PRINCIPLES FOR POST PROVISIONING NORMS AND STANDARDS FOR SMS AND CORPORATE (SUPPORT) FUNCTIONS IN THE PUBLIC SERVICE

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Purpose of the workshop

The purpose of the workshop is:

• To provide participants with an overview on the nature and objective of the project on Post Provisioning Norms and Standards.
• To present proposals with regard to the process, approach and methodology to be applied.
• To obtain inputs on the content and offer participants an opportunity to contribute to the development of the guidelines on Post Provisioning Norms and Standards in the Public Service.
Introduction

• In 2008, the Department of Public Service and Administration (DPSA) issued guidelines on the implementation of the generic functional model for human resources component.
• Research conducted on departmental human resources revealed that there was, understandably, not a high degree of uniformity amongst departments due to considerations such as the department’s service delivery model, size of the departments, management culture, type of functions, client group, geographical distribution, financial resources, etc.
• The generic functional model was developed to assist departments in structuring their human resources components for optimal human resource service delivery.
The generic functional model for human resources contains post provisioning norms guidelines albeit they are designed for HR functions and need to be reviewed.

A review of the proposed norms are needed as there was a bias towards HR which was not responding to the needs for the priority of core business needs and hence bloated structures.
Context
Departmental Classification

- Staffing norms were calculated by grouping departments into the following 3 main types:
  - Policy and oversight departments at the centre of government, vertically and horizontally.
  - Delivery departments with exclusive national competence.
  - Delivery departments with concurrent competencies.
Policy and Oversight departments:

• These Departments are relatively small and mainly responsible for policy, strategy, oversight and setting national norms and standards that govern functions and practices within their competence. Examples of departments that fall within this typology are:
  - Presidency;
  - PME
  - Office of the Premier
  - Public Service and Administration;
  - Treasury; and
  - Office of the Public Service Commission.
Departmental Classification-Group 2

Delivery departments with exclusive national competence

- These departments are centrally established. For operational service delivery purposes, they have developed institutional and organisational arrangements that enable them to deliver at a national scale through geographical service delivery points such as districts and/or regional areas. Examples of departments that fall within this typology are the following:
  - Correctional Services;
  - Defence;
  - Justice and Constitutional Development;
  - Safety and Security (SAPS);
  - Home Affairs;
  - Land Affairs;
  - Labour;
  - Water, Forestry and Fisheries;
  - International Relations;
Departmental Classification- Group 3

Delivery departments with concurrent competencies:

- These are departments at national and provincial levels that share competencies. At a national level the departments are mainly responsible for policy development, executive oversight and monitoring and evaluation whilst at a provincial level they are responsible for operational delivery of the functional competence and examples of departments within this typology are:

  - Education;
  - Health;
  - Housing;
  - Public Works;
  - Transport;
  - Agriculture;
  - Environmental Affairs
  - Tourism
Background

• Powers are vested with departments to develop and implement their own human resource management policies, practices and organisational structures in terms of the PSR.

• Departments typically perform HR utilisation functions such as employee recruitment and HR planning and are challenged to:
  - Plan for the HR according to personnel budgets and supply and demand
  - Allocate work division fairly after a thorough job analysis
  - Create the required infrastructure and capacity to support their human resource management practices; and
  - establish practices whereby human resources are strategically managed in order to maximise departmental outputs in terms of service delivery.
There has been a significant shift that requires human resource practitioners to participate in and contribute to the strategic core business mandate of their organisations.

The DPSA has against this background developed a number of interventions to reposition and improve the HRM function in departments.

One of these interventions entails that the directive on organisational structures and post establishments and activities of departmental human resource management components are to be aligned with a generic functional model.
Purpose of Establishing Staffing Norms through Post Provisioning

- To assist with the fair work distribution and speed up service delivery in a cost effective manner
- To increase operational efficiency and effectiveness within department
- To standardise the “cost” of human resource management in the Public Service
- To set a basis for the evaluation of corporate service delivery in departments.
- To ensure that HR resources are prioritised for core business posts and not support and auxiliary functions
Guiding Principles

- Other considerations that will impact on the PPN Ratios:
  - Mandate and Core Business
  - Work flow and work demands
  - Affordability- notwithstanding the broad guidance provided, departments must always consider the financial implications of creating posts.
  - Efficiency and Effectiveness- creation of posts should not result in a negative impact for the functionality of the department as a whole.
  - % of CS budget in relation to the departmental budget
  - Smaller departments within the different groupings will have a higher ratio per 100 employees
Typical Corporate Services Functions

- HRMD
- Finance
- Supply Chain Management
- Auxiliary Services
  - Security
  - Cleaning
  - Registry
  - Communications
  - Legal Services
  - IT
  - Administrative Support staff
Historical perspective for SMS

- Prior to 1999, the creation of Senior Management Services (SMS) posts was based on a prescriptive norm applicable to provincial administrations (Chapter J, of the Public Service Regulations).
- This meant that the number of SMS post per performer level for each provincial administration was prescribed, with no room for deviation.
- This approach was repealed with the proclamation of the Public Service Regulations, 1999 in which executive authorities were vested with authority to take decisions pertaining to organizational design, post establishment and job grading.
The same applied to lower level posts in the public service. The Personnel Administration System (PAS), provided norms and standards for the creation of lower level posts.

This meant that the number of lower level posts per performer level for each functional area was prescribed, with no room for deviation.

This approach was repealed with the introduction of the Code of Remuneration (CORE) and the PSR 1999, in which executive authorities were vested with authority to take decisions pertaining to post establishment.

However, serious challenges exist in HR utilisation and deployment which is uneven and hampering service delivery because resources are spent in the wrong CS areas at the expense of core business posts.
Defining the Problem

- There is a general over-emphasis on support/corporate services functions versus line/core functions, which have resulted in bloated corporate services posts.
- Misalignment between the organizational structure for line and corporate services functions and budget programme structures.
- Lack of norms and standards with regard to the post provisioning for corporate services posts to guide the distribution of resources between line and corporate functions.
Defining the Problem

- Lack of norms and standards with regard to the provisioning and creation of posts on SMS level. Posts at these levels have for instance increased from 2685 in 1999 to 9099 in 2010. This represents an unacceptable growth over a 10 year period. During the same period, the number of funded posts below SMS level grew by approximately 25%.
- The current focus is only on changes to the top three tiers of the organizational structure, ignoring the significance of posts in the middle management service, especially at levels 11 and 12. There is a lack of proper control in creating other lower level posts. There is also a growing tendency to employ people additional to the establishment and out of adjustment, which contributes to a disproportionately high growth in the wage bill.
Defining the Problem

• Current decentralized processes to create posts do not consider the MTEF baseline budget process, and departments find it difficult to fund the organizational structures within the MTEF baseline. The role of National and provincial Treasuries and Offices of Premiers within the approval processes are not defined.

• Unexplained differences between the organizational structures of provincial departments responsible for the delivery of similar services. The generic characteristics for organizational structures in support of the delivery of similar services are non-existent.
Defining the Problem

- Emerging tendency of using job evaluation to upgrade certain posts, particularly SMS levels, without considering the functional requirements, as well as the proficiency and performer levels.
- Lack of consistency with regard to levels of similar posts in departments, offices of executive authorities and offices of heads of department, and designation and nomenclature of posts.
• In terms of the Public Service Act, 1994 (PSA) The competency of executive authorities regarding the internal organisation of departments is exercised within the norms and standards determined by the Minister for Public Service and Administration (MPSA) regarding the organisational structures and establishments of departments and other organisational and governance arrangements in the public service (s 3(1)(b)). These norms and standards are effected through making regulations, determinations and directives (s 3(2)).

• However, sector departments with separate legislation also determine norms and standards for those cohorts.
Benefits of establishing Post Provisioning Norms and Standards

• To guide the distribution of resources between line and corporate (support) functions in the public service.
• Enable the development of generic and standardized guidelines that could be utilized by departments to facilitate a process in which the required number of employees (ratio) per occupation to deliver acceptable services can be determined.
• Increase the operational efficiency and effectiveness within departments.
• Standardize the “cost” of human resources management in the public service.
International trends

- Generally, corporate or support services functions comprise a small portion of a department’s workforce. The number of support staff will vary according to the type of operations of the department.
- Research has shown that large government departments such as education and health typically have comparatively low support staff levels due to the large number of employees in the line function.
- However, there is insufficient literature on the subject relating to support functions norms and standards.
Local trends

- Locally, some departments have developed post provisioning norms and standards for line functions. To mention but a few, for example, the Department of Health, for the allocation of nurses per hospital, the Department of Basic Education for the allocation of educators per school and the Department of Correctional Services for the allocation of Correctional Officer per inmate.
Local trends

• Currently no norms exist for the provision of posts at national and provincial departments in respect of corporate (support) services function. This has resulted in an inequitable distribution of corporate services posts within national and provincial departments. Several efforts were engaged upon in the past to create post provisioning norms and standards for human resources components, however these efforts proved inadequate or departments simply ignored them.
Proposed methodology

• The proposed methodology to address the lack of post provisioning norms and standards in the public service is the adoption of the ratio nominal proposition. Research conducted in this area within the public service has demonstrated that the adoption of ratios is the most viable solution in addressing the allocation of post.

• A desktop research was conducted within the public service in the health and education sectors. Although post provisioning norms developed by these sectors is based on line function work, this can be utilized as a basis for the development of post provisioning norms and standards for corporate (support) service in the public service.
Proposed methodology

• Proposed post provisioning norms and standards will be achieved through data collection from PERSAL, Vulindlela and other HR platforms. Data collected will be of an aggregate nature, covering all disciplines in the corporate (support) services value chain.
Proposed methodology

The following information, size of the department and functional areas would be utilized in developing post-provisioning norms and standards:

- Total number of staff per department;
- Corporate services unit;
- Finance unit;
- Information and Communication Technology (ICT) unit;
- Communication unit;
- Strategic Management unit;
- Internal Audit; and
- Other support services units.
Key stakeholders for the implementation of the outcome and their roles

The following key role players are required to ensure the implementation of Outcome 12 with regard to post provisioning norms and standards:

- Minister for Public Service and Administration: To approve, develop and issue post provisioning norms and standards for corporate (support) services in the public service.
- Executing Authority: To support the proposed post provisioning norms and standards for corporate (support) services in their area of work.
Key stakeholders for the implementation of the outcome and their roles

- Head of the Department or his/her designate: To provide champion the development of post provisioning norms and standards based on the configuration of their departments.
- Auditor-General: To conduct audits on the implementation of the post provisioning norms and standards for corporate (support) services by Departments.
Key stakeholders for the implementation of the project and their roles

- Offices of the Premier: To provide inputs on the development of post provisioning norms and standards based on the classification of provincial departments.

- Provincial and National Treasuries: To advise Departments on the development of post provisioning norms and standards for finance units and also on the available funding for the proposed changes based on the MTEF projections, through the provision of baseline allocation information.

- Chief Information Officers: To provide inputs to Departments on the development of post provisioning norms and standards for ICT units.
Key stakeholders for the implementation of the project and their roles

• Government Communication and Information Services: To advise Departments on the development of post provisioning norms and standards for Communication units.

• Strategic Management: To provide inputs to Departments on the development of post provisioning norms and standards for Strategic Management units.

• Internal Audit and Risk Management: To provide inputs to Departments on the development of post provisioning norms and standards for Internal Audit and Risk Management units.
Key stakeholders for the implementation of the project and their roles

• Nominated Functionaries to the Task Team: To coordinate and develop post provisioning norms and standards for the public service.
Implementation issues

• The implementation of post provisioning norms and standards will be based on a collaborative effort from all government departments.

• The implementation process entails project management framework. The approach entails a number of phases to the overall project with each project phase focusing on specific tasks/activities, deliverables and time-lines.
Implementation issues

- Each phase is underpinned by a focus on involvement of key stakeholders, rigorous project management and reporting, quality reviews and quality management. Interaction with stakeholders at all levels within government departments will play a pivotal role in our approach, thus ensuring sponsorship for change, skills transfer, involvement and buy-in at all levels. Although these phases are sequential, some activities and tasks will be executed simultaneously to achieve the best desired outcomes.
Implementation issues

The project implementation process consists of the following key phases:

• Phase 1: Establishment of the task team
• Phase 2: Review and Analysis of Strategic Documents
• Phase 3: Design and Development post provisioning norms and standards
• Phase 4: Implementation Plan; and
• Phase 5: Project monitoring, evaluation and review
Challenges and Risks

• The current decentralized management framework where service delivery models and internal policies differ substantially hinders the practical implementation of absolute standard in terms of post provisioning norms and standards. It must be borne in mind that spatial and geographical location, delegation models as well as actual size could necessitate deviations.
Challenges and Risks

• The merit of such deviations will have to be considered on an individual basis as the proposed post provisioning norms and standards are not meant to provide complete answers, but to rather assist in the configuration of SMS and corporate (support) services functions. Logically, major deviations from the post provisioning norm and standards should be scrutinized to determine the validity thereof.
Way Forward

The way forward is:

• To establish a task team comprising of representatives from various departments to conduct the developmental work on the establishment of post provisioning norms and standards

• To develop “guidelines” on post provisioning norms and standards for the public service.
Conclusion

• It must be stated that the development of post provisioning norms and standards for corporate (support) function in the public service is long overdue.
• Delegates are requested to assist the task team with any information or literature that might assist in the development of post provisioning norms and standards for the public service.
• The DPSA is committed in ensuring an efficient, effective and development oriented public service.
Siyabonga
Thank You
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