Study Notes for PUB3702 - Public Human Resource Management
PUB3702
PUBLIC HUMAN RESOURCE MANAGEMENT

RESOURCES:
- UNISA Study Guide MO001 for PUB3702 (2015)

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STUDY UNIT 1: GENERAL INTRODUCTION

**Definition of public sector human resource management:**
Public sector human resource management is an integrated process that occurs in a particular milieu, comprising all the main activities carried out by certain individuals and groups in the public sector institutions as part of their assigned duties in order to achieve certain objectives (human resource and institutional objectives) by making use of resources or aids and by following certain outcomes (professional ethical guidelines) for effective and efficient action.

**Different main activities / characteristics of human resource management in the public sector:**

Main activities / characteristics:

- **Management perspective:**
  - A manager in the public service is anyone who takes responsibility for other people’s work. Also includes first-level supervisors or junior managers.
  - All PSHRM strive to be successful: doing the right things (being effective) in the right way (being efficient).
    - Right things refer to specific services which a particular PS institution serves to provide. Right way: in such a way that all stakeholders are satisfied. If customers are satisfied, chances of success are much better.
  - PSHRM Students study all activities of PSM.
  - PSM aims is to ensure success of their institutions & improvement of quality of life of all stakeholders
  - Institution is goal driven and PSHRM are responsible for ensuring goal achievement
  - Concerned with utilizing of resources: tangible or intangible, include resources such as natural (water and land), financial (cash), technological (machinery and equipment and computer technology), information and knowledge-based resources, energy-related resources and human resources.
  - All resources must be utilized combined and transformed into need-satisfying services. It is responsibility of HRM to manage all of these resources.
  - Why is HRM important? Nine mistakes to avoid:
    - Hiring wrong person for specific post
    - High staff turnover
    - Employees not performing well
    - Inefficient job interviews
    - Court cases because of discriminatory actions
    - Unsafe working conditions
    - Pay inequities
    - Incompetent staff; and
    - Unfair labour practices.
  - Three levels: junior, middle and senior management level.
  - Cost-effectiveness: all HR functions should always be carried out at the lowest possible cost.

- **“Public” perspective**
  - Two broad institutional settings:
    - a) “Public sector” (broader framework) constitutes the public service (includes employees in government departments at national and provincial level) and local government (as well as a host of statutory bodies, parastatals and quasi-government institutions
      - Public service – public servants employed at national state departments and provincial administrations
Local authority - public servants employed in the Department of Recreation and Culture in the City of Tshwane
Parastatals - SA Post Office, SA Reserve Bank
b) “Public service” institutions such as Service delivery agencies (e.g. Departments of Health and Education; Security agencies (e.g. SAPS, SANDF); Administrative agencies (e.g. civil services); Statutory agencies (e.g. Public Service Commission and the Auditor-General)

✓ Resources

4 basic resources – HRM must ensure they are utilized optimally
- Financial (salaries, wages and petty cash funds)
- Physical (buildings, lecture rooms, computers, cell phones, tables & chairs)
- Informational (annual reports, research reports, data on survey questionnaires, post records, leave records, remuneration systems, human resource planning systems, service records, training records, statues, regulations and instruction codes)
- Human (HRM, line function personnel, technical and administrative personnel and other human resource specialists) – HR play larger role because all activities are initiated and determined by people who make up the institution. All other resources are unproductive except for human effort and direction.
  - Why HR regarded as most NB resource
    ▪ Increase in numbers of professional occupations
    ▪ Human behavior can’t be monitored and controlled mechanically
    ▪ If employee is placed correctly, undergone correct training, receives acceptable remuneration such a person can make a positive contribution towards enhanced performance of institution (causal relationship between success of public sector institution and utilization of hr.)

✓ Public sector human resource management as a particular responsibility

Shared responsibility between HR Specialists, line function employees (mostly public sector managers) and the executive political heads (the political managers – role is the “watchdog” role)

Line-function employees directly involved with accomplishing institutional goals and delivering services to the public
- Responsibilities include
  - Establishing job qualifications
  - Selecting and orienting new employees
  - Interpreting and executing HR policies and regulations
  - Training and developing employees
  - Improving job performance of each employee
  - Controlling labour costs
  - Protecting health and physical conditions of employees
  - Initiating disciplinary actions

HR specialists assist, support and advice line-function employees in accomplishing said goals
- Responsibilities include
  - Drafting HR policies
  - Consulting with line function employees about legislative compliance
  - Providing routine HR services
- Evaluating successfulness of current HR policies and procedures
- Monitoring activities of line function sections to ensure regulations are complied with
- Notifying Treasury of HR budget proposals

Need to work together strategically and proactively so that central purposes of government are realized

- Primary responsibility of PSHRM – provide the needs and meet demands and expectations of clients (line function managers and personnel)
  - Provide motivated and skilled personnel
  - Ensure current and future needs of line function managers are met (appropriate human resource planning – predict future resignations, retirements, disabilities – provision of suitable successors)
  - Thorough post determination & classification exercises (establish requirement)
- Secondly – ensure objectives are achieved effectively and efficiently as possible (joint responsibility)
  - Line function manager: selects, appoints, trains, evaluates and motivates workers
  - PSHRM – advises line function managers during this process
- Thirdly – ensure compliance with laws and regulations
- Fourthly – responsibility towards own personnel and towards line function personnel in the rest of public institution (equality of employment, compensation and promotion)

**HR activities usually occur in recruiting, selecting and disciplining**

- PSHRM responsibilities – develops operational policy and recruitment procedures; provides selection tests; conducts interviews with personnel clerks in hr office; carries out interviews with engineers along with line function personnel; advises line function personnel on technique of interviewing; develops disciplinary procedures within the guidelines of established laws and regulations; monitors disciplinary procedures; organizes training opportunities for line function personnel in disciplinary aspects; keeps central records for all disciplinary actions taken
- Line function personnel responsibilities – conduct interviews with engineers and hr specialists; provide information to hr officers for recruitment of engineers; conduct informal disciplinary interviews with engineers; issue verbal warnings to engineers as set out in disciplinary procedures; keep records of written warnings that were issued to engineers.
✓ Public sector human resource management as an integrated process

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**Key functions and practices of the public sector human resource function**

Activities for which line function employees and HR specialists are jointly responsible for Function refers to specialized professional activity to realize effective institutional performance and service delivery

- **Strategizing and planning for PSHR** – establishing institutional objectives and formulating, integrating and implementing strategies for achieving them.
- **Obtaining suitable human resources** – formulation and implementation of equal employment opportunity requirements and affirmative action policies, recruiting qualified job applicants; selection and appointment of applicants best suitable
- **Utilizing and developing public sector employees** – appraising, career management; learning and training and development
- **Remunerating and caring for public sector employees** – employer is consciously involved in remunerating, providing incentives and counselling.
- **Public sector employee relations** – labour relations, dismissal, redundancy and outplacement

**Public sector human resource management tasks (enabling activities that typify the work of all HRM and include the following)**

**Determining policy:** one of most important responsibilities. Important to establish uniform guidelines for HR work. Embodied in documents such as statutes, bills, draft bills, regulations, codes of instruction, white papers, green papers, collective agreements and management guides.

1. PSHRM remains abreast of all policy measures in above documents
2. Ensure context of formal guidelines are determined for the human resource function  
   a. Formulating vision – reason for existence of HR office  
   b. Formulating mission – general plan of HR function aimed at achieving goal or vision  
   c. Determining strong and weak points – points impacting positively or negatively the public sector human resource management  
   d. Developing specific objectives  
   e. Developing strategies – plans to be developed for HR Function for periods of two to ten years  
   f. Establishing values – values for general direction of the HR Function

**Organisation (enabling process that comprises the following):**

- Creation of organizational hierarchy
- Establishing control measures (through independent statutory/constitutional institutions such as Public Protector)
- Allocation of duties and responsibilities & delegation of authority
- Determination of relationships in order to promote co-ordination
- Include HRM Responsibilities (line authority & staff authority & functional):
  g. Orientation of HR employees (line)  
  h. Assignment of work to HR employees (line)  
  i. Drawing up and regularly reviewing duty rosters (line)  
  j. Advice about which employees are ready for promotion (staff)  
  k. Ensuring that prescribed forms are used correctly (example: resignations, dismissals, appointments) (functional)
Financing: the enabling functions that must be undertaken to make funds available for carrying out the human resource functions

- preparation of draft budgets for submission to parliament
- determining measures for spending money made available
- bookkeeping
- exercising control over financial transactions

It would be impossible to train, remunerate without funds

Specific management responsibilities of PSHRM (budgeting process)

a. Preparation phase – Treasury request State Departments to submit returns containing estimate expenditures (draft budget – objectives and intended expenditure for next 5 years)
   Take into consideration the following:
   - Programmes that must be continued during financial year
   - Extension of existing programmes
   - New programmes to be undertaken to give effect to policy decisions

b. Authorization phase – legislative institution approves the budget

c. Implementation phase – work programmes and exercise of control over various financial transactions begin. PSHRM task really begins
   Money received > accounting officer submits requisitions (requests) for funds > requisitions submitted to Treasury for approval > then credits account of Paymaster General > State Dept. withdraws money from this account using warrant vouchers (cheques)

PSHRM Tasks

- Revising regularly the HR Budget, discussing budget with HOD and making adjustments where needed
- Ensuring funds approved in budget are spent in accordance with formal financial requirements
- Acquiring stores, equipment, safes and stationery timeously and monitoring this daily
- Ensuring that govt property including buildings, offices, furniture and vehicles are utilized and maintained to best advantage
- Ensuring that proper records are kept in financial register (aka commitments register) of all financial commitments incurred
- Ensuring inventory of furniture and equipment in every office and checking these on regular basis

d. Accounting phase – PSHRM must assist accounting officer at the end of each financial year in drawing up an appropriation account (serves as recognition that funds have been spent within approved guidelines) this must be submitted to Auditor General for examination.

Human resource task: includes wide-ranging group of activities that have to be undertaken to ensure that human resources are utilized effectively and efficiently.

- Recruiting candidates for appointment or request HR office to do this
- Ensuring that new appointees complete the required documentation so that they receive salaries on time
- Preparing the workplace for the new appointee and properly integrating him/her with the work team.

Additional management skills

Conceptual skills – mental ability to see PS institution/HR office as a whole and integrate all interests and activities (usually Senior HRM)
- Working out well-conceived plans for HR Office in collaboration with personnel
- Taking rational and informed decisions on HR matters
1. Planning – always important – consider the following
   - Capital, financial, physical, informational and human resources
   - Clear, measurable, achievable and well-timed objectives
   - Proper place and time arrangements
   - Involving all interested parties in planning process
   - Well-conceived plans that include proper procedures

Typical planning questions:
   - What kind of HR services should be rendered?
   - What clients’ services have to be rendered?
   - Extent of resources required?
   - How the efficiency of these services are to be determined?
   - How staff is going to be motivated to ensure that objectives are met?

2. Decision-making: process whereby a HRM has to make a conscious choice between alternatives. Complex process (rational thought, objective choices and firm action)
   - Objective at all times and not allow personal interest to influence your judgment subjectively
   - Beware of being domineering and manipulative in taking decisions
   - Bear in mind that you as HRM must take responsibility for consequences of decisions
   - Maintain good relations with colleagues – will promote openness and frankness
   - Be firm in decisions at all times and ensure they are carried out
   - Consult statues, regulations and codes of instruction at all times to make sure decisions are within parameters laid down

People Skills: Skills required to work with people (how efficiently and effectively the HRM communicates; and the extent to which HRM is involved in motivating personnel).

- Communication: process that takes place all the time and comprises innumerable activities (at all levels) – common methods of communication:
  - Sending a memo to subordinate worker to remind them of the need to carry out particular instruction
  - Ordering new stock telephonically
  - Sending out a notice via memorandum to all interested parties of an imminent meeting
  - Sending out an email message or fax to successful applicant for study bursary
  - Writing a disposition to a minister about possible adjustments to HR policy

Communication skills fall within 2 main categories – downward and upward
  - DOWNWARD: Flows in hierarchic order from top to bottom (legislators > political heads of state)
    ▪ Clear instructions laid down in HR legislation
    ▪ Usually in the form of formal instructions embodied in HR manuals and apply to all workers
  - UPWARD: two-way process > communicator is subordinate worker
    ▪ Important source of information
    ▪ Grievance procedures
    ▪ Whistle-blowing procedures

- Motivating personnel: different methods to instill motivated behavior in workers
  - Psychological methods – most significant impact and make largest contribution
    ▪ Complimenting employees on special achievements
    ▪ Expressing appreciation for special achievements and do it convincingly
    ▪ Drawing your employees into the decision-making process
  - Social methods – equally important as all employees have social needs
    ▪ Determine their contributions – demonstrate that you take active interest
    ▪ Ask employees for feedback in meetings
    ▪ Make sure exceptional achievements are publicized in the newsletter
  - Financial methods – handle with care (differentiate between normal compensation packages and incentive schemes)
Compensation package = fixed payment to which employee is entitled
Incentive schemes = payment over and above fixed compensation
Provision made for different incentive schemes: piece-work scales, time bonuses and useful-hints schemes and allowances

Technical skills: entail HRM’s applied professional, functional and specialized knowledge and expertise

Ability to apply techniques, procedures or aids

PSHRM OUTCOMES
Provides measurement to determine if PSHRM’s performances are measured. Outcomes must be representative of products of HR functions and practices, management tasks and additional management skills. Derived from 1996 Constitution:
1. Promoting fairness: actions must be objective, consistent, equitable and without prejudice
2. Applying equity principles: every effort should be made to apply corrective measures to ensure HR practices are free from discrimination.
3. Encouraging accessibility: accessibility in relation to employment, management and information
4. Fostering transparency: all HRM activities must be open and subject to public scrutiny
5. Demonstrating accountability: Responsibilities of Senior HRM is clearly defined. Individual employees will be held accountable for discharging their responsibilities conscientiously
6. Increasing professionalism: Code of conduct – ensures that PSHRM will be conducted competently and reflect highest moral and ethical standards. Ethics concerned with right/wrong, good/bad

PSHRM Actions always measured against complex issues:
- Fairness – high pay levels of line function employees vs low wages of staff members
- Equity – including HIV-positive job applicants for consideration
- Accessibility – allowing outside researchers to study HR matters / projects
- Transparency – reporting impending layoffs to fellow workers
- Accountability – accepting decision of disciplinary enquiry and being prepared to resign
- Professionalism – reporting to higher authority observations of employees loafing and loitering

Code of conduct focuses on 5 particular areas of work for employees in civil service:
1. Relations with the legislative and executive institutions
2. Public relations (must be courteous and helpful)
3. Relations among public servants (treating other workers fairly and equitably)
4. Performance of duties (reporting corruption)
5. Personal conduct and private interests (may not undertake work gain outside official duties without prior consent)

ENHANCED INSTITUTIONAL PERFORMANCE: PSHRM have impact on performance enhancement
HRM techniques, procedures and systems have real impact on performance and service-delivery levels of PS institutions.
- Screening tests
- Occupational Health and Safety programmes
- Every HR activity has an influence on all the others
INTEGRATED RELATIONSHIP BETWEEN THE FUNCTIONS AND PRACTICES, MANAGEMENT TASKS, ADDITIONAL MANAGEMENT SKILLS AND OUTCOMES:

Disciplining of Staff

1. Conceptual Skills:
   - Planning
   - Decision making
2. Human Skills:
   - Communicating
   - Motivating
3. Technical Skills:
   - Training staff on Regulations regarding Discipline
4. HR Outcomes:
   - Fairness
   - Equity
   - Accessibility
   - Accountability
   - Professionalism

1. Policy making on disciplining
2. Organising for disciplining
3. Financing for disciplining
4. Controlling for disciplining

STUDY UNIT 2: MILIEU OF THE PSHR FUNCTION

CHARACTERISTICS OF CONTEMPORARY PSHR MILIEU:

Challenge facing PSHRM is responsibility to ensure that public institutions are provided with a well-trained, competent and motivated personnel corps.

Keep abreast of new technology and global work environment and challenges it poses

Variables and change at global level:
   - USA and Russia were superpowers
   - Now power shift towards the east Asian bloc, various commissions forged – EEC (European Economic Community), NAFTA (North American Free Trade Agreement) – trend towards world politico-economic order
   - Revolution in technology – move from industrial age to information age. Results in boundary less worlds with people, governments, businesses becoming more connected. Created foundation of more free trade, faster moving economic transactions and systems across the globe.
   - WTO (World Trade Organisation) – more difficult for governments to retain control over information and money flows.
   - Result in “GLOBAL VILLAGE”: internationalisation of markets, companies crossing borders – results in additional challenges for the Departments of Trade and Industry and Foreign Affairs.
   - Management need to constantly improve performance – total quality and high performance systems have thus come to the forefront – new demands and challenges for PSHRM.
   - Labour more “fluid” production factor (aka global labour market)
     - Increased competition
     - Accelerated pace of economies
     - Free flow of money, information, products and people
     - High-tech developments
     - More democratic value systems
Restructuring and rationalisation:
White Paper on the Transformation of the Public Service of 1995 – involves restructuring and rationalisation of public service. Apartheid > fragmented structure > Post 1994 government was able to weld the administrations into a single integrated South African public sector. Complex process in which processes such as downsizing (get rid of redundant staff), rightsizing (proportioning structures to achieve optimal service), outsourcing (giving out public sector work to private sectors) and re-engineering (constant investigation and adaptation of HR systems to ensure smooth operations) were utilised to achieve results.

Equal representation and affirmative action:
Affirmative action: policy intervention defined as a strategy for achievement of employment equity through redressing imbalances
- Refers to specific steps which are taken to promote equal opportunity (contains some degree of preferential treatment)
- Practice of favourably considering an individual’s status as a woman, or as a member of a racial or ethnic minority group
- Generally designed with 3 goals: to eliminate existing discrimination; to remedy the lingering effect of past discrimination; to prevent future discrimination
- Extremely broad connotations (touching every part of life)
- Not synonymous with quotas
- Preferential treatment allows an individual’s status as a minority to be considered as a positive factor
- Viewed as pro-active development tool
- Broken down into judicially imposed, voluntary enacted, legislatively mandated
- Temporary intervention designed to achieve equal employment opportunities
- Steps to be taken in order to give benefit to those previously disadvantaged by unfair discrimination

Equality of opportunity: aim is to provide special opportunities to members of specific groups (either absent or under-represented in certain areas of work); aims at rectifying wrong-doings of past; ideal state where everyone has an equal chance

Reverse discrimination vs affirmative action:
Affirmative action is to include and discrimination action is to exclude
Affirmative action requires positive action and anti-discrimination laws are passive

Legislation and policies unlinking affirmative action in the SA public service
   Bill of Rights in the Constitution of the RSA, 1996 sets requirements for equality and representativeness (section9), subsection 195(1) very explicit on PS need to be governed.
   Focus on representativeness and affirmative action. First of a series of documents on affirmative action. Representativeness is a necessary precondition for legitimizing the public service and driving it towards equitable service delivery
   Main target groups = black people, women and people with disabilities
   Targets = 4 years @50% black at management level, 30% women
   = 10 years people with disabilities should comprise 2%
3. The Public Service Laws Amendment Act of 1997
   First enabling act of legislation; “ the need to redress the imbalance of the past to achieve a public service broadly representative of the SA people, including representation to race, gender and disability”
   HRM strategic instrument of transformation agenda; points of departure of this paper is perceived discriminatory nature of existing personnel management (79% black but only 38% black in management levels); key principle of this paper is diversity
Main aims:
- Identify and raise awareness of cultural differences
- Analyse culture and identify practices that support and undermine cultural diversity
- Develop processes that strengthen diversity and redress negative aspects of culture
- Institutionalize diversity management by integrating it with management practices

Prescriptions for advertisements of positions

Provide a new national strategic policy framework on training and education for public servants; improving systems to attract high-quality personnel; key problem areas – barriers to access; discriminatory rules and regulations.

Product of consultation with national departments, provincial administrations, organized labour, NGO’s, disability organizations and AA experts
Considered most important and comprehensive policy document regarding implementation of AA in SA PS.
Scope – primarily HRM in SA PS. Targets 3 groups: black women and people with disabilities
Mandatory – AA should be integral element of every aspect of public institutions’ management principles
AA programmes are responsibility of every manager, supervisor and HR practitioner.
Sets out:
- Broad numeric targets which must be translated by each department in prioritized time-bound targets
- Must keep and annually update accurate and comprehensive statistics (race, gender and disability)
- Needs, priorities and perceptions of all staff must be assessed annually (AA survey)
- Review management practices regularly to detect barriers
- Employee assessment criteria must include measure for employee’s implementation of organizations AA policies
- Detailed AA plan – prepared, adopted and promoted
- Responsibilities of role players must be clearly defined
- Include policy statement for institution’s commitment to AA

7. The Public Service Regulations, 2001
Give further practical substance to broad AA policies.
Each executive authority should plan for the recruitment of HR (plan include realistic goals and measurable targets to achieve representativeness)
Should also develop and implement AA programme
- Policy statement sets out department’s commitment to AA
- Numeric and time-bound targets
- Annual stats
- Plan for redressing under-representativeness

8. The Employment Equity Act, 1998
Signed in by president on 12/10/1998
- Establishment of Commission for Employment Equity : 15 May 1999
Two main pillars:
- Chapter II deals with unfair discrimination – applicable to all employers and employees
- Chapter III deals with affirmative action – applicable to designated employers and people from Designated groups


8 Principles of Bahto Pele: Principles PSHRM must attain to ensure quality of service provision
i. Consultation: citizens should be consulted about the level and quality of the public services they received and (where possible) be given a choice about the services that are offered.
ii. Service Standards: Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.
iii. Access: All citizens should have equal access to the services to which they are entitled.
iv. Courtesy: Citizens should be treated with courtesy and consideration.
v. Information: Citizens should be given full, accurate information about the public services they are entitled to receive.

vi. Openness and transparency: Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge.

vii. Redress: If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic positive response.

viii. Value for money: public services should be provided economically and efficiently in order to give citizens the best possible value for money.

Factors at macro level that influences the milieu: Refers to the circumstances within which the human resource function must operate. Also includes external factors such as:

- Technological developments:
  Imposes demands on HRM, change continues under impetus of research and development
  Technological developments ensure productivity is enhanced and considerable savings achieved
  - Satellites used for videoconferencing
  - Computers – email, word processing and internet communications
  - Barcode scanners for registrations
  - Office machines (faxes and also for photocopying and laser printing)
  - BIGGEST ONE NOW IS INTERNET:
    o Create new opportunities: online recruiting, research, email, training, networking
    o Distribution of data

- Economic conditions
  Have considerable influence on activities of public institutions – during period of high economic growth = job creation may increase, unemployment decline and salaries and wages may rise. Low economic growth = poor prospects of HRM > employment opportunities are scarce > unemployment rate is high, less money available for salaries and wages – heightened trade union activity > HRM task is difficult as morale is low and retrenchments have to be undertaken.

- Legal implications: complex variables – difficult to predict and almost impossible to control
  - 1996 Constitution: Bill of Rights, prescribes functions of legislative, executive and judicial institutions
  - The Public Service Act of 1994 – regulates and prescribes the general management and administration of workers in PS
  - The Labour Relations Act of 1995 – establishes organizing rights for trade unions, promotes collective bargaining in the workplace
  - The Basic Conditions of Employment Act of 1997 – makes provision for regulation of basic service conditions
  - The Public Service Laws Amendment Act of 1997 – provides regulation of activities of the Public Service Commission
  - The Occupational Health and Safety Act of 1993 – provides rules and procedures for occupational health in general and more specifically for accident compensation
  - The Employment Equity Act of 1998 – designed to achieve equality in the workplace
  - The Public Service Regulations of 2001 – prescribes procedures, methods and guidelines for human resource work in detail.
  - The White Paper on the Transformation of Public Services of 1995 – serves as broad framework of government policy
  - The White Paper on Affirmative Action in the Public Service of 1998: policy instrument in terms of which Affirmative action in PS will be handled.
  - The White Paper on Training and Education in the PS of 1997 – serves as framework for policy determination
New Public Service Management Framework – helps government to manage the public service in a more client friendly way
Public Service Coordinating Bargaining Council Resolution

Factors at micro level that influences the milieu: Have direct impact on HR function. Important that HRM knows about this environment.

a) Regulators: Political Representatives, Department of Public Service and Administration – issue enforceable rules concerning HR matters. Example Public Service Act of 1994 and Public Service Regulations of 2001 > provide for organization and administration of the Public Service and the regulation of service conditions. Also regulate terms of service, discipline, termination of service and dismissal of public servants. HRM must take note of provisions and principles in statutes and regulations > in order to achieve efficient and effective service delivery.

b) Resource providers: Provide public institutions with resources such as money and people. Parliament at legislative level responsible for allocating money to HR function. Minister for Public Service and Administration is responsible for submission of the HR budget to Parliament. Treasury & Public Service Commission = take decisions about HR function at executive level.

c) Clients: Line managers since HRM does not render services directly to the Public. Demand HR services of high standard. HRM serves as buffer between clients and institution. How can HRM ensure that client’s needs are met?

1) Forms that are designed to be intelligible and easy to complete
2) Friendly and helpful answering of telethon
3) Writing memorandums and formulating email messages that are easy to understand
4) Efficient complaint procedures that ensure information is received without detail so that complaints can be speedily dealt with.

STUDY UNIT 3: STRATEGIC HUMAN RESOURCE PLANNING

HUMAN RESOURCE PLANNING IN A NUTSHELL

HR planning is crucial and it is not simple and easy. Overstaffed public sector has negative consequences for the budget (can cause redundancy > demotivate staff and lead to lower productivity). Understaffing can result in work not being done, overtime costs increase, appointing of temporary personnel, stress levels of existing personnel increase.

HR planning is a process of systematically reviewing human resource needs to ensure that the required number of public sector employees, with required competencies, is available when they are needed. Also about ensuring that the composition of your staff gradually becomes more representative of society as a whole.

Purpose and importance of HR planning

Main purpose of HR planning is to id future human resource requirements and to develop action plans to eliminate any discrepancies between the demand and supply of labour.

- To reduce labour costs by helping public sector management to anticipate shortages or surpluses
- To provide a basis for planning employee development
- To improve overall business planning process
- To provide more opportunities for minority groups in future to ID the specific skills available
- To promote greater awareness of the importance of sound human resource management
- To provide an instrument for evaluating the effect of alternative human resource planning actions and policies

Computer technology make this much easier > allow vast numbers of job-related records to be maintained > can be used to facilitate HR planning
HR planning is important for the following reasons:

- Labour is a significant cost to an institution and planning allows greater control
- Corporate planning is a key ingredient of institutional success (financial and business planning must be augmented by HR planning)
- The labour supply is neither constant nor flexible, and people’s social aspirations must be considered
- Environmental changes (technological, political, social and economic) meant that HRM is becoming more complex – planning is essential
- Changing service deliver demands have social implications for labour

Responsibility for HR planning

Responsibility will depend largely on variables such as size of a public sector institution, extend to which HRM is handled by specialists. Depends on size of institution > smaller = may be carried out by line function employees. > larger = specialist HR department + inputs from line function employees

Vital to include employee representatives

Causes and effects of mobility amongst senior management service and professional staff:

- Greatest mobility at national level took place at the managerial level (68%) and a 4% rate was recorded at the professional level.
- Greatest mobility during the period under review was as a result of the internal movement of both sms managers and professionals
- Better and higher positions were cited as the main causes for mobility
- Limited development of retention strategies for addressing mobility not yet fully realized.
- Retention tools that were most frequently utilized were the awarding of cash bonuses, external conferences and seminars.
- Poor monitoring and an absence of management information in the area of mobility posed significantly

Role that line function play is crucial. Corporate plan and long-term strategic goals determine the direction? Feedback can be provided by input from line managers,

- Whether there are enough and appropriate jobs to ensure the outputs.
- Whether there are enough and appropriated job categories
- Whether the incumbents are performing in accordance with accepted standards
- Whether there is a high staff turnover
- Whether increased or different output will result in more or difficult jobs
- Whether a change in productions technology will change the job content with a concomitant

HR planning process

Cognisance must be taken of the institutional goals and the HR implications. Once internal and external factors have been considered, then supply and demand of current and new employees can be analysed.

External factors = labour market conditions; government policies, educational trends

Internal factors = number of employees leaving the institution who will have to be replaced, number of employees retiring in future, career progression of employees remaining

Nb factor is impact of Employment Equity Act 55 of 1998.

5 steps involved in the HR planning process

1. **Consulting the corporate plan**: detailed statement of institution’s vision, mission, objectives and values.
   - HR Planning starts here
   - All HRM should have copy of this plan in their possession.
   - Emphasis is on gathering information (as comprehensively as possible)
   - **Type of information needed to form corporate plan**
     i. Changes in legislation (impact training)
     ii. Latest development in technology (impact training)
     iii. Changes in needs of clients
iv. Extension of services at regional & international level

v. Economic conditions

2. Gathering, analyzing and forecasting workforce supply and demand data: various important phases to be followed and the methods and techniques to be used to ensure successful implementation of HR planning

- **Phase 1: Forecasting**: attempt to ascertain estimates of supply and demand of various types of hr. Primary goal is to predict areas in the public sector institution where there may be surpluses / shortages. Judgmental approach is more appropriate, but a combination of statistical and judgmental approaches is best for forecasting (to achieve appropriate and balanced result).

- **Phase 2: Analysing the existing workforce in the public sector institution**: analysis of inventory of current workforce (existing HR capacity). Purpose is to assess HR by gender, race, disability, competencies, occupational category, organizational component and salary grade. Purpose = Questions should help HR planner to conduct thorough assessment. Organizational charts, proper job analysis are useful. Lack of accurate information will result in failure to produce credible HR plans. Competency requirements at all levels should be known. Also need to compile a workplace skills plan. Assess training needs. Another factor to analyse is the threat of HIV/AIDS. Most important step is to determine future supply of HR required.

- **Phase 3: Workforce demand forecast**: involves the assessment of the hr that will be required in terms of skills and numbers of employees to achieve the corporate objectives. Corporate and business plans needs to be broken down and organizational structure reviewed simultaneously. ‘structure follows strategy’ – Organisational chart:

  i. **Job analysis**: is a process where a task is thoroughly examined and all details for the different tasks, naming the post, characteristics and responsibilities are gathered and written down. Duties, responsibilities and accountabilities of a job are analysed. Generates two outcomes – job descriptions and job specifications

  ii. Stages in job analysis process: > determine the public sector institution’s corporate and business strategy > create a structure to identify the various jobs > identify a target population to be analysed > decide on a job analysis method to collect an verify job information > compile the job descriptions and job specifications > ensure that the working group agrees that the job descriptions and job specifications accurately reflect the jobs concerned.

  iii. What job analysis can be used for?

  1. Selection of candidates clarified
  2. Ensure proper performance management take place
  3. Improve labour relations by ensuring communication gaps are reduced

iv. Information obtained through job analysis: Job identity, reporting relationship, job content defined, required performance standards and measurement are determined, any constraints identified, responsibilities set out, working conditions established, personal characteristics identified, any other relevant information.

v. Job analysis methods: Individual interviews (time consuming but effective method, drawback is people can inflate the importance of their jobs, interviewer must prepare properly for the interview); Group interviews (similar to individual just number of jobholders interviewed simultaneously, group dynamics plays a role in effectiveness, job assessments more accurate & time effective, manage & utilize group process properly); Observations (direct or video, people don’t always perform normally when they know they are being observed, problem is that some aspects cannot be observed); Structured questionnaires (most widely used method, less time consuming, less costly, exceptions may be overlooked); Self-reports (jobholders required to write their own job descriptions, without necessary training the quality of information may be unuseful)

vi. **Writing job descriptions**: Job description and specification is compiled, which contains the post title, a summary of the different tasks, duties and responsibilities related to the job, purpose of the job, how accountability will take place, the equipment that is essential to carry out the job, qualifications, skills, service benefits, the possible dangers related to the work and other working conditions (such as noise levels). Job title, job identification details, name of current jobholder, reporting lines, main purpose of the job; tasks and responsibilities, context, relation
to other positions, subordinate positions, financial and statistical data required to do the job, working conditions, knowledge, skills and experience required, competencies, other relevant information, signature and date.

vii. **Job specifications:** information obtained through job analysis and part of description document; used primarily to facilitate the recruitment and selection process;

viii. **Job evaluation:** involves the evaluation or appreciation of posts so that a monetary value can be allocated to it. When job analysis is done, an evaluation of posts can commence. This is done so that a monetary value can be assigned to each post.

ix. **Forecasting methods:** accuracy of forecasts depend on information available, predictability of events

1. Judgmental forecasts: **Delphi technique** most commonly used, experts do forecasts and then route to other experts, revise until a viable forecast emerges. **Nominal group technique** also entails multiple inputs from several persons. **Managerial judgment technique** – managers decide what their activities will most likely be and what staff they will need to ensure success (can be top-down or bottom-up).

2. Statistical projections: **Linear regression analysis** – perfect linear association / relationship exists, predictions can be made. **Multiple linear regression** is used to analyse situations in which a given dependent variable is affected at the same time as several independent variables. **Unit demand forecasting** managers provide certain estimates; all estimates are added up and overall forecast for institution is done.

3. Other statistical methods: productivity ratios; personnel rations; time series analysis, stochastic analysis

- **Phase 4: Budget considerations:** budget is a plan to control the use of funds over a period of time, workforce forecast must be expressed as rand and must be compatible with institution's monetary objectives and overall budget limitations.

- **Phase 5: Forecasting workforce supply** – from internal (most important and most readily available) and external sources.

   i. Judgmental techniques: replacement planning is short-term technique; succession planning is longer term, more flexible and focuses on development of managers or leaders.


4. **Reconciling supply and demand:** essential to maintain a proper balance in the number of employees required and avoid ill effects of employee problems. Identify gaps between supply and demand – summarize them in terms of the following:

   Supply = demand: nothing needs to be done about the situation.

   Supply > demand: HR plans have to be developed to get rid of excess employees (redeployment, retirement packages / retrenchments)

   Supply < demand: HR plans have to be made to recruit new staff.

   - Competency levels of the employees
   - Number of employees that one will need at present and in the future
   - Areas of under-representation
   - Health profile of institution

4. **Compiling and implementing human resource plan:** developing a plan or strategy to address the gap

Specific issues that need attention in the HRP are the following:

- Currently employed staff who will be available in the future
- Plans for recruitment and selection to supplement shortages
- Methods of counteracting surpluses if personnel redundancies were to arise in certain work areas at a future date.

5. **Monitoring, evaluating and reporting:** use of MIS (such as PERSAL system) is indispensable, should be reporting to the legislator, should be reporting to the Department of Labour, Guidelines (as contained in Public Service
Regulations of 2001) should be complied with, reports of equal job opportunities, skills development, HRP should be communicated to all employees and the public. Done on annual basis, take corrective steps after completion, measure the following factors

- Actual staffing vs. established staffing requirements
- Productivity vs. established goals
- Programmes implemented vs. action plans
- Actual personnel flow rates vs. desired rates
- Programme results vs. expected outcomes
- Labour and programme costs vs. budgets
- Ratios of programme results vs. programme costs

**STUDY UNIT 4: RECRUITING POTENTIAL EMPLOYEES FOR THE PUBLIC SECTOR**

Recruitment policy and procedures: recruitment process establishes direct contact with the outside world. PSHRM must leave favourable impression with public

Objectives of recruitment: important to formulate clear guidelines for the recruitment process (in order to prevent wastage). Recruitment process must:

- Comply with legislation passed to combat discrimination
- At all times avoid unfair discrimination in the workplace
- Be directed to achievement of the institution’s objectives

Definition of recruitment: Recruitment can be described as those activities in human resource management which are undertaken in order to attract sufficient job candidates who have the necessary potential, competencies, and traits to fill job needs and to assist the public sector institution in achieving its objectives.

1. Secure a pool of acceptable candidates for the vacancies
2. Ensure all recruitment efforts establish a positive image for the institution
3. Make sure that all recruitment activities are efficient and cost-effective.
4. Conduct the recruitment process in a fair and equitable manner
5. Enable the institution to attract those potential employees who have the necessary knowledge, skills and competencies relevant to the requirements of the post.

Recruitment Policy: First step towards ensuring recruitment process takes place in a coordinated way in line with objectives. It basically spells out the objectives of the recruitment process in official documentation and provides guidelines for the implementation of the recruitment programme. Guidelines on how to set up a recruitment policy:

- What are the objectives of recruitment in the public sector institution?
- What legal and regulatory prescriptions on fairness and discrimination should be taken into account?
- Which resolutions in collective agreements with public sector unions are applicable?
- Which targets in terms of employment equity are applicable (race, gender and disability balances)?
- How can recruitment be carried out within budget limitations?
- How urgently should vacancies be filled?
- Which unit or person (designated title) will be responsible for the execution of the policy and procedures?
- What are the prescriptions of the HR planning and succession planning documents?
  For example: Will promotions from within the institution take preference? May relatives of existing public sector employees be employed? Will handicapped persons be employed? May part-time employees be employed? May minors be employed?

External and internal factors that influence recruitment:

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<tr>
<th>FACTORS</th>
<th>EXTERNAL</th>
<th>INTERNAL</th>
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<tbody>
<tr>
<td>Conditions in the labour market</td>
<td>X</td>
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<tr>
<td>Strategic plan</td>
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<tr>
<td>Institutional policy</td>
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<td>Trade Unions</td>
<td>X</td>
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<tr>
<td>Government policy and regulations</td>
<td>X</td>
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<td>Recruitment criteria</td>
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Different kinds of discrimination:
- Direct discrimination: occurs when a person is treated unfairly for a reason that is directly related to his/her sex, marital status, race, handicap, etc.
- Indirect discrimination: occurs when a person is subjected to unfair treatment by way of imposing a demand on him/her that is not objectively defensible.
- Victimisation: Occurs when a person is dealt with unfairly and inequitably because the person has (for example) lodged a complaint or grievance about racial discrimination.

Sources of recruitment:
1. Internal sources:
   - Skills inventories: record system listing employees with specific skills
   - Job posting: vacancies within public sector are placed on notice boards
   - Inside moonlighting: short-term need or small job and does not require great deal of additional work – offer bonuses
2. External sources:
   - Employment agencies: agency appointed to recruit candidates, they advertise or use database
   - Postings: to reach communities that cannot normally be reached. Posters, brochures and other material
   - Radio advertising: also used to reach rural communities. Benefit is that it can be used to announce localities of advertisements
   - Study aids: main aim is to recruit people in those fields of public sector employment where difficulty is experienced hiring suitably qualified candidates.
   - Walk-ins: prospective employees will apply directly to the public sector institution in the hope that a vacancy exist (one-third of employees obtain first jobs in this manner).
   - Referrals: word of mouth technique. Inexpensive technique, effective in quickly finding candidates with specific skills.
   - Professional bodies: accounting, engineering and scientific institutes look after the interest of their members by allowing vacancy advertisements in their publications. Great opportunity of networking.
   - Head-hunting / skills search: Top professional people are “hunted” through specialized agencies. These individuals are approached personally with an offer to fill a vacancy.
   - Educational institutions: Schools, colleges and universities provide grass-roots level opportunities for public sector recruiters to pick the “best of the crop”.
   - Consultants: recruitment consultants or placement agencies have a broad network base and are exposed to management in action. Guidelines to ensure efficiency and sensitivity deal with consultants:
      i. Personal details of applicants should be treated confidentially. Contract between institution and consultant should be clear and responsibilities set out.
      ii. Procedure may be established between consultant and client

Methods of recruitment:
External recruitment:
Advantages:
- New people bring new ideas and skills to the institution
- Usually it is more cost-effective to bring in skilled people from outside than to obtain existing personnel.
Disadvantages:
- Existing workers may display aggression towards new workers to ensure that employers do not recruit external candidates.
- Existing workers may reject new workers.
- It takes time for external candidates to adapt to the new institution.
- The cost implications are higher because advertisements have to be placed.

Advertisements: in newspapers, periodicals, professional journals, television and radio are an important recruitment method. NB to decide what medium to us to advertise. Another important factor is the wording of the advertisement. Information should be give so that suitable candidates will be stimulated and unsuitable candidates
discouraged from applying. Content of advertisement comply with all statutory requirements. Following guidelines for advertisements:

- Institutions name and related particulars (address, telephone number, fax number and e-mail address should stand out prominently)
- Post designation, principal tasks, duties and responsibilities
- Indication of the type of person required and special characteristics
- Qualifications, skills and experience required
- Application procedure and to whom applications should be addressed
- Closing date
- Institution’s logo
- Brief policy declaration of the institution’s position on such matters as equal job opportunities and smoking in the workplace

AIDA formula

A = attention: headings, visual layout, and variety
I = interest: give information on institution (future plans), information on position
D = desire: advantages of listing salary = if salary is attractive and competitive it will be in institution’s favour, Disadvantages of listing salary = potential applicants my resist applying as they receive a lower salary, current Employees may feel dissatisfied
A = action: advertisement is successful if it results in many right candidates applying for the position.

Employer Value Proposition (EVP): new HRM term used by employers to attract and retain talent. Regarded as set of associations and offerings provided by the employer in return for the skills, capabilities and experiences an employee brings to the organization.

Other two external methods:

1. Special-event recruiting: open houses, visits to headquarters, son and daughter days. Or specific groups of students on campuses.
2. Vacation work: hire students during their vacations

Internal recruitment: means that the relevant institution’s recruitment effort is turned inward to recruit candidates for vacancies.

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<th>METHOD</th>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
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<td></td>
<td>2. Can enhance loyalty</td>
<td>5. Appointment of outsiders may impact negatively on morale</td>
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<tr>
<td></td>
<td>3. Cost of training and orientation is reduced</td>
<td>9. Can be seen as discriminatory</td>
</tr>
<tr>
<td>2. Post advertisements</td>
<td>6. Cheap</td>
<td>10. Candidate’s strong/weak points are known</td>
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<td></td>
<td>7. Fast placement</td>
<td>11. Predictable behaviour</td>
</tr>
<tr>
<td>3. Personnel records</td>
<td>10. Can be seen as discriminatory</td>
<td>12. Records must be constantly adjusted and maintained – takes a good deal of time &amp; money</td>
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Recruitment process:

1. Determine the exact need:
   - Determine if the need is genuine – what are circumstances surrounding need
   - Decision must be substantiated with facts
   - HR planning must precede recruitment process
   - Consider deployment or absorption of existing employees as an option, if not suitable, recruitment process can begin

2. Obtain approval to recruit in terms of the hr budget and level of appointment:
   - Budget, corporate plan and business plans and guidelines should be taken into account
   - Approval must be obtained from senior management
   - Will ensure recruitment is compatible with broad institutional and human resource plans

3. Compile or update job descriptions and job specifications:
   - Point of departure for all recruitment activities
   - Will enable public sector recruiter to determine exact nature of vacant job and profile jobholder
   - Must ensure correct job information is obtained
4. Determine the key result areas for the job:
   - Natural outflow of step 3.
   - KRA refer to aspects of job that is crucial for success of the job – focus on outputs

5. Consult the recruitment policy and procedure:
   - Should be consulted in the interest of consistency and to ensure long-term efficiency.

6. Choose the source(s):
   - Recruitment sources – historical data on the success rate of certain sources could be very useful in this regard

7. Decide on a method of recruitment:
   - Traditionally proved successful methods must be applied (advertisement or internal succession planning)
   - Consider previous experience with different methods
   - Guard against discrimination

8. Implement the decision:
   - Chosen recruitment method(s) must be applied
   - Screen advertisement to prevent embarrassment

9. Allow sufficient time for response:
   - Allow time for responses
   - Set clear deadlines, but remain flexible to ensure the maximum number of response

10. Screen responses:
    - Initial screening – telephonically, according to initial criteria for the job
    - Guard against prejudice and subjective opinions that could lead to discrimination

11. Draw up an initial shortlist of candidates
    - Shortlist of possible successful candidates
    - At least two people must be involved independently in compiling the shortlist
    - Each person must give a clear indication where applicants do not meet the requirements regarding knowledge, skills and competencies
    - Each person must classify the application into predetermined categories: “acceptable”, “possibly acceptable” and “unacceptable”.
    - Each person must rank the acceptable applications in order of suitability
    - Choice must be made to determine which applicants will be invited for interviews
    - Treat inputs made by shortlisters as confidential – do not discuss circumstances with colleagues

12. Advise applicants of the outcome:
    - All applicants must be advised as soon as possible of the outcome of their applications (unsuccessful and successful ones)
    - Take great care to respond ASAP in order to protect reputation
      - Make response personal
      - Ensure response is signed-off by senior management
    - When inviting applicants for interview:
      - Candidates must be informed specifically that they are invited for interview (where, when and how long)
      - Spell out all requirements of the interview
      - Provide detailed information to the candidates about the payment of transport
      - Inform the candidates of actions to be taken when a problem arises

13. Proceed to selection
    - Qualifying applicants are now invited for interviews.
STUDY UNIT 5: SELECTION, APPOINTMENT AND ORIENTATION OF PUBLIC SECTOR EMPLOYEES

Objectives of selection and appointment:
Primary aim is usually expressed as “selecting the best candidate for the post”. During this process selectors try to determine a candidate’s future work performance and the value, knowledge, skills and competencies that can be added to the public sector institution.

- Collect as much relevant information about the candidate as possible
- Organize and evaluate collected information by have proper systems in place
- Assess each candidate as objectively as possible by taking into consideration equal employment opportunity requirements and affirmative action policies so that predictions about future work performance can be made
- Provide the collected information to successful candidates so that they can be in a position to decide whether to accept an offer of employment.

Selection policy and procedures:
Good selection policies and procedures should include the following:

- Prescribed selection principles
- Set entry requirements
- Prescribed qualifications for appointment
- Steps, methods and techniques to be used
- Personnel to be involved in assessing candidates
- The relevant administrative procedures

A selection policy that does not include specified principles run the risk of being confronted legally. A variety of principles should be taken into account to ensure whole field is covered. Entry requirements for appointment in public service include:

- Merit: best suited in terms of skills, experience, abilities, personal attributes and competencies
- Fairness: no discrimination against any applicant based on race, culture, colour, marital status, belief, gender, sexual orientation, pregnancy, disability, domestic circumstances, age religion or any other arbitrary criterion.
- Equity: all candidates measured against the same objective criteria, also take into consideration need for representativeness. All applicants should be assessed by the same selection panel.
- Transparency: easily accessible written records should be kept of criteria used in selecting interviewees, criteria used in selecting the most suitable candidate, evaluation records of individual candidates.
- Citizenship: Must be SA citizen, non-SA citizens may be employed on fixed-term contracts for maximum of 5 years
- Age: age limit ranges between 16 and 60
- Health: no pre-employment health checks should be taken.
- Good character: one has to determine whether applicants are law-abiding and prepared to confirm to the high standards of conduct set in the Code of Conduct for Public Servants. Information about past criminal convictions.
- Security clearance: candidates have to deal with sensitive information, may be subjected to security clearances.
Selection and appointment process:

5 stages of the selection process:

- Phase 1: Deciding on a selection strategy
- Phase 2: Conducting a preliminary interview
- Phase 3: Collecting information
- Phase 4: Making a selection decision
- Phase 5: Placing the candidate

Phase 1: Deciding on a selection strategy
Complex because you are predicting performance of the future based on events in the past. Basically there are 8 selection strategies to choose from:
- Knowledge, skills and abilities (KSA) strategy: primarily involves review of applicant’s educational background and work history. May include testing of applicants for specific KSA. Disadvantage = very little soft skills revealed.
- Track record strategy: work performance of past is best predictor of future performance. One way is to review application forms submitted and another is interviewing candidates. Objective is to determine if specific results have been produced in similar work environments. Not appropriate for filling entry-level posts. Better suited to more senior level posts (sufficient opportunity to establish track records).
- Learning/Intelligence strategy: employment tests (intelligence tests that measure general mental abilities). Doubts about validity of intelligence tests, it is seldom used in the public sector. Could have adverse affect on minority applicants.
- Aptitude strategy: test to measure certain traits of individuals. Main objective is to determine what kind of work an applicant is best suited for. Does not give exact indication of efficient future work performance – not top of the league in the public sector
- Personality trait strategy: focuses on the use of standardized tests in order to construct a personality profile of candidates. Tests supported by interviews to determine a candidate’s personality in terms of characteristics such as forcefulness, flexibility, tolerance for uncertainty, self-confidence and need for security. Aim is to understand inner qualities rather than to determine KSA.
- Work sample strategy: measuring a candidate’s performance on some of the job’s basic tasks. Predicts future work performance more accurately and give high degree of validity to the process.
- Networking strategy: originally established in private sector. Used less frequently in public sector. Includes the encouraging of current employees to identify potential candidates who they believe will make a good contribution and add value to the institution. Recommendations made by knowledgeable employees can sometimes result in the appointment of very capable candidates. If managed poorly can have negative effect – inbreeding, “old-boy networks” which deny employment opportunities to others.
- Situational strategy: critical behaviours are identified as necessary for successful job performance. Making use of tests / interviews to determine if applicant is capable of such behaviours. Widely viewed as valid measure of determining future work performance if pursued with care.

Phase 2: Conducting a preliminary interview:
Selection process actually starts with this. Short and concise. Main purpose is pre-selection and elimination of applicants who are obviously not qualified for the job. Straightforward questions around qualifications, experience and salary are asked. Usually telephonic.
Phase 3: Collecting information:

Most commonly used methods:

- Reviewing letters of recommendation: not highly related to future work performance as they are normally highly positive in nature, must take note of poor letter of recommendation as it may be predictive of future work performance.
- Reviewing biodata: biographical details can be obtained through application blank (valid predictor of job performance and length of service), biodata form, CV and portfolio of evidence. Qualifications should be verified.
- Setting up employment tests: an instrument which is used to obtain information about personal characteristics. Tests must be scientifically shown to be reliable, objective and valid (pre-requisites for fairness). Major concerns:
  - Test must be reliable – consistent and trustworthy measures
  - Test must be objective – truly measures whether a candidate has the technical skills, mental abilities and other qualities required. Must not be influenced by external factors such as race, religion, allegiance to particular political party, gender and age.
  - Test must comply with requirements of validity – test should measure what is purports to measure.

Different types of employment tests used in practice:

- Aptitude – High Level Scales and Senior Aptitude Test (SAT) are based on Thurstone’s primary group factors (verbal ability, word fluency, memory deductive reasoning, inductive reasoning, numerical ability, perceptual speed, form perception, spatial aptitude and co-ordination).
- Personality tests: personality influences work performance – aim is to identify personality traits.
  1. Projective techniques;
  2. The Thematic Apperception Test (TAT)
  3. The Rorschach Test
  4. The Structured Objective Rorschach Test (SORT)
  5. Self-report questionnaires
  6. The 16 Personality Factor Questionnaire (16PF)
  7. The Jung Personality Questionnaire (JPQ)
  8. The South African Personality Questionnaire (SAPQ)
  9. The Occupational Personality Questionnaire (OPQ)
- Performance: purpose of tests is to assess the applicant’s performance on specific tasks representative of the actual job. Good predictors of job success. More valid than written tests.
- Interest: relates to individual’s motivation and satisfaction.
  1. Strong Vocational Interest Blank
  2. Kuder Interest Questionnaires
  3. Field Interest Inventory
- Assessment centres: Uses multiple approaches to test for KSA need in a post. Applicants perform in simulated work environment. Purpose is to reduce number of applicants to appropriately sized list for interviews.

Interviewing the candidate: most common assessment tool. Aim is to determine applicant’s degree of suitability for a job:

- Types of interviews: structured (careful, systematic planning and exclusive use of technically skilled interviewers) and unstructured (coincidental, poorly organized type of interview with no attempt to explore specific areas for information).
- Planning and preparation for an interview: ten steps to be taken when preparing for interview
  1. Appointing a selection committee
  2. Establishing a job one knows
  3. Scrutinizing all written material
  4. Planning the opening of the interview and the type of interview
  5. Preparing questions in advance
6. Setting up a timetable
7. Determining realistic and measurable criteria
8. Making arrangements to receive the candidate
9. Preparing a private room
10. Closing the interview

- Conducting reference checks: conducted after the interview to find out more about an applicant’s employment record, education and training and behavioural patterns. Important because input is obtained from a number of people, useful feedback on the strengths/weaknesses, achievements and failures of individuals, organization receives verbal report on an individual’s performance.
- Conducting physical examinations: generally prohibited, will only be allowed if permitted by legislation, justifiable in light of the medical facts, employment conditions, social policy, and fair distribution of EB.

Phase 4: Making a selection decision:
Consensus must be reached by interviewer and selection committee. Must be supported by wide range of evidence.
Final selection decision:
- Information used is based on reliable, objective and valid selection methods.
- Criteria utilized are free from any bias and discrimination
- The KSA necessary to meet the inherent job requirements of the post are clear
- The institution’s need for developing human resources is understood
- The representativeness of the unit where the post is located is considered
- The information provided by the candidate is verified
- The candidate is subjected to a security clearance if the nature of the post requires it.

If a decision is made to turn down a candidate the following are important:
- Keep written records
- If asked, major reason for having been turned down should be provided and this should be objective

Phase 5: Placing the candidate
Last stage of selection process.
1. Offering the position: initial offering can be done over the phone, but it is safer for both parties to have a full written document.
2. Confirming employment particulars in writing: Letter of employment is given to the candidate. Elements that must be considered when compiling a letter of employment. Following should be included:
   - Particulars of the candidate’s post – title and duties and the name of the position of the immediate manager
   - Remuneration – commencement salary, salary adjustment dates, deductions and bonuses
   - Hours of work – time structure of the day normal working hours, overtime, lunchtime, resting periods, work on Sundays, night shifts and public holidays
   - Leave – annual leave arrangements, payment for annual leave, sick leave, disability leave, leave associated with occupational accidents or diseases, maternity leave, family responsibility leave
   - Medical benefits – rules and requirements for membership of a medical aid scheme
   - Outside work – rules and regulations pertaining to outside work
   - Pension benefits – membership arrangements
   - Personnel evaluation – purpose, frequency and procedures of personnel evaluation, probationary period
   - Termination of service – notice, payment, severance pay and certificate of service
   - Confirmation – candidate accepts conditions of employment by signing the letter of appointment
3. Entering into a probationary period: best way to determine whether the employee can actually do the job
4. Orientating the new public sector employee: aimed to gradually (but as soon as possible) introduce the new employee to the institution. It is structured process that involves welcoming, receiving and introducing the newly appointed employee, providing them with necessary information and helping them to settle in.
STUDY UNIT 6: STRUCTURING OF LEARNING PROGRAMMES

Introduction
Gap exists between level of KSA employee have and level of KSA the post demands. This gap is eliminated through structured learning. Human Resource office will:

- Establish what employees are supposed to learn or what they should be trained in
- Plan learning opportunities in order to facilitate learning experiences for employees
- Evaluate learning opportunities to establish which ones have and have not worked

Ineffectiveness of traditional tuition:
Professional: This element focuses attention on unique skills, based on a distinct corpus of knowledge and theories. Competence: This extends the focus by referring to what a person knows and can do under ideal circumstances. This can be improved through training and development.
Reasons for ineffectiveness of traditional tuition:
1. Traditional adult education and training paradigm (instruction paradigm) is based on assumption that some people have and retain superior knowledge in relation to others. Also has assumption that knowledge imparted through formal instruction has long lifespan. Ignores rapidly changing nature of world and rate at which knowledge become outdated.
2. Criteria used to determine success of training programmes; this paradigm uses resources, quantity and quality of students entering programmes. Focuses on input of training process and not results of education and training
3. Instruction paradigm places emphasis on specific teaching and training structures such as comprehensive study materials, evaluation of learning and end-of-course assessment.

Lifelong learning:
New approach – “learning paradigm”
Purpose of learning:
- To produce learning and not merely provide instruction
- To elicit learner discovery and construction of knowledge rather than just to transfer knowledge to learners
- To create powerful learning environments as opposed to offering courses and programmes
- To improve the quality of learning rather than instruction

The learning paradigm applies the following criteria to determine the success of learning:
- Learning and students’ outputs (not inputs)
- The quality of existing (not entering) students
- The quality and quantity of outputs and outcomes (not resources)
- The aggregation of learning growth and efficiency (not of number of officials enrolling for courses)
- The quality of learners (not lecturers) and the quality of learning (not instruction)

Teaching and learning structures:
- Cross-disciplinary or interdepartmental collaboration
- Specified learning results (not complete study packages)
- External (not internal) evaluation of learning
- Pre/during/post assessment of learning (not just at the end of a course)

- Shift to learning paradigm implies a process of lifelong learning – providers are universities, technikons and PALAMA (Public Administration Leadership and Management Academy)
- Re-differentiation of boundaries between various formal providers; between formal and non-formal providers; between learning organized by institutions for others and informal learning organized by individuals and groups for themselves; and between learning as a dedicated activity and learning taking place as a result of other activities. Shift of control from provider to learner and shift from classroom to practice.
- Praxis – move away from critical thinking problem solving to critical thinking as a process in which knowledge and action are related through the process of critical reflection. > leads to authentic knowledge and autonomous action.
- Enhancement of the understanding of learners. Learning within context of application (real life experience)

Requirements apply to structured learning programmes in the work environment:
- It should make provision for learning experiences essential to successful performance in the various life roles of the learner
- It should connect to learners’ own experiences and reality to create personal relevancy.
- It should have a problem-based approach, instead of a discipline-based approach.

**Outcome-based education (OBE):**
OBE has its origin in the significance of the intended outputs as opposed to the inputs which feature heavily in the instruction paradigm.
Outcomes are demonstrations of competence – what learners can do and what they know – in settings that embody a variety of challenges. Spady (1992:7) describes an outcome as follows: a culminating demonstration of the entire range of learning experiences and capabilities that underlie it, and it occurs in a performance context that directly influences what it is and how it is carried out. These defining elements clearly tell us that an outcome is not simply the name of the learning content, or a concept, or competence, or grade or test score, but an actual demonstration in authentic context.

**Outcomes in Learning paradigm = objectives in instruction paradigm**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Focus on what the teacher or instructor will do</th>
<th>Focus on what the learning official will do</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus on what the learning official will do</td>
<td>Describe the intent of teaching</td>
<td>Describe the results of learning</td>
</tr>
<tr>
<td>Describe the results of learning</td>
<td>Focus on opportunities provided for learning</td>
<td>Emphasize how learning is used in new areas</td>
</tr>
<tr>
<td>Emphasize how learning is used in new areas</td>
<td>Require flexible allocation of time</td>
<td>Require flexible allocation of time</td>
</tr>
<tr>
<td>Require flexible allocation of time</td>
<td>Involve estimating the amount that can be learned in a given period of time.</td>
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</tbody>
</table>

Learning is designed around the outcomes. Curriculum developers work backwards from agreed desired outcomes. Learning programmes are designed to help learners achieve these outcomes.

**OBE fit into NQF (National Qualifications Framework) SAQA formulated two categories of outcomes:**

<table>
<thead>
<tr>
<th>Critical cross-field education and training outcomes: 1. ID and solve problems (responses demonstrate responsible decisions using critical and creative thinking have been made)</th>
<th>Developmental outcomes: 1. Reflect on and explore a variety of strategies to learn more effectively</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Work effectively with others as a member of a team, group, organization or community</td>
<td>2. Participate as responsible citizens in the life of local, national and global communities</td>
</tr>
<tr>
<td>3. Organize and manage oneself and activities responsibly and effectively</td>
<td>3. Be culturally and aesthetically sensitive across a range of social contexts</td>
</tr>
<tr>
<td>4. Collect, analyse, organize and critically evaluate information</td>
<td>4. Explore education and career opportunities</td>
</tr>
<tr>
<td>5. Communicate effectively using visual, mathematical and/or language skills in the modes of oral/written presentation</td>
<td>5. Develop entrepreneurial opportunities</td>
</tr>
<tr>
<td>6. Use science and technology effectively and critically (showing responsibility towards environment and others)</td>
<td></td>
</tr>
<tr>
<td>7. Demonstrate an understanding of the world as a set of related systems by recognizing that problem-solving contexts do not exist in isolation (macrovision)</td>
<td></td>
</tr>
</tbody>
</table>

**10 Possible public service skills public official should have:**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>Frontline</th>
<th>Supervisor</th>
<th>Middle Manager</th>
<th>Director</th>
<th>Chief director</th>
<th>Deputy Director General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic literacy, numeracy and</td>
<td>Required</td>
<td>Required</td>
<td>Assumed</td>
<td>Assumed</td>
<td>Assumed</td>
<td>Assumed</td>
</tr>
<tr>
<td>Communication Skills</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Judgment, integrity, self-confidence,</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
</tr>
<tr>
<td>flexibility, initiative, perseverance,</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>creativity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership</td>
<td>Teamwork</td>
<td>Teamwork and motivating</td>
<td>Providing challenge</td>
<td>Employee development</td>
<td>Organisational influence</td>
<td>Creating vision and values</td>
</tr>
<tr>
<td>Thinking skills</td>
<td>Empowered to</td>
<td>Operational problem</td>
<td>Problem</td>
<td>Integration</td>
<td>Strategic</td>
<td>Extracting meaning</td>
</tr>
<tr>
<td>Organizational awareness</td>
<td>Innovate where necessary</td>
<td>solving</td>
<td>formulation and anticipation</td>
<td>perspective</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Interpersonal relations</td>
<td>Supportive</td>
<td>Briefing</td>
<td>High-impact communication</td>
<td>Diplomacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>Required</td>
<td>Required</td>
<td>Strategic communication</td>
<td>Interpersonal versatility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action management</td>
<td>Best results come from team work</td>
<td>Co-ordination</td>
<td>Direction / delegation</td>
<td>Orchestration action</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Knowledge</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
<td>Required</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5 Life roles independent of time, technology and knowledge that a public manager could have:
1. Career - official
2. Entrepreneurial
3. Civic
4. Personal
5. Learner

A Model for systematıc learning (professional development) for PS employees:
3 phases in the Competency framework for the Senior Management Services of the SA PS.

Phase 1: The competency modeling phase:
Identify the critical competencies required for the SMS role:
- Strategic capability and leadership
- Programme and project management
- Financial management
- Change management
- Knowledge management
- Service delivery innovation
- Problem solving and analysis
- People management and empowerment
- Client orientation and customer focus
- Communication
- Honesty and integrity

Influenced strongly by The Workplace Skills Plan and should also consult with PSETA (Public Service Sector Education and Training Authority)
1 > Workplace Skills Plan: systematic process where the following are done:
   o Proper workplace planning
   o Proper analysis as input to planning process
   o ID & define skills required for position
   o Skills audit (to determine if skills needed are available)
   o Define skills training priorities
   o ID skills programmes that can address skills training need
   o Implement the workplace skills plan
   o Monitoring, evaluating and reporting of workplace skills plan

   Information contained in Workplace Skills Plan
   o Number of persons in each occupational group
   o Strategic skills development priorities
   o Qualitative information relevant to skills planning
   o Training skills needs for required period
   o Issues relating to quality assurance

   Skills audit plays important role
   o What skills exist in organisasion
How these compare with the organizational skills requirements
Priorities of skills development
How and when of skills development
Key success indicators

Consulting PSETA (Public Service Sector Education and Training Authority):
Plays a crucial role in the creation of systematic learning. Established in accordance with Department of Labour on 20 March 2000.

Phase 2: The learning phase:
Can commence after needs and gaps have been identified
  - Off-the-job learning: learning outside the direct field of application (university, technikon) should maximize the transfer of learning by:
    o Connecting learning to learner’s own experience
    o Connecting learning of new concepts and skills to application in the job situation
    o Maximize similarity between learning situation and job situation
    o Ensure all understand the general principals.
    o Design context so that trainees can see and experience its applicability.
  - On-the-job learning: at work site and focuses on the actual job. Advantages:
    o Transfer of learning is maximized
    o Full-time facilitator and separate training facilities are avoided.
    o Learner motivation remains high.
    o Employee is assimilated more quickly
  - E-learning: (valuable tool)
    o Online learning
  - Advantages of using computers as training tool.

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-paced learning</td>
<td>Computers require motivational learners</td>
</tr>
<tr>
<td>Interactive computers</td>
<td>Systems are costly to develop.</td>
</tr>
<tr>
<td>Computer-assisted instruction</td>
<td>Computer technology change rapidly</td>
</tr>
<tr>
<td>Managers / Supervisors trained in their offices</td>
<td>Widespread computer illiteracy.</td>
</tr>
<tr>
<td>Transportation &amp; lodging costs are non-existent</td>
<td></td>
</tr>
<tr>
<td>Consistent quality of instruction</td>
<td></td>
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<tr>
<td>Disruptions due to illness of instructor is eliminated</td>
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</tr>
<tr>
<td>Updates and changes can be disseminated quickly</td>
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</tr>
<tr>
<td>Retention of learning content is good.</td>
<td></td>
</tr>
<tr>
<td>Slow learners have greater chance of success</td>
<td></td>
</tr>
<tr>
<td>Customized instruction according to each learner's needs</td>
<td></td>
</tr>
</tbody>
</table>

Phase 3: The learning assessment phase:
AKA Evaluation phase: provides feedback for effective learning. Often done poorly or not at all.
4 levels of evaluation:
Level 1: Reaction > feelings about programme, typically done via questionnaire
Level 2: Learning > measures degree of mastery, assessed continually
Level 3: Behaviour changes >
Level 4: Results > impact of learning programme on organization as a whole is assessed objectively

Learning for specific groups such as newcomers: have own learning needs

Objectives of orientation training:
  - Acquaint newcomer with unfamiliar working environment as quickly as possible
  - Eliminate concerns that could arise because newcomers are afraid they will fail
  - Reduce staff turn-over
  - Save valuable time for managers
  - Prevent careless and unnecessary mistakes
INTRODUCTION

Compensation of public officials always in the news and under public scrutiny. Determining levels is no easy task. Most strikes in public sector are related to compensation.

**Concept of “compensation”**

- Compensation consists of salaries (recompense for services / labour requiring particular training and skill) and wages (paid for physical labour performed on a temporary basis).
- Compensation package includes salary/wage plus fringe benefits (incentives, merit awards, medical assistance and life assistance).

**INTRINSIC**

- More responsible
- Opportunities for personal growth
- More interesting work
- Autonomy
- Task completion

**EXTRINSIC**

- Status rewards:
  - Location of office, office furnishings, assigned parking, own secretary, public recognition, commendations, convenience services
- Social rewards:
  - Praise, compliments, friendly greetings, dinner invitation, pat on the back, social gathering.

**FINANCIAL**

- Performance related:
  - Commission, performance bonuses, merit pay, incentive schemes, achievement awards, stock ownership, share options
- Membership related:
  - Basic salary, retirement benefits, car allowances, medical aid, thirteenth cheque, subsidized canteen, vacation, profit sharing, work-life programmes

**NON-FINANCIAL**

- Status rewards:
  - Location of office, office furnishings, assigned parking, own secretary, public recognition, commendations, convenience services
- Social rewards:
  - Praise, compliments, friendly greetings, dinner invitation, pat on the back, social gathering.

Intrinsic = self-administered rewards associated with the job itself. Not in direct control of management.

Extrinsic = includes all rewards employee receives from sources other than the job itself. Large degree of control by institution.

Definition of Compensation: the financial and non-financial extrinsic rewards provided by an employer for the time, skills and effort made available by the employee in fulfilling job requirements aimed at achieving institutional objectives.

**Objectives of compensation:**

Guidelines that determine the nature of a reward system.

1. **Attracting the right quality of applicants:** organisations that give the greatest rewards attract the most applicants and can recruit the best qualified staff. Use salary surveys to ensure market related salaries.
2. **Retaining suitable employees:** must provide sufficient rewards for valuable employees to remain
3. **Maintaining equity among employees:** equity (perception of fairness in distribution of rewards). One of most important objectives. Different types of equity:
   - External equity: compare with similar jobs across labour market
   - Internal equity: different jobs in the same institution (relative worth to the company) – income differentials is relevant
   - Individual / procedural equity: employee’s compensation is reflective of contribution of employee.
4. **Rewarding good performance and providing incentives for desired behaviour:** reward system structured to encourage employee behaviour directed towards improving corporate performance and achieving specific aims.
5. **Maintaining cost-effectiveness:** single largest operating cost of an organisation. Should be designed and assessed from cost-benefit perspective.
6. **Complying with legal requirements:** must comply with legislative regulations and collectively bargained agreements.
7. **Providing for flexibility and administrative efficiency**: to prevent bureaucratic rigidity and to allow alterations relative to the market rates.

**Determining a comprehensive compensation policy**

Public sector must implement sound policy. Policy should provide guidelines for compiling a compensation plan and indicate factors to be considered. Compensation policy directions do not exist in isolation.

- The fundamental compensation policy includes the following:
  1. Definition of the nature and purpose of earnings
  2. Determination of basic compensation levels and fringe benefits
  3. The institutional framework within which compensation levels and fringe benefits are determined

- Secondly, implementation of a compensation policy and inclusion of the wage and salary structure (scales linked to individual posts with highest and lowest indicators)

**Compensation policy areas:**

1. **Pay level**: concerns external competitiveness (lead policy – pays at higher rate than its competitors, match policy – most common, employer pays at market median (50%) or lag policy)
2. **Equity**: to what degree will institution strive or internal equity
3. **Performance-related rewards**: how should achievement be rewarded, what roles should incentive and bonus schemes play
4. **Market rate policy**: to what extent should market rate pressures be allowed to affect salary structure
5. **Salary structure**: what structure is required to ensure consistency and equitability.
6. **Control**: amount of freedom given to individual managers to influence salaries of their staff
7. **Total package**: best reward mix of basic pay, benefits and incentives for various category of employee
8. **Communication**: how much information should be made freely available to employees / representatives

**Influences on compensation policies:**

<table>
<thead>
<tr>
<th>EXTERNAL:</th>
<th>INTERNAL:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government legislation</td>
<td>Ability to pay</td>
</tr>
<tr>
<td>Economy</td>
<td>Level of productivity, profitability, size, competitors.</td>
</tr>
<tr>
<td>Labour markets</td>
<td>Employee needs</td>
</tr>
<tr>
<td>Trade unions</td>
<td>Employee needs differ in terms of compensation preferences.</td>
</tr>
<tr>
<td></td>
<td>Younger need more cash. Need to build some sort of choice structure into compensation packages.</td>
</tr>
<tr>
<td><strong>Economy</strong>: broad economic conditions such as high levels of inflation, recessionary periods, cost of living in different parts of the country, level of employment</td>
<td><strong>Job requirements</strong>: requirements in terms of skill level of employees.</td>
</tr>
<tr>
<td><strong>Labour Market</strong>: forces of supply and demand. Unions (organised labour) can significantly impact determination of wage levels.</td>
<td><strong>Strategy, culture and values</strong>: pay policies should support institution’s strategic objectives. Values may impact compensation policies.</td>
</tr>
</tbody>
</table>
Four basic tools or technical elements to be used in the design of a compensation system:

<table>
<thead>
<tr>
<th>JOB ANALYSIS</th>
<th>JOB EVALUATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Basic building blocks for compensation system</td>
<td>• Systematic process of determining the value of each job in relation to other jobs in the institution</td>
</tr>
<tr>
<td>• Purpose 1: to identify important characteristics of each job for job evaluations</td>
<td>• Purpose: to rank jobs within hierarchy that reflects the relative importance/worth of each job within the institution</td>
</tr>
<tr>
<td>• Purpose 2: to identify, define, weigh the compensable factors (shared characteristics of jobs that provide basis for judging job value)</td>
<td>• Essentially a process of comparison</td>
</tr>
</tbody>
</table>

PAY SURVEYS
- Determining a pay rate for the grades
- Provides information on the way in which other employers compensate similar jobs and skills
- Enables institution to maintain external equity

PAY STRUCTURING
- Process where information obtained from job evaluation is combined with information from pay surveys to establish pay structure
- Consists of pay scales, graded salary structures
- Also consideration is the pay slope, number of pay grades, range of each pay grade, degree of overlap

Elements of a compensation system
Main point of departure is equal pay for equal work. Other elements as well:

1. Applying particular criteria for determining compensation level:
   a. Compensation levels should promote efficiency: higher compensation does not necessarily mean increased productivity. Compensation should be maintained at a level that is fair and equitable. Regard needs and expectations of officials. Compensation levels needs to be at a level to attract the right caliber and stature of personnel to ensure efficient service.
   b. There should be fair and reasonable correspondence between compensation of public servants and employees in the private sector: Entire compensation package should be considered including fringe benefits (such as pension, medical aid, housing subsidies, sick leave, and vacation leave).
   c. Compensation correlations should be realistic: vertical and horizontal relations should be taken into account. Vertical correlations concern grades within operational classes, horizontal correlations refer to comparable ranks at the same level of different hierarchies.
   d. Cooperation of interest groups is desirable when compensation is determined: Compensation of public servants is subject to decisions of executive and legislative authorities. Joint consultation also plays a role (although they will never have a conclusive say). They make proposals bases on factual information.
   e. Compensation should be determined by a central human resource institution: the Department of Public Service and Administration is provided with the authority to determine compensation levels. It ensures the relevant attention is given to work requirements, personal specifications. Facilitates the task of the legislative authority by providing insight into the purposes for which funds are requested.

2. Undertaking job analysis and evaluation
3. Obtaining information on compensation structure: economic factors influence compensation. With graphs and extrapolations, predictions can be made about the purchasing power of money. Predictions can be made using the price index and the purchasing power of money.
4. Developing salary structures
5. Obtaining particulars of bonus schemes: other bonuses can be used to achieve higher production (incentive bonuses). Sometimes not paid in monetary terms but in time off.
6. Determining what fringe benefits are available: one of strongest motivators in work situation. Some of the contractual fringe benefits officials in the South African public sector receive are probably among the best in the Western world. Subsidized housing, medical aid scheme, transport, insurance, etc. These schemes satisfy officials and show them that authorities are aware of their sacrifices and are prepared to provide financial compensation.

Advantages and disadvantages of performance driven compensation

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Worker is compensated according to systematic assessment of work performance associated with post level, bonus can also be offered</td>
<td>• There may be difference of opinion about the factors considered to determine performance and how the factors are assessed.</td>
</tr>
<tr>
<td>• Performance factors from which the worker’s contribution to the institution’s activities are determined and evaluated</td>
<td>• The impression may be gained that bonus payments are too infrequent to be regarded as direct incentive.</td>
</tr>
<tr>
<td>• Principles can be used to motivate the worker (especially where it is difficult to determine the level of performance)</td>
<td></td>
</tr>
<tr>
<td>• Factors not readily accounted for in the compensation system are rewarded</td>
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</tbody>
</table>