Custodian of Good Governance

FACT SHEET ON THE DURATION OF EMPLOYMENT PER GRADE OF SENIOR MANAGEMENT SERVICE MEMBERS

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Background and need for the study

In the attempt to restructure the Public Service the State amongst other notable developments created the Senior Management Service (SMS). The SMS dispensation was primarily aimed at ensuring that a new mechanism of attracting and retaining competent managers within the Public Service was put in place. It was also aimed at ushering in a new process of managing performance as well as career incidents of senior managers within the Public Service, whilst promoting high standards of ethical conduct and behaviour amongst senior managers.

However, through its involvement in facilitating the evaluation of the performance of Heads of Department (HoDs), the Public Service Commission (PSC) has become aware of concerns regarding what is seen as "the apparent fast mobility of staff within the Public Service"[1] . More specifically the concerns that have been raised in this regard are that there seemed to be a tendency of public servants being promoted too soon from one position to another, and this process invariably leads to a high rate of movement of SMS in the Public Service, leading to instability and loss of expertise. It also results in the loss of opportunities for development and growth as officials move between levels without having acquired the prerequisite knowledge, skills and expertise necessary to prepare them for challenges associated with the higher level positions.

Therefore the PSC found it necessary to assess the average time SMS members occupy a post before they can be promoted to the next level.

Methodology

The adopted methodology for the study involved collating data from PERSAL[2] and Vulindlela[3] on the career movement of senior managers within the Public Service, including the reasons for such movement. Also, a desk-top study of literature on the trends observed within the Public Service in terms of the movement of senior managers within grades was also conducted.

The scope of the study

In selecting departments to participate in the study, a purposive sampling method was applied. Eleven (11) departments were chosen, of which three (3) were from national departments and eight (8) were from provincial departments where two (2) departments were selected from four (4) provinces. The study covered three financial years, commencing from the 2007/08 through to the 2009/2010 financial years.

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[1] Republic of South Africa, Public Service Commission. A report on strategic issues emanating from the evaluation of Heads of Department. June 2008
[2] Personnel and Salaries Management System (PERSAL)
[3] Vulindlela is a reporting system initiative by National Treasury on Financial, Human Resource and Supply Chain Applications

The sampled national departments comprised the following:

- The Department of Transport;
- The Department of Public Works; and
- National Treasury.

The following four (4) Provinces were selected:

- Eastern Cape
- Western Cape
- Gauteng
- KwaZulu Natal

The Office of the Premier and the Department of Economic Development were selected in each of the four provinces mentioned above.

Limitations of the study

In the main, the key limitation encountered during the development of the fact sheet was the absence of the following-

- statistics of the number of SMS members who were offered and accepted counter offers (protected promotions) by their respective departments,
- accurate and reliable information from PERSAL;
- statistics on the number of SMS members who were head-hunted by other departments and/or the private sector; and
- efficacy of the various departmental retention strategies.

Analysis of Data on the total number and movement of SMS Members within the Public Service

Table 1 below provides an overview of the total number of SMS members within the Public Service as per salary level for the three financial years under review. This information was obtained from VULINDLELA.

Table 1: Total number of SMS members within the Public Service for the 2007/08, 2008/09 and 2009/10 financial years in relation to total number of employees in the Public Service

Financial Period	Total No Employees in the PS	Total No. SMS members in the PS	Total No. SMS as a percentage
1 April to 31 March 08	1 132 767	8 778	13%
1 April to 31 March 09	1 175 964	10 943	7%
1 April to 31 March 10	1 195 778	10 637	12%

Table 1 above shows that during the financial year 2007/08, the total number of SMS members within the Public Service was **8778**. During the subsequent financial period of 2008/09, the number of SMS members in the Public Service increased to **10 943**, an increase of 2165 (20%). This reported increase shows a positive link between the total employee population in the Public Service and SMS members. Lastly, during the third financial period of 2009/2010, the data reflects a different trend. Whilst the total employee population increased from 1 175 964 to 1 195 778, the total number of SMS members on the other hand decreased from the previous year's figure of **10 943** to **10 637**.

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The data on the total number of SMS members within the Public Service was further analysed and manipulated to extract the resultant figures/graphs below which details the total number and movement of SMS members for the reporting period in the sampled departments as specified above. The data was obtained from PERSAL and analysed for synthesis of this fact sheet. After calculations, the tables at annexure A were created, which forms the basis of the analysis of the various diagrammatic representations below.

Figure 1 below indicates the total number of SMS members per salary level for the eleven sampled departments for the reporting period under review.
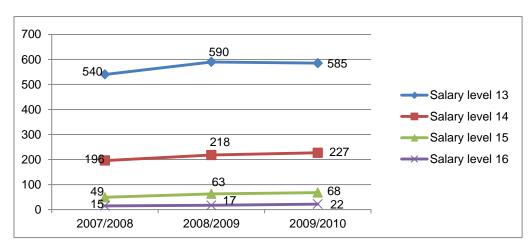

Figure 1: Total number of SMS members per salary level over the reporting period

Figure 1 above shows that there has been a slight increase in SMS members at all salary levels during the period under review. In total **902** SMS members were employed in the eleven sampled departments with 65% at salary level 13, 25% at salary level 14, 8% at salary level 15 and 2% at salary level 16. This improvement could indicate a strengthening of capacity at the senior management levels and that possibly, the Public Service is steadily becoming an employer of choice.

Figure 2 below contains data of the movement of SMS members as per the three salary levels for the reporting period under review. This information was derived from the following categories as captured on PERSAL.

- New Appointments
- Terminations
- Promotions
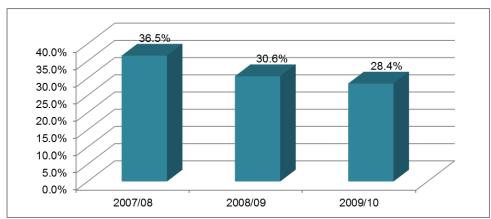- Transfers, and;
- Re-appointments

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Figure 2: Movement of SMS members as a percentage of the total number of SMS members over the reporting period

Figure 2 above depicts the movement of SMS members within all four levels; that is; levels 13 to 16 as a percentage for the reporting period under review. From the figure above it can be established that there has been a substantial decline in the movement of SMS members from **36.5%** in 2007/08 to **30.6%** in 2008/2009 and to **28.4%** in the 2009/10 financial year. However in relation to the total number of SMS members within the eleven sampled departments; that is **813** in 2007/2008, **890** in 2008/2009 and **907** in 2009/2010 the statistics indicate that the movement of SMS members is relatively high although there has been an increase in the number of SMS employees from **813** in 2007/2008 to **907** in 2009/2010.

This is a concern for the PSC as this clearly suggests that if within a sample of eleven departments there is almost a **30%** movement rate from a total number of **907** SMS members, the true picture in relation to the entire Public Service may be even more serious. However this high percentage of mobility can be attributed to the re-structuring of the Public Service after the 2009 general elections. From the data analysed and which is evident in all eleven sampled departments, movement of officials is most prevalent between levels 13 to 14, and is due to employees being promoted**.**

Figure 3 below reflects the five categories that were used to determine the movement of SMS members for the period under review as mentioned in figure 2 above. A brief explanation of these categories is provided as follows:

- New appointments are those employees that assumed duty within the Public Service on one of the four salary levels,
- Terminations are resultant through death, retirement, end of contract, resignation, promotion (this applies to employees on contract), transfer to the private sector and due to some form of disciplinary action imposed,
- Promotions result from an employee moving from one level to the next higher level either within the department or to another department, (it must be noted that some employees do skip a level and move on to the next higher level),
- Transfers occur when an employee moves laterally within the department or to another department, or when an employee is promoted on transfer

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from one level to the next higher level within the department or to another department, and;

- Re-appointment occurs when an employee has exited the service and returns after a few years, or when an SMS member is on contract and when this contract expires he or she is subsequently re-appointed and as in the case of Heads of Department (HoDs), when their contracts are extended.
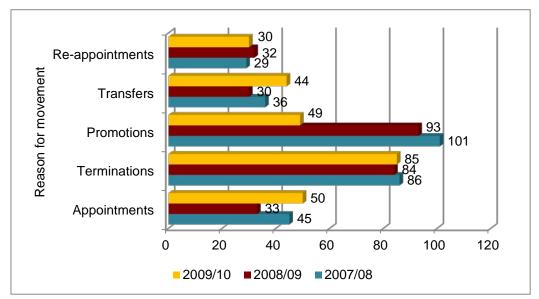

Figure 3: Movement of SMS members as per the five categories over the reporting period

Figure 3 above shows the movement of employees as per the five categories mentioned above. From the illustration above it can be established that promotion of employees is the most common form of movement with terminations of employees following that and lastly by means of transfers. It is interesting to note however that in 2007/2008 there were **101** employees promoted within the four levels but in 2009/2010 there was a drastic decrease to only **49** employees being promoted. The PSC cannot cite the exact reasons for such a decrease but can only assume that due to departments developing and implementing various retention strategies they have managed to retain their employees. The other reason could be attributed to a high vacancy rate among the SMS levels.

The other form of movement showing turnover of SMS members is terminations. Throughout the three financial years under review there has been a fairly even balance of employees exiting the service for one reason or the other. The data from PERSAL does not include information on the reasons for terminations; therefore it cannot be deduced what the possible mitigating factor for terminations may be. The PSC assumes that retirements, resignations, death, exiting to the private sector, poaching, contracts expiring, ill-health and sanctions imposed from a disciplinary enquiry, may contribute to such movement.

The PSC could, however, establish from PERSAL that one of the reasons for terminations was as a result of those SMS members who were employed on contract. Once these members' contracts expired, they were terminated. However this did not apply to all SMS members as some were subsequently re-appointed if not within the same department but at another department. Thus movement in the form of re-appointments has been included in figure 3 above.

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Re-appointments are fairly common amongst SMS members on levels 15 and 16. Level 16 would include the Director-General (DG) of national departments and provinces which are contractual posts and are either re-newed (re-appointment) or terminated once their term of office comes up for expiry. Level 15 posts would include HoDs at provincial level where the same phenomenon above would apply, whereas at national level, these posts would be filled by Deputy Directors-General, in which case most of these would be permanent posts. This does not exclude the existence of some of these posts on a contractual basis.

Appointments are another form of movement into the department and figure 3 above illustrates the total number of appointments for the eleven sampled departments from levels 13 to 16 for the reporting period under review. It is important to note that in 2007/2008 there were **45** new appointments of SMS members; however in 2008/2009 this figure decreased to **33** but in 2009/2010 this number increased to **50**. This is a significant increase.

Figure 4 below illustrates the average time spent by an SMS member in his or her current level before moving to the next higher level. To determine the percentage indicated on the figure the data was analysed by taking the number of years spent by each SMS member in the eleven sampled department in their current position before being promoted to the next higher level. The years were then added up as a group; that is; all promotions from level 13 to 14, 14 to 15 and 15 to 16 and the average calculated from the total.
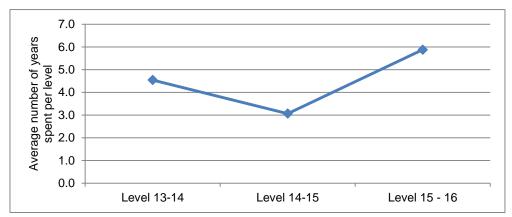

Figure 4: Average number of years spent in a salary level of SMS members over the reporting period

Figure 4 above shows that from the eleven sampled departments the average tenure by an SMS member on salary level 13 is **4.5 years** before being promoted to level 14. The average tenure on level 14 is **3 years** before being promoted to 15 and the average tenure on level 15 is almost **6 years** before being promoted to level 16. From the data it can be established that SMS members spend a longer period of time on level 15 before being promoted to level 16 as opposed to level 13 at **4 years** and 14 at **3 years**. However this can be attributed to the fact that there are fewer posts of level 16 and thus the duration spent in level 15 is much higher than the other two levels.

Conclusion   The analysis of data provided has shown that whilst a movement of SMS is prevalent within the Public Service, it is not as alarming as one would assume. It should be noted that a natural movement of people will occur at any point. However, from the resultant study, there is no evidence to suggest a high percentage of SMS members' movement or job-hopping. Only the Department of Public Works shows a rapid movement of SMS members from level 13 to 14, and this could be attributed to the re-structuring of Department of Public Works after the 2009 general elections. From the analysis of the data above there was no other evidence found to suggest that SMS members are being promoted far too rapidly through the different levels.

In addition, the evidential data regarding SMS appointments, resignations and/or terminations suggests that there is stability within the SMS echelons in the Public Service. In the absence of any directive stipulating the number of years an SMS member must stay in one level before being promoted to the next, one can probably assume that the duration displayed above is a normal phenomenon.