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TO: PUBLIC SERVICE COMMISSION, C/O BINDISO MFENYANE  
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WOMENS LEAGUE, C/O BALEKA KGOTSISILE  
FM: TREVOR MANUEL, DEP  
DATE: 29 OCTOBER, 1992

SUBJECT: UNDP RECONNAISSANCE MISSION TO SOUTH AFRICA

In my discussion with Mr David Macadams of the UNDP today I was handed the attached draft Terms of Reference were handed to me. In addition, I was informed that Mr Clay Wescott, a senior UNDP staffer, who will comprise the 'mission' will be in Johannesburg on Tuesday 24 November. I have therefore taken the liberty to convene a meeting with him for 151100 on 24 November, probably in the 10th floor Boardroom.

The mission intends to look briefly at the Public Sector. I have invited departments with an interest in the issue, both in narrow terms and in respect of affirmative action.

Please accept this as an initial invitation. I will communicate with invited departments closer to the date.

I thank you.

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Trevor Manuel

Head: Department of Economic Planning

The People Shall Govern!

DRAFT TERMS OF REFERENCE  
AN MDP RECONNAISSANCE MISSION  
TO

SOUTH AFRICA  
SEPTEMBER, 1992

The purpose will be to discuss with the UNDP Focal Point for South Africa, with officials of major political parties, with NGO representatives, and with Government officials the possibilities for helping to formulate a management development programme (MDP) for South Africa.

As South Africa makes its transition to majority rule, the need to rapidly transform the civil service becomes urgent. Today, out of 2,885 top civil servants, only 14 are blacks. Although 61 per cent of South Africa's 1.8 million public employees are non-white, most are in low-level jobs. According to one estimate, whites make up 75 per cent of administrative jobs and 73 per cent of clerical jobs, and many of these have a vested interest in blocking reform.

Progress to redress this imbalance, without unduly expanding the size of an already large public sector, will be a crucial challenge determining the success of the transition to majority rule.

Efforts to date have been minimal. The ANC presently has 20 of its officers training in Britain, another 20 in Sweden, and more in the US. The Government's own training institute trained 11 senior managers last year, 1045 mid-level ones, and 3400 junior managers. Yet in one recent class, only 12-14 out of 50 trainees were black.

During the 1950s, South Africa's english-speaking universities stopped offering public administration training. However, a consortium is now being formed of 4 - 5 such universities to offer such training during the transition to majority rule. The Commonwealth Secretariat plans to support this consortium.

Even if non-white management training can be greatly accelerated, there will be an issue of where to absorb them in a public sector already too large by many accounts. The present Government would not accept a new political arrangement that did not provide job security for its current civil servants. The present situation in Namibia points to a possible scenario to avoid: adding large numbers of new non-white posts to an already large service, creating an unsustainable financial drain on the public treasury.

The MDP discussed these issues with a visiting ANC delegation in May, and there was broad agreement on the following approach. Although UNDP's MDP has no magic recipe for addressing these

issues, it can draw on its experience with major reform programmes 'in 48 countries around the world. The Mission would draw on this experience to carry out two major tasks:

1.

following principles:

Training Needs Assessment The Mission will determine:

A. How many non-whites in the public service could potentially move into managerial positions with proper training?

B. Where else could potential non-white public sector managers be found?

C. What types of training would be needed for each group?

How long would courses have to be?

D. What is the local capacity for such training? What should the mix be of pre-induction, on-the-job, and in-service training? Among possible providers, consider the consortium of universities mentioned above, and in particular the University of Natal Business School.

B. What are the next steps? What should the role be of the Patriotic Front? Of other major Parties? Of the South African NGOs? Of the Government? Of UNDP and other donors? Public Sector Retrenchment Planning

A. What is the present annual rate of attrition of public sector managers?

B. What was the attrition rate during the most recent period of high economic growth?

C. Based on past trends and the opinions of informed participants, how is the attrition rate likely to change over the next five years?

D. Have there been any public sector retrenchment exercises during the last five years? If so, what incentives were offered such as cash payments, outplacement services, or loans?

E. Are there opportunities for improved personnel management systems to facilitate the transition over the next 5 years?

F. What are the next steps? What should the role be of the Patriotic Front? Of other major Parties? Of South African NGOS? Of the Government? Of UNDP and other donors?

In carrying out its work, the Mission will be guided by the

1 (a) The main purpose is to define a coherent set of measures for strengthening non-white participation in public sector management' in areas of priority concern, and improved programme delivery to non-whites.

(b) The purpose of the MDP intervention is sustainable improvement in the performance of the public sector. The long-term aspect of the improvement should be stressed.

(c) Any improvements will only be sustainable if the assisted institutions internalizes the process of change. The first question should therefore never be what aid projects can be developed, but what needs to be done. The second question is: does it require any input from outside?

(d) Sometimes improvements will require conventional, well-designed assistance projects. However, UNDP seeks new and unconventional approaches that can answer the question: How can UNDP help the internalized process of change?

(e) UNDP advocates a comprehensive approach to management improvement in the public sector. How can UNDP help Government in this direction?

(f) The particular needs and underutilized potential of women in South Africa should be given explicit consideration, as in other UNDP programs.

Two international management consultants will work with two national management experts for four to five weeks in South Africa. At least one consultant should be a woman.

#### Format

An aide memoire should be submitted to the UNDP Focal Point before leaving the region. A final mission report should be submitted to UNDP/New York no more than 2 weeks after the conclusion of the mission. All reports should meet the following standards:

(a) They should be free of spelling and grammatical errors.

(b) All acronyms should be written out in full the first time they appear in the text, and should be listed together in a separate section.

(c) Reports submitted to MDP, New York, should be submitted both in hard copy and on 3 1/2 inch disks in Wordperfect format. In addition, any numerical tables or budgets should be submitted in Lotus 123 format.