

## CHAPTER 19

### PUBLIC SECTOR MANAGEMENT

#### INTRODUCTION

19.1 The Public Sector is the principal actor in macro socio-economic policy making infrastructure and an architect of an enabling environment for national development. Public Sector management covers such aspects of management as productivity management, and management of human, financial and other resources. It involves an array of activities ranging from planning, formulation and implementation of policies, programmes and projects for the delivery of goods and services to the nation through a number of government and quasi-government institutional arrangements. Consequently, it is imperative that the structures, policies and operations of the Public Sector respond adequately to the socio-economic needs of the nation, as articulated in the Vision 2016, and to global challenges. This implies that the quality of the Public Sector management is essential to the fulfillment of the theme of the National Development Plan 9: 'Towards Realization of the Vision 2016: Sustainable and Diversified Development through Competitiveness in the Global Market'.

19.2 The Directorate of Public Service Management is mandated to provide the overall policy framework in human resource and productivity management practices. This chapter will, therefore, restrict its discussion of the role of the Directorate of Public Service Management in the management of the

Public Sector to the areas of human resource and productivity management. Human resource and productivity management policies and practices are to be used in the Public Sector for effective management of the human capital and other resources required to deliver the National Development Plan goals, and ultimately achieve the national aspirations as enshrined in the Vision 2016. The extent to which the goals of the National Development Plan 9, and consequently those of the Vision 2016, are achieved is dependent on how effectively the human and other resources will be applied to the delivery of the planned programmes. It is, therefore, necessary that the envisaged Public Sector management policies and strategies be succinctly spelt out in the National Development Plan 9.

19.3 The implementation of the human resource management policies and other management practices in the Public Sector, developed within the macro policy framework provided by the Directorate of Public Service Management, are done through institutional arrangements with specific focus and clientele. This is intended to cater for the special needs of the components of the Public Sector and eventually catalyze the enablement of business environment for national development.

## **Institutional Framework**

19.4 The institutional framework for the Public Sector includes the Directorate of Public Service Management; ministries and independent departments; parastatal organizations; Department of Local Government Service Management (DLGSM), in the case of the Ministry of Local Government; and the Teaching Service Management (TSM), in the case of the Ministry of Education. The detailed mandates of these institutions are given below.

### **Local Government Service**

19.5 This is catered for by the Department of Local Government Service Management (DLGSM). The Department has statutory responsibility, derived from the Local Government Service Act, for the formulation and administration of human resource management policies and other conditions of service for the Local Authorities, within the general policy framework defined by the Directorate of Public Service Management. The review of the performance of the Department and the Local Authorities during the NDP 8 is covered under Chapter 20 on Local Government.

### **Teaching Service**

19.6 This is served by the Teaching Service Management, which has a statutory responsibility, derived from the Teaching Service Act, for the formulation and administration of human resource management policies and other conditions of service for primary and secondary school teachers. The review of the performance of the Teaching Service Management during the NDP 8

is covered under Chapter 15 on the Ministry of Education.

### **Parastatal Sector**

19.7 The parastatal sector is part of the broader Public Sector and consists of quasi-governmental organizations and government agencies, many of which were created or established through Acts of Parliament. Parastatal organizations exist to provide goods and services, which Central Government is not well placed to provide. Government holds equity in most parastatal organizations and is represented in the Boards that run them.

19.8 Given the statutory responsibilities of the parastatal organizations, which has a bearing on the image of the public sector, Government has direct interest in ensuring that they operate in a manner that satisfy their statutory responsibilities and the expectations of their stakeholders. Consequently, the Government decided, during NDP 7, to establish the Public Enterprises Monitoring Unit whose mandate, among other responsibilities, is to analyze and advise on the financial performance of Public Enterprises and suggests measures for improving their efficiency. Government also passed a Privatization Policy during NDP 8, which resulted in the creation of the Public Enterprises Evaluation and Privatization Agency (PEEPA). The objective of the policy is to enhance and improve the efficiency of public enterprises.

19.9 Both the Public Enterprises Monitoring Unit (PEMU) and the Public

Enterprises Evaluation and Privatization Agency (PEEPA) being Government agencies responsible for the management of the parastatal sector, are to manage the parastatal organizations based on the broad management framework defined by the Directorate of Public Service Management. The review of the performance of parastatal organizations during NDP 8 is covered under the chapters of the ministries under which they fall.

### **Public Service**

19.10 The Public Service consists of all ministries and independent departments in Central Government. The Directorate of Public Service Management, however, has the statutory responsibility for administering the public service in terms of the Public Service Act. The Directorate of Public Service Management falls under the Ministry of State President. Its principal role is to manage and co-ordinate human resource activities in all government ministries and departments. The ultimate objectives are:

- To provide a stable, reliable and impartial public service to the government of the day;
- To increase the efficiency and effectiveness of the government by providing quality human resource input, so that the government's multifarious services to the public, and its national development activities are implemented;

- To effectively manage the public service within the framework of good service to the public, concern for the welfare of employees, adherence to the Public Service Act and attainment of the national social-economic development objectives.

In carrying out its mandate, the Directorate of Public Service Management is also guided by its Vision, Mission, Values and Strategic Plan.

19.11 The DPSM also has responsibility for Botswana Institute of Administration and Commerce, which is largely responsible for in-service training in the Public Service, the Botswana National Productivity Centre and the Institute of Development Management. These institutions are also the channels through which modern management practices are introduced in the Public Sector by way of building the capacity of the public officers in management and administrative skills.

19.12 As stated above, the review of the implementation of human resource management policies and modern management practices and their impact on service delivery by the other components of the Public Sector are covered under respective ministerial chapters. Reviewed below, therefore, are those policy areas, which were planned for implementation by the Directorate of Public Service Management either directly or through coordination of other sectoral interventions.

## **REVIEW OF PERFORMANCE DURING NDP 8**

19.13 During National Development Plan 8, a number of initiatives were undertaken to improve productivity and efficiency in the Public Service. These initiatives included the introduction of Public Service Reform Programmes, as well as improvement in human resource management policies and strategies. The review indicates what was planned for the plan period, what was achieved under each planned programme, the challenges that were faced during the implementation of the programmes and those aspects of the planned programmes to be carried forward for implementation during the National Development Plan 9.

### **The Public Service Reform Programme**

19.14 The Public Service Reform Programmes includes Performance Management System (PMS); Work Improvement Teams (WITS); Computerized Personnel Management System (CPMS); Organization and Methods (O&M); Privatization; Performance Based Reward System (PBRs); Parallel Progression; Scarce Skills; Job evaluation; Localization; and Decentralization.

19.15 The functions of the Performance Management System, Organisation and Methods Reviews and Work Improvement Teams are different but complementary strategies aimed at improving productivity in the Public Service. Whereas PMS is primarily concerned with the formulation and implementation of short to long-term plans for improving productivity, O&M Reviews are aimed at the achievement of Government plans and policies by

clarifying and aligning ministerial goals, objectives and functions to organisational structures. WITS, on the other hand, is a strategy, which is used to detect and solve problems, resulting from implementation of policies and programmes.

### **i) Performance Management Systems**

19.16 The system is intended to facilitate the introduction and management of change in ministries and departments, as well as instil a culture of managing performance and producing results as expected by the nation. Its main objectives are to improve individual and organisational performance in a systematic and sustainable way; to provide a ministerial planning and change management framework that is linked to the Government planning and budgeting processes; and to enable Government to improve performance and enhance its capacity to provide efficient service delivery to Batswana. PMS is, therefore, a strategy that helps ministries and independent departments to define their future and design how to reach the desired destination.

19.17 The Performance Management System was introduced in all ministries and departments during NDP 8, through a five-year project, which started in 1999, and ends in 2004. The main activity was the installation of the System, which comprised training the public service leadership on PMS and change management, development of the public service vision, ministerial vision statements and strategic plans, and the development of annual performance

plans (APPs) to deliver the strategies. To date, all ministries and independent departments have developed their strategic plans and annual performance plans (APPs).

19.18 To effectively manage their strategic plans, ministries and independent departments are to measure their performance and review their progress quarterly. Most ministries and independent departments carry out quarterly reviews. However, most of them have not been able to measure their performance using the standard measurement tools. The problem has been identified and addressed and ministries are to start measuring their performance to support their reviews from now through to NDP 9 period.

19.19 Ministries and independent departments were also required to cascade PMS philosophy and principles down to the lowest levels, after developing their corporate strategic and annual performance plans, to enable their staff to understand, appreciate and support PMS initiatives. The rate of cascading PMS has varied from one organization to another, depending on their capacity to undertake this. However, in the majority of cases, education and PMS awareness has not effectively reached the staff at the middle and lower levels of the ministries. The cascading process is scheduled for completion during NDP 9, while the education process will continue throughout the project period.

19.20 Other PMS activities planned for implementation during the NDP 8 include introduction of PMS to Local Authorities, development of Performance based reward system,

review of the performance appraisal instrument and mid-term evaluation of the PMS project. The process of introducing PMS to Local Authorities, which is considered to have greater impact on overall government service delivery, has been started and will take most part of NDP 9. The development of performance based reward system; performance contract and review of performance appraisal instruments have also started and are to be completed before the end of NDP 8. Mid-term evaluation of the PMS project has been undertaken. The result of the evaluation, which was conducted after two and half years into the implementation of the project, indicated that the project is generally well on course. However, a number of recommendations were made to facilitate effective and focused implementation of the project. The recommendations have been accepted by the government and have been programmed for implementation from now through to NDP 9.

19.21 The major challenge faced during the implementation of PMS was the entrenched paradigms among some leaders, which tended not to support the introduction of PMS in ministries. PMS was viewed by such leaders as another programme destined to fail. This slowed down the implementation of the programme. The other major challenge was the difficulty that ministries faced generally with the application of the measurement tools. This has been addressed and it is hoped that ministries will be able to apply the tools from now onwards. However facilitating ministries in the use of measurement tools will continue during NDP 9.

19.22 The other big challenge is the public expectation for better service delivery by the Public Service since the introduction of PMS. This expectation has not been met and it is the concern of the government that reasonable progress is made during NDP 9. The introduction of PMS at the Local Authority level and the decision by ministries to concentrate service delivery on key priority areas among other strategies will help to address this concern.

## **ii) Work Improvement Teams**

19.23 The WITS strategy was introduced in the Public Service in 1993. The strategy seeks to foster team spirit, commitment to work and a mindset that seeks excellence. It is one of the strategies used in PMS to facilitate the identification and solution of problems at the operational level in ministries and independent departments.

19.24 Training of WITS members, together with the execution of projects continued during NDP 8. To date, 565 facilitators and well over 2,500 team leaders have been trained. More than sixteen WITS awareness sessions have been held for top managers, while 1,000 teams have been registered compared to the planned 1150. Over 700 projects have been undertaken of which more than 400 have been completed. As a way of publicizing the WITS programme and the benefits it can bring, a national convention has been held annually for the past five years. The annual event has also been used to reflect on the progress made and challenges encountered in the implementation of WITS during the year under review.

19.25 The Commonwealth Secretariat evaluated WITS programme in 1998 and valuable recommendations were made for its improvement. Since then there have been signs of positive work culture, commitment to work and concern for customers' needs, which is evolving in those ministries and departments that have taken WITS seriously. For instance, the impact of the application of WITS principles has been remarkable at the Botswana Police Force as evidenced by public acknowledgement of the quality of their service delivery. The application of WITS principles to improve service delivery by ministries and independent departments will be promoted vigorously during NDP 9 period. To ensure that WITS is effectively used in the Public Service, more focus will be put on monitoring its impact on service delivery.

19.26 The introduction of PMS posed a serious conceptual challenge to WITS because it was generally believed that PMS would replace WITS. This was based on the misunderstanding of the functional relationship between the two reform strategies. WITS and PMS are two sides of the same coin and as such a decision has been made to integrate them so that the two strategies can be used effectively to achieve the best performance result for the organizations.

## **iii) Computerisation of Personnel Management Systems**

19.27 In 1997, the Directorate of Public Service Management embarked on the computerisation of all the personnel records and posts in the Public Service through the Computerisation of Personnel Management System (CPMS) Project. The project involves the

installation of human resources applications and it comprises four different phases, namely:

- o Pilot Phase
- o Roll-out Phase
- o Enablement Phase and
- o Enrichment Phase

19.28 The pilot and roll out phases have been completed. Work has started on the Enablement Phase and will continue into NDP 9. The completion of the roll out of the system has resulted in the establishment of a core human resource management system in every ministry and independent department. Each Human Resource Officer in government now has a Personal Computer (PC) connected via the Government Data Network (GDN) to the Computerised Personnel Management System. Approximately 400 Human Resource Officers in ministries and independent departments have been trained in the use of the Lotus Notes e-mail, Infinium Human Resource system and the online DPSM policy database.

19.29 Despite the progress made so far, difficulties continue to be encountered in the usage of the Computerised Personnel Management System. Some ministries do not regularly update data on the system with all the changes taking place. This affects the quality of data. Ownership of the system by ministries is still a challenge and DPSM is continually encouraging them to take full responsibility for the ownership of the information and the system. There have also been some instances where officers who were trained and re-trained on the system have been assigned other duties thus affecting the management of the system. DPSM has put appropriate

measures in place to address these problems.

19.30 The Teaching Service Management, the Botswana Police Service and the Local Authorities are also computerising their human resource management systems. As a long-term strategy to ensure the sustainability of the systems, in terms of maintenance and operational costs and to ensure maintenance of data-quality, the departments are co-operating with the Accountant General to develop a system interlinking the payroll and the human resource management systems.

#### **iv) Organisation and Methods (O&M)**

19.31 Organisational reviews are used to align ministerial goals, objectives and functions with its vision and mission and determine the core functions of a ministry, thereby facilitating the identification of functions to be considered for privatisation, commercialisation and contracting out. It also involves the review of ministerial policies and procedures and re-engineering of its processes to facilitate effective implementation of its mandate. It, therefore, facilitates effective management of organizations through rationalisation of their organisational structures. This function supports Performance Management System because it provides an enabling environment for its implementation.

19.32 A review of overall government portfolio responsibilities was undertaken during NDP 8. The purpose of the review was to identify, rationalise and regroup related sectoral portfolio responsibilities as well as eliminate duplications and overlaps of government

portfolio responsibilities across ministries. In addition, O&M reviews were conducted and finalised during NDP 8 for the following institutions: Administration of Justice; Ministry of Foreign Affairs and International Cooperation; Student Career Services; Grants and Loans; UNESCO; Social Services; Prisons and Rehabilitation; Government Aided Training Institutions (BIAC); Ministry of Trade and Industry; National Registration; Lands and Housing, Environment, Wildlife and Tourism; and Labour and Social Security.

19.33 Work is currently in progress on the O&M reviews of the Ministries and Departments of Local Government, Agriculture, Health, Directorate of Public Service Management, Office of the President, Health, Architecture and Building Services and Electrical and Mechanical Services. Work is about to start on the O&M review of the Departments of the Auditor General and Attorney General's Chambers. All these reviews are to be completed during NDP 8. More reviews will be carried out during NDP 9 as most ministries and independent departments align their structures and functions to their mission.

19.34 Due to increased demand for restructuring by ministries and departments and capacity constraints, the Directorate has allowed ministries and departments to engage private management consultants. To facilitate this, the Directorate has developed comprehensive guidelines for the management and monitoring of private management consultants in order to ensure value for money to government.

19.35 The impact of past O&M reviews on the performance of ministries and departments has not been evaluated owing to the absence of a proper monitoring and evaluation mechanism. Following O&M reviews, most ministries tended to implement only those recommendations that would give them more resources, particularly more posts, at the expense of other equally important recommendations, thus affecting the intended result of the reviews.

#### **v) Privatisation**

19.36 The government embarked on privatisation so as to improve productivity and efficiency in the delivery of services by the public sector. Privatisation entails divesting non-core functions to the private sector, while Government remains with the responsibility to provide an enabling environment, infrastructure and essential services like health, education and transport.

19.37 The contribution of the Directorate of Public Service Management to the privatisation policy goals is through its involvement in the implementation of PMS strategy and O&M reviews of ministries and independent departments. PMS strategy and O&M help ministries and independent departments to establish their core business and identify those functions which can be considered for privatisation, commercialisation and outsourcing.

#### **vi) Performance Based Reward System (PBRS)**

19.38 Performance Based Reward System (PBRS) is intended to link individual employee performance to rewards so as to facilitate retention of good officers, encourage good performance, and discourage poor or non-performance. Work on the

development of PBRs is scheduled for completion before the end of NDP 8, while the actual implementation of the system will be done during NDP 9.

#### **vii) Performance Contract**

19.39 The development and implementation of PBRs is intended to facilitate the introduction of performance contract for senior officers in the Public Service. The implication of this will be that employment in the Public Service for this category of employees will be based purely on performance and delivery as per their contract. The development of performance contract system will be concluded during the NDP 8 and implemented during NDP 9.

#### **viii) Performance Appraisal**

19.40 For effective management of performance based reward system and performance contract, an appropriate performance appraisal instrument is required. The current performance appraisal instrument is being revised to facilitate this. The revision will be completed during the NDP 8, while its implementation will be done during NDP 9.

#### **ix) Training and Localisation**

19.41 Localisation targets have continued to be difficult to meet during NDP 8. The reasons for this are that:

- (a) Government continues to lose skilled and educated manpower to other sectors of the economy, which offer higher remuneration packages than government; and

- (b) In the past three years, the economy has been losing skilled manpower through death.

This has resulted in situations where Government is compelled to recruit expatriates, thus worsening the localisation situation.

19.42 The focus of training during the NDP 8 has been to redirect the placement of trainees to in-country training and the region in order to reduce the costs of training to Government and provide training for more public officers. This strategy will continue to be pursued during NDP 9.

#### **x) Decentralisation of Human Resource Management Functions**

19.43 Decentralisation of human resource management functions from the Directorate of Public Service Management (DPSM) to ministries was another reform implemented during NDP 8. It covered human resource functions for posts up to D1 level. The primary objective of the decentralisation was to give Permanent Secretaries full control on all matters relating to the management of human resource in their ministries. This has enhanced effective and timely decision making on staff matters at ministry level. An evaluation of the impact of the decentralization process will be done during NDP 9.

#### **xi) Decentralization of other functions**

19.44 To empower Permanent Secretaries to effectively deliver on their strategic plans, it was resolved by the Productivity Improvement Committee (PIC Force) that certain functions of the Ministry of Finance and Development Planning; Ministry of Works, Transport and Communication; State President;

Ministry of Lands and Housing, Ministry of Environment, Wildlife and Tourism; Ministry of Labour and Home affairs; and Attorney General Chambers be decentralized to other ministries and departments. It is anticipated that the envisaged decentralization will start before the end of the NDP 8 and continue during NDP 9.

#### **xii) Parallel Progression Scheme**

19.45 The parallel progression scheme was introduced during NDP 7. Its objective was to improve career prospects for Artisans, Technicians and Professionals and retain them in the Service. A review was undertaken during the NDP 8 to establish whether the Scheme met its primary objective or not, following which Government decided to abolish the upgrading of posts under which officers used to be automatically promoted. However, the salary structures developed under the parallel progression scheme have been retained as they offer better career progression paths for technical and professional cadres.

#### **xiii) Scarce Skills Grades Scheme**

19.46 Government took a decision in 1998 to introduce scarce skills grades in the Public Service. The introduction of the scarce skill grades was in recognition of the need to attract and retain local personnel with certain critical and rare skills.

19.47 However, the introduction of the scheme overlooked certain critical factors in the determination of scarce skill grades and the identification of cadres that were to benefit from those grades. This resulted in many

inconsistencies in the implementation of the scheme, which distorted the Public Service salary structure. For example, it excluded other cadres that qualified while including some that should not have qualified. This caused widespread disgruntlement amongst public officers, and in some instances, litigation against Government.

19.48 In view of the problems encountered, Government decided to abolish the scarce skills grades and replace it with a scarcity allowance. A scarce skill compensation scheme, which will have a firm criterion for determining occupations in the Public Service that should attract payment of scarcity allowance as well as the rates to be paid as scarcity allowance will be developed. The process to establish the scheme has started and will be implemented during NDP 9

#### **xiv) Job Evaluation**

19.49 Government introduced a Job Evaluation System called Patterson Decision Band System in 1988. The system uses decision making to measure the relative responsibilities of jobs.

19.50 The Job Evaluation System has not been evaluated since its introduction to determine its strengths and weaknesses. Government has, therefore, decided that the system be evaluated to determine its relevance in view of the developments that have taken place over time. This will be commenced during the NDP 8 and completed during the course of NDP 9.

19.51 The 1998 Salaries Review Commission and a consultancy that was commissioned in 2001 to review the

salaries and allowances in the Public Service recommended the establishment of a pay structure peculiar to the Botswana Police Service. In addition, the Consultancy recommended the inclusion of Botswana Prisons Service, Teaching and Health Services in the review. It also recommended the review of the job evaluation system currently being used in the Public Service.

19.52 The process of establishing a pay structure for the Botswana Police Service, Botswana Prisons Service, Health service personnel, and teachers is in progress and is scheduled for completion before the end of NDP 8.

#### **HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT POLICIES AND STRATEGIES**

19.53 These policies include those on Remote Area Service Allowance; Public Officers Pension Scheme; Early Exit; and Industrial and Employee Relations. These policies were reviewed in an effort to produce human resource management policies that would facilitate the attraction and retention of qualified and competent public officers.

##### **i) Remote Area Service Allowance (RASA)**

19.54 The Remote Area Service Allowance was introduced in 1996 to replace Local and Frontier Allowances. The purpose of RASA is to induce public officers to work in remote areas and to cushion them against severe hardships experienced in such areas. Such hardships relate to the availability of and accessibility to health,

educational facilities and other social amenities.

19.55 The major challenge with the implementation of RASA is that the parameters that were established at the beginning of the Scheme may no longer be relevant or appropriate. The policy will, therefore, be reviewed during the NDP 8 to establish the appropriateness of the parameters or the relevance of RASA in view of the developments in the areas of the country that used to attract RASA.

##### **ii) Public Officers Pension Scheme**

19.56 The Botswana Public Officers Pension Fund commenced on the 1<sup>st</sup> April 2001. Government contributes 17.5% whilst Public Officers 2.5% for the first two years, i.e. up to 31<sup>st</sup> March, 2003. From 1<sup>st</sup> April 2003 Government will contribute 15% whilst Public Officers contribute 5%. The scheme covers the whole Public Service, including Central Government, Local Authorities, Teaching Service, Botswana Defence Force, Botswana Police Service and Botswana Prisons Service. The membership of the Scheme stood at 21633 as at 1<sup>st</sup> April 2002.

##### **iii) Early Exit Policy**

19.57 Government approved a privatisation policy during NDP 8 with a view to improving Public Service efficiency and productivity by making the Public Service concentrate on its core functions and leave the other functions to be provided by the private sector.

19.58 Privatisation will involve corporatisation of government

departments; the use of leases and management contracts; and partial or in some cases full transfer of ownership to the private sector. When such transformation process takes place in a ministry or department, it is likely to necessitate termination of services of some of the staff in the affected ministry or department. To ensure that the affected people do not lose their benefits, the Government is developing an early exit policy, which is to be finalised before the end of NDP 8 and implemented during the course of NDP 9.

#### **iv) Industrial and Employee Relations**

19.59 Government planned to promote, during National Development Plan 8, good employee relations at all levels of the Public Service through the establishment of well structured consultative machinery. This was intended to facilitate effective management of labour disputes and collective bargaining process. The establishment of the consultative machinery included the resuscitation of the consultative structures at the local and regional levels i.e. at the Regional and Local Works Committees. It also included making the District Commissioners the chairpersons for the Regional Works Committees, which have been incorporated into the District Development Committee annual program.

19.60 Documentation and evaluation of the staff inspections policy, and the review of inspection processes and procedures are some of the activities that are being implemented during NDP 8 and are to be concluded during NDP 9.

19.61 Major implementation challenges faced during NDP 8 included persistent demand by the union for the review of minimum wage for the industrial class employees to unsustainable levels, and unresolved labour disputes.

#### **v) Others**

19.62 The other policies which were dealt with during NDP 8 include the review of some sections of the Public Service Act to facilitate the decentralisation of human resources functions to ministries; development of HIV/AIDS Code of Conduct for the Public Service; the appointment of external and local recruitment agencies to facilitate the reduction of vacancy levels in the Public Service; and the review of the General Orders and Foreign Service Allowance. All these are to be completed during NDP 8.

#### **Size and Structure of the Public Service**

##### **i) Central Government Establishment**

19.63 Central Government manpower establishment grew from 72,083 posts in 1997 to 77,277 posts in 2002/2003, representing an average annual rate of growth of 1.3 percent. This is 0.2 percentage points higher than the target rate of growth of 1.1 set for NDP 8. Much of the growth in the manpower establishment can be attributed to:

- ⊖ pressure created by new projects or projects which have increased in scope, contingencies or new legislation, which required posts for new facilities;

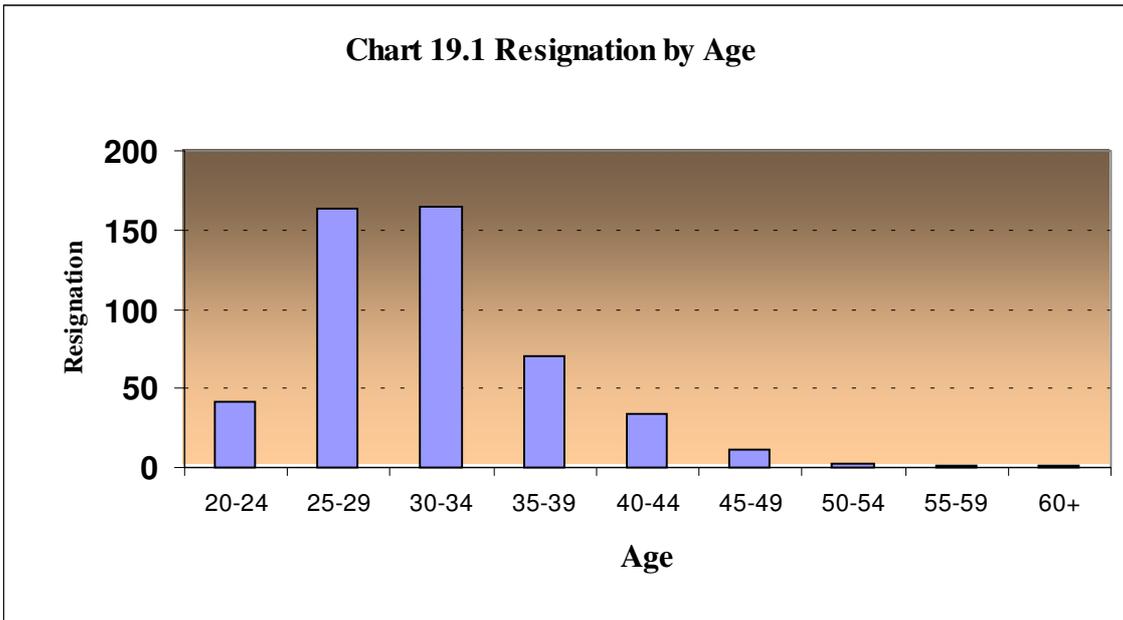
- o underestimation of manpower requirements at plan preparation stage;
- o posts created in ministries/departments as a result of O&M reviews; and
- o accommodation of returning trainees.

19.64 The 1.3 percent average annual rate of growth achieved during NDP 8 contrasts sharply with the 5.2 percent average annual rate of growth for the NDP 7 plan period. The major reason for this favourable outcome was that ministries and departments with high vacancy rates were denied new posts; instead, they were encouraged to utilise existing vacant posts through conversions, transfers and redesignations rather than creating new ones as a way of optimising the utilisation of existing manpower. This strategy also served to reduce the vacancy rate from 5% in NDP 7 to an average 4% in NDP 8. However, this level of vacancy rate is still not close enough to the target rate of 2% set for NDP 8 and effort will be made during NDP 9 to reduce the vacancy rate to the required level of 2%.

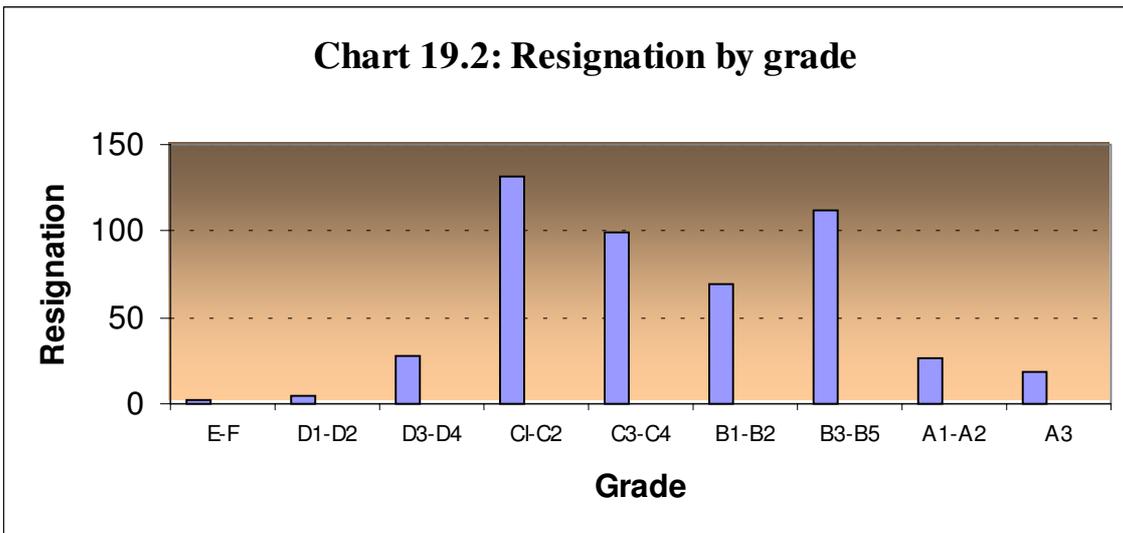
## ii) Attrition

19.65 Employees normally leave Public Service by way of resignation, termination, death or retirement. The available data on attrition for the period 1997 to 2001 indicates that the majority of employees left the public service during NDP 8 through resignation as indicated in Chart 19.1 and Chart 19.2 respectively and through death as indicated in figure 19.3 and Chart 19.4 respectively. This is not surprising given the youthful composition of the Botswana Public Service as indicated in Chart 19.5.

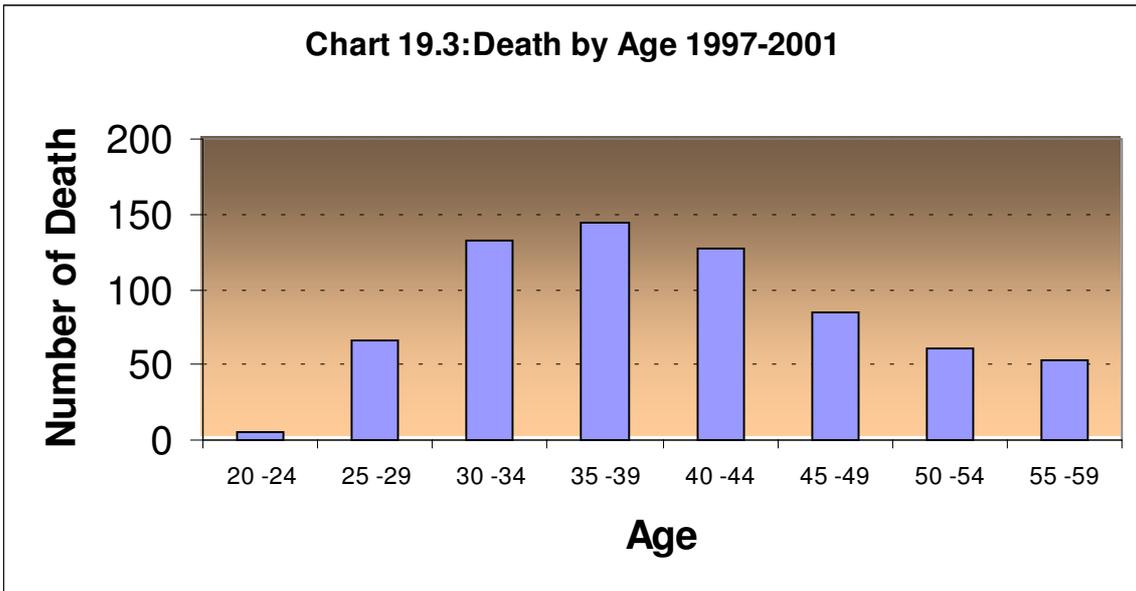
19.66 Historically, younger employees tend to be more mobile than older employees as they would not have invested a lot of time in their employment. Majority of employees who resigned from the service over the 1997-2001 periods were in the 25-39 age cohort, while those who left through death were concentrated in the 30-45 age cohort.



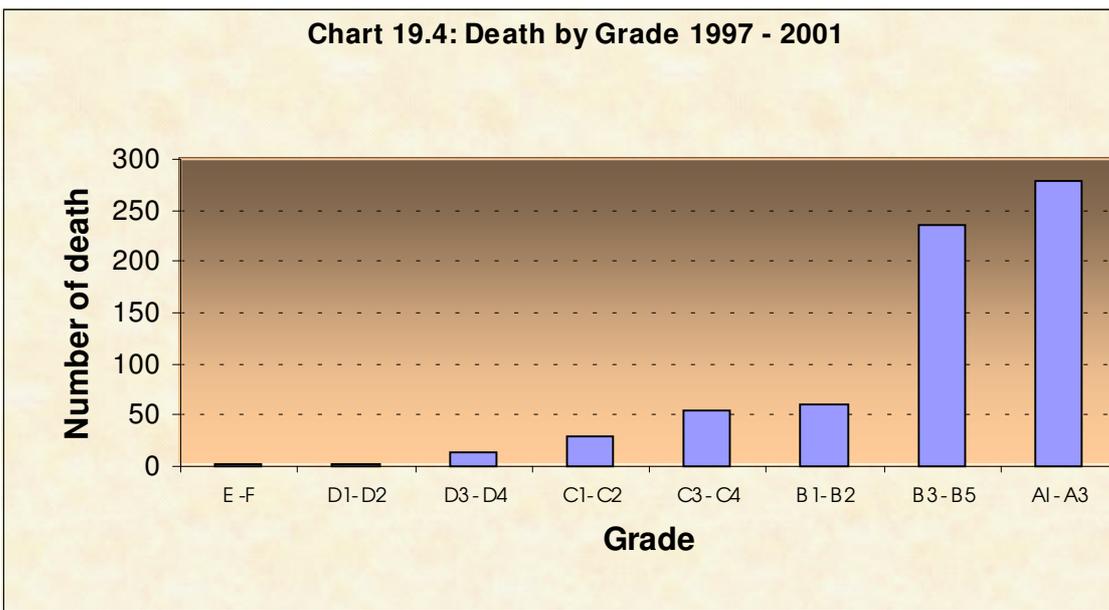
Source: Directorate of Public Service Management



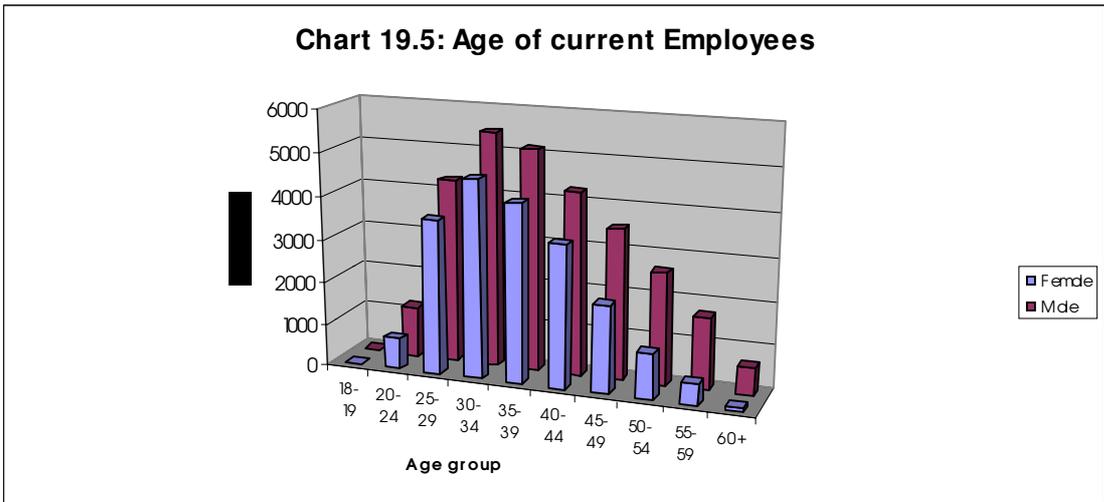
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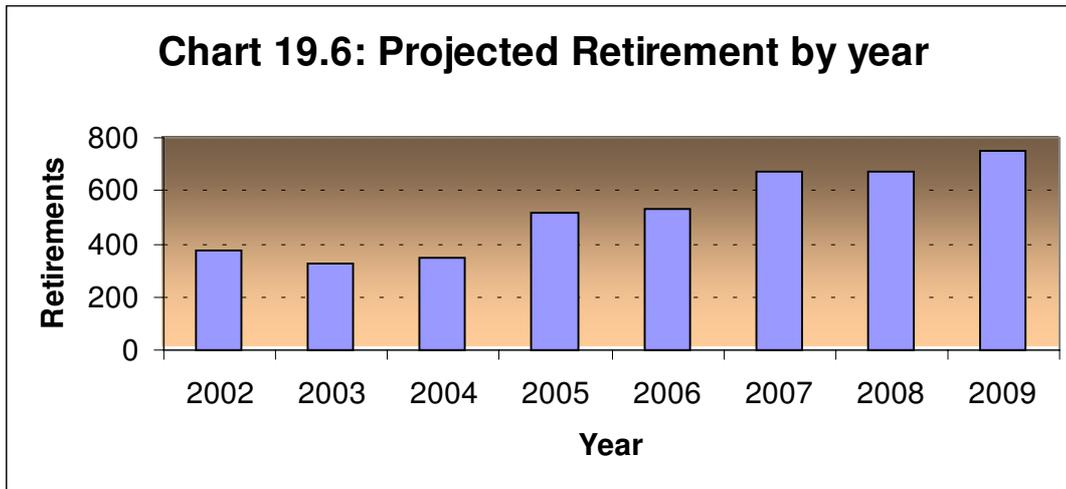


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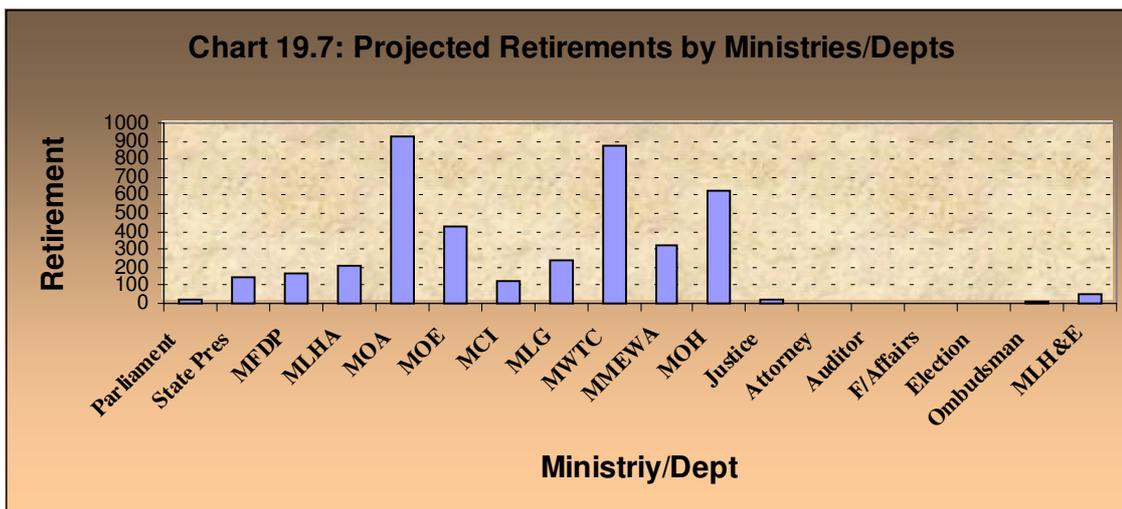


**Source: Directorate of Public Service Management**

19.67 Those who resigned from the Service were mostly found in the professional and technical occupations that are afflicted by high demand and scarcity and could therefore command higher salaries elsewhere. These occupations include engineers, architects, doctors, accountants, economists, lawyers, systems analysts, programmers, etc.



Source: Directorate of Public Service Management



Source: Directorate of Public Service Management

### iii) Age Composition

19.68 The Public Service age profile indicated in figure 19.5 does not include the Teaching Service and the Police Service. The age structure shows relatively young public servants. Over 70% of the people employed in the Public Service fall within the 25-45 age bracket while just over 20% fall between the ages of 45-60. Those below the age of 20 years constitute

less than 4% of the total number of employees.

### iv) Localisation Profile

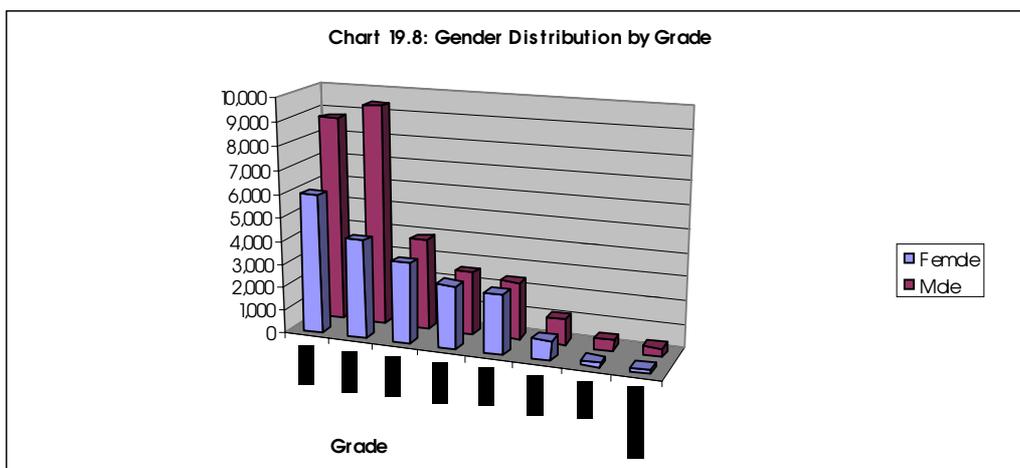
19.69 Data from the Computerised Personnel Management System show that there are approximately 45,000 employees in Central Government, excluding the Teaching Service, Police Service, Local Government Service and Botswana Defence Force (BDF). Of the 45,000, approximately 1,050 or 2% are expatriate officers on contract.

The major employers of expatriate officers are the Ministries of Health and Works and Transport, which employ about 530 and just over 100 expatriates respectively. The presence of a sizeable number of expatriates in the two ministries underscores the technical nature of these ministries. The Ministry of Foreign Affairs and International Cooperation also employs a sizeable number of expatriates. However, these are locally recruited staff in Botswana missions abroad.

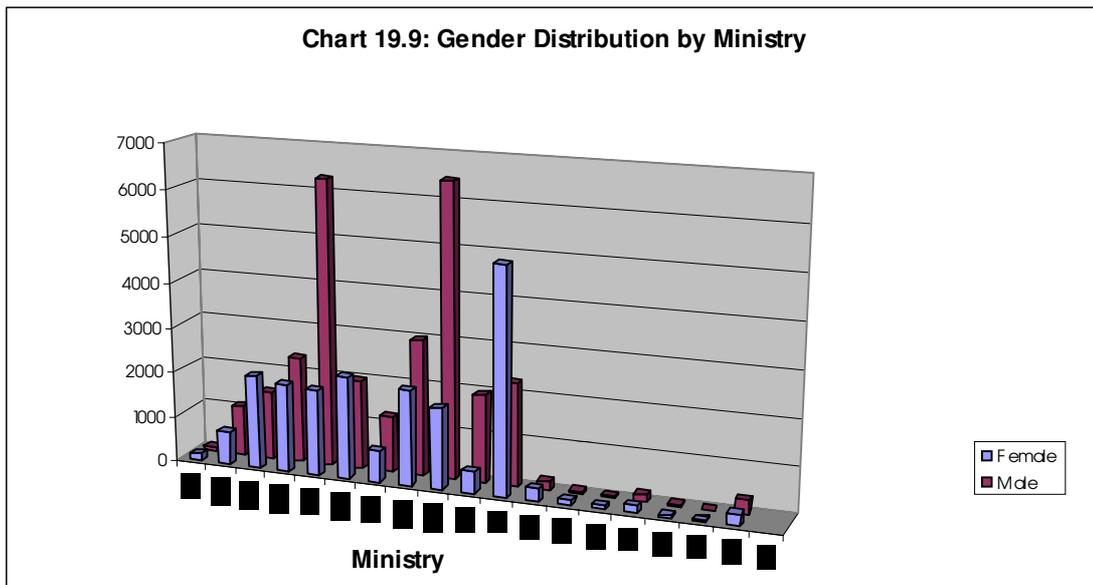
**v) Gender Distribution**

19.70 Available data from the Computerised Personnel Management System shows that the overall distribution of employees by gender is fairly proportional with a 50-50 split between male and female officers.

However, the distribution also indicates that female officers dominate some ministries and departments. Examples are the Ministries of Finance and Development Planning, Health, Education, Local Government and the Departments of Administration of Justice, Auditor-General, Directorate of Public Service Management, Attorney General's Chambers, Ombudsman and Parliament. This is to be expected for the ministries of Education and Health because historically, these ministries employ more females than males in the form of teachers and nurses, respectively.



**Source: Directorate of Public Service Management**



**Source: Directorate of Public Service Management**

**Note:** 010 Parliament, 020 State President, 030 MFDP, 040 MLHA, 050 MoA, 060 MoE, 070 MTI, 080 MLG, 090 MWT, 100 MMEWR, 110 MoH, 120 AoJ, 130 Attorney General, 140 Auditor General, 150 MoFAIC, 160 IEC, 170 Ombudsman, 180 MLH, 190 MCST, 200 MEWT

19.71 Ministries, which are dominated by male employees, are those of Agriculture, Minerals, Energy and Water Affairs, Works and Transport, State President, Trade and Industry, Environment, Wildlife and Tourism and the Independent Electoral Commission. The incidence of male prevalence in State President, Ministry of Trade and Industry and Ministry of Labour and Home Affairs is, in part, attributable to the Departments of Police, Prisons, Wildlife and Office of the President (Security Guards) who employ more males because of the nature of their work.

19.72 The gender distribution by grade shows a strong female dominance in the middle management levels; principally the C.3, C.2 and C1 grades while grades higher than C.1 show lower figures than the male officers as indicated in Chart 19.8.

### **POLICIES AND STRATEGIES FOR MANAGING THE PUBLIC SECTOR DURING NDP 9**

19.73 The Public Sector, as stated in Section II, comprises the Teaching Service, Local Authorities, parastatal organizations and the Public Service. As an architect of an enabling environment for national development, the Public Sector is to facilitate the realization of the Vision 2016 goals and the delivery of the national development plan. Hence, it must be efficient and effective in the delivery of its core business, which requires the application of appropriate management strategies including Performance Management System (PMS); Work Improvement Teams (WITS); Computerization of Personnel Management System (CPMS); Organization and Methods reviews (O&M); rationalization of its functions and right-sizing of its staff establishment; and privatisation of its

non-core functions. The policies and strategies to be articulated for the management of the Public Sector, during the National Development Plan 9, will also include plans for effective supervision to guarantee quality service delivery.

### **Supervision of the Public Sector Institutions**

19.74 Supervision of the Teaching Service, the Local Authorities and the parastatal organizations are done by the ministries they fall under. On the other hand, the Directorate of Public Service Management provides broad guidelines on human resource management and other management practices to be used by other ministries in managing their day-to-day operations and the organizations that fall under them. It also supervises the implementation of the human resource management policies and reform initiatives by ministries.

19.75 To ensure that these institutions operate efficiently and effectively, supervision by the ministries under which they fall are to be improved and made output based with well-defined remedial strategies.

### **Review of the Public Sector Performance**

19.76 Structures for the review of the Public Service performance are in place in the form of Ministerial Performance Improvement Committees (MPIC), PIC-Force and Economic Committee of Cabinet (ECC). At the ministry level, Permanent Secretaries review their performance on the Annual Performance Plans with the Heads of Department on a quarterly basis at the Ministerial Performance Improvement Committee meetings, while at the PIC-

Force level, Permanent Secretary to the President reviews the performance of the Public Service with Permanent Secretaries on a quarterly basis, based on their respective Annual Performance Plans. On the other hand, His Excellency the President reviews the Performance of the Public Service with the ministers, based on the Annual Performance Plans for their ministries, at the Economic Committee of Cabinet on a half-yearly basis. These reviews are intended to facilitate effective coordination and monitoring of the overall performance of the Public Service.

19.77 Whereas ministries usually include parastatal organizations under them in their ministerial performance reviews, reports emanating from these reviews do not feature either at the PIC – Force or at the Economic Committee of Cabinet and yet these organizations also implement public programmes funded from the public coffers. Neither are the reports on the Teaching Service nor the Local Authorities reflected by the Ministry of Education and the Ministry Local Government respectively at either the PIC-Force or the Economic Committee of Cabinet.

19.78 Considering that the Teaching Service Management, the Local Authorities, and the parastatal organizations deliver public goods and services, their non-delivery would impact negatively on the overall performance of the public sector in particular and the performance of the economy in general. In view of this, it is imperative that performance of these institutions are also monitored and reviewed periodically to ensure that they perform within the standards prescribed by the government.

19.79 Relevant ministries will articulate policies and strategies for

managing the Local Authorities, the Teaching Service, and the parastatal organizations during the National Development Plan 9 in the relevant chapters. However, the Directorate of Public Service Management will articulate the policies and strategies for managing the Public Service during NDP 9 as detailed below and provide a broad management framework to guide the rest of the public sector.

## **Public Service Reforms**

### **i) Performance Management System**

19.80 During NDP 9, the focus of this programme will shift to the delivery of the strategic plans by ministries and departments. Emphasis will be placed on progress and performance on Annual Performance Plans (APPs) by each ministry. In addition, other key enablers of the PMS will be put in place during NDP 9 to further consolidate sustenance of the system in the Public Service. In this regard, it is intended to introduce a Performance Based Reward System in the Public Service. The system will link individual employee performance to rewards so as to facilitate retention and encouragement of good performance and to effectively discourage poor or non-performance.

19.81 The system will also be supported by the introduction of performance contracts for public officers. It is expected that renewal, extension or termination of a contract will be based purely on performance and the rewards will be in direct proportion to this performance. In addition, public officers will be introduced to a new appraisal instrument that focuses on the individual's performance and competencies. The instrument is expected to facilitate effective and

objective appraisal of all employees in an endeavour to improve their performance and delivery.

19.82 NDP 9 will also see an increased linkage of the PMS with the Government planning and budgeting processes. All future NDPs will also be focused on achieving the tenets of Vision 2016.

19.83 Furthermore, ministerial performance reviews will be intensified and each ministry or department will produce progress reports on their annual performance plans (APPs) and the impact on their strategic goals on quarterly basis. At the end of each financial year, each ministry will produce an annual report reflecting performance on the APPs, strategic goals and the NDP macro indicators. The annual report is expected to inform Parliament on the performance of each ministry when considering ministries budgetary requests for subsequent financial years.

### **ii) Work Improvement Teams**

19.84 During NDP 9, the utilisation of the Work Improvement Teams strategy will be intensified to further enhance performance improvement and efficiency. It is expected that ministries will increasingly use the teams to resolve problems, especially those impacting on the delivery of services to the nation. Training will also be continued to ensure that teams become much more effective in improving service delivery.

### **iii) Decentralisation of Human Resource Functions**

19.85 The decentralisation of human resource management functions to ministries has necessitated the establishment of Promotions, Training and Appointment Boards. The Directorate will continue to be represented in these Boards in order to provide expert support and advice whenever this is required. Attendance at Promotions, Training and Appointment Boards will also ensure consistency of application of policies and procedures and transparency throughout the Public Service.

### **iv) Decentralization of other Functions**

19.86 Recommendations of the PIC Force Sub Committee on the Decentralization of other functions referred to under NDP 8 review will be implemented during the course of NDP 9 and an evaluation of its impact done during the same period.

### **v) Job Evaluation**

19.87 A review and evaluation of the current job evaluation system will be undertaken during NDP 9. The results of the evaluation will assist Government to decide whether the current system of job evaluation should be retained or whether a new system of job evaluation should be introduced.

### **vi) O&M Reviews of Ministries and Departments**

19.88 The reviews of the new Ministries of Environment, Wildlife and Tourism; Communications, Science and Technology and the Attorney General's Chambers will commence during NDP 8 and will spill over into NDP 9.

19.89 The following sixteen Ministries and Departments will be reviewed during NDP 9:

- Works and Transport
- Minerals, Energy and Water Resources
- Ministry of Education
- Ombudsman
- Directorate on Corruption and Economic Crime (DCEC)
- Independent Electoral Commission
- Labour and Home Affairs
- Foreign Affairs and International Cooperation
- Administration of Justice
- Finance and Development Planning
- Agriculture
- Trade and Industry
- National Assembly
- Botswana Police Service
- Local Government
- Lands and Housing
- Environment, Wildlife and Tourism

19.90 A monitoring and evaluation mechanism will be developed during NDP 9 to facilitate the assessment of the impact of the O&M reviews on the efficiency and effectiveness of the Public Service.

### **vii) Computerisation of Personnel Management Systems**

19.91 The Directorate of Public Service Management will continue with implementation of the remaining two phases of the Computerised Personnel Management System. This comprises the Enablement Phase and the Enrichment Phase. The implementation of the Enablement Phase will cover the following modules:

- An absence module, which will allow government to record and

- analyse the absences taken by officers.
- A recruitment module which will give government the capability to record personal details of applicants which can then be used to match applicants to vacancies across government.
  - A skills and competency module which will allow government to search through the database for people with specific skills, find positions that match an employee's profile for potential redeployment or career development.
  - An employee development module, which will link an officer's performance appraisal with his development needs, training and career plans.
  - A health and safety module, which will record details of all workplace accidents and incidences.
  - A training administration module, which will greatly simplify the administration of training. It will also record all the training received by an officer.
  - A benefits administration module, which will be used to record a post's allocation of benefits and its entitlement.

19.92 The Enrichment Phase of the Computerised Personnel Management System will cover the following modules or activities:

- Installing a manpower-planning module, which will assist in manpower planning, forecasting and analysis of data available in the Computerised Personnel Management System.

- Re-engineering some of the DPSM's processes to harmonise them with the decentralisation of human resource functions. The re-engineering will incorporate workflow systems, which will automate most of the human resources activities of the Directorate and the ministries.
- Installing a document management system module. The objective of installing this module is to reduce the paper flow within DPSM and to reduce the workload of the Registry.
- Connecting the Government ID System to the CPMS. This way the government will be able to match the officer's details in the CPMS with the officer's photo in the ID system. This will allow any HR officer in any ministry to access an officer's photo and his details on one screen at his desk.

19.93 It is envisaged that by installing all the various components of the CPMS, DPSM and all Ministries and Independent Departments will have a fully computerised HR System that will be of an excellent standard by the end of NDP 9.

#### **viii) Privatisation**

19.94 As stated in Section III of this chapter, the contribution of the Directorate of Public Service Management to the privatisation policy goals is through its involvement in the implementation of PMS strategy and O&M reviews of ministries and independent departments. PMS strategy and O&M help ministries and independent departments to establish their core business and identify those functions which can be considered for privatisation, commercialisation and

contracting out. DPSM will facilitate the privatisation initiatives in the Public Service through the planned O&M reviews and PMS activities during NDP 9.

#### **ix) Industrial and Employee Relations**

19.95 With the ratification of the International Labour Organisation Conventions and the anticipated unionisation of the public service, the focus for the Directorate's industrial relations functions will now be on areas such as negotiation, collective bargaining and grievance handling. Re-focusing on these areas will ensure continued labour stability and harmonious relations between government and employees.

19.96 The Directorate of Public Service Management also intends to negotiate with the Manual Workers Union for the review of the Regulations of Industrial Class Employees (RIE) in order to bring them in harmony with current labour laws, especially the Employment Act. This will facilitate smooth administration of the RIE issues.

19.97 Government has ratified ILO Convention 151, which will allow the public service to unionize. The Ministry of Labour and Home Affairs is in the process of reviewing the Employment and Trade and Disputes Acts. The Directorate of Public Service Management plans to review relevant sections of the Public Service Act to harmonize them with the above mentioned Acts during NDP 9 period.

19.98 Activities planned for NDP 9 include discussions with the Manual Workers Union to agree on periodic negotiations regarding wage increases. This will help to avoid the current, frequent and unstructured form of

wage negotiations. A tradition will be followed during NDP 9 where the market forces and competition within a specific industry will strategically determine wage levels. Consequently, benchmarking will greatly influence the wage structure.

19.99 During NDP 9 the concentration of efforts in improving Industrial and Employee Relations will be in building capacity in the institutions handling industrial relations matters. This will be through training, retraining and increased manpower compliment.

#### **x) Localization**

19.100 The existing policy on localization is considered adequate and does not require review. The problem resides with implementation. As part of the Public Service reforms, the Directorate intends to develop a localization monitoring strategy during NDP 9. The strategy is intended to assist ministries to keep track of their localization status.

#### **xi) Training**

19.101 The budgetary provision for Public Service training will continue to be reviewed, on an annual basis, with a view to achieving the objective of human resources development during NDP 9. Efforts are being made to intensify placement of trainees in the region, as well as in other parts of Africa, with a view to reducing costs and increasing the number of public officers trained. Training Needs Analysis of the Public Service will be carried out during NDP 9 in order to ensure that future training addresses critical areas of the Public Service.

19.102 In order to address the skills gap created by loss of trained human

resources through resignation and death, more opportunities will be opened for part-time study and distance learning to enable larger numbers of officers to develop their skills and competencies without having to leave their jobs for institutional training. To support this, Government will consider offering advances to officers for payment of school fees, where necessary and if it is deemed feasible.

### **xii) Conditions of Service**

19.103 The review of various human resources policies, procedures and conditions of service is a continuous process for the Directorate. As a result the review of policies and other conditions of service will continue during NDP 9, as and when it is found necessary.

### **xiii) Size and Structure of the Public Service**

#### **Reducing vacancies**

19.104 In optimising the size of the Public Service, the Directorate will ensure that posts are allocated in line with Government programmes and priorities. Associated with this strategy is the issue of ensuring that vacancies in the Public Service are reduced to an acceptable level of 2%.

19.105 The overall vacancy rate averaged 4 percent during NDP 8. In order to reduce vacancies and to minimise the cost to Government, the following measures will continue to be implemented during NDP 9:

- o freezing the creation of new posts where large numbers of vacancies exist;

- o where appropriate, offering competitive packages for rare or scarce skills, and for those posts which have proved difficult to fill;
- o engaging external and local recruitment agencies;
- o trading in vacant posts for other priority posts or those which have proved difficult to fill;
- o working with ministries to identify locals for accelerated promotions in critical areas of scarcity;
- o maximising technical co-operation assistance;
- o abolishing or freezing posts which have been vacant for over two years.

### **POLICIES AND STRATEGIES FOR MANAGING PARASTATAL ORGANIZATIONS DURING NDP 9**

19.106 As mentioned in section II of this chapter, Government created the Public Enterprises Monitoring Unit (PEMU) and Public Enterprises Evaluation and Privatization Agency (PEEPA). The major responsibility of the Public Enterprises Monitoring Unit is to analyze the financial performance of all Public Enterprises who are required to operate on commercial lines and advise on ways and measures to improve their efficiency and set minimum performance criteria for the organizations to follow.

19.107 One major factor, which often affects the profitability of commercial public enterprises relates to operational costs and internal in-efficiencies. In this connection, PEMU will be required to promote the use of appropriate management practices in

these organizations to ensure that poor management does not affect them.

19.108 DPSM, as Government advisor on Public Service management, will assist the management of PEMU and PEEPA to acquire relevant management skills to enable them manage the agencies appropriately. DPSM will also facilitate the development of an institutional arrangement through which the proposals for the functions to be privatized from the Public Service can be discussed and decisions made before they are passed on to PEEPA for action.

**Botswana Institute of Administration and Commerce**

19.109 The main objectives for Botswana Institute of Administration and Commerce (BIAC) during NDP 9 are to:

- ♣ Develop public officers in the needed skills of Accounting Secretarial, Public Management, Computing and Communication.
- ♣ Increase access to BIAC programmes through diversified methods of delivery and attendance.
- ♣ Establish a second campus to further facilitate increased intake, subject to funding availability.

**Table 19.1 BIAC Student Enrolment Projections**

<b>Years</b>	<b>Intake</b>
<b>2002</b>	678
<b>2003</b>	759
<b>2004</b>	850
<b>2005</b>	952
<b>2006</b>	1,066
<b>2007</b>	1,194
<b>2008</b>	1,338

**Source: BIAC**

19.109 The possibility of introducing new courses during NDP 9 will be explored. Research and consultancy unit will also be set up to coordinate all the research and consultancies to be undertaken by the faculty. This will be an important venture in the advent of the Institute becoming self-supporting or a semi-autonomous entity.