

PUBLIC SERVICE COMMISSION



THE REPORT OF THE ASSESSMENT PANEL ON THE ROLE OF HUMAN RESOURCE MANAGEMENT IN THE OFFICE OF THE PUBLIC SERVICE COMMISSION

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CHAPTER 1: INTRODUCTION

1.1 INTRODUCTION

On 11 June 2008, Cabinet approved interventions developed by the Department of Public Service and Administration (DPSA) to improve the human resource functions in the Public Service. One of these interventions include the implementation of the key performance indicators which would allow departments to critically review their human resource components to ensure that such components are able to manage not only the personnel administration function but also to ensure that they are able to strategically assist departments to reach their service delivery goals. As part of this process, departments were required to appoint Assessment Panels to undertake such a review.

1.2 APPOINTMENT OF THE ASSESSMENT PANEL

The Office of the Public Service Commission (OPSC), through the Acting Director-General appointed a panel of three persons to undertake the review of the human resource function in line with the Annexure C: Ability of departmental human resource components to strategically assist in the achievement of service delivery goals. These persons are Messrs T Mokomatsidi and A Maluleke and Ms P Govender.

1.3 THE MANDATE OF THE ASSESSMENT PANEL

The Assessment Panel has been established to assess the overall human resource management practices, and the outcome should indicate or provide the following:

- The existing weaknesses and strengths in the human resource management practices applied in the OPSC;
- The extent to which the human resource management function is aligned with the OPSC's operational objectives;
- Insight into the need to change the execution of the human resource management function; either in terms of practices and processes or by reviewing the functioning of the OPSC human resource component;
- A basis for tracking the quality of the OPSC's human resource management functions over time and benchmarking the function with that of other comparable departments; and
- A mutual understanding and appreciation of the role, inter-relatedness and quality of human resource management in the OPSC.

Upon the conclusion of the assessment, the panel is required to develop and submit a report with findings and recommendations for consideration and possible action by the Acting Director-General.

1.4 METHODOLOGY

The methodology followed in the assessment involved the following activities:

1.4.1 Series of Meetings

The Assessment Panel held a series of sessions involving its members in which the issues raised in the Department of Public Service and Administration (DPSA) document titled *Annexure C: Assessment: Ability of Departmental Human Resource Components to Strategically Assist in the Achievement of Service Delivery Goals* were discussed at length¹. These discussions were guided by four broad roles espoused in the above-mentioned document. In the main Assessment Panel evaluated the extent to which the human resource component activities are utilising these roles. These roles are that of:

- A strategic partner which requires an alignment of an organisation's human resource management strategy and practices with the operational objectives of the department;
- A change agent which focuses on the management of the impact of organisational and operational changes on the human resources in the organisation;
- An employee champion which maintain a work environment conducive to human resource performance by attending to employee's needs and ensuring that human resource management is in compliance with all applicable laws; and
- An administrative expert which requires that human resource components become centres of administrative excellence that demonstrate expert knowledge, experience and skills in rendering an administrative service to the human resource management function.

1.4.2 Employee Survey on the Services Rendered by D: HRMD

In line with a decision taken at the Office strategic planning session held in December 2009, a survey questionnaire on the service rendered by the Directorate: Human Resource Management and Development (D: HRMD) was developed. The purpose of the survey was to solicit the views of all the employees of the Office as part of endeavours to improve the quality of services provided by the D: HRMD. In the main the survey questionnaire sought the views of employees on the following areas:

- Recruitment and selection;
- Employment Equity;
- The effectiveness of human resource policies and procedures;
- Human resource development;

¹ Republic of South Africa. Department of Public Service and Administration. *Assessment: Ability of Departmental Human Resource Components to Strategically Assist in the Achievement of Service Delivery Goals*. 06 August 2008.

- Human resource plans;
- Departmental performance management and development policy;
- Employee relations; and
- Employee health and wellness programmes.

1.4.3 Benchmarking with other Institutions

A comparative study of how other institutions deal with the human resource management function was undertaken. In this regard, the Assessment Panel requested the organisational structures of the Departments of Cooperative Governance and Traditional Affairs, Public Service and Administration and the National Treasury. The purpose of the comparative study was to assess the quality of the OPSC's human resource management function against comparable organisations.

1.4.4 Analysis of Data

The Assessment Panel analysed data utilising the instrument developed by the DPSA to assess the extent to which the OPSC complies with the basic requirements for an effective human resource management function. The Assessment Panel did this analysis by discussing each area of the instrument with a view to reaching consensus on the appropriate scoring level. In instances where consensus could not be reached, the matter was put to vote to ensure that view of the majority of the members of the Assessment Panel is reflected.

CHAPTER 2: ANALYSIS OF THE ABILITY OF THE D:HRMD TO STRATEGICALLY ASSIST THE OPSC TO ACHIEVE ITS SERVICE DELIVERY GOALS

2.1 INTRODUCTION

This chapter will deal with the analysis by the Assessment Panel of the ability of the Directorate: Human Resource Management and Development (D: HRMD) to strategically assist the Office of the Public Service Commission (OPSC) in the achievement of its service delivery goals. In addition, the chapter will integrate the views solicited from the employees of the OPSC through a survey questionnaire. The analysis of the responses will cover the following broad services provided by the D: HRMD:

- Recruitment and selection;
- Employment Equity;
- The effectiveness of human resource policies and procedures;
- Human resource development;
- Human resource planning;
- Departmental performance management and development policy;
- Employee relations;
- Employee health and wellness programmes; and
- Additional comments on the services rendered by the D: HRMD.

It should be noted that only ninety-five (95) out of two hundred and twenty (222) employees, which represents 43% responded to the survey questionnaire. This number is very small compared to the rest of the employees but the responses provided could be used to inform any improvements to the services rendered by the component.

2.2 STRATEGIC DIMENSION

2.2.1 The Extent to which the Human Resource Component Performs a Strategic Partner Role

The Directorate: Human Resource Management and Development (D: HRMD) participates in the Office of the Public Service Commission's (OPSC's) strategic planning activities. However, this participation is limited in that D: HRMD does not provide advice to the line-function on the implications of the strategic direction pursued against the human resources needed to achieve organisational objectives. It was also found that the component lacks the ability to design targeted human resource interventions critical to the operational objectives of the OPSC. As a result, the Assessment Panel found that there are no human resource solutions provided during the strategic planning process.

For example, the D: HRMD is not involved in providing advice on the implementation of cross-functional projects undertaken by the Office. The case in point is the project led by the Chief Directorate: Governance Monitoring which assessed selected public administration practices at the local government level undertaken during the 2009/10 financial year. Given the transversal nature of this project, the D: HRMD would have been expected to provide the

necessary advice on how the human resources deployed by various components would be managed. Such an approach would have assisted supervisors and moderating committees to effectively assess the performance of each individual deployed.

In addition, it is the view of the Assessment Panel that whilst the D: HRMD through the Deputy Director-General: Corporate Services participates in the OPSC's Executive Management (EXMA), more could be done to ensure that strategic human resource issues are prioritized at the highest level.

2.2.2 The Human Resource Component Performs a Change Agent Role

The D: HRMD monitors the change management needs of the Office on a continuous basis. However, there is still a need for the component to ensure that gender balance at the Senior Management Service (SMS) levels is achieved. In addition, there is a need for the component to proactively assist the Office to anticipate the human resource implications of the changes in the operational and strategic environment. In this regard, the component needs to design, drive and lead change management interventions. It should be noted that in the past five to six years, the component was involved in facilitating employees' acceptance of organisational change, by providing necessary psychological and counseling support as a result of the organisational restructuring. However, in recent times the component did not play this critical role. Therefore, failure to lead and facilitate the acceptance of organisational changes would result in resistance to change among employees. In the past the D: HRMD initiated a series of workshop for all employees including line managers on diversity management. However, this activity has not been undertaken recently, and this could impact negatively on efforts aimed at ensuring that all employees embrace the broader transformation agenda including the required cultural changes.

2.2.3 The Human Resource Component Performs an Employee Champion Role

The D: HRMD disseminates information on employment matters through staff meetings, circulars, intranet placement and internal communication newsletter. In addition, the component has designed appropriate employee assistance programmes including health and wellness matters aimed at addressing employees' needs. However, the component has failed to:

- monitor employee-related perceptions of the Office;
- initiate targeted interventions to improve employees' commitment to employment in the Office; and
- assist employees to identify their personal and career goals.

2.3 TECHNICAL DIMENSION

2.3.1 Organisational Development and Design

2.3.1.1 *Organisational Development*

The Assessment Panel has found that whilst the organisational structure of the department is aligned with the strategic objectives of the Office, there is a need to review the role played by Regional Offices to ensure that they become critical instruments through which the PSC improves public administration at the provincial and local government levels. This review should also assess in detail the capacity challenges of the Regional Offices in discharging their responsibilities. This is particularly important in the context of the ever expanding role and mandate of the Public Service Commission (such as the involvement in the local sphere of government). Furthermore, it was found that the component has developed job descriptions for all posts in the Office, and has adequate capacity to conduct job evaluation effectively. However, there is doubt as to whether line-function managers have the necessary capacity to effectively apply these job descriptions and utilise employees meaningfully.

2.3.1.2 *Empowerment*

Line managers participate in human resource planning, budgeting and the filling of vacant posts within their components. In addition, respective supervisors are responsible for the orientation of new employees, performance contracting and assessment, the management of employee absenteeism, discipline and human resource development. However, it should be noted that the management of employee absenteeism has not been consistently applied throughout the organisation. For example, applications for leave of absence forms are not timely and consistently submitted to the D: HRMD for capturing and record-keeping purposes, management of discipline such as adherence to normal working hours is a challenge and the management of performance and contracting processes leaves much to be desired in some instances.

2.3.1.3 *Human Resource Information Management*

The D: HRMD has standards for collating and reporting human resource information to top management. This information is collated on a regular basis and is used to provide useful analytical reports. For example, monthly vacancy reports are provided to EXMA and the Budget Committee.

2.3.1.4 Human Resource Planning

The Medium Term Strategic Plan (MTSP) of the Office reflects human resources required for its successful implementation. The MTSP also informs the human resource planning processes, defines strategies and the required budget to achieve operational objectives. However, the D: HRMD has not established a dedicated unit to support line managers to address the strategic human resource implications that flow from prevailing and planned operational demands. Therefore, there is a concern that the human resource plan of the Office does not contain targeted interventions necessary for providing the right number of skills to the organisation.

Forty-seven percent (47%) of the respondents believe that the Office has a human resource plan which is aligned with the strategic plan and the Medium Term Strategic Framework (MTSF), whilst 16% do not agree and 37% are not sure. The respondents who did not agree indicated that there is a lack of initiative on the part of the D: HRMD to conscientise the Office on this aspect.

Furthermore, 21% of the respondents were of the view that the D: HRMD is effective in developing human resource strategies which supports the Office's operational objectives, whilst 53% do not agree and 26% were not sure. In addition, 11% of the respondents indicated that the D: HRMD is effective in ensuring that there is a succession plan in place to replace key individuals, whilst 63% do not agree and 26% are not sure. With regard to the effectiveness of the human resource plan in ensuring that the short term and future needs of the organisation and employees' needs are met, 11% agree, whilst 68% do not agree and 21% are not sure.

The following were areas of concern raised regarding human resource planning:

- There is no succession planning in place. It seems the D: HRMD does not have plans to meet the current and future operational needs of the Office;
- The D: HRMD does not have a sense of urgency in dealing with this most critical area of human resource management strategy;
- The D: HRMD does not have the capacity to conduct a proper human resource forecasting; and
- It appears as if officials in the D: HRMD are not properly placed as some of them lack the skills to do basic human resource functions.

2.3.1.5 Diversity Management

The Office has developed employment equity programmes and targets to enhance the representivity of persons in the designated groups. These employment equity programmes and targets are reviewed on an annual basis. Senior managers and supervisors have been

trained in the past to value diversity in the workplace. It is important that such training is conducted on a continuous basis to ensure that, among others, the 50% target of women in the senior management echelon is realised. The Assessment Panel has also found that all the buildings of the PSC, except the Parliamentary Office are conducive to people with disabilities. Therefore, there is a need to ensure that all the buildings provide a conducive working environment for people with disabilities.

Furthermore, sixty-eight percent (68%) of the respondents are of the view that there is an employment equity policy in place, whilst 26% were not sure. In addition, 5% were of the view that the policy is not properly implemented and that if it does exist it is not rigorously applied leading to it being superfluous. With regard to whether the Office has an employment equity plan, 79% of employees responded positively, whilst 21% indicated that they are not sure. In addition, 32% of the respondents were of the view that the D: HRMD is effective in implementing the employment equity targets, 37% were not sure and the remaining 32% said no.

It should also be noted that 33% of the respondents were of the view that the Office has met its gender and disability targets, 50% indicated that these targets were not met and 17% was not sure. The following concerns with regard to employment equity, gender and disability targets were raised:

- Whilst the Office has met its disability targets, these have been concentrated at the lower levels,
- The gender balance especially at SMS levels is still lagging behind;
- The recruitment of women into SMS levels and people with disability who are competent and have relevant skills is a challenge facing the entire Public Service;
- There are individuals in management who have their own agendas when conducting recruitment and selection processes and the HR practitioners are not assisting the situation as they are often afraid of these managers;
- Senior and executive management is dominated by males who believe that male make better senior managers compared to females;
- Meeting gender targets at senior management levels has been progressively declining in the Office. This is a serious cause for concern given the fact that the PSC is regarded as custodians of good governance in the Public Service;

2.3.1.6 Human Resource Policy Development

The Assessment Panel found that human resource practitioners responsible for human resource policy development do not fully understand the strategic objectives of the organisation. As a result, it was found that in most instances the provision of human resource policy advice does not take into consideration the needs of the Office. In addition, it was also found that these practitioners are in most cases not aware of changes in the

operational functioning of the Office. As a result of the permutations outlined above, human resource practitioners have been found wanting with regard to the provision of appropriate human resource policy advice to line-function managers in managing strategic objectives and operational functions. It should also be noted that employees have not been provided with the necessary training on human resource policies. Failure to provide training has resulted in instances where employees have not been able to exercise their rights and obligations as required.

Furthermore, the Assessment Panel has found that more needs to be done to ensure that human resource practitioners are aware of and sensitive to the cost implications of human resource policies and procedures. For example, the absence of the retention strategy for the Office has resulted in the retention of employees who received offers from other departments being unevenly applied. This had serious financial implications for the Office in some cases.

At the same time, the Assessment Panel has found that human resource practitioners on aggregate understand the internal workings of the organisation. In addition, human resource policies and procedures have endeavoured to display a people-centred management approach. These human resource policies are reviewed on a regular basis in line with operational needs and legislative changes. However, the challenge has always been that line-function managers have not always provided the necessary inputs and comments on draft human resource policies when required to do so.

In addition, forty-two percent (42%) of the respondents are of the view that human resource policies and procedures are effective in supporting the operational needs of the Office, another 42% do not agree, whilst 16% were not sure. With regard to the effectiveness of the D: HRMD in contributing to the strategic planning and management process in the Office, 26% of the respondents indicated that indeed the component plays this role, whilst 42% responded in the negative and 32% were not sure. In addition, 50% of the respondents were of the view that the D: HRMD is effective in maintaining personnel expenditure in terms of the Medium Term Expenditure Framework (MTEF), whilst 11% indicated that the component is not effective in this area and 39% were not sure. Furthermore, 72% were of the view that the component is effective in dealing with the management of leave and absenteeism, 17% indicated that the component is not effective and 11% were not sure.

The following were some of the areas of concern raised with regard to the effectiveness of human resource policies and procedures:

- The successful management of leave and absenteeism requires the overall support and commitment of line-function managers;
- The D: HRMD does not play the role of supporting the Office in achieving its strategic objectives;

- The D: HRMD takes longer to advertise posts in the print media and in most instances vacancies are filled after more than 4 months;
- The D: HRMD does not assist line-function in dealing effectively with the high staff turnover and the management of interns;
- Whilst the D: HRMD has developed good policies, there is a concern that its functionaries are not aware of the content of these policies;
- The PSC as an institution always recommends that departments need to develop, implement and workshop their human resource policies, the D: HRMD has not done the same; and
- Whilst the Office has well developed employment equity policies, the Employment Equity Forum which is charged with the responsibility to ensure that targets are met is non-functional.

2.3.1.7 Change Management

The ability of the human resource component to deal with changes in the operations of the Office through targeted change management interventions has been limited by its non involvement in decisions taken by higher organs. For example, decisions relating to organisational restructuring are taken by structures such as EXMA and the Office strategic planning sessions and the component is only involved at the latter stages of the process by implementing the necessary changes as required. It was also found that the human resource component does not have the capacity to apply the concepts of organisational behaviour and change management. This lack of capacity has limited its ability to participate effectively in the execution of change management plans. For example, the D: HRMD does not have the organisation change or work-study unit to engineer changes to the organisational environment. As a consequence, employees have not been adequately informed and prepared for changes in operational activities. In addition, the human resource component has not been able to guide line-function managers in fully understanding the human resource implications that could be caused by such changes. This is even more worrying considering the fact that organisational changes in most instances affect career pathing of employees.

2.4 RECRUITMENT AND EMPLOYEE LIFE CYCLE MANAGEMENT

2.4.1 Recruitment

The Office has a recruitment and selection policy which is utilised to guide staff employment. In addition, the recruitment strategies are informed by the broader human resource plan. The Assessment Panel has found that in most instances the requirements of the job are accurately reflected in job requirements. In addition, it has been found that the recruitment initiatives adequately provide for the career progression of internal candidates. However, the Assessment Panel was not sure of the extent to which the recruitment practices of the Office

present it as an 'employer of choice'. This uncertainty is caused by a number of factors, and key among these being instances where employees' tenure with the Office lasts a month or even less. Given the above, the Assessment Panel is of the view that employees' tenure cannot solely be used as an indicator of whether an organisation is an employer of choice or not. A whole range of other factors need to be analysed to arrive at a particular conclusion.

The Assessment Panel has also found that recruitment and selection does not take place timeously in anticipation of imminent staff loss. The inability to respond timeously could be attributed to budgetary constraints and the failure by line-function managers to act quickly in dealing with imminent departure of their subordinates. For example, line-function managers are unable to act timeously even in instances where they could be aware that a particular employee would be retiring at the end of a year. The Assessment Panel has found that in most cases the selection committee members utilises the interview technique as the only method of recruitment and selection of prospective employees. This approach has in some instances led to the appointment of inappropriate persons to critical posts. Failure to effectively utilise a combination of recruitment and selection techniques have in some instances led to grievances lodged by candidates. This state of affairs should be addressed as a matter of urgency to avoid disastrous consequences which may negatively affect the image of the organisation.

In addition, eighty-four percent (84%) of the respondents indicated that the Office does have a recruitment and selection policy in place. At the same time, it is worth noting that 16% were not sure if such a policy exist. In responding to whether the D: HRMD is effective in implementing the policy, 53% said yes, 32% said no and 16% were not sure. With regard to whether the recruitment and selection processes are compliant with the policy, 47% said yes, 32% said no and 21% were not sure. In addition, the following concerns were raised as areas of concern regarding the recruitment and selection policy:

- The verification of qualifications and reference checking are applied inconsistently;
- There is a lack of leadership commitment and understanding of policy to ensure compliance to policy prescripts;
- The D: HRMD is not well managed. For example, the unit constantly leaks information following interviews and thus integrity and confidentiality of the recruitment and selection process is compromised. In addition, the advice provided to selection panels is not always reliable;
- The D: HRMD is failing to assist selection in developing questions and forms that are fair and there is no rigour in record-keeping;
- The employment equity plan of the Office is not followed when posts are filled; and
- The summaries of the discussion and recommendation of selection panels are not properly captured, and it appears that after each interview old submissions are 'recycled' without any attempt being made to accurately capture the outcome of discussions.

2.4.2 Staff Retention Management

The Office does not have an approved staff retention policy. Staff retention is conducted on an *ad hoc* basis. The implications of the absence of the staff retention policy are that employees are retained on a case by case. The net result is that counter-offers made to employees in most cases are not effective, efficient and economical in terms of costs in the long term. This has the potential to cause unhappiness among employees in general, as they may feel that others are treated better than the rest.

2.4.3 Exit Management

The Office is utilising an exit management policy to conduct structured exit interviews. However, it should be noted that the information obtained from exit interviews is not utilised to inform targeted retention programmes. This is mostly due to the fact that exit interviews are conducted on a voluntary basis, and in many cases employees have been reluctant to disclose reasons for leaving the organisation.

2.5 HUMAN RESOURCE UTILISATION AND DEVELOPMENT

2.5.1 Human Resource Development

A policy on human resource development has been approved. As part of this policy a dedicated functional unit to oversee the implementation of the policy has been established. This unit is also responsible for the training and development programmes including Adult Basic Education and Training (ABET) which are based on the workplace skills plan of the Office. Senior managers and supervisors are informed of the workplace skills plan on a regular basis. However, the concern is that training interventions are not informed by the Office's performance management outcomes. For example, performance assessments are conducted long after the conclusion of a particular financial year. Failure to timeously conclude performance assessments has the potential to render any training and developmental interventions futile.

In line with the skills development plan of the country, the Office on a regular basis recruits interns and learners as part of its education and training interventions. Whilst the internship programmes are working very well, recently there has been a slight challenge in the provision of theoretical training for learnership programme. Whilst this has been just one incident, the Assessment Panel is of the view that if timely intervention is not made to deal with this challenge, the learnership programme of the Office may lag behind.

In addition, the Assessment Panel has found that employees in general are not subjected to post-training assessments to gauge the impact of training to productivity and capacity

development. This also means that training and development programmes are not monitored for their effectiveness.

Seventy-eight percent (78%) of the respondents were of the view that the Office has Human Resource Development (HRD) policy and strategy in place, 11% did not agree and another 11% were not sure. The reasons advanced for not agreeing were that there are capacity challenges in the middle and senior management of the component, the system is not effectively applied and there is lack of funds for training and development. In addition, 74% of the respondents indicated that the D: HRMD has a Workplace Skills Plan (WSP) in place, whilst 11% did not agree and 16% were not sure. The reasons advanced by those who said that there is no WSP were that the D: HRMD lack capacity and are unable to take initiative, the WSP does not match the skills needed in the line-function and that there is a general misunderstanding of the critical steps necessary for developing such a plan.

Furthermore, 16% of the respondents were of the view that the D: HRMD is effective in ensuring that the training needs of the employees are met, whilst 74% did not agree and 11% was not sure. With regard to the role of the D: HRMD in ensuring that employees have Personal Development Plans (PDPs) that are aligned to their career goals with the operational needs of the Office, 37% agree, whilst 53% of the respondents did not agree and 11% was not sure.

The following were areas of concern raised with regard to the effectiveness of the Office's HRD strategy in general:

- It takes a number of years for the PDPs identified in the Performance Agreements (PAs) and Annual Workplans to be addressed;
- The lack of adequate funding for training and development has contributed to the delays in meeting training needs;
- It seems as if the D: HRMD does not have an operational database of different training needs of individuals;
- The D: HRMD does not have the capacity to assess whether there is alignment between individual training needs and organisational plans;
- The HR Practitioners who engage with line-function managers on training and development seems to have a limited understanding of this area; and

There are instances where one official's training expense takes more than 50% of the training budget of a Branch and the rest of employees are then expected to share the remaining 50%.

2.5.2 Induction

The policy on the induction and re-orientation of employees is only implemented partially. For example, induction programmes are only conducted for newly appointed employees. However, re-orientation programmes for current employees are non-existent.

2.5.3 Career Management

The career development programmes for employees below the Senior Management Service (SMS) levels are not informed by the available career paths. This is due to the fact the Office does not have succession planning in place. As a result, employees are hardly informed of the available career opportunities.

2.5.4 Performance Management

The Office has systems for performance management and development for all employees. These policies are Performance Management and Development System (PMDS) for SMS and the Employees Performance Management and Improvement System (EPMIS) for employees on salary levels 1-12. These performance management and development systems provide for the granting of performance incentives for employees who have performed satisfactory and above. In terms of the systems, the key result areas of each component are aligned to the overall strategic objectives of the organisation. However, the Assessment Panel has found that employees' development needs are not informed by the results of performance assessment.

Ninety percent (90%) of the respondents agree that the Office has a performance management and development policy in place, whilst 5% do not agree and another 5% is not sure. With regard to whether the D: HRMD is effective in putting in place a performance management and development system which ensures that the Office's goals and objectives are achieved, 63% of the respondents agree, whilst 21% do not agree and 16% are not sure. In addition, 16% of the respondents are of the view that the outcome of performance appraisals are used to inform other human resource processes such as training and development, whilst 63% do not agree and 21% are not sure.

The following were areas of concern raised regarding the effectiveness of the Office's performance management and development system:

- Training and development needs are not informed by the outcome of performance appraisals;
- The performance appraisal meetings are subjected to inconsistencies as a result of lack assessment skills by both committee members and supervisors presenting cases;

- Performance appraisals are very subjective and the D: HRMD is not providing the necessary guidance;
- The D: HRMD is not doing follow-ups with line-function management on identified issues of under-performance;
- Due to lack of ongoing support from the D: HRMD, managers/supervisors are unable to conduct credible performance evaluations. The moderating committee are then expected to do the work of conducting performance evaluations;
- The D: HRMD has been unable to clearly define and communicate what is meant by performance standards, and this has led to raised expectation and tension;
- The D: HRMD is not conducting quality assurance of verification statements;
- Employees are only provided with letters and no proper feedback is provided on their performance;
- During the moderating committee meetings, employees are being compared unfairly without the members having actual facts by the functions attached to a particular post;
- Workshops are not conducted to capacitate employees about the system and the value it adds to the achievement of the organisational strategic objectives; and
- It takes between six to seven months for employees to receive feedback on their performance, and this defeats the purpose of the system (which is to provide feedback aimed at improving performance).

2.6 QUALITY OF WORK LIFE AND ENVIRONMENT MANAGEMENT

2.6.1 Wellness Management

A policy on employee health and wellness is utilized in the Office. The human resource component has established a dedicated unit to coordinate employee health and wellness programmes. As part of the employee health and wellness programmes employees including senior managers and supervisors are informed of the ill-health procedure for the Public Service.

Ninety-five percent (95%) of the respondents indicated that the Office has established and implemented employee health and wellness programmes, whilst the remaining 5% are not sure. In addition, 84% of the respondents believe that the Office has a dedicated unit with designated employees to promote the health and well-being of all the employees, whilst 16% are not sure. With regard to whether the Office has introduced measures to protect employees who are HIV positive, 42% agree, whilst 11% do not agree and 47% are not sure. The reason advanced by those who disagree is that these measures have not been included in the health and wellness policy of the Office.

Fifty-three percent (53%) of the respondents are of the view that the Office encourages employees to undergo Voluntary Counselling and Testing (VCT) for HIV and AIDS, whilst 11% does not agree and 32% are not sure. The remaining 5% indicated that this exercise is only undertaken once a year during the commemoration of the World AIDS Day. Furthermore, the 11% of the respondents who did not agree, indicated, among others, that the implementation of the VCT is left to the service provider, the Office does not have an all-year round campaign to encourage VCT and this is undertaken as part of the broad employee health and wellness programme.

In addition, eleven percent (11%) of the respondents are of the view that the Office has developed measures to monitor and evaluate the impact of health and wellness programmes, whilst 47% do not agree and 42% are not sure. Those who do not agree indicated, among others, that the monitoring and evaluation of the impact of health and wellness programmes has never been undertaken, sick leave trends are never reported and there is over-reliance on the service provider.

The following were areas of concern raised regarding the management of employee wellness programmes:

- Whilst employees have been provided with individual pin code to access information, the health and wellness programmes are sometimes not implemented due to budgetary constraints; and
- There is a need for regular activities which would serve to raise awareness.

2.7 LABOUR RELATIONS

2.7.1 Collective Bargaining

The Office has established a departmental bargaining chamber which meets regularly to deal with matters of mutual interests. The mandating process to address matters of mutual interests in the departmental bargaining chamber is efficient. The Office representatives are always clear with regard to matters that need to be addressed in the departmental bargaining chamber.

2.7.2 Employee Relations

The Office adheres to the provisions of the labour relations policy for the Public Service. Employees including senior managers and supervisors are informed of the disciplinary, grievance and incapacity procedures for the Public Service. An employee has been designated in the Office to manage grievances lodged by employees. An endeavour is always made to adequately prepare the representatives of the Office for arbitration hearings.

However, the Assessment Panel has found that the human resource component does not monitor the level of employee satisfaction in the organisation.

Sixteen percent (16%) of the respondents indicated that policies and procedures on the management of grievances and discipline are effectively implemented and monitored, whilst, 42% do not agree and another 42% are not sure. Furthermore, 26% are of the view that the D: HRMD is effective in ensuring adherence to grievance procedures, whilst 42% do not agree and the remaining 32% are not sure. With regard to the dissemination of information on disciplinary procedures, 39% indicated that the component is effective, whilst 50% do not agree and 11% are not sure.

The following were areas of concern raised with regard to the effectiveness of the employee relations in the Office:

- Grievances are not resolved within the stipulated timeframe in line with the Grievance Procedure;
- Employees are generally reluctant to lodge grievances for fear of victimisation, leading to high levels of stress in the Office;
- The reported cases of grievances and discipline could be as a result of poor management style due to failure by the D: HRMD to provide and guidance to line-function managers;
- There is a lack of regular engagement with employees which could contribute towards promoting and cultivate harmonious working relationship;
- The management of discipline is not applied consistently leading to unhappiness among employees in the Office;
- The D: HRMD is not conducting courses on the management of discipline;
- There is no support provided to line-function managers in dealing with employees who perform poorly all the time;
- The D: HRMD is not providing any inputs or strategic direction during the investigation of grievances and disciplinary cases; and
- There is reluctance on the part of the D: HRMD to deal with grievances and disciplinary cases, and as a consequence, there is a heavy reliance on line-functionaries.

2.8 ADDITIONAL COMMENTS ON THE SERVICES RENDERED BY THE D: HRMD

In addition to the above services, employees were also requested to provide any other comments on the services rendered by the D: HRMD. In this regard, the following comments were provided:

- Departmental policies are not always followed and implemented consistently;
- Senior officials in the Directorate are reluctant to take advice from lower levels as they are perceived to be rank conscious;
- The D: HRMD should be provided with space and an enabling environment to exercise its responsibilities and be able to account;
- The D: HRMD should be proactive and have a sense of urgency in dealing with issues affecting employees;
- There seems to be too many officials in the Directorate who are not adding value;
- There is a need to review the Human Resource Development Committee to ensure that budgetary allocations for training and development including bursaries are fairly and equally distributed;
- The level of skills and competence for the vast majority in the unit is questionable given the poor services provided to all employees. This is a serious cause for concern given the fact that line-functionaries are not even sure who is responsible for a particular service;
- There is a need for the D: HRMD to be abreast of changes in the legislation and external environment. Such an approach would ensure that appropriate and correct advice on human resource matters would be provided to employees; and
- There is a serious disregard for confidentiality on the part of Human Resource practitioners. For example, employees get to know a person recommended for a particular post minutes after the interviews were concluded.

CHAPTER 3: BENCHMARKING WITH OTHER COMPARABLE DEPARTMENTS

3.1 INTRODUCTION

As part of the objectives of the assessment, the Assessment Panel conducted a benchmarking exercise with other comparable departments, such as the Departments of Cooperative Governance and Traditional Affairs, Public Service and Administration and the National Treasury. The purpose of the benchmark is to assess the size and composition of their D: HRMDs against the overall organisational establishments. This benchmark would assist any process aimed at the review of the overall size, composition and functioning of the OPSC's D: HRMD. The composition of each department's human resource component will be discussed individually below.

3.2 DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS

The Department of Cooperative Governance and Traditional Affairs' mandate is to develop national policies and legislation with regard to provinces and local government, and to monitor the implementation of policies such as the Intergovernmental Relations Framework Act, 2005, the Municipal Property Rates Act, 2004, Local Government: Municipal Finance Management Act, 2003 and the Traditional Leadership and Governance Framework Act, 2003.

To successfully deliver on its policy and legislative mandates, the Department has an approved organisational establishment of 583 posts. This total establishment is supported by a Chief Directorate: Human Resource Management and Development (CD: HRMD) with 34 posts. The overall purpose of the CD: HRMD is to render organisational development, human resource management and development services and increased quality of work-life within the organisation. The CD: HRMD in turn is supported by three directorates dealing with the above-mentioned areas individually.

3.3 DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION

The Department of Public Service and Administration is responsible for supporting the Minister in leading public service administration through the provision of professional advice to enhance public service excellence and the promotion of good governance nationally, on the African continent and globally. The Department is responsible for the development of policy frameworks in areas such as service delivery improvement and Batho Pele, modernisation of the Public Service, senior management service, labour relations, remuneration and conditions of services and human resource management and development. In addition, the Department provides ongoing support to other institutions through Integrated Provincial Support Programme, strengthening of institutional performance, research and macro-organisational issues.

To successfully deliver on its policy and legislative mandates, the Department has an approved organisational establishment of 479 posts (this number include 30 posts additional to the establishment). It should be noted that this total establishment include posts for the Centre for Public Service Innovation which is part of the Department. This total establishment is supported by a Chief Directorate: Human Resource Management and Development (CD: HRMD) with 55 posts (this number include 5 posts additional to the establishment). The overall purpose of the CD: HRMD is to render human capital management with emphasis on performance management and skills development, human resource practices and administration, internal labour relations and health and wellness and development services and increased quality of work-life within the organisation. The CD: HRMD in turn is supported by two directorates dealing with the above-mentioned areas.

3.4 NATIONAL TREASURY

The National Treasury is responsible for coordinating macroeconomic policy and promoting the national fiscal policy framework. Its role is defined by the Constitution of the Republic of South Africa and in the Public Finance Management Act. The National Treasury coordinates intergovernmental financial relations, manages the budget preparation process and exercises control over the implementation of the annual national budget, including any adjustments budgets. The National Treasury also performs functions assigned to it in other legislation.

The National Treasury has an approved staff establishment consists of 1 061 posts. This organisational establishment is supported by two Chief Directorates responsible for human resource management and administration and performance management and development with 31 and 23 posts, respectively. The purpose of these chief directorates is to ensure the efficient and effective management and administration of human resource operations and to provide strategic and operational support in the areas of human resources development, performance management, talent management, job evaluation, organisational development, change management, employee wellness and labour relations.

3.5 OFFICE OF THE PUBLIC SERVICE COMMISSION

The PSC derives its mandate from sections 195 and 196 of the Constitution, 1996. The PSC is tasked and empowered, amongst others, to investigate, monitor, and evaluate the organisation and administration of the Public Service. This mandate also entails the evaluation of achievements, or lack thereof of Government programmes. The PSC also has an obligation to promote measures that would ensure effective and efficient performance within the Public Service and to promote values and principles of public administration as set out in the Constitution, throughout the Public Service.

To successfully deliver on its investigation, monitoring and evaluation of the organisation and administration of national, provincial and local governments, the PSC has an approved organisational establishment of 248 posts (this number include posts of 14 Commissioners). This organisational establishment is support by a Directorate: Human Resource Management and Development (D: HRMD) with a staff complement of 21 officials. The D: HRMD is responsible for providing the overall human resource management and development as well as administrative support service to the PSC and the Office.

3.6 SUMMARY

The analysis of the organisational establishments of the Departments of Cooperative Governance and Traditional Affairs and Public Service and Administration and National Treasury clearly indicates that these institutions as compared to the OPSC have a large number of posts ranging from 479 (DPSA), 583 (COGTA) and 1 061 (National Treasury). As a result of the size in their organisational structures, the establishments of human resource components are headed by senior managers at salary level 14. Therefore, given the size of the organisational establishment of the OPSC with 248 posts, it would be difficult to justify upgrading the component to a chief directorate level. However, given the possibility that the PSC's mandate could be expanded in future to include other levels and sectors of the State, which may necessitate the need to more posts, the size of the human resource component should be reviewed at an appropriate time.

CHAPTER 4: SUMMARY OF KEY FINDINGS

4.1 INTRODUCTION

The purpose of this chapter is to provide an analysis of the summary of key findings emanating from the issues identified in chapters 2, 3 and 4 above. In providing this analysis an attempt will be made to highlight critical human resource management and development imperatives which impede the Human Resource Management and Development component to provide the necessary strategic direction and support to the Office in realising the strategic objectives and goals of the PSC.

4.2 THE STRATEGIC ROLE OF HUMAN RESOURCE COMPONENT IN CHAMPIONING CHANGE MANAGEMENT

The findings in Chapters 2 have shown that the D: HRMD does not have the required capacity and expertise to direct and guide line-function in achieving the overall strategic objectives of the PSC. For example, the D: HRMD has been unable to provide the necessary guidance and support to the line-function on the implementation of projects that cut across different programmes. This could lead to a situation where the management of human resources results in uncertainty and conflict among functionaries in the implementation of cross-functional or matrix projects. In addition, issues of accountability and responsibility for deliverables could be compromised, as lines of authority are often blurred.

The D: HRMD needs to ensure that it emphasise the important of gender balance especially at SMS levels as the Office is lagging behind in terms of meeting its target in this regard. More importantly, the D: HRMD has failed to initiate and lead change management processes and interventions. This has led to a situation where change management initiatives were not supported and embraced by all the employees. Whilst employee assistance programmes including health and wellness matters have been designed and implemented, these are not fully utilised by employees and their families.

4.3 ORGANISATIONAL DEVELOPMENT IMPERATIVES

Whilst the D: HRMD has been able to provide support to line-function through the design and implementation of organisational development imperatives, the Assessment Panel has found following issues as areas of concern:

- The D: HRMD is not playing a critical role of ensuring that Regional Offices support the overall objectives of the PSC;
- The absence of effective support machinery on the utilisation of job descriptions to enhance the overall organisational processes poses a serious challenge to the success of the Office;

- The lack of capacity by line-function managers to effectively deal with employee absenteeism;
- The overall human resource plan of the Office does not contain targeted interventions necessary for providing the right number of skills to the organisation;
- Awareness of diversity management issues need to be intensified to ensure, among others, that there is sensitivity towards the aspirations of persons living with disabilities;
- Human resource practitioners do not have a full appreciation of the strategic objectives of the PSC when developing human resource policies; and
- D: HRMD does not have the capacity to apply concepts of organisational behaviour and change management imperatives.

4.4 RECRUITMENT AND SELECTION DYNAMICS

Whilst the Office has a recruitment and selection policy in place, there is a need to ensure that a staff retention policy is finalised. This policy would ensure that ambiguities in retaining employees with scarce and critical skills are removed. More importantly, the survey conducted among the employees of the Office found the issues on recruitment and selection which needs to be addressed as a matter of urgency:

- The verification of qualifications and reference checking are applied inconsistently;
- There is a lack of leadership commitment and understanding of policy to ensure compliance to policy prescripts;
- The D: HRMD is not well managed. For example, the unit constantly leaks information following interviews and the advice provided to selection panels is not always reliable;
- The D: HRMD is failing to assist selection in developing questions and forms that are fair and there is no rigour in record-keeping;
- The employment equity plan of the Office is not followed when posts are filled; and
- The summaries of the discussion and recommendation of selection panels are not properly captured, and it appears that after each interview old submissions are 'recycled' without any attempt being made to accurately capture the outcome of discussions.

In addition, it has been found that whilst the Office conducts exit management interviews, the information obtained is not utilised to improve recruitment, selection and retention of employees with much need experience and expertise. This state of affairs has led to the loss of institutional memory in some instances.

4.5 HUMAN RESOURCE DEVELOPMENT

Human resource development initiatives play a critical role in the success and survival of any organisation. In this regard, the assessment has found that policy guiding human resource development has been approved and implemented, there is a concern, among others, that recently learners have not been effectively utilised. The consequence is that the Office may be failing the government's objectives of skills development aimed at enhancing economic growth and development. In addition, employees in general are not subjected to post training assessments to evaluate the value of the investment made through training and development programmes.

Whilst an induction programme is being implemented on a regular basis for newly appointed employees, it has been found that re-orientation for current or serving employees is non-existent. Such a situation would make it difficult for employees to embrace a new culture of working brought about by changes in the internal and external environment. Furthermore, career development programmes for employees below the SMS levels are not supported informed career pathing possibilities made available. It has also been found that the Office has adequate systems in place for performance management and development, however, feedback on employees' performance is provided in some instances towards the end of the subsequent financial year to inform any meaningful engagement in addressing developmental gaps identified.

The foregoing is supported by the findings of the survey questionnaire which also raised the following areas of concern:

- It takes a number of years for the PDPs identified in the Performance Agreements (PAs) and Annual Workplans to be addressed;
- The lack of adequate funding for training and development has contributed to the delays in meeting training needs;
- It seems as if the D: HRMD does not have an operational database of different training needs of individuals;
- The D: HRMD does not have the capacity to assess whether there is alignment between individual training needs and organisational plans;
- The HR Practitioners who engage with line-function managers on training and development seem to have a limited understanding of this area; and
- There are instances where one official's training expense takes more than 50% of the training budget of a Branch and the rest of employees are then expected to share the remaining 50%.

4.6 QUALITY OF WORK LIFE

Whilst there are employee health and wellness programmes in place, the Assessment Panel has found that these have not been effective in curbing employee absenteeism.

4.7 LABOUR RELATIONS

The D: HRMD has not put systems in place to monitor the levels of employee satisfaction in the organisation. This is a serious cause for concern as it may lead to lower levels of productivity and diminished employee morale. In addition, the survey has also found that:

- Grievances are not resolved within the stipulated timeframe in line with the Grievance Procedure;
- Employees are generally reluctant to lodge grievances for fear of victimisation, leading to high levels of stress in the Office;
- The reported cases of grievances and discipline could be as a result of poor management style due to failure by the D: HRMD to provide guidance to line-function managers;
- The management of discipline is not applied consistently leading to unhappiness among employees in the Office;
- There is no support provided to line-function managers in dealing with employees who perform poorly all the time;
- The D: HRMD is not providing any inputs or strategic direction during the investigation of grievances and disciplinary cases; and
- There is reluctance on the part of the D: HRMD to deal with grievances and disciplinary cases, and as a consequence, there is a heavy reliance on line-functionaries.

4.8 BENCHMARKING EXERCISE

A benchmarking exercise with other comparable departments such as the National Treasury, Departments of Public Service and Administration and Cooperative Governance and Traditional Affairs was conducted. This benchmarking exercise focused solely on the organisational establishments of these departments with a view to compare the size of their human resource components against that of the Office. It is clear from this benchmarking exercise that these departments have large numbers of employees on their establishment to warrant their human resource management and related functions being dealt with at a Chief Directorate level. For example, the National Treasury has a total establishment of 1 061 posts.

CHAPTER 5: RECOMMENDATIONS

5.1 INTRODUCTION

The findings of the Assessment Panel clearly highlighted a number of challenges facing the D: HRMD in discharging its responsibilities toward the Office. These challenges have in some instances hampered the efforts of the component to occupy a strategic centre in terms of providing the necessary support and guidance with regard to the effective management of human resources. Therefore, the purpose of this chapter is to provide specific interventions to ensure that the management of human resources is improved.

5.2 RECOMMENDATIONS

- 5.2.1 D: HRMD in conjunction with line-function should develop guidelines for the management of cross-functional or matrix projects. These guidelines should clearly outline lines of accountability and responsibility. In addition, these guidelines should clearly spell out the task or duties of a manager(s) responsible for the implementation of the project as far as feedback on the performance of employees is concerned.
- 5.2.2 Mechanisms should be introduced to increase the capacity of line-function managers to effectively deal with employee absenteeism.
- 5.2.3 D: HRMD should provide ongoing advice and support with regard to the management of Regional Offices including performance management and development issues.
- 5.2.4 The draft staff retention policy should be approved as speedily as possible to ensure that the retention strategy is applied uniformly and transparently.
- 5.2.5 Measures should be put in place to ensure ongoing capacity development of Human Resource Practitioners to enable to apply the concepts of organisational behaviour and change management for the benefit of the entire organisation.
- 5.2.6 D: HRMD should develop programmes which would ensure that interns and learners are utilised effectively and equipped with the competencies and skills. These programmes should ensure that once internship and learnership is completed the recipients are ready to enter the labour market and contribute meaningfully to economic growth and development.
- 5.2.7 The re-orientation of serving or current employees is introduced and implemented on a continuous basis to ensure that changes in the organisation are supported and embraced by all.

- 5.2.8 Employee satisfaction surveys should be introduced as a matter of urgency. These surveys would assist the organisation in effectively responding to the ever changing needs of the employees and the overall organisation.
- 5.2.9 D: HRMD should be afforded an opportunity to provide inputs into any organisational restructuring and changes. This would ensure that necessary systems are put in place to provide support to those employees who could be affected by changes.
- 5.2.10 In order to ensure the integrity and confidentiality of the recruitment and selection process, members of the selection panel and supervisors or managers on the route for submissions requesting approval for the filling of a post should be obliged to sign a confidentiality pledge. The signing of the confidentiality pledge should be extended to administrative secretaries who are expected to dispatch such submission to and from approval authority. In the event that the confidentiality pledge is breached, the Office should consider taking disciplinary steps against an employee or employees who transgressed.
- 5.2.11 Executive Management (EXMA) should commission a review of the organisational structure of the D: HRMD with a view to ensuring that functions are re-aligned with the skills and competencies of the employees in the component. This re-organisation should take into consideration the needs of the Office and the PSC, by ensuring that employees are effectively and fully utilised. For example, employees who are performing certain functions such as performance management and human resource development including bursary administration which appears to be seasonal should be given added responsibilities. This will also contribute to multi-skilling of these employees and ensure value for money.