

HUMAN RESOURCE PRACTICES

Human Resource Management in the Public Service is entering a historic phase of transformation through the implementation of the new Public Service Regulations. The devolution of authority for a wide range of human resource management matters, previously vested in the Minister for Public Service and Administration and the Public Service Commission, provides flexibility which executing authorities lacked in the past. The devolution of authority, however, poses additional responsibility, especially in terms of expenditure control.

During 1998, the Commission finalised evaluations of the human resource systems and procedures in the Department of Welfare and the Department of Minerals and Energy. These have been reported under Service Delivery.

In addition to the departmental evaluations, the Commission therefore initiated a number of projects in those areas of human resource management and development that have been identified as transformation priorities for the Public Service. The projects aimed to establish baseline information on human resource matters to enable the Commission to measure the impact of the new Public Service Regulations and the various human resources White Papers within a year of their implementation.

Objective:

- To monitor adherence to regulations governing personnel procedures and transformation policies in the human resource area

Outputs:

- Investigations into the management of leave and remunerated overtime
- Study of dismissals as a result of misconduct
- Investigation into career management
- Survey of management of probation
- Monitoring compliance with Affirmative Action/Employment Equity policy

Investigations into the management of leave and remunerated overtime in the Public Service

The Commission conducted investigations into the management of leave and remunerated overtime in the Public Service. Both these conditions of service have significant financial implications for the State as employer. The investigations were conducted by means of on site inspections and personal interviews with heads of human resource management components, line managers and line functionaries. The following national departments were approached to participate in the investigations: Agriculture; Environmental Affairs and Tourism; Foreign Affairs; Justice; Land Affairs; Public Works; Trade and Industry; and Water Affairs and Forestry.

Management of leave

The payment of leave gratuities at termination of service of officials (excluding resignation) has a significant financial implication for the State as employer. The Commission found that the total liability of the State in terms of accrued leave credits as on 30 September 1998 amounted to R11,6

billion. The average leave credits for officials over the age of fifty-five (those most likely to retire in the short term) is 103 days. The State's liability in terms of the leave credits of these officials is R1,2 billion.

The leave credits of the officials are determined from the record systems kept by departments. It is therefore of utmost importance that these record systems are updated correctly and timeously. If this is not done, it may result in overpayment of leave gratuities on termination of service.

The Commission identified a number of problems with the way in which leave was being managed by the departments who participated in the investigation. Leave is not controlled effectively in some departments, primarily due to the lack of appropriate infrastructure. Managers are not adequately informed of national prescripts relating to leave and departments do not have internal leave policies to supplement the national prescripts. Of concern is the high level of accrued leave in departments, with little being done to rectify the situation. Not only does this have financial implications, but also raises concern about the productivity of individuals who do not take reasonable breaks from work.

The Commission has made proposals that will be discussed with the relevant role players during the first quarter of 1999.

Management of remunerated overtime

Overtime, voluntary and remunerated, is a common practice in most Government departments. Departments have a crucial role to play to ensure that overtime payments are only effected for actual and necessary work performed and that the system is not abused. There will be greater pressure on departments to manage overtime effectively once the Basic Conditions of Employment Act, 1997, comes into operation in the Public Service. This Act provides that an employer must pay an employee at least one and a half times the employee's wage, as opposed to one and one-third times the wage as currently applicable in the Public Service.

In all eight departments investigated, there had been a steep increase in overtime expenditure since 1994/95, with expenditure being the highest for 1997/98, as shown in Table 1. This increase is consistent with the increase in overtime expenditure for the Public Service as a whole. Figures were extracted from PERSAL, the computerised personnel and salary system used in the Public Service.

TABLE 1: EXPENDITURE ON REMUNERATED OVERTIME IN EIGHT SELECTED DEPARTMENTS

Department	Overtime Expenditure per Financial Year (Rand)			
	94/95	95/96	96/97	97/98
Agriculture	828 956	977 127	1 369 688	2 300 000
Environmental Affairs and Tourism	1 696 824	1 931 878	4 118 243	10 393 038
Foreign Affairs	935 500	1 066 422	1 696 018	2 992 108
Justice	3 862 128	5 078 112	13 306 991	53 282 831
Land Affairs	346 460	327 516	346 659	3 028 724
Public Works	2 232 772	1 389 533	4 079 789	5 190 659
Trade and Industry	1 195	19 010	456 778	740 000
Water Affairs and Forestry	2 225 616	4 264 232	13 493 360	35 359 000

Most managers in the participating departments indicated that the main reason for overtime was the shortage of staff as a result of vacancies or too few posts on the fixed establishment. Certain departments, due to the nature of their services, are compelled to use overtime. Examples of these are the Weather Bureau, which has to provide a 24 hour service, and the Department of Foreign Affairs, which has to provide a 24 hour operational room to facilitate communication with overseas embassies. Other departments use overtime to remunerate IT specialists who can only perform maintenance work outside normal office hours.

The Commission identified a number of problems in the management of remunerated overtime:

- Departments were not dealing effectively with the underlying reasons for the performance of remunerated overtime. Only three of the departments had investigated the reasons for overtime and developed strategies to contain overtime expenditure.
- Managers were not aware of their responsibilities in respect of the management of remunerated overtime; they had not received adequate training; and they were not provided with copies of national and departmental prescripts governing overtime.
- Many officials view the money generated through remunerated overtime as part of their salary packages. Many admitted that it would be to their detriment if remunerated overtime ceased. Officials were also reluctant to take leave as this has a negative impact on their availability to perform overtime.
- Senior officials were remunerated at their (higher) salary levels for overtime work that would normally be carried out by junior officials.
- In many cases, the level of supervision of overtime was inadequate. Effective control measures, to ensure that officials actually performed the tasks for which they were being remunerated, were not in place.

- Not enough consideration was being given to the use of time off as compensation for overtime. In certain cases where time off was granted, the number of hours compensated was determined arbitrarily.

The Commission has developed proposals on how to improve the management of remunerated overtime. These will be discussed with the relevant policy departments and role players during the first quarter of 1999.

Dismissals as a result of misconduct

There has been widespread concern about the cumbersome nature of disciplinary procedures in the Public Service and there is a general perception that it is extremely difficult to dismiss officials found guilty of misconduct. The Portfolio Committee on Public Service and Administration has taken up the issue of disciplinary procedures and new disciplinary procedures are being negotiated with organised labour by the DPSA.

The Commission, consistent with its mandate to monitor and evaluate human resource practices, initiated a study of dismissals arising from misconduct. The aim of the project is to develop a database on the number of dismissals, the reasons for dismissals, appeals arising from dismissals and the time taken to complete dismissal cases. The information will assist the Commission in evaluating the effectiveness of the new disciplinary procedures once they have been implemented. The information will also assist the Commission to identify areas of focus in its efforts to promote a high standard of professional ethics.

In conducting the investigation, the Commission distributed questionnaires for completion by national departments and provincial administrations, as well as representative employee organisations and unions.

It should be borne in mind that, with the implementation of the new Public Service Regulations, appeals against dismissals will vest with Executing Authorities and not with the Commission.

The questionnaire therefore also aims to elicit information on areas where the Commission may assist departments in dealing with appeals against dismissals.

The project was initiated in the latter part of 1998 and the Commission is in the process of receiving responses to the questionnaire. These will be analysed during the first quarter of 1999.

Career management in the Public Service

The Constitution, 1996, requires the Public Service to comply with the principle of good human resource management and career development practices to maximise human potential. This principle is further captured in the White Paper on the Transformation of the Public Service, which determines that the development of effective and lifelong career development paths for all public servants should be undertaken as part of a strategic framework for effective human resource development.

During the last quarter of the year, the Commission initiated an investigation into Career Management in the Public Service. The aim is to ascertain which departments/ provincial administrations have or have not activated career management practices and the reasons why such practices have not been put in place. Examples of good practice will also be elicited. The survey covers all departments and provincial administrations and, given the comprehensive coverage of investigation, the project will be finalised in 1999.

Payment of the non-pensionable danger allowance and special danger allowance

The payment of the danger and special danger allowance has a significant financial implication for the State as employer. The cost attached to the implementation of the allowance in 1996 was in excess of R500 million. During 1998 it came to the attention of the Commission that departments administer the payment of the allowance differently.

Certain departments pay the allowance on a daily basis whilst others pay it on a monthly basis. There also appear to be inconsistencies in determining when payment of the allowance should cease.

It was against this background that the Commission decided to conduct an investigation into the administrative systems utilised by departments to manage the payment of the allowance. Emanating from this investigation it intends to advise departments on the most cost-effective manner to administer the allowance. Interviews have already been conducted at departments where the allowance is payable. The project will be completed in 1999.

Probationary appointments in the Public Service

All new entrants to the Public Service are required to complete a period of probation. This probation period is the final critical phase of the selection process and the management of the probation period has implications for the new entrant and for the department. With the majority of new entrants coming from historically disadvantaged groups, probation has become a sensitive issue. Anecdotes abound about the mismanagement of the probation period, including that new entrants are not being provided with proper training or regular assessment; that managers are using the probation period to threaten officials on probation; and that the probation period is unnecessarily extended. The current policy of a twelve month probation period will be replaced by a minimum period of three months under the new Public Service Regulations. It will therefore be imperative for departments to manage probation effectively.

Within this context, the Commission initiated an investigation into the management of probation in the Public Service. The investigation will assess, among other things, the extent to which departments comply with prescripts and preparatory actions taken by departments in anticipation of the new Public Service Regulations.

The survey was activated during the last quarter of the reporting year and the responses to the survey are expected to be processed early in the new year.

Monitoring compliance with Affirmative Action/Employment Equity policy

Affirmative Action commenced in the Public Service in 1994, under special provisions contained in the Public Service Staff Code. This was intended as an interim measure until the introduction of the White Paper on Affirmative Action in May 1998. The White Paper on Affirmative Action is intended to speed up the process and to address the deficiencies identified with the interim provisions.

The Public Service Commission is responsible for monitoring compliance with the White Paper on Affirmative Action and for specifying the details of reporting requirements for departments and provincial administrations. The need for thorough monitoring and evaluation of Affirmative Action was highlighted in the Report of the Presidential Review Commission (PRC). The PRC was critical of the quality of information on Affirmative Action, in particular that it did not go beyond statistical information. The Commission has sought the assistance of donors to establish a comprehensive monitoring and evaluation system for Affirmative Action and has also commenced discussions with the Department of Public Service and Administration to clarify responsibilities.

The Affirmative Action White Paper needs to be viewed within the broader context of Employment Equity legislation, for which the Department of Labour has overall responsibility. Given the areas of commonality between the White Paper on Affirmative Action and the Employment Equity legislation, the Commission will be well placed to provide information to the Department of Labour on compliance with the Employment Equity legislation in the Public Service. In the new year, the Commission will hold discussions with the Department to identify its information requirements.

Consultations with the DPSA and the Department of Labour should be concluded in the first quarter of 1999, and, following these, the Commission will develop its monitoring and evaluation system.