

# Public administration and politics assignment



duction During the apartheid era, the South African public service was isolated and out of touch with international developments in Public Sector Reform (PSR) (Thornhill, 2008). New Public Management (NPM) ideology based on generic management ideas and institutional economics had spread through the Anglophone world in the 1980s and 1990s (Hughes, 2003).

During the transition in the early 1990s, very little work done by the African National Congress (ANC) on the nature of the post-apartheid public service. It was understandably obsessed on the issue of political power. It is often argued that NPM has been highly influential in shaping Public sector reform in post-apartheid South Africa. To what extent has the South African public service been influenced by NPM reforms, as opposed to other reforms? What has been the effects of these reforms?

They are decentralization of authority and responsibility to managers, rightsizing which entails reducing the size of the public sector, corporatisation in the form of converting departments into free standing units, the creation of the Senior Management System (SMS), the use of the contract system for heads of departments, the creation of a more flexible human resources system, the introduction of Performance Management and attempts to improve service delivery. With the exception of fully blown privatization and public-private partnerships, this focus probably straddles the entire spectrum of NPM.

The method consisted of interviews with a number of senior government officials which included three current Director-Generals. An interview was also held with the previous Minister of Department of Public Service and

Administration (DPSA), Geraldine Fraser-Moleketi. *New Public Management: The Framework* In the 1980s, the traditional bureaucratic public administration model of Max Weber and Woodrow Wilson was challenged in Anglophone countries such as England, Australia and New Zealand.

A new model of public sector management emerged in these countries which was called NPM. NPM is not a coherent theory but rather a discrete set of ideas that can be broadly divided into two categories. First, there is the use of private management ideas, such as the provision of more responsive and efficient services, performance agreements including service standards, greater independence and flexibility for managers and new financial techniques. Second, there is greater use of as privatisation and public-private partnerships in service provision.

NPM is generally inspired by the values and concepts of the private sector. It was seen as a way of cutting through the red tape and rigidity associated with old-style public administration. *The Context of Public Sector Reform* Global economic influences have been an important background variable in considering administrative reform. One general reason for public sector reforms internationally is to restrain public spending, lighten the bureaucratic burden and to reshape social policies that cannot be afforded (Polity and Bouckaert (2004: 28).

South Africa was influenced by growing global competition, the failure of centralised state-dominated development strategies, the worsening economic crisis in the developing world and the impact of IMF/World Bank structural adjustment programmes. This involved a re-evaluation of the role

of the state. The Reconstruction and Development Programme was the major policy initiative of the ANC government after the 1994 elections. It was an integrated coherent socio-economic programme.

It attempted to integrate development, reconstruction, redistribution and reconciliation into a unified programme. It was intended to be a vision for the fundamental transformation of South African society (RDP White Paper: 1994: 7). The RDP was intended to a social democratic vision for the country with an emphasis on welfare rights for the poor. The adoption of the government's Macro-Economic Strategy for Growth and Employment (GEAR) in 1996 committed the government to more orthodox fiscal policies (Seekings and Nattrass, 2006: 347-349).

Hirsch (2005: 98, 257-258) points out that GEAR was a macroeconomic strategy primarily aimed at reducing the government budget deficit, albeit within a broader growth and development strategy. He argued that the government did not abandon the RDP but public sector investment remained low during a period of financial consolidation. The Rise of New Public Management in South Africa During the apartheid era, South African public service was isolated and out of touch with international developments. Thornhill, 2008). During the transition in the early 1990s very little work done by ANC on the nature of post-apartheid administrative change. As the previous Minister of DPSA, Geraldine Fraser-Moleketi stated in the interview that, ' Public Service Reform was not seen as a sexy topic'. At one level it was quite clear what needed to be done. There needed to be a fundamental transformation from an apartheid-driven bureaucracy towards a more

democratic public service which put citizens first (Fraser-Moleketi and Salojee, 2008).

However at another level the new elected government and new senior officials had limited knowledge of PSR trends. The new elite was looking around for new sources of influence. In the early 1990s, NPM was in its prime and its belief had a certain amount of appeal. The White Paper on the Transformation of the Public Service laid down the national policy framework. Many of its recommendations were in line with 'international best practice' although the White Paper warned against the uncritical adoption of NPM framework.

The goals of the White Paper were further entrenched in the Constitution. The Constitutional values and principles for Public Administration along with the Bill of Rights clearly committed the government to a broad developmental, redistributive and participative role. Decentralisation One of the features of NPM is the abolition or downgrading of many central personnel and financial control mechanisms (Polidano, 1999). In NPM jargon, decentralisation means giving line managers greater managerial authority and responsibility (Polidano, 1999: 19).

Hood (1991: 4-5) describes this perspective as hands-on professional management which lets the managers manage. Devolving human resource and management functions to managers is an important component of NPM. Corporatisation There are two varieties of corporatisation. The one form takes place as a way of achieving greater efficiency, cost savings or service quality improvements. This is often accompanied by performance targets.

The second variant is simply a matter of convenience, as a way of freeing a particular function from the constraints of bureaucratic red tape.

Another common feature of NPM is corporatisation which entails converting departments into free standing enterprises or departments. Hood (1991: 4-5) states that a shift towards disaggregated units in the public sector entails the breaking up of large entities into corporatised units around products funded separately and engaging with each other on an arms length basis. Corporatisation in South Africa was in the form of public entities. The growth of public entities in the late 1990s was due to a number of reasons.

Firstly, the restructuring of many national departments provided for a logical split between policy and executing functions. Some national departments such as the Department of Transport determined their core business as policy formulation and facilitation and therefore provided for the establishment of public entities to implement services. Secondly, public entities were seen as a vehicle to accelerate service delivery by circumventing the bureaucratic systems (human resources, procurement and financial systems) of the public service, to improve staff compensation and to generate and retain income.

Thirdly, since the start of democracy it had taken some national departments 4 to 5 years to gear up for service delivery. Public entities were seen as a way of speeding up service delivery. Performance Measurement Hood (1991: 52) states that the setting of precise goals and measurement of performance is a key feature of NPM. This can take the form of performance indicators and targets (Pollitt, 2001: 473-474). Hughes (2003: 54-55) states

organisations must focus on results and this entails stressing performance by both individuals and departments.

Larbi (1999: 23) states that performance contracting is a written or negotiated agreement between government and managers in which quantifiable targets are clearly specified for a given period and performance is measured against targets at the end of the period. Polidano (1999) points out that performance-based accountability through contracts, has replaced old civil service employment rules. Measurement of performance has been a central feature of public management reform in many countries (Poliitt and Bouckaert, 2004: 90). Conclusion One of the key components of NPM has been the decentralisation of authority and responsibility to managers.

While a framework for decentralisation has been put in place, in practice, there has not been as much as is normally assumed. There has been limited delegation to managers by Ministers. There is a view amongst politicians that delegation has been limited because managers do not provide proper leadership. There have also been moves towards a stronger central state in recent years. There has been the strengthening of the core centre of government, the growth of the stronger developmental state and moves towards a single public service.

These reforms were seemingly more influenced by the 'joined-up government' approach. Financial public sector reforms have also led to greater funds control over the public service managers. Also, in some cases there has been limited reform only. Debatably, traditional public administration has not only survived but in some ways has been enhanced.

Miller (2005: 93, 135-136) in a major study of the South African public service concludes that there appears to be more legislation regulating the public service than before. At the end of the day the government was perhaps not committed to right wing PSR reforms.

Geraldine Fraser-Moloketi's admission that the government wanted to borrow NPM skills and techniques without buying into the ideological framework suggests only half-hearted commitment to NPM reforms. While there was some attempt to introduce NPM principles in the 1990s, there was certainly a shift away from this framework under Minister Fraser-Moleketi. It can be suggested that the ANC's traditional hatred to free-market principles prevented it from fully embracing NPM reforms. There was also resistance from civil society in the form of unions which prevented these market-orientated reforms from being introduced.