the Premier and Deputy-Premier based on their skills and expertise. The head of planning, budgeting and co-ordination is also an appointed official.

Figure 5.1: New governance design
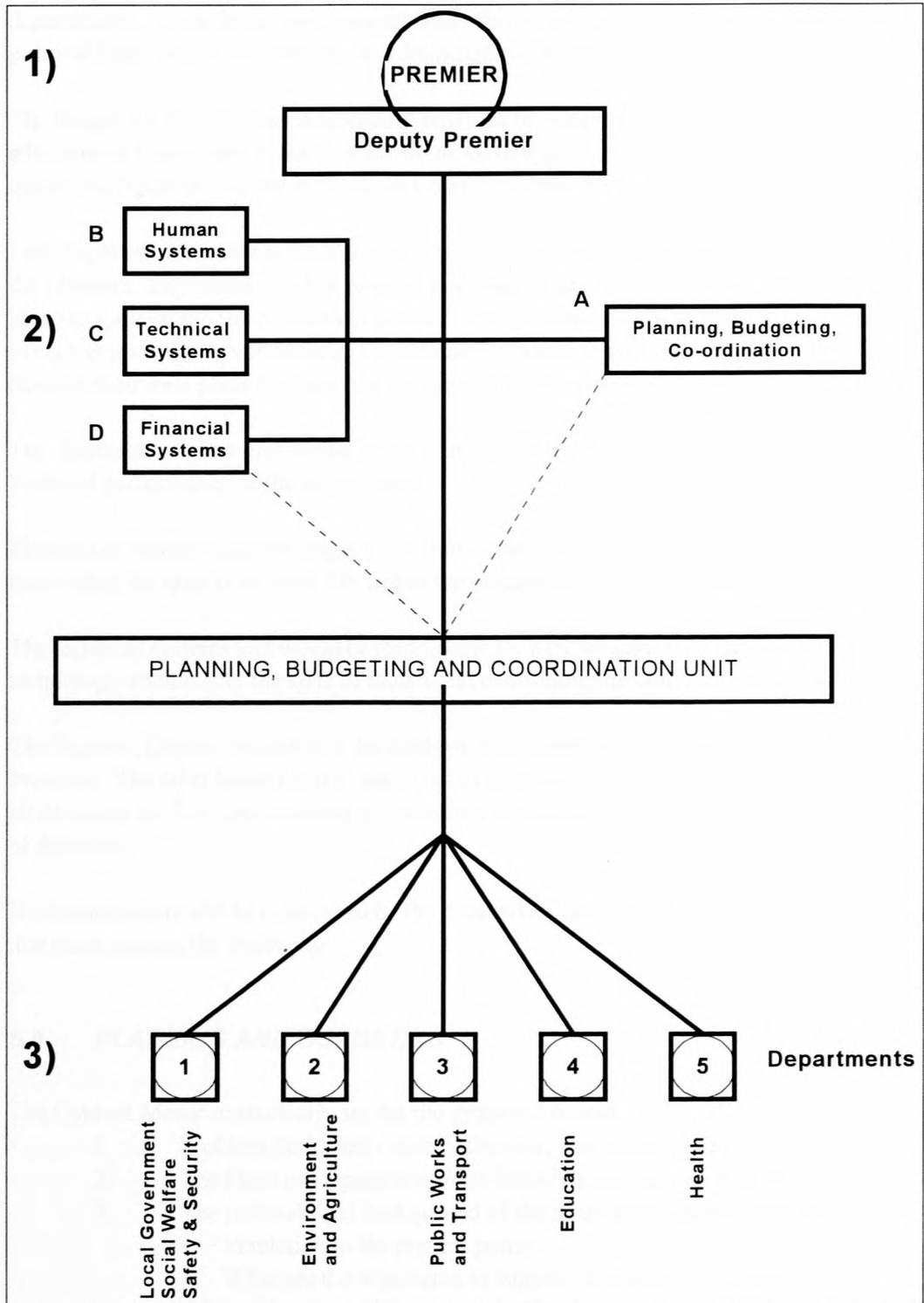
Currently there is a political head of a department (MEC) and administrative head (DDG). The MEC is elected and the DDG appointed. There are now two drivers trying to control one steering wheel of the vehicle. It does not help for accountability and responsibility. The two positions

must be consolidated into one elected position. The Public Service Laws Amendment Act 1998 in any event transfers many of the current administrative functions to the political heads of departments. In so doing, when departments fail to deliver - there is "no place to hide". The political head cannot hide behind the administrative head for non-delivery and vice versa.

The budget for the province in essence is provided by National Government. There is no need for a Provincial Legislature as the Premier would be obliged to argue for his share of national revenue before the National Assembly/National Council of Provinces.

Each department would have a planning unit. With the statistics and all other details available to the planners, they could develop practice planning by prediction and preparation, the objective being to forecast the future and then prepare the organisation for it as best possible. The planners of each department would serve on the Planning, Budgeting and Co-ordination Unit. They would develop their own plans to obtain the mission of the Province.

The financial systems unit would be directed at controlling the resources and monitoring the financial performance of the organisation.

The human systems unit will engage in activities directed at development of human resources and monitoring the quality of work life within the organisation.

The technical systems unit would be responsible for a technological advantage using information technology, monitoring the state of the art and controlling the output of all operating systems.

The Premier, Deputy Premier and the heads of departments serve on an Executive Council of the Province. The other heads (A,B,C and D) sit in the Executive Council as resource people guiding all decisions by fully participating in discussion when called upon to advise of the consequences of decisions.

No memorandum will be considered by the Executive Council in the absence of a Cabinet Memo that must contain the following:

5.6   PLANNING AND BUDGETING

The Cabinet Memo must clearly set out the proposed format:
1.   Problem Statement (what is the issue that needs to be resolved)
2.   The Head of Department must furnish his written recommendations.
3.   The rationale and background of the issue to be resolved and background
    • In relation to the present policy
    • What are the arguments to support the recommendation.
4.   What resources will be required to implement the new policy in terms of both finance, human and technical resources.
5.   Impact of the proposed policy in relation to:
    • Social
    • Political
    • Economic

- Environmental
- Effects on special groups

6. What options were considered before arriving at the present recommendations.
7. Consultation
   - What is the position (in writing) of the Planning, Budgeting and Co-ordination Board
   - Will the proposed policy be generally supported
   - What would the anticipated criticism be
   - Which interest groups were consulted and what were their responses.
8. The memo must be accompanied by a monitoring Plan (what must be done by whom, when and how, and how will implementation be monitored)
9. A communication Plan for internal and external communication for implementation of the new policy must be provided.

A decision having been made, tasks must be assigned as to who should be responsible for doing what and by when. Such decisions require the translation of previously made planning decisions into a set of assignments with a schedule for each. The assignments and schedules should be prepared jointly by those who are responsible for their execution and those who report directly to them.

The effective conduct of such diagnoses and prescriptions can assure both effective learning and adaptation. Without effective learning and adaptation, there is no need for continuous evolutionary design. Without this, the continuous progress toward organisational objectives, let alone ideals, is not possible. Without a sense of progress toward ideals, the quality of work deteriorates, as does the momentum for the transformation and development of the system.

5.7 PERFORMANCE MANAGEMENT SYSTEM

Performance management describes the process of planning, monitoring and making decisions about performance. The North West Provincial Government on the 4th December 1996 held a bosberaad to consider the implementation of a Performance Management System (PMS).

While realising that PMS may not be the panacea of all performance problems, the PMS helps to build a basis for effective performance framework. It is through a PMS that civil servants can individually and collectively sign, honour and/or implement service contracts. Since civil servants have been honoured by their peers (society) by having jobs to do, it is equally correct that they should performs their duties to the satisfaction of the public.

Performance Management Systems are normally described within the context of **Management by Objectives** which covers the following:
- Develop Vision and Mission Statement
- Establish Strategic plan
- Define key results areas
- Set indicators/effectiveness, goals or objectives
- Negotiate individual employee objectives
- Establish performance standard for each objective

- Action plan for employees
- Periodic measurement and assessment
- Training to close the gaps
- Evaluation

What is PMS supposed to achieve:
- increased management over work and results
- ability to identify problems at an early stage
- links employee objectives to organisational objectives
- motivation - allowing employees to make inputs thus ownership
- clear communication of management's expectations
- supports remedial action or disciplinary action
- objective feedback on employee performance
- objective criterion for advancement or otherwise

5.8   THE CAVEAT

PMS assumes that an organisation's success is a result of adding together the individual outputs. But the argument of this thesis has consistently held that an organisation succeeds as a result of the interaction of people, not simply adding the parts together. The whole is not simply the sum of its parts - a well managed workplace results in parts interacting to create the successful organisation.

Shortcomings of PMS:
- the sole focus on results neglects organisational and systems issues (architecture) that need to be in place for results to happen. While results are important, the process needed to obtain them is even more important.
- involving all civil servants in goal setting is not always motivating, because employees are not involved in setting ORGANISATIONAL goals; which by and large determine their own personal objectives. If the overall goals make no sense - how could civil servants be motivated.
- measuring performance is no easy task - sometimes the more quantifiable and measurable standards becomes, the less relevant does it become.
- training for improvement is difficult because employees will not be open about incompetence. Without the information - training is meaningless.
- it cannot appraise and identify potential.
- often unintentional values and culture are communicated.

PMS fosters lack of collective responsibility, encourages competition (win/lose) and can impede the development of effective teamwork. It implies that by being responsible for your work, you are not responsible for your fellow employees work.

PMS employees are evaluated based on their achievement of objectives - getting things done; getting things done to the detriment of co-employees objectives. Management today realises that teams are important to achieve organisational objectives. PMS does not focus on "the big picture" having the tendency to fragment the organisation.

PMS therefore is not without its problems. But these can be remedied with being creative and modifications to the system. Good managers however can make any system function.

Donald Michael (1979) in his book "On learning to plan - and planning to learn" says: *"What does it mean to be responsible as policymakers in an increasingly interdependent, interconnected and constantly changing world? You don't know - and nobody knows - what is necessary in advance for formulating policy that will fulfil our intentions. This is because people are unavoidably ignorant in three ways.*

We do not comprehend fully our complex circumstances: we have no viable model of social change under our current turbulent conditions. We can't even correctly predict birth rates, or changes in the economy beyond two quarters or so. And complexities of a larger scale, that are non-linear, human systems may always elude us.

What we choose to pay attention to and seek or avoid, mostly depends on our unconscious needs and motives - some genetically inbuilt, some culturally provided, but all essentially hidden from ourselves as we conduct our daily affairs, even as we claim reasons for what we do or don't do.

Even if when we knew all the data we would still disagree about their meaning. There are always multiple stories to be told about why the human condition is as it is and no way to settle one true story.

Is this letter then a counsel of despair? No! There is a way to meet our enthusiasms and ethical obligations - by learning our way into the future. Most people, especially those in the institutions and organisations with whom you will be policy-making, don't know or want to know that they cant know the answers. But you know better! Having eaten of the tree of knowledge, you can no longer be in the Eden of ignorance about our ignorance".

5.9 HYPOTHESIS

The examination conducted with the evidence provided has revealed very succinctly that the North West Provincial Administration is bloated costly, unrepresentative of gender, ineffective and inefficient. The strain of the wage bill has been demonstrated as a major proportion of the Provincial Budget.

In terms of structure, function and process it is not a suitable vehicle in its current form as a vehicle for governance.

Fundamental questions have been raised on Page 16 (1.3) regarding the continued governance regime of provincial administrations. All of the questions raised must be answered with a resounding YES!

The research has undertaken and revealed the reasons why provincial government is not capable of performing the requisite service expectations of the populace efficiently and effectively. The

institution by design belongs to a bye-gone era and is incapable of responding to the implementation challenges in terms of policy it now faces.

In its quest for re-engineering government must separate steering (policy) from rowing (regulating and implementing). In furtherance and protection of democracy, communities need to be empowered to engage in their own solutions to problems - rather than be seen by government as passive recipients of what ever government chooses to provide.

As to the debate on privatisation, the distinction is often semantic. Government should concentrate on its core functions and seek partnership with civil society (as it often does) to address other socio-economic issues. In any event, the research has clearly revealed that given the demands for services current and accumulated, government does not have and cannot muster the finances to address the catalogue of demands for a better life of its citizenry.

Government must be dictated to by mission statements with clear performance criteria that measure results (outputs) instead of time on the job, driven by its customer's needs.

Government cannot continue to only be a consumer of wealth but also seek to generate same. Being more enterprising such as charging market related service fees would assist to generate income. The reactive and crisis driven mode must be converted to a more strategic focus. The size of the public service is not commensurate with its output nor its costs - downsizing as the study reveals is critical for the future success of the organisation. The current hierarchy of management is outdated and in need of reform. Enlightened management all over the world has accepted more flatter and flexible models where authority is devolved to the lowest level.

The research has exposed the existence of the very many negative impediments preventing the administration in discharging its obligations. Cogent reasons have been forwarded as to why these conditions exist and how they perpetuate themselves like DNA replicating itself..

Having utilised a systems theory of organisation a case has been made out for what needs to occur regarding structure, function and process to turn the administration around to achieve a desired future.

The hypothesis that: the public service is bloated, inefficient and ineffective is founded on a model of organisation that represents a solution to an era gone by, it cannot serve the purpose for which it came into existence, in a radically changed and continuously changing world and, can neither serve as an adequate vehicle for implementation of governments policies nor for its existing functions, has clearly been demonstrated in the enquiry. Consequently the radical reassessment of the nature, functions, structures and processes of the North West Provincial Administration and its implementing arm has been proposed.

Structural and systemic changes have been mapped out in order to reverse the situation. Attention must now be given to the qualities of critical necessary to steer the transformation as envisaged.

5.10   THE LEADERSHIP CHALLENGE

"THE GREATEST REWARDS COME ONLY FROM THE GREATEST COMMITMENT"
- Arlene Blum, American Women's Himalayan Expedition.

Kouzens and Posner (1997: 9) in their book titled "The Leadership Challenge" says there are five fundamental practices which successful leaders do: They challenge the process, inspire a shared vision while enabling others to act. They model the way by leading change and lastly they encourage the heart for others to carry on.

John P. Kotter (1996: 16) describes the eight common pitfalls to successful transformation initiatives. He lists them as:
- Allowing too much complacency
- Failure in creating a sufficiently powerful guiding force or coalition
- Not estimating sufficiently the power of vision
- Not communicating the vision adequately
- Allowing obstacles to obstruct the vision
- Not creating short term wins
- Premature declaration of victory
- Failing to embed or anchor change into the existing culture.

He continues to identify an eight-stage change process by looking at the pitfalls and addressing them in the positive. He then draws a distinction between management and leadership in concluding that management is a process that keeps the system operating. Leadership is a distinct set of processes creating organisation or adapts them to profound changing environments. Leadership is about creating a desired future and aligning others to that vision and seeking to inspire people to make the journey despite the challenges. William Bridges in "Managing Transition" (1995: 14) says: *"Leaders send many more messages than they realise or intend to. Unless the leader is modelling the behaviour that he or she is seeking to develop in others, things are not likely to change very much. As Ralph Emerson said, 'Who you are speaks so loudly I cant hear what you say'".*

Bridges quotes André Gide, a French novelist who said "One doesn't discover new lands without consenting to lose sight of the shore for a very long time".

Covey (1998: 53) in his book titled, "The Seven Habits of Highly Effective People" adds insightful value to the leadership debate. The seven habits he espouses are:
- Be productive; which translated means as purposeful beings we must accept responsibility for our own lives. Behaviour is therefore a function of our decisions, and not that of our conditions. Highly effective people accept their behaviour is a product of their own conscious choice, based on their values, and not a product of their conditions based on their feelings.
- Begin with the end in mind; meaning that you clearly understand the destination you want to arrive at. If you know where you are heading, there is appreciation for where you are currently in order to keep you in the right direction.

- Put first things first captured by what Goethe said "Things which matter most must never be at the mercy of things which matter least". Covey says the best way to capture the essence of this aspect is "Organise and execute around priorities".
- Think Win/Win; which is based on the paradigm that there is plenty for everybody that your success should not be at the expense of failure of the other.
- Seek first to understand, then to be understood; emphatic listening allows one to penetrate the communicators frame of reference - seeing the world through their lenses and can understand their feelings. The golden rule is diagnose before prescribing.
- Synergise; which is deeply rooted in principle - centred leadership. Simply defined says Covey (1998: 263) "it means the whole is greater than the sum of its parts".
- Sharpen the saw is the last habit and refers to the four dimensions of a persons make-up; the physical, spiritual, mental and social/emotional. These must be balanced and renewed in you.

Covey (1998: 318) concludes his book with the following guidance: *"By centering our lives on correct principles and creating a balanced focus between doing and increasing our ability to do, we become empowered in the task of creating effective, useful, and peaceful lives... for ourselves and for our posterity".*

Bill Creech in his work titled "The Five Pillars of TQM" (1994: 301) gives a very insightful account of the qualities required of leadership that is critical to turn the situation of the North West Administration around. According to Creech, there are no poor organisations, just poor leaders. Leadership, exercised through leaders can make people independent, and thus multiply the number of leaders through greater empowerment and involvement. His view is that creating leadership depends on the widest possible distribution of responsibility - together with authority and accountability that goes with it. He further contends that this would involve developing of proper leadership traits and attitudes. Leaders are made - not born. And they need to learn how to motivate those who work for them. They have to accept personal responsibility for building a common purpose and the success of the organisation.

Leading people is about determining the right things that must be done. This requires the creation of a conducive environment within the organisation hub to get people committing themselves with dedication and energy in making those right things happen. Leaders must be visionary and principled. This requires influencing civil servants mindset and continuously motivating them. The leader must create ownership and empowerment for the journey in pursuit of a common purpose and shared vision. Leadership entails animation, dynamism and being proactive - having a "CAN DO" attitude. Creech's list of the distinction between leaders and managers is as follows:

Figure 5.2: Leaders and managers

Leaders	Managers
Leaders shape the output	Managers chase the input
Leaders focus on group products	Managers focus on individual jobs
Leaders encourage new ideas	Managers enforce old ideas
Leaders stimulate right things	Managers monitor for wrong things
Leaders thrive on tough competition	Managers talk little of competition
Leaders empower others to make decisions	Managers tightly control the decision process
Leaders see leading as animate and proactive	Managers see managing as inanimate and reactive
Leaders think of dynamic, caring human systems	Managers think of a business following a script
Leaders think of improving initiative and innovation	Managers think of improving compliance and conformance
Leaders shape organisation character, culture and climate	Managers assume that's neither a big deal - nor their job
Leaders provide the vision	Managers carry it out
Leaders make it better	Managers make it run
Leaders make it happen	Managers hope it happens
Leaders create more leaders	Managers create more managers

Source: Creece, 1994

CHAPTER SIX: CONCLUSION

The public service cannot serve as a mechanism for delivers, having been modeled at the beginning of the century. Much of the information technology that is utilized by today's institutions such as computers were not even conceived at that stage. The public service (like all such institutions) is self perpetuating which has resulted in a bloated organization and is unsuited for a radically changed society.

There is no doubt that elected structures at different tiers brings government closer to the electorate. But there is simultaneously a need for reassessment of the nature, functions, structures and processes of government and the Public Service.

Within a constitutional democracy, political activity can legitimately best find self-expression by multi-party accommodation at different levels of governance. South Africa has room to accommodate national, provincial and local spheres of political activity.

Provinces can justifiably continue to exist on condition that structural and systems changes occur to turn the situation around. The proposals suggested in the preceding chapter, that attempts possible solutions to make the governance system more compatible for synergistic service delivery.

Leadership is key to ensure successful transformation of the current civil service to ensure greater service delivery and value for money. The type of leadership required will need to appreciate that the key to co-ordinate developments lies in management of the interactions of the different departments in delivering services. Monitoring of performance by civil servants and the public service at large has to be inculcated as what gets measured, gets done.

The interface between political and administrative leadership is extremely complex as a result of role confusion. Leaders attempt to micro-manage departments while managers seek to usurp the leadership role. Leadership will be required to be much more goal-orientated and role confusion with managers must be resolved.

Greater effectiveness and efficiency will require a complete mind set change by all civil servants. Much greater co-ordination would be necessary (at the center) between planning and budgeting and the management of these interactions in seeking to improve service delivery. There is no doubt that there is a need for reassessment of the nature, functions, structures and processes of both Government and the Civil Service. Firm proposals are suggested in terms of structural and system changes that need to be made in order to turn the situation around. The quality of leadership that is necessary to drive the transformation to a reasonably acceptable momentum is also covered and opinions expressed. The study has also revealed the very difficult terrain of the roles of leaders and those of managers and the extremely complex interface between the two levels of change agents as a consequence of role confusion. The study reaches the firm conclusion that transformation would require both structural as well as systemic changes. Leadership would be required to be much more focussed and role confusions with managers will need to be resolved. For greater effectiveness, a complete mindset change will be required of civil servants. For overall

efficiency much greater co-ordination is necessary between planning and budgeting properly interfaced at the center.

In the final instance, this has primarily been an excursion into the complexities of transformation needs and requirements in one of the provinces in South Africa and this researcher is of the firm opinion that similar research needs to be done on all the other provinces in South Africa. Research like this will enhance our understanding of governance in the provincial tier of government, but will also bring us closer to solutions.

BIBLIOGRAPHY

Biyra, Abdalla. 1994. Special issue on Africa and the Future. <u>African Development Review</u>. 25(1)January.

Bosma, Gerry. 1997 (November). <u>Report on Assessment of the Departmental Financial Capacity – North West Department of Public Works and Roads</u>. Manitoba Province. NWPG: Official Records.

Bridges, William. 1995. <u>Managing Transitions</u>. London: Nicholas Brealey Publishing Ltd.

Ceruti, D. 1997. <u>Annual Report on Consultancy Work Supporting Transformation in the North West Province</u>. 8 October. NWPG: Official Records.

Covey, Stephen R: 1998. <u>The Seven Habits of Highly Effective People</u>. New York: Simon & Schuster.

Creech, Bill. 1994. <u>The Five Pillars of TQM</u>. USA: Penguin Books.

CSS. 1995. <u>Statistical Report 009006: Provincial Statistics (Part 6) North West, 1995</u>. Pretoria: Centre for Statistical Services/Statistics South Africa.

Dodds, M.M.E. 1998. <u>Third Generation Systems Thinking</u>. ISSS 1998 Annual Conference, Atlanta, Georgia, USA, 19-24 July.

Draper, Gordon. 1997. (April). <u>Human resource development review to NWP</u>. NWPG: Official Records.

Farthing, G. 1997 (November). <u>A Review of Selected Administrative and Financial Processes in the Department of Education – North West Province</u>. Manitoba Province. NWPG: Official Records.

Gharajedaghi, J. 1998. <u>Interactive Design: Third Generation Systems Thinking</u>. Atlanta, GA; Boston: Butterworth-Heinemann.

Gharajedaghi, J. 1999. <u>Systems Thinking: Managing Chaos and Complexity</u>. Boston: Butterworth-Heinemann.

Gharajedaghi, J. and R.L. Ackoff. 1986. <u>Prologue to National Development Planning</u>. New York: Greenwood Press.

Human, Piet: 1998. <u>Yenza – A Blueprint for Transformation</u>, Cape Town: Oxford University Press.

Jantsch, E. 1980. <u>The Self-Organizing Universe</u>. New York: Pergamon Press.

Kotter, John P. 1996. <u>Leading Change</u>. Boston: Harvard Business School Press.

Kouzes, J.M. and B.Z. Posner. 1997. <u>The Leadership Challenge. How to keep getting extraordinary things done in organizations</u>. San Francisco: Jossey-Bass Publishers.

Mail & Guardian. 1999. Sustainable after all these years. 6 March 1999.

May, Julian, Juby Govender, Debbie Budlender, Renosi Mokate, Chris Rogers and Aki Stravrou. 1998 (May). Poverty and Inequality in South Africa. Report prepared for the Office of the Executive Deputy President and the Inter-Ministerial Committee for Poverty and Inequality. Durban: Praxis Publishing.

Michael, Donald N. 1979. On learning to plan - and planning to learn. San Francisco: Jossey-Bass Publishers.

Mokgoro, Tebogo Job. 1995. (October). Rationalization of the Public Service in the North West Province. NWPG: Official Records.

Mudd, John. Date Unknown. Neighbourhood Services (as quoted in Osborne & Gaebler, 1992).

Neuman, W. Lawrence. 1997. Social Research Methods, Qualitative and Quantitative Approaches. Third Edition. Boston: Allyn and Bacon.

Nonaka, Ikujiro and Hirotaka Takeuchi. 1995. The Knowledge Creating Company. Oxford: Oxford University Press.

NWP. 1995. The Financial Handbook (Bluebook), North West Province. NWPG: Official Records.

NWP, 1996. North West Province Statistics Profile. NWPG: ISU Official Records.

NWP, 1997a. Provincial Review Task Team Report. Task Team established by Minister for the Department of Public Service and Administration. NWPG: Official Records.

NWP. 1997/98. Annual Report 1997/98, Department of the Premier. North West Province.

NWP. 1997b Transformation Process Appraisal Report – Department of Public Service and Administration. NWPG: Official Document.

NWP. 1997c (July). North West Communication Service: Framework and Strategy Report. NWPG: Official Records.

NWP. 1998a. Discussion 1998 EXCO/PMC Bosberaad on Transformation 11-12 November. NWPG: Official Records.

NWP. 1998b North West 2001 - 1998 Update & Review. NWPG: SPD Official Records.

Olowu, Bamidele. 1996. Strategies for Improving Administrative Efficiency in the Democratizing States of Africa. African Journal of Public Administration and Management, v-vii(2) July.

Osborne, D. and T. Gaebler. 1992. Reinventing Government. USA: Penguin Books.

Peters, Tom: 1998. Thriving on Chaos. London: Pan Books.

Pritchett S., T. Price and M. Poundron. 1997. High-Velocity Culture Change. Dallas, Texas: Pritchett & Associates.

Przeworski, Adam: 1995. <u>Sustainable Democracy</u>. Cambridge: Cambridge University Press.

Rahmatian, S. 1998. <u>MIS and the Intellectual Legacy of Russell Ackoff</u>. Paper, Systems Reunion Conference honoring Russell L Ackoff. Philadelpia, PA: Interact/The Wharton School, University of Pennsylvania.

Rosenhek, Eric. 1997. (November). <u>Report on Financial Management Exchange</u>. Manitoba Province. Canada. NWPG: Official Records.

RSA. 1993. <u>The Interim Constitution, 1993</u>. Pretoria: Government Printer.

RSA. 1994a. <u>White Paper on Reconstruction and Development.</u> Pretoria: Government Printer.

RSA. 1994b. <u>The Public Service Act, 103 of 1994</u>. Pretoria: Government Printer.

RSA. 1995a. (November). <u>White Paper on Transformation of the Public Service</u>. Pretoria: Government Printer.

RSA. 1995b. <u>The Finance Handbook (Blue Book).</u> Pretoria: Government Printer.

RSA. 1995c. <u>The Ministerial Handbook</u>. Pretoria: Government Printer.

RSA. 1996a. <u>The Constitution of the Republic of South Africa, 1996. Act 108 of 1996</u>. Pretoria: Government Printer.

RSA. 1996b. (July). <u>Green Paper on Employment and Occupational Equity</u>. Pretoria: Government Printer.

RSA. 1996c. <u>The Growth, Employment and Redistribution Macroeconomic Strategy(GEAR)</u>. Pretoria: Government Printer.

RSA. 1997a. (January). <u>The Medium Term Expenditure Framework</u>. Pretoria: Government Printer.

RSA. 1997b. <u>Green Paper on Procurement Policy: Public Works and Finance</u>. Pretoria: Government Printer.

RSA. 1997c. <u>Green Paper on Skills Development Strategy for Economic and Employment Growth in South Africa</u>. Pretoria: Government Printer.

RSA. 1997d. <u>The Basic Conditions of Employment Act 75 of 1997</u>, Pretoria: Government Printer.

RSA. 1997e. <u>The Public Service Commission Act 46 of 1997</u>. Pretoria: Government Printer.

RSA. 1997f. (May). <u>Batho Pele – "People First" - White Paper on Transforming Public Service Delivery</u>. Pretoria: Government Printer.

RSA. 1997g. (November). <u>Green Paper on a New Employment Policy for a New Public Service</u>. Pretoria: Government Printer.

RSA. 1997h. (April). <u>Green Paper on Public Procurement Reform</u>. Pretoria: Government Printer.

RSA. 1997i. (March). <u>The New Skills Development Strategy for Economic and Employment</u>

Growth in South Africa. Pretoria: Government Printer.

RSA. 1998. (December). White Paper on Human Resources Management in the Public Service. Pretoria: Government Printer.

RSA. 1998a. (July). White Paper on Higher Education. Pretoria: Government Printer.

RSA. 1998b. (July). White Paper on Public Service Training and Education. Pretoria: Government Printer.

RSA. 1998c. (October). White Paper on a New Employment Policy for the Public Service. Pretoria: Government Printer.

RSA. 1998d. White Paper on a Conceptual Framework for Affirmative Action and the Management of Diversity in the Public Service. Pretoria: Government Printer.

RSA. 1998e. (October). Green Paper on Development Planning. Pretoria: Government Printer.

RSA. 1998f. Developing A Culture of Good Governance. 27 February. Pretoria: Presidential Review Commission.

RSA. 1998g. South Africa Yearbook 1998. Pretoria: Government Communication and Information Systems.

RSA. 1998h. The Public Service Laws Amendment Act, 47 of 1998. Pretoria: Government Printer.

RSA. 1998i. The Public Service Regulations. Pretoria: Government Printer.

RSA. 1998j. (April). White Paper on Affirmative Action in the Public Service. Pretoria: Government Printer.

RSA. 1998k. (March). White paper on Local Government. Pretoria: Government Printer.

SAIRR. 1996. Fast Facts S.A. Institute of Race Relations No. 5/96, May.

SAIRR. 1997. South Africa Survey 1996/97: Johannesburg: South African Institute of Race Relations.

SAIRR. 1999. Fast Facts S.A. Institute of Race Relations No. 1/99, January.

Savas, E.S. 1997. Privatisation: The Key to Better Government. New Jersey: Chatham House Publishers.

Sharman, Kim. 1997. (November). Report on Financial Management Exchange – North West Department of Health and Development Social Welfare. Manitoba Province. NWPG: Official Records.

Social Research and Consulting Associates. 1997. (September). An Organisational Scan Report, by Fisher, M. G. Julyan & S. Swart. NWPG: Official Records.

Social Research and Consulting Associates. 1998. Summary Report of the Cabinet Committee on Transformation. Retreat of 10-11 September 1998. NWPG: Official Records.

Toffler, Alvin. 1991. Power Shift, New York: Bantam Books.

UNDP. 1995. The Human Development Report. New York: United Nations.

University of North West and Potchefstroom University for Christian Higher Education. 1997. (February). Report on the Findings and Recommendations of the North West Province Community Survey on Public Service Delivery. NWPG: Official Records.

Van der Merwe, I.J. & L.O.van Niekerk. 1994. Language in South Africa: Distribution and Change. Stellenbosch: Department of Geography, University of Stellenbosch.

Van der Waldt, G. & R. Hembold. 1995. The Constitution and a New Public Administration. Kenwyn: Juta & Co.

Whiteford, A., D. Posel & T. Kelatwang. 1995. A profile of poverty, inequality and human development. Pretoria: HSRC.

World Bank, The. 1995. The World Bank Atlas. Washington, D.C.: The World Bank.

APPENDICES

Appendix one

Demographics

Table 1.1: Languages of the NWP

Language	%	N
Setswana	80.2	2 ,660 000
Afrikaans	8.0	266 000
isiXhosa	3.6	120 000
Sesotho	2.7	88 000
siSwati	2.4	78 000
English	0.9	31 000
Other	2.2	72 671
Total	100.0	3 315 671

(Source: Van der Merwe and Van Niekerk, 1994)

Table 1.2: Population (1994)

Population	%	N
Male	49.4	1 637 942
Female	50.6	1 677 729
Total	100.0	3 315 671

(Source: North West Province Statistics Profile: ISU, 1996)

Table 1.3: Urbanisation rate (1994)

	Urban		Rural		Total	
	%	N	%	N	%	N
Male	33.3	540 521	67.0	1 097 421	100	1 637 942
Female	30.6	513 385	69.4	1 164 344	100	1 677 729
Population	31.8	1054 383	68.2	2 261 288	100	3 315 671

(Source: North West Province Statistics Profile: ISU, 1996)

Table 1.4: Age distribution

Age	%	N
0-4	12.2	404 512
5-9	11.7	387 394
10-14	10.9	361 408
15-19	10.5	348 146
20-24	9.3	318 304
25-34	17.3	573 611
35-44	11.5	381 302
45-54	7.4	245 360
55-59	2.6	86 207
60-64	2.0	66 313
65+	4.3	142 574
Total	100	3 315 671

(Source: North-West Province Statistics Profile: ISU, 1996)

Table 1.5: Life expectancy by province (1991 & 1995)*

	1991	1995	Increase (Decrease)
Eastern Cape	59.6	64.5	8.2%
Free State	63.6	63.5	(0.2%)
Gauteng	65.6	65.8	0.3%
KwaZulu/Natal	62.6	65.5	4.6%
Mpumalanga	63.5	65.9	3.8%
North-West	64.1	66.5	3.7%
Northern Cape	64.0	62.6	(2.2%)
Northern Province	62.7	64.8	3.4%
Western Cape	64.8	65.5	1.1%
Average	63.4	65.1	2.7%

*The average number of years a new-born child can be expected to live, assuming that prevailing mortality conditions remain unchanged.
(Source: SAIRR,1996)

Table 1.6: Fertility rate by province (1991 & 1995)*

Province	1991	1995	Increase (Decrease)
Eastern Cape	4.6	2.9	(37.0)
Free State	3.7	2.3	(37.8)
Gauteng	3.0	2.4	(20.0)
KwaZulu/Natal	4.3	2.8	(34.9)
Mpumalanga	4.3	2.7	(37.2)
North-West	4.5	2.5	(44.4)
Northern Cape	2.9	3.0	3.5
Northern Province	5.8	3.2	(44.8)
Western Cape	2.7	2.8	3.7
Average**	3.3	2.8	(15.2)

* The average number of children born live to a women during her child bearing years (15-49).
** The average was calculated using weighted figures.
(Source: SAIRR, 1996)

Table 1.7: Population size by race and gender totals (1994)

Population group	%	N
Asians	0.3	8 320
Coloureds	1.4	48 638
Whites	8.0	265 730
Blacks	90.3	2992 985
Total	100.0	3315 671

(Source: CSS, 1995)

Table 1.8: Urban and rural distribution of Economically and not economically active population

Urban/Rural	Not economically active		Unemployment		Employed		Potential workforce	
	%	N	%	N	%	N	%	N
Urban	15.7	325 451	7.3	151 930	16.1	333 464	39.1	810 845
Rural	26.7	550 972	13.8	284 254	20.4	421 098	60.9	1 256 324
Total	42.4	876 423	21.1	436 184	36.5	754 562	100	2 067 169

(Source: CSS, 1995)

Table 1.9: Urban/rural distribution of male economically active population

Urban/Rural	Not economically active		Unemployment		Employed		Potential workforce	
	%	N	%	N	%	N	%	N
Urban	13.9	144 754	7.4	77 134	21.1	218 613	42.4	440 500
Rural	18.3	189 885	11.8	122 574	27.5	285 396	57.6	597 855
Total	32.2	334 639	19.2	199 708	48.6	504 009	100.0	1038 355

(Source: CSS, 1995)

Table 1.10: Urban/rural distribution of female economically active population

Urban/Rural	Non economically active		Unemployment		Employed		Potential workforce	
	%	N	%	N	%	N	%	N
Urban	10.5	180 697	7.3	74 796	11.2	114 852	36.0	370 345
Rural	35.1	361 087	15.7	161 680	13.2	135 701	64.0	658 468
Total	52.6	541 784	23.0	236 476	24.4	250 553	100	1028 813

(Source: CSS, 1995)

Education

Table 1.11: Literacy rates in the NWP

Literacy	%	N
Literate	60.7	859 386
Illiterate	39.3	556 406
Total	100	1415 792

(Source: CSS, 1995)

Table 1.12:

Institution	%	N
Attending school/college/technikons/ university	64.4	911 770
Not attending any educational institution	35.6	504 022
Total	100.00	1 415 792

(Source: CSS, 1995)

Table 1.13: Educational levels

Educational level	%	N
No formal schooling	17.8	252 011
Grade 1 to Std 5	4.8	67 958
Std 2 to Std 5	24.8	351 116
Std 6 to Std 10	48.1	680 996
Diploma - Std 9 or lower	0.5	7 079
Diploma - Std 10 or lower	2.7	38 226
University degree	1.1	15 574
Other (unspecified)	0.2	2 832
Total	100.00	1 415 792

(Source: CSS, 1995)

Table 1.14: NWP poverty head count

Living condition	%	N
Household living in poverty	29.7	232 947
Individuals living in poverty	41.3	1248 724
Children living in poverty	49.2	585 890

(Source: Whiteford et al, 1995)

Table 1.15: Provincial incomes (1993)

Province	Population share (%)	Income share (%)	Per capita income (R)	Disparity ratio Gauteng-NWP
Western Cape	9.0	14.2	11 162	1:3
Northern Cape	1.4	0.9	4 680	3:1
Eastern Cape	16.2	6.5	2 845	5:1
KwaZulu/Natal	21.3	17.3	5 727	2:7
Free State	7.1	8.4	8 362	1:7
Eastern TVL	7.1	7.3	7 259	2:0
Northern TVL	13.0	4.3	2 343	6:2
North West	7.6	5.4	4 980	2:9
Gauteng	17.2	35.6	14 612	1:0

(Source: Whiteford et al, 1995)

Table 1.16: Gini coefficient by race (1993)

Race	Gini Coefficient
African	0.53
White	0.45
Coloured	0.44
Asian	0.47

(Source: Whiteford et al, 1995)

Table 1.17: Gini coefficient by province (1993)

Province	Gini Coefficient
Western Cape	0.58
Northern Cape	0.57
Eastern Cape	0.65
KwaZulu/Natal	0.64
Free State	0.67
Eastern Transvaal	0.67
Northern Transvaal	0.66
North West	0.60
Gauteng	0.61
Total	0.65

(Source: Whiteford et al, 1995)

Human Development

The Human Development Index (HDI) measures national socio-economic development based on a measure of life expectancy at birth, educational level, and adjusted real per capita income. The HDI assume a maximum of 1, which indicates a high level of human development, and a minimum value of 0, indicating lowest human development. Table 1.18 below indicates the HDI for the provinces, race and urban/non-urban areas in South Africa.

Table 1.18: Human Development Index (1980 and 1991) by province

Province	HDI (1980)	HDI (1991)
Western Cape	0.643	0.687
Northern Cape	0.543	0.708
Eastern Cape	0.425	0.517
KwaZulu/Natal	0.490	0.602
Free State	0.567	0.667
Eastern TVL	0.510	0.694
Northern TVL	0.376	0.470
North West	0.482	0.543
Gauteng	0.634	0.828
South Africa	0.567	0.687

(Source: Whiteford et al, 1995)

Table 1.19: Human Development Index (1980 and 1991) by race

Province	HDI (1980)	HDI (1991)
Asian	0.665	0.846
African	0.394	0.500
Coloured	0.532	0.663
White	0.749	0.907

(Source: Whiteford et al, 1995)

Table 1.20: Human Development Index (1980 and 1991) by urban/rural distribution

Urban/Rural	HDI (1980)	HDI (1991)
Urban	0.649	0.817
Rural	0.380	0.476

(Source: Whiteford et al, 1995)

The above tables show that there has been a marked increase in human development. However, unequal increases between provinces, race and urban and non-urban areas, occurred in South Africa over the past decade. It is generally accepted that a HDI indicator of 0,00-0.50 refers to a low human development, 0.51-79 to a medium human development, and 0.80-1.0 to a high human development. During 1980 the NWP could have been considered a low human development region, whereas a decade later the HDI increased marginally to fall within the range of a medium human development province. From Table 2.18 above, it is also evident that the HDI in the NWP, does not compare favourably with that of the South African average.

A

Provincial Departments

Expenditure budget

DEPARTMENT OF THE PREMIER

	MILLIONS
ADMINISTRATION	8 839
PREMIERS SUPPORT STAFF	3 948
LEGAL SERVICES	2 496
CORPORATE SERVICES	39 229
STRATEGIC PLANNING	5 386
POLICY COORDINATION	5 002
PROVINCIAL TRANSFORMATION	1 651
COMMUNITY SUPPORT	4 000
NORTH WEST COMMUNICATION	9 309
TOTAL	79 860

Of this vote, R74 177 (million) is fixed current expenditure whilst R 5 683 (million) goes towards capital expenditure only.

OFFICE OF THE LEGISLATURE

	MILLIONS
PERSONNEL	18 457
ADMINISTRATIVE	3 941
STORES	526
EQUIPMENT	957
PROFESSIONAL AND SPECIAL	668
TRANSFERS	4 396
MISCELLANEOUS	1 104
TOTAL	29 695

Of this amount R29 137 (million) is committed fixed current expenditure whilst the capital expenditure is only R558 000.

DEPARTMENT OF HEALTH

	MILLIONS
PERSONNEL	932 116
ADMINISTRATIVE	29 716
STORES	190 746
EQUIPMENT	39 442
PROFESSIONAL AND SPECIAL	69 717
TRANSFERS	59 004
MISCELLANEOUS	15 569
TOTAL	1 336 310

Of this amount R1 205 702 (billion) is fixed current expenditure, R101 608 (million) goes for capital expenditure and R29 000 (million) is expanded on development.

DEPARTMENT OF DEVELOPMENTAL SOCIAL WELFARE

	MILLIONS
PERSONNEL	37 610
ADMINISTRATIVE	3 910
STORES	8 162
EQUIPMENT	2 922
PROFESSIONAL AND SPECIAL	30 407
TRANSFERS	1 232 888
MISCELLANEOUS	711
TOTAL	1 316 610

Of this sum R1 316 466 (billion) is current expenditure and only R 144 000 will be expanded on capital expenditure.

DEPARTMENT OF SAFETY AND SECURITY

	MILLION
PERSONNEL	3 856
ADMINISTRATIVE	965
STORES	115
EQUIPMENT	345
PROFESSIONAL AND SPECIAL	80
MISCELLANEOUS	90
TOTAL	5 451

The sum of R 5 106 (million) is current expenditure and only R 345 000 will be utilised for capital expenditure.

DEPARTMENT OF TOURISM & ENVIRONMENTAL AFFAIRS

	MILLIONS
PERSONNEL	14 534
ADMINISTRATIVE	6 424
STORES	1 269
EQUIPMENT	4 514
LAND & BUILDING	50
PROFESSIONAL AND SPECIAL	1 712
TRANSFERS	40 584
MISCELLANEOUS	57
TOTAL	69 144

Of this sum, R58 260 (million) is current expenditure and R10 884 (million) will be used for capital expenditure.

DEPARTMENT OF FINANCE AND ECONOMIC AFFAIRS

	MILLIONS
PERSONNEL	40 768
ADMINISTRATIVE	7 450
STORES	5 854
EQUIPMENT	17 416
PROFESSIONAL AND SPECIAL	35 100
TRANSFERS	35 225
MISCELLANEOUS	958
TOTAL	142 771

Of this sum R125 355 (million) and R17 416 (million) will be expended on capital expenses.

DEPARTMENT OF EDUCATION

	MILLIONS
PERSONNEL	2 929 131
ADMINISTRATIVE	38 534
STORES	86 290
EQUIPMENT	24 716
LAND AND BUILDING	2 798
PROFESSIONAL AND SPECIAL	82 828
TRANSFERS	65 227
MISCELLANEOUS	60
TOTAL	3 229 584

Current expenditure amounts to R3 195 371 (billion) with capital expenditure going to be R3 213 (million) and development being allocated R32 000 (million).

DEPARTMENT OF LOCAL GOVT, HOUSING, PLANNING AND DEVELOPMENT

	MILLIONS
PERSONNEL	98 965
ADMINISTRATIVE	9 411
STORES	2 040
EQUIPMENT	3 403
LAND AND BUILDINGS	4 300
PROFESSIONAL AND SPECIAL	101 351
TRANSFERS	132 763
MISCELLANEOUS	531
TOTAL	352 764

Of this sum R245 666 (million) is current expenditure with capital expenditure accounting for R7 703 (million) and development receiving R95 000 (million).

DEPARTMENT OF TRANSPORT AND CIVIL AVIATION

	MILLIONS
Personnel	85 926
ADMINISTRATIVE	11 179
STORES	28 958
EQUIPMENT	14 275
PROFESSIONAL AND SPECIAL	18 776
TRANSFERS	189 758
MISCELLANEOUS	2 749
TOTAL	351 621

Of this sum R337 346 (million) will be current expenditure and capital will be R14 275 (million).

DEPARTMENT OF PUBLIC WORKS AND ROADS

	MILLIONS
PERSONNEL	264 921
ADMINISTRATIVE	6 431
STORES	51 897
EQUIPMENT	101 896
LAND AND BUILDING	28 700
PROFESSIONAL AND SPECIAL	121 125
TRANSFERS	8 758
MISCELLANEOUS	16
TOTAL	583 786

Of this amount current expenditure amounts to R387 699 (million) and capital expenditure amounts to R196 087 (million).

DEPARTMENT OF ARTS, CULTURE AND SPORT

	MILLIONS
ADMINISTRATION	13 122
ARTS AND CULTURE	34 267
SPORTS AND RECREATION	19 909
LANGUAGE SERVICES	945
LIBRARY SERVICES	12 673
TOTAL	80 916

APPENDIX THREE

STRIDE PROCESS AND OUTCOMES

STRIDE: The Breakthrough Process

CCT RETREAT 10 - 11 SEPTEMBER 1998

THE STRIDE PROCESS:

This breakthrough methodology utilizes six inter-related steps to bring about rational changes in a relatively short period of time. The six stages are linked together through a series of questions found under each heading in the process. Each series of questions anticipates the next set of questions, thus the entire process is coherent in its consistent pursuit of coherence and continuity of process. The purpose of the process is to arrive at clarity of focus to enable clarity of actions.

The danger with such a process occurs where there is no political will or power bases from which to implement the outcomes of the process. It is sincerely hoped that the process undertaken and the documentation presented will find a willingness to bring about the changes advocated here.

Breakthrough
A breakthrough is a fundamental shift in the situation, usually experienced as a basic or profound change in the way those involved view the problem-a new mind set.
It creates the space for something totally new to happen.
A breakthrough solution is accompanied by unusual amounts of energy released in the people involved. There is also a high level of confidence in the ultimate success of the decision. There is a strong commitment to see that the solution works.
Often, all the information needed for a successful resolution of a problem already is present in the system. Valuable information or a crucial point of view may not be recognised by the person who holds it-much less by the group-or it may not be available in the right format at the right time in order to be utilised. After a breakthrough, people usually say, "Why didn't we think of that earlier?"
Resistance: Why We Fight the Best Solutions
Most people, groups and organisations are afraid of something different. They realise that to attain something, they must give something up. Also, the way in which one thinks about something is very personal and, thus, very precious. By unwittingly holding on to a problem while trying to "solve" it, we allow ourselves to retain our views of the way things are. Many of us would rather be "right" and have valid reasons for why things do not work than be "wrong" about something and obtain the results we want.

CONDITIONS FOR BREAKTHROUGH PROBLEM SOLVING

In order to achieve breakthrough, the individual or group must be in the right frame of mind (context) and then think about the right things at the right time (process). The context is characterised by four conditions that must exist before the problem is attacked. Within this context, however, virtually any problem-solving process will work.

Alignment

Alignment implies a "critical mass" of participants in agreement on the ultimate purpose of the group or system and agreement about how the breakthrough will contribute to it. All perceive the opportunity as important. There also must be clarity and agreement about how the final decision will be made (i.e., how much influence the boss will have and how much the group members will have).

Integrity Each individual in the group must believe that the others will do what they say they will do. Everyone must commit to create and maintain trust.

Responsibility

Each person must be willing to take 100 percent responsibility for resolving the situation. The group must identify those who have the power to create the change. No one must blame while waiting for someone else to change. Everyone must believe that he or she makes a difference.

Commitment

The group must state that it is going to see to it that the breakthrough occurs, no matter what. The will and energy to make it happen will rise above "common sense" reasons why it cannot.

Creating the Right Context

To help the group to prepare for the STRIDE process, each member must do the following:

Tell the truth, at least to himself or herself.

Adopt the position that "I don't know...," rather than "I already know...."

Be willing to let go of whatever is not working.

Keep the image of the transformed situation and ultimate mission in mind at all times.

Approach the problem-solving session believing it can transform the situation.

Allow any cynicism and resistance also to be transformed by the process.

The group members must ask, "What is the problem trying to tell us about our group or system?" and "What will still be unresolved if we solve this specific problem?" The process may have to be repeated until the group reaches the "source issue"-the root of the problem, and each "trip" through the STRIDE questions may produce a new awareness of the situation.

Every superficial solution produces new dilemmas.

THE SITUATION NOW

Q1: What is happening in the situation now that we intend to transform

There appears to be no commitment to transformation at Senior Management and at a Political level

There is no co-ordinated direction and no shared meaning and vision

Poor or absent information strategy to support political and administrative function and decision making - this occurs at the centre of the administration and within each department

Transformation as a political agenda - without it being translated into line functions

No adequate information management / information not well channeled

White Paper policy without translation into action plans

No common slogan

Constitutional structure in place without serious attention to implications
Political will to confront unpleasant choices absent
Lack of operational strategies
Low level of capacity
Transformation not integrated to line function/ Weak operational impact
Meeting/workshop overload in the Provincial and Inter-Governmentally
Lack of alignment among employees
Inadequate implementation of policies in the Province
Inadequate resources for performance of functions
Poor/ inadequate communication

Q2: DO WE HAVE A RECENT, CONCRETE EXAMPLE OF PROBLEMS ENCOUNTERED

Appointment procedures, disciplinary actions, investigations, systems changes, these all just take too long to implement.
Poor or absent interdepartmental co-ordination -overlapping functions e.g. training; schools administered by Education and Agriculture; funding applications; access to outside agencies and suppliers.
Decisions taken in the absence of real data, or no decisions taken through fear of making a mistake
Too many uncoordinated initiatives e.g. PMS/PSD/Code of Conduct

Q3: WHAT IS THE COST TO OURSELVES AND OUR CLIENTS OF THE PRESENT SITUATION? WHERE ARE WE HURTING THE MOST?

Disillusionment in the public place / Low morale among employees
Tarred image
Waste of tax payers money
Reduce the chances of succeeding with Transformation since each month wasted represents another month less in terms of opportunity.
We consult too much and waste precious time
Poor Service with the loss of credibility
Support withdrawal - this impacts upon our Politicians and Government.
We hurt most where we lose trust in leadership and our simultaneous loss of self-confidence to bring about the needed changes.

Q4: WHO ELSE NEEDS TO BE HERE IF WE ARE TO SUCCEED? HOW CAN WE GET THEM INVOLVED

All CCT members
All MECs/ Senior/ Middle Management
Union Associations
Alert these groups as to the serious nature of what we see happening - and hope that they too see the urgency of the situation we need to change.

Q5:   HOW WILL OUR BREAKTHROUGH AFFECT OUR MISSION?

It will help us to re-focus on the critical parts of the Mission
We may have to reshape our Mission to reflect the changed situation
Re-energise us to go ahead
Bring about meaningful alignment among different key stakeholders

Q6: WHERE IS THE PUSH FOR CHANGE COMING FROM AND - WHAT DOES THE PULL LOOK LIKE?

The "Push" is coming from our customers, from ordinary people, from a sense of dissatisfaction about the way we do things, from seeing waste of time and resources, from being left out of being able to make meaningful decisions. The "Push" is also coming from individuals on the CCT and external consultants
The "Pull" looks like it is coming from the top - from Central Government. It is coming in the form of ever increasing demands through initiatives being pushed onto us - like the White Paper on Transformation, Batho Pele, Code of Conduct and the like.

Q7:   WHO OWNS THE PROBLEM?

There seems to be a loss of ownership of the problem
Some Administrators and Politicians with a conscience
Some leaders in the Labour Movement

TARGET

Q1:   WHAT WOULD THE BREAKTROUGH LOOK LIKE

Service Delivery would be one of the key results
Regular feedback about deliverables
Our Customer both internal and external are satisfied
There is Law and order
Civil Servants are Committed and there is Vibrant energy
Urgent/emergencies will be fewer with strategic management instead of crisis management. Batho Pele would be a reality

Q2:   WHAT SORT OF THINGS WOULD HAPPEN/NOT HAPPEN

There will be a heightened sense of democracy
Clients will be satisfaction
The birth of a new sense of Patriotism
Public confidence in our ability to deliver
Decisions based upon access to reliable information
Intersectoral collaborations would take place without duplication and waste.
People feel they're doing something that matters - to them personally and to the larger world.
Coordinated development across all departments
Restructured administration fewer departments
Strategic management

Alignment of Strategy/Structure and Workforce capability

Political stability

Every individual in the organisation is somehow stretching, growing, or enhancing his/her capacity to create and add value.

People are more intelligent together than apart. If you want something really creative or innovative done, you ask a team to do it - instead of sending one person off to do it on his or her own. The organisation continually becomes more aware of its underlying knowledge base - particularly the store of tacit, unarticulated knowledge in the hearts and minds of employees.

Visions of the direction of the enterprise emerge from all levels.

The responsibility of top management is to manage the process whereby new emerging visions become shared visions.

Employees are invited to learn what is going on at every level of the organisation, so they can understand how their actions influence others.

People feel free to inquire about each other's (and their own) assumptions and biases. There are few (if any) sacred cows or undiscussable subjects.

People treat each other as colleagues. There's a mutual respect and trust in the way they talk to each other, and work together, no matter what their positions may be.

People feel free to try experiments, take risks, and openly assess the results of operations. No one is "fried" for making a mistake.

Q3: WHO ELSE SHARES THIS PICTURE - WHO ELSE WOULD LIKE TO SEE THIS HAPPEN

Civil Society

National Government

Presidency

International institutions/Funders

Local business people/investors

Political parties

Tourists

Other African Countries

Q4: HOW CAN WE INVOLVE THESE PEOPLE IN THE PROCESS

Publicity through media

Premier - performance review with MEC's and HOD's

Effective marketing/communication

Get the highest political power behind the initiative and allocate resources to an action plan.

Q5: DO WE HAVE AN APPROPRIATE METAPHOR TO DESCRIBE HOW THINGS CAN BE

Rolls Royce /Well oiled machine/An Eagle/A newly born baby/Colony of ants

We may need to revisit this question as an exercise on its own and generate a powerful uniting metaphor that will endure scrutiny and rigorous testing in the real world of public administration!

RESTRAINING FORCES

Q1:   WHY DOES THE PROBLEM APPEAR TO PERSIST DESPITE PREVIOUS EFFORTS TO DEAL WITH THEM?

There are no shared values or we have not found out if we do indeed share common values
Role confusion in policy -strategy and operations
Old order mentality - doing things as they have always been done
Lack of political and administrative will (fear of failure)
Inadequate resources (financial & HR + Skills)
Information systems inadequate and mostly absent
Inadequate systems to deliver efficiency levels expected
Misguided union pressure
"Pussy-footing" with situations that need decisive actions
Misguided power play - parochial self-interest
Lack of ownership because the powers that be not letting go of the process - no effective delegation.
Fear of making mistakes, conflict and rejection which leads to paralysis
Wrong composition of DTU's with unclear and non-negotiated Terms of Reference for DTU's
Lack of penalty / reward for (not) delivering
Inadequate communication of how to unpack the White Paper
Narrow-mindedness re: transformation
Integration/Assimilation of definition, process, team so that nothing should exist
outside the norm
Enabling environment (Structures, Systems, Processes, Hygiene factors - Salaries, a sense of Us and them, with a basket full of unmet expectations)
Mission not linked to strategies
Not unlocking potential

Q 2: WHO AND WHAT CONSTITUTES " OPPOSITION" TO THE BREAKTHROUGH

Lack of clearly defined implementation plan
Lack of resources
Role clarification not there
Rigidity of Government systems rules and regulations - does not allow for creativity and innovation
Managers who do not lead by example
Resistance to Change (Managers and Staff)
Ill-informed and Uninformed employees
The manner in which process was introduced
Systems (external)
Political parties

WHO?

Former Political parties and regimes
Civil servants (some)
Some politicians
Some unions
Attitudes of some communities

WHAT?

Lack of Professional ethos in the Public Service
Lukewarm commitments to transformation from those who know better
Selective interpretation of democracy
Diversity without a common working culture in the civil service
Insufficient/ Lack of alignment empowerment and enablement
Political " new speak"

Q 3:   WHO IS PROTECTING THE STATUS QUO - HOW DEEPLY ENTRENCHED IS THEIR STAKE IN PRESERVING THE STATUS QUO.

WHO:

Civil servants aligned to some political parties
"Goats"/survivors
White collar thieves
Racists/ Communalistic / ethnists
Media
Managers who do not want to lead by example (rating of 10= worst)
Managers/ civil servants who have benefitted (not) from the status quo (10)
Dependants (Public and civil servants) fear of independence = 7
        (rating)

HOW DEEP?

Very knowledgeable on how the system operates and very defensive of it.

Management and civil servants and members of civil society can.

Q4:   WHERE IS THERE EVIDENCE OF PSEUDO CHANGE?

Increased number of political/HOD in CCT
Renaming of TSC
Lip service "faith without deeds"- e.g to gender issues and alike
Many people talk about transformation without deeper understanding of it
Ineffective institutional arrangements
Institutional arrangements misunderstood or improperly used
Un-implemented White Papers
DTUs not fully recognised by Management

Legitimacy of some transformation structures are questioned or ignored
Resource allocation
Centralisation vs Decentralisation Management issue.

Q5: WHAT SORT OF MOMENTUM DOES THE PRESENT SYSTEM HAVE?

Slow but powerful momentum as a result of the incompatibility of our systems which cannot sustain the new strategies.
Enough momentum to preserve ourselves but not enough to expand and replicate ourselves.
Systematic processes have taken on a life of their own and are not questioned.
Comfort with the status quo

Q6: CAN THE SYSTEM SUSTAIN NEW STRATEGIES?

They definitely cannot sustain new strategies
With a shift of mindset - Yes!
If the system is redesigned and restructured it may!
Where there is an effective use of resources.
When we get commitment of Departments to priorities (PTPTL)
If we have the ability to see the "BIG PICTURE"
We will need to avoid the efficiency trap - e.g. preoccupation with rules and regulations

The structure of the organisation will need to be brought into alignment with what is happening on two levels - the level of workforce capability the strategies we adopt to take us into the future.

Where these three elements are misaligned, we find wastage and duplication as well as high levels of human frustration in dealing with work that is either beyond their ability or tediously repetitious.

IDENTIFYING THE IDEAS

Q1: WHICH OF THE RESTRAINING FORCES ARE SIGNIFICANT AND REDUCIBLE

A.) SYSTEMS
Management Information System   (Significant & reducible)
Integration/processing (Significant)
Aligning strategy to mission (Significant)
No penalty / reward for contribution (Significant)

B.) RESOURCES (S&R) = Long term
Finance
HR/ skills (Significant and Reducible in Long Term)
IT   (Significant and Reducible in the Medium term)

STRUCTURES/ RELATIONS
Hygiene factors (Significant & Reducible)
Enabling environment
Management support
Union pressure/ power play (Significant and reducible in Medium Term)
Old order culture
Role clarification   (Significant & Reducible in the long- medium term)

Pussy footing - Insignificant symptom

No shared values
Lack of political and admin will
Skills
Information systems
Narrow-mindedness
Unpacking WPTPS

Q2:   WHICH APPEAR TO BE THE CLOSEST TO THE SOURCE OF THE ISSUE

The lack of Resources
The steady loss of Financial resources, Human Willingness & Skills Capability
Inappropriate Structures
The lack of Alignment among different departments
The apparent gap between our Policies and the realisation of these in our Strategies.
Lack of key policy formulation and interpretation.

Q3:   WHAT SPECIFICALLY NEEDS TO HAPPEN THAT IS INHIBITED BY THESE RESTRAINING FORCES

We will need to bring our Structures into alignment with revised Strategy
Alignment of our Vision and Mission
Create a more conducive environment / hygiene
Use of timeous, accurate and processed information for management/ Strategic decisions
HR = recruitment/ training / specialisation as opposed to generalisation.
Synergy of national and Provincial departmental initiatives
A dynamic strategic planning process (power play)
Comprehensive review of structures
Service Delivery refocus on what this means for each level of administration
Role clarification
Sustained Transformation process
Identify critical projects and action plan for their immediate implementation

Q4: WHAT MIGHT THIS GROUP DO ABOUT THESE THINGS?

Lekgotla/ Retreat with the following stakeholders:

SPDU
Policy units
Communication
IT (Significant & Reducible)
HR (sort out the training)
Finance
Project Management
Make recommendations to the authority
Draw up strategic plans so that we can unpack transformation
Create a space where we can understand our shared values
We will need to draw in NWCS, Corporate Service, Training, D.G, Israel
Recreate a realistic understanding for all of what Transformation means.
Revisit Transformation structures and work with the designated roles within:
DTU
PTPTL
PTCC
Corporate Services to revisit these roles

DECIDING, DOING AND DESIGNING

Q1: WHAT DO WE AGREE TO DO?

A model was presented for consideration. As before, the presentation of yet another structure presented a heated debate. Clearly there needs to be consensus on how we build transformation capacity in the province. We are so close to a viable model, with patience and an open mind to experimentation and learning, we can derive the best out of the present thinking.

Simplifying and clarifying meaning of transformation through our shared values
Presentation to EXCO and seeking of "navigator" mandate (23/9/98)
Reduce and simplify + translate WPTPS (Dept. Arts & Culture) 11/10/98
Communicate the Provincial Transformation projects by MIRROR/ Briefing groups
    (NWCS + Management)

ROLES
EXCO
Political /Policy co-ordination

CCT
Monitoring
Prioritisation

DIRECTOR: TRAINING AND TRANSFORMATION
Secretariat: CCT
Chairperson of PTPTL meeting
Liaison with SRC/ DG

PROJECT LEADERS/ MEMBERS
Appropriate 100% on project for duration of project
Leaders - Business plan in terms of Funds/ time /Resources

DTU
Monitor implementation / Identify with management Departmental projects

NAVIGATOR'S DECISION

Dedicated project members for a period
Other officers will have to share responsibilities

HR SKILLS e.g. Job evaluation

*   Project: Train all managers on Job evaluation system
        Resources   -   5 WSO
                                + Job analysis
*   Target Group   -   +/-   1500
                                100 per person
                                (4 weeks)
Employment Equity
Standardised Selection method must apply to all managers
RESOURCES: 5 personnel Practitioners
TIME: Two weeks
E.g.   HR Planning = MTPF
Delegation process

(a) Align strategy to mission
Imply organisational re-alignment
Both policy and strategy to serve as implementation framework
Audit of departmental and Provincial functions
(b) Information Technology
Establish , implement & reinforce MIS
Need policy and strategy for information management
Need capacity to manage information
Development of Provincial & departmental IT systems that are responsive to needs
(c) Role Confusion
Clarification of roles : i.e. political and administrative
Establishment of job descriptions and Key responsibility areas
Create a common vision and mission and involve all stakeholders
Establish a Transformation and Training Directorate
Heads of TTS units to serve in the PTPT
PMC to review departmental Structure

Q2: ARE WE WILLING TO COMMIT OURSELVES 100% TO ACCOMPLISH A BREAKTHROUGH?

Yes we are but we recognise that alone we cannot sustain a Breakthrough. Our 100% commitment must be matched by a 100% commitment from the following persons:
Political Leaders
Heads of Departments,
Heads of Sections and Directorates
Unions

Q3: WHAT DO WE NEED TO HAVE OTHERS DO TO ACHIEVE A BREAKTHROUGH?

EXCO, and all Senior management in a participatory process with D.G.
Unions and operational staff should always be taken through similar processes to create ownership and buy-in.
Develop a Communication Strategy and Units
Implement Code of Conduct without deviation - Redefine the code.
Develop Performance Contracts up to level of Deputy Director
PMC members to be evaluated on the contribution to the Transformation process

Q4: WHAT IS OUR STRATEGIC PLAN?

Repeat exercise in all departments: PTPTL & SRCA to merge this activity into the existing process
Develop Strategic plan for CCT in three months time. The CCT chairperson or DG to initiate this process.
Develop a provincial Transformation strategic plan
Develop a monitoring and evaluation plan
Linking rewards to performance.
Explore mechanisms to strengthen CCT objectives - CCT should embark upon its own evaluation.
EXCO to evaluate CCT. - D.G. to put on EXCO agenda.
Clarify linkage and purpose of CCT and PMC on transformation issues.

Q5: WHO WILL DO WHAT?

Top management to develop departmental Transformation and Training Strategic Plan within six weeks

Operational Managers to develop Transformation and Training projects

PMC to clarify its role in Transformation v/s CCT

PMC to decide on reviewing the provincial vision (in a thousand days!!) and involve the PTPT and SRC& A in that process.

We are on a journey. Our circumstances demand that we move from one frame of reference to another more rapidly. If we can get these tasks done quickly, then we can move more quickly toward becoming Responsive, Proactive and Inspired.

EVALUATION / EVIDENCE OF BREAKTHOUGH

Q1. SIGNS OF BREAKTHRUOGH

Management will begin to perform roles they are meant to perform
Strategic and policy management an minimise the "ire fighting"
Setting and achievement of milestones / objectives
Political Stability / Social upliftment
Employee satisfaction - high morale
Service Delivery to recipient
Greater awareness of what Transformation is
Savings on budget
Rewards for those who perform and penalties for those who don't
Better utilization of resources
Increase efficiency and effectiveness
Evidence of team activity
Promotion and appointment on merit
Informed decision making
Respect of the people & the system
Full utilization of IT
Recognition of efforts by management and politicians
Partnerships with unions
Full utilization of HR
Proactiveness
Empowerment of staff

Q2. WHO ELSE WILL NEED TO AGREE

EXCO
Staff
Public
NGO's
Unions
Religious Groups
DPSA
Donors
Portfolio Committee
Standing Committee

Q3. WHO WILL BE RESPONSIBLE FOR MONITORING PROGRESS

Transformation and Training Directorate and SRCA
TTS in departments

Q4. HOW MUCH LEAD TIME DO WE ALLOW

30 Days

Q5. HOW WILL WE CELEBRATE OUR BREAKTHROUGH

At the end of March 1999, we will invite all those who have made the breakthrough possible to a grand celebration to mark our progress and to re-establish the mission and the objectives for the road ahead

A note from the facilitators.

While compiling this report, we were reminded of an article read some years ago. It was written in 1973 by Donald Michael, in his book called " On learning to plan - and planning to learn." In its day it was rather a radical approach. Today, after some 20 years it still has relevance for us. I include it here, because of the learning implications of what we are doing when we attempt to change and work within policies and guidelines, and also that our future process may begin to reflect some of the qualities mentioned by the author.

What does it mean to be responsible as policymaker in an increasingly interdependent, interconnected, and constantly changing world? You won't know -- and nobody knows -- what is necessary in advance for formulating policy that will fulfill our intentions. This is because people are unavoidably ignorant in three ways.

1. We do not comprehend fully our complex circumstances; we have no viable model of social change under our current turbulent conditions. We can't even correctly predict birth rates, or changes in the economy beyond two quarters or so. And complexities of a larger scale, that are nonlinear, human systems may always elude us.

What we choose to pay attention to, and seek or avoid, mostly depends on our unconscious needs and motives -- some genetically in-built, some culturally provided, but all essentially hidden from ourselves as we conduct our daily affairs, even as we claim rational reasons for what we do or don't do.

3. Even if when we knew all the data we would still disagree about their meaning. There are always multiple stories to be told about why the human condition is as it is and no way to settle on one true story.

Is this letter then, a counsel of despair? No! There is a way to meet our enthusiasms and ethical obligations -- by learning our way into the future. Most people, especially those in the institutions and organisations with whom you will be policy-making, don't know or want to know that they can't know the answers. But you know better! Having eaten of the tree of knowledge, you can no longer remain in the Eden of ignorance about our ignorance.

Planning as learning

To meet your ethical responsibilities, you must conduct your activities as learning, exploring, discovering, experimenting -- activities. Learning depends absolutely on being able to acknowledge specific uncertainties -- unsettled questions for which we will never know the answers. Consider for example, the variety of uncertainties -- about which policymakers could admit uncertainty, but generally do not -- in health-care, nuclear waste disposal, economic strategy, childhood education, adolescent socialization, appropriate land-use, transportation systems, transformation etc.

The acknowledgment of specific uncertainties becomes the basis for building a learning system via Error Embracing. Competent policymakers know that errors will happen as policies are implemented. Based on specific uncertainties, they design organisational capabilities in advance to embrace possible errors as soon as they occur, and use the resulting understandings to continually adjust the policy.

In themselves, acknowledging specific uncertainties, and embracing error would engender honesty and integrity. And they are the operational pre-conditions for resilience -- the capacity to adjust and change. But they in turn, depend on other norms and skills:

Boundary spanning: Understanding the inevitable differences in turf control, time frames, conceptual perspectives, and human relationships, and using them constructively. (For example: design the policy so that recipients monitor the results as part of the error detecting process.)

Coping with role ambiguity: Understanding that, in a learning mode, your role is not well defined, and you must learn to protect yourself from possible serious emotional upset.

Developing interpersonal communication skills: For example, the learning to listen carefully without interrupting, and making sure you understand what the other person means without rushing on to make your own case.

THE EDUCATIONAL IMPERATIVE

No one can make policy by him - or her self. Not only do you need political clout to carry the day, but your emotional stamina depends on having a support group. Thus, to enlarge your community of allies, you must become an educator, teaching others about the imperative to conduct policy-making as a learning activity.

Consider for example, the possibilities of training community members to participate in planning the implementation of a conservation policy that affects them, so that they learn to monitor its impact, and they participate in the revisions of the policy.

Uncertainty and error may cause feelings of vulnerability; you must accept the serious risk of living with what you don't know.

But this has always been the condition of creative humans.

Welcome to the world of policymakers as learners!

The Facilitators