



Cape Peninsula
University of Technology

**THE IMPACT OF GLOBALISATION ON HUMAN RESOURCES MANAGEMENT
POLICIES AND PROCEDURES IN THE SOUTH AFRICAN PUBLIC SERVICE –
A STUDY OF SELECTED NATIONAL GOVERNMENT DEPARTMENTS**

by

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DECLARATION

I, Peter Veeran, hereby declare that the content of this thesis represent my own unaided work, and that the thesis has not previously been submitted for academic examination towards any qualification.

P Veeran

July 2012

Signed

Date

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ABBREVIATIONS

Accelerated and Shared Growth Initiative for South Africa (AsgiSA)

African Management Development Institutes Network (AMDIN)

African Union (AU)

Acquired Immune Deficiency Syndrome (AIDS)

Association of South East Asian Nations (ASEAN)

Black Economic Empowerment (BEE)

Cape Peninsula University of Technology (CPUT)

Department of Public Service and Administration (DPSA)

Economic Community of West African States (ECOWAS)

Employment Assistance Programme (EAP).

European Union (EU)

General Agreement on Trade and Tariffs (GATT)

Gross Domestic Product (GDP)

Human Immune Deficiency Virus (HIV)

Human Resources Development (HRD)

Human Resources Management (HRM)

Information and Communications Technology (ICT)

International Labour Organisation (ILO)

International Monetary Fund (IMF)

Information technology (IT)

Joint Initiative for Priority Skills Acquisition (JIPSA)

Junior and Middle Managers (JMMS)

National Qualification Framework (NQF)

New Public Administration Initiative (NPAI)

North Atlantic Free Trade Association (NAFTA),
Non-governmental Organisations (NGOs),
Non- Aligned Movement (NAM)
New Participation for Africa's Development (NEPAD)
Public Leadership and Management Academy (PALAMA)
South Africa (SA)
South African Development Community (SADC)
South African Management Development Institution (SAMDI)
South African Qualifications Authority Act (SAQA)
Sector Education and Training Authority (SETA)
Senior Management Service (SMS)
Stanton Research Institute (SRI)
Strategic Human Resources Management (SHRM)
Transnational Corporate (TNC)
The New Partnership for Africa's Development (NEPAD)
University of Kwa-Zulu Natal (UKZN)
United Nations Conference on Trade and Development (UNCTAD)
United Nations Development Programme (UNDP)
United States of America (USA)
White Paper on Transformation of the Public Service (WPTPS)
World Trade Organisation (WTO)

ABSTRACT

Globalisation has a significant impact on human resources management policies and procedures in the public service. The driving forces of globalisation have affected human resources management in a variety of ways, for example, the impact of technology demands different skills and competencies from public officials.

Globalisation is defined as “the process whereby the world’s people become increasingly interconnected in all facets of their lives, culturally, economically, politically, technologically and environmentally” (Streeten, 2001:169).

Kirkbride (2001:14) states that globalisation is the integration of business activities across geographical and organisation boundaries. It is the freedom to conceive, design, produce, buy, distribute and sell products and services in a manner which offers maximum benefit to the organisation without regard to the consequences for individual geographical location or organisational units.

This research examines the impact of globalisation on human resources management policies and procedures in the South African public service. The main problem is that the current training and development in the South African public service do not take due cognisance of globalisation to equip public officials to interact internationally effectively and efficiently.

An inability exists to adapt to the changing strategic public human resources management needs from an international perspective. The problem of lack of knowledge and understanding by public officials of globalisation results in an inability to manage and execute international human resources management trends. There is a needed skill for achieving, maintaining, enhancing and implementing cutting-edge human resources management theories and practices for globally competitive human resources management.

Usually, employees are not expected to work at tasks for which they received no training. In this context, it is necessary to note that with limited training public

officials are often placed in positions of having to muddle through as best they can without fully understanding of what is expected of them. Enhanced and continuous training can equip them with skills and knowledge that would create an organisation that is focused on outputs and performance rather than hierarchical control of procedures and processes towards reaching goals and objectives. Once the human resources in an organisation have been properly trained and motivated, they can be utilised effectively and efficiently to perform their tasks with dedication, competence and in the spirit of the Batho Pele principles.

The main function of human resources management is to manage the acquisition, training, utilisation and maintenance of a sufficient number of competent personnel responsible for community-oriented service delivery. If training is neglected, then the nature of service delivery will be poor (du Toit & van der Walt, 1991:15). The management and utilisation of human resources in a globalised setting poses a particular challenge. Van Dyk, Nel & Loedolff (1992:15) defines training as the systematic process of changing the behaviour and attitudes of people in a certain direction in order to attain the organisation's objectives.

The changing nature of public service delivery has contributed to certain inadequacies in the public service and since governments are collaborating at a global level for improved service delivery, the public service is obliged to co-operate effectively and efficiently at an international level. In order to achieve this successfully, public officials need to possess relevant and applicable skills.

The objectives of the study are to determine the impact of the globalisation process on the training and development of public human resources management policies and to understand how public human resources departments in selected state departments in the South African public service are adapting to the dynamic change in the field of public human resources management.

The main finding of the research indicates that the aspect of training is a key element in improving the globalisation of public human resources management.

Training and development are essential to ensure that the South African public service is competent to perform effectively and efficiently in the global arena.

Employees need to possess the necessary skills to function at an international level. The specific purposes of training are to communicate information that is applicable to practical situations. It is expected after training, for public officials to be able to demonstrate changes in the behaviour or performance that contribute to their abilities to deal skilfully without broader global problems. This, in turn, will have a positive impact on public service delivery.

TABLE OF CONTENTS

CHAPTER 1	PAGE NO
INTRODUCTION AND BACKGROUND TO THE STUDY	17
1.1 INTRODUCTION	17
1.2 PROBLEM STATEMENT	19
1.3 KEY QUESTIONS PERTAINING TO THE RESEARCH	20
1.4 OBJECTIVES OF THE RESEARCH	20
1.5 RESEARCH METHODOLOGY	21
1.5.1 Literature search	22
1.5.2 Empirical survey	24
1.5.3 Data analysis	24
1.5.4 Interpretation, presentation and articulation of the findings	24
1.5.5 Recommendation proposal	25
1.6 OVERVIEW OF CHAPTERS	25
1.7 CLARIFICATION OF TERMS AND CONCEPTS	26
1.8 SUMMARY	32
CHAPTER 2	
A THEORETICAL BASIS FOR GLOBALISATION OF HUMAN RESOURCES MANAGEMENT FROM A PUBLIC ADMINISTRATION PERSPECTIVE	34
2.1 INTRODUCTION	34
2.2 THE PHILOSOPHY OF MANAGEMENT	34
2.2.1 The Theories of Management	35
2.2.1.1 The Classical approaches	35
2.2.1.2 Contemporary approaches	36
2.3 THE PHILOSOPHICAL AND THEORETICAL CONCEPT OF PUBLIC ADMINISTRATION	37
2.3.1 Definition of Public Administration	38
2.3.2 The locus and focus of Public Administration	38
2.4 MODELS OF PUBLIC ADMINISTRATION	39
2.4.1 Classical Bureaucratic Model	39
2.4.2 Neo-Bureaucratic Model	40
2.4.3 Institutional Model	41
2.4.4 Public Choice Model	41
2.4.5 Human Relations Model	42
2.4.6 Entrepreneurial Model	43

2.5	PUBLIC ADMINISTRATION MODELS IN THE SOUTH AFRICAN CONTEXT	43
2.6	AN ALTERNATIVE PARADIGM IN PUBLIC ADMINISTRATION	46
2.7	CLOETE VERSUS SCHWELLA APPROACHES TO PUBLIC ADMINISTRATION	47
2.7.1	Cloete's traditional closed process approach	47
2.7.2	Criticism of the traditional closed process approach	49
2.7.3	Schwella's open system approach	49
2.7.3.1	The political context of public administration	50
2.7.3.2	The economic context of public administration	50
2.7.3.3	The social context of public administration	51
2.7.3.4	New Public Administration Initiative (NPAI) resolution	51
2.8	A PHILOSOPHY OF PUBLIC HUMAN RESOURCES MANAGEMENT	52
2.9	NORMATIVE FACTORS IN PUBLIC HUMAN RESOURCES MANAGEMENT	52
2.9.1	Constitutional Supremacy	53
2.9.2	Public Accountability, Openness and Transparencies	53
2.9.3	Tenets of Democracy	54
2.9.4	Fairness and Reasonableness	54
2.9.5	Effectiveness and Efficiency	55
2.9.6	Human Rights	55
2.9.7	Ethics	55
2.10	THE CHALLENGES OF PUBLIC HUMAN RESOURCES MANAGEMENT	56
2.10.1	Competitive advantage of public human resource Management	56
2.10.2	Globalisation as an ideology	58
2.10.3	The impact of globalisation on the world economy	59
2.10.4	Flexibility in the workplace	60
2.11	A PHILOSOPHY OF GLOBALISATION	60
2.11.1	Definitions of globalisation	62
2.11.2	Neo-Classical theories of globalisation	64
2.11.3	The current flow of globalisation	64
2.11.4	Crises caused by the impact of globalisation	64
2.12	GLOBALISATION AT A GLANCE	65
2.12.1	Globalisation and public administration	66
2.12.2	The impact of the internet on globalisation	67

2.13	GLOBALISATION AND INFORMATION TECHNOLOGY	68
2.14	GLOBALISATION, HUMAN RESOURCE DEVELOPMENT AND PUBLIC SECTOR REFORM	69
2.15	THE SIGNIFICANCE OF HUMAN RESOURCES DEVELOPMENT AND GLOBALISATION	70
2.16	THE LOCUS AND FOCUS OF GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT	71
2.16.1	Globalisation is not a law of nature	71
2.16.2	Countries make choices	72
2.16.3	The role of global institutions	72
2.17	GLOBALISATION AND THE CHANGING FACE OF PUBLIC HUMAN RESOURCES MANAGEMENT	73
2.17.1	Introduction of new technology	74
2.17.2	Downsizing the workforce	74
2.17.3	The management of virtual teams	75
2.18	SUMMARY	76
CHAPTER 3		
SELECTED THEORIES ON GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT		78
3.1	INTRODUCTION	78
3.2	IMPACT OF GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT ON PSYCHOLOGICAL CONTRACT	78
3.3	SELECTED CRITICISMS OF GLOBALISATION	80
3.4	GLOBALISATION, TECHNOLOGICAL REVOLUTION AND THE RESTRUCTURING OF CAPITALISM	81
3.4.1	Post-modernity movement	82
3.4.2	The Capital Logic Theory	83
3.5	THE CONTRADICTIONS OF GLOBALISATION	86
3.6	THE GLOBAL MOVEMENT AGAINST CAPITALIST GLOBALISATION	88
3.6.1	Electronic media and globalisation	89
3.7	GLOBALISATION AS A FORCE OF CAPITALISM AND DEMOCRACY	91
3.8	THE WORLD-SYSTEM THEORY	92
3.8.1	Definition of world system theory	93

3.8.2	Key features of world system theory	93
3.8.3	Structure of world system theory	94
3.9	THE WORLD CULTURE THEORY	94
3.9.1	Key features of world culture theory	95
3.10	THE POLITY THEORY	95
3.10.1	Key features of polity theory	96
3.11	CRITICAL THEORY AND DEVELOPMENT	96
3.12	SUMMARY	97
CHAPTER 4		
AN EVALUATION OF SELECTED INTERNATIONAL EXPERIENCES OF GLOBALISATION WITH RESPECT TO PUBLIC HUMAN RESOURCES MANAGEMENT		98
4.1	INTRODUCTION	98
4.2	THE INFLUENCE OF PUBLIC HUMAN RESOURCES MANAGEMENT POLICIES AND PROCEDURES	99
4.3	CHANGES IN PUBLIC HUMAN RESOURCE MANAGEMENT POLICIES	101
4.4	DEVELOPMENT OF PUBLIC HUMAN RESOURCES MANAGEMENT	102
4.5	PROMOTING PUBLIC HUMAN RESOURCES FLEXIBILITY	103
4.6	THE IMPACT OF TECHNOLOGICAL ADVANCES ON PUBLIC HUMAN RESOURCES MANAGEMENT	104
4.7	THE EFFECT OF GLOBALISATION ON THE LABOUR MARKET	105
4.7.1	The effect of global trade liberalisation on public human resources management	106

4.8	PUBLIC HUMAN RESOURCES IMPLICATIONS ON GLOBALISATION AND RESTRUCTURING IN COMMERCE	107
4.8.1	Employment	108
4.8.2	Working and employment conditions	109
4.8.3	Equal opportunity	109
4.8.4	Informal sector	110
4.8.5	Electronic commerce	111
4.8.6	Human resource development	111
4.8.7	Labour relations	112
4.9	CHALLENGES OF GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT IN THE GLOBAL MARKET	112
4.10	THE IMPACT OF STRATEGIC PUBLIC HUMAN RESOURCES MANAGEMENT ON GLOBALISATION	113
4.11	SUMMARY	116
CHAPTER 5		
GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT FROM A SOUTH AFRICAN PERSPECTIVE		117
5.1	INTRODUCTION	117
5.2	SOUTH AFRICAN PUBLIC SERVICE COMMISSION	118
5.3	SOUTH AFRICAN TRAINING AND DEVELOPMENT LEGISLATIONS	118
5.4	WHITE PAPER ON PUBLIC HUMAN RESOURCES MANAGEMENT IN THE SOUTH AFRICAN PUBLIC SERVICE	119
5.5	THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA ACT, NO 108 OF 1996	120
5.6	THE WHITE PAPER ON TRANSFORMATION OF THE SOUTH AFRICAN PUBLIC SERVICE	121
5.7	WHITE PAPER ON AFFIRMATIVE ACTION IN SOUTH AFRICA	122
5.8	PUBLIC LEADERSHIP AND MANAGEMENT ACADEMY (PALAMA)	124
5.9	GLOBALISATION IN THE SOUTH AFRICAN CONTEXT	126
5.9.1	A brief overview of globalisation in South Africa	126
5.9.2	Issues in the current debate	129
5.9.3	South Africa's competitive position	129

5.9.4	World competitiveness: benching South Africa against other countries	130
5.9.5	Comparison with benchmark countries	131
5.9.6	The effect of globalisation on cities	132
5.10	THE IMPORTANCE OF GLOBALISATION TO SOUTH AFRICA	133
5.11	STRATEGIC PUBLIC HUMAN RESOURCES MANAGEMENT AND GLOBALISATION	134
5.12	PROFESSIONAL APPROACH TO PUBLIC HUMAN RESOURCES MANAGEMENT	
5.13	THE CHALLENGES OF GLOBALISATION IN SOUTH AFRICA	136
5.14	THE IMPACT OF GLOBALISATION ON SOUTH AFRICA	137
5.15	SUMMARY	138
CHAPTER 6		
RESEARCH METHODOLOGY		139
6.1	INTRODUCTION	139
6.2	OVERVIEW OF RESEARCH METHODOLOGY	139
6.2.1	Literature Search	139
6.2.2	The empirical survey	140
6.3	DATA COLLECTION METHODS	140
6.4	APPROACHES TO RESEARCH METHODOLOGY	143
6.4.1	Quantitative approach	143
6.4.2	Qualitative approach	144
6.4.3	Triangulative approach	145
6.4.4	The approach followed for this research	145
6.5	THE NORMATIVE SURVEY METHOD	146
6.5.1	Research population	146
6.5.3	The response population	147
6.6	SUMMARY	148
CHAPTER 7		
STATISTICAL ANALYSIS AND INTERPRETATION OF FINDINGS		149
7.1	INTRODUCTION	149
7.2	AN OVERVIEW OF STATISTICS	149
7.2.1	Inferential statistics	149

7.2.2 Descriptive statistics	150
7.2.2.1 Distribution values	151
7.2.2.2 Measurements of central tendency	151
• The Median	152
• The Mean	152
• The Mode	152
7.3 PRESENTATION AND INTERPRETATION OF THE RESEARCH DATA	152
7.3.1 The questionnaire	152
7.3.2 Strategic issues	153
7.4 SUMMARY	181
CHAPTER 8	
RECOMMENDATIONS AND CONCLUDING REMARKS	182
8.1 INTRODUCTION	182
8.2 RECOMMENDATIONS	183
8.2.1 Recommendation 1	183
Training and development to be globally relevant	
8.2.2 Recommendation 2	185
Understanding diverse cultures	
8.2.3 Recommendation 3	185
Flexibility to respond to complex and rapidly changing global circumstances	
8.2.4 Recommendation 4	186
Ownership of public goods and service delivery	
8.2.5 Recommendation 5	186
Competition, mission- and rules- driven	
8.2.6 Recommendation 6	186
Current challenges to top management	
8.2.7 Recommendation 7	187
Awareness of government to ensure that training budgets become integrated with the critical operations.	
8.2.8 Recommendation 8	187
Development of managerial employees	
8.2.9 Recommendation 9	187
Demonstration of performance	

8.2.10 Recommendation 10	188
Benefits of training and development to an organisation	
8.2.11 Recommendation 11	188
The training of supervisors in South Africa	
8.3 CONCLUSION	189
BIBLIOGRAPHY	191
ANNEXURE A – QUESTIONNAIRE	198
ANNEXURE B – PAPER PRESENTED 1	211
ANNEXURE C – PAPER PRESENTED 2	241
FIGURES	
Figure 2.1 National government of South Africa in relation to global partners (as adapted)	45
Figure 3.1 Components of human resources management environment	79
Figures 7.1 – 7.35 Statistical analysis charts per statement	154 – 173
TABLES	
Table 2.1 Functions performed in an administrative executive institution	48
Table 2.2 Showing the impact of global activities	65
Table 7.1 Summary of responses: strategic issues	153
Table 7.4a Summary of responses: control and monitoring	166
Table 7.4b Comments on responses	167

CHAPTER I

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION

Human resources management is a dynamic field and has been evolving rapidly over the past decades. This study focuses on the impact of globalisation on human resources management policies in the South African public service. In particular, the study examines the existing human resources management policies as well as the practices of the South African public service against the background of the global community and globalisation.

Public human resources management is confronted with the challenge to fill certain senior and high profile positions especially in the field of financial management in the public sector and, as such, has to play a strategic role in the success of the public service. Institutions that do not place particular emphasis on attracting and retaining talent will find themselves with negative consequences, as talented staff may leave and be absorbed in the private sector or emigrate. In the light of this situation, heads of departments in the public service have to manage their human resources strategically. The scarcity of skills, locally and globally, forces institutions to become more adaptable, resilient, agile and community-focused in order to provide effective and efficient service delivery. The public human resources practitioner has to be a strategist in the institution.

Public human resource management is changing from being a local activity into a global function. As intellectual capital, the future role of public human resources management is becoming the main generator of wealth for both individuals and the government. In this context, the South African public service has embarked on transforming its public human resources management systems to cope with the changing environment in order to fulfil the staffing needs. A number of these public human resources management functions include improving service delivery, recruitment, selection, induction, orientation, mentoring, coaching, education, training, development, labour relations, employment equity, performance management and employment assistance programmes. In this context, in a

democratic dispensation, service delivery has always been the “*raison de etre*” of the public service.

The need for effective and efficient public service delivery has pointed to inadequacies in the public service, largely because formal education and vocational training programmes have often failed to adapt to the changing skills needs of the country.

On the one hand, there is a need for higher academic skills and increasing technological expertise to respond to the demands of this increasingly technology-driven world and, on the other hand, there is a need for more broad-based management of training, which would assist to develop a variety of skills such as customer care, financial management, procurement and logistics, labour relations, project management and general management. There is a growing shortage of the abovementioned skilled labour in all sectors of the public service because of the inadequacies to implement training, particularly on-the-job training, off- the- job training or job enrichment programmes that make it difficult to attract and retain qualified personnel. In this context, the need to embrace global public service delivery practices need to be taken cognisance of.

The demise of apartheid and the advent of political democratisation in South Africa have resulted in trading and opening of diplomatic relationships with countries that previously avoided this country. In the light of this development, South Africa is continuously confronted with the challenges of globalisation and, in particular, human resources management from, a global perspective. It is necessary that employees in the public service possess skills and expertise such as customer care, financial management, procurement and logistics, labour relations, project management and general management, in order to cope with the demands of the global village.

This thesis explores the impact of globalisation on human resources management in terms of a literature search, followed by an empirical survey, statistical analysis and a number of recommendation and concluding remarks.

1.2 PROBLEM STATEMENT

The main problem being researched is that the management of training and development in the South African public service does not adequately meet the training needs of the current demographically diverse staff component to equip it with necessary skills for effective and efficient service delivery against the background of the global community and its continued globalisation.

The following sub problems are derived from the main research problem:

- The above main problem causes, *inter alia*, an inability to adapt to changing strategic public human resources management needs from a national and international perspective;
- The main problem of lack knowledge and understanding by public officials of globalisation results in an inability to effectively and efficiently manage and execute national and international human resources management trends, a needed skill for achieving, maintaining and enhancing cutting-edge human resources management theories and practices for globally competitive human resource management.

The aim of human resources management is to contribute towards goal achievement of the institution. Human resources management is the process through which managers in the public sector, *inter alia*, forecast the demand for human resources in order to prepare human resources development programmes that would meet the human resources management needs and evaluate their effectiveness in terms of organisational objectives.

1.3 KEY QUESTIONS PERTAINING TO THE RESEARCH

- What is meant by globalisation and human resource management?
- How does globalisation impact on human resources management and training and development in the public service?
- How does the public service deal with globalisation trends with regards to training and development?
- Can a model of human resources management be developed that can ensure appropriate response to globalisation trends?

1.4 OBJECTIVES OF THE RESEARCH

The main objectives of the study are:

- to determine the impact of the globalisation process on public human resources management in the South African Public Service;
- to examine selected administrative and management structures responsible for public human resource policies and procedures on training and development South African Public Service;
- to understand how public human resources departments in the South African Public Service are adapting to dynamic changes in the field of public human resources management nationally and internationally;
- to ascertain the extent to which public human resource management functionaries focus on normative foundations of public administration- public accountability, deference to labour, human rights and ethical standards;

- to determine the level of understanding of public human resources management in terms of globalisation;
- to conduct an empirical survey;
- to propose a set of recommendations and,
- to have the responses from the empirical survey statistically analysed, interpreted and reported on.

1.5 RESEARCH METHODOLOGY

The research methodology (i.e. a group or body of methods) of collecting data necessitates a reflection on the planning, structuring and the execution of the research. This enables the research to comply with truth, objectivity and validity. Research methodology focuses on the processes of research and the decisions that the researcher has to take to execute the research project, objectively and with integrity.

According to Brynard & Hanekom(2006:36), there are three basic research methods or methodologies that can be distinguished: quantitative and/or qualitative methodology and methodological or triangulation models.

Quantitative data can range from simple counts such as the frequency of occurrences to more complex numerical data such as test scores or prices. Quantitative analysis techniques assist to analyse and interpret data in order to ensure that the data is meaningful and understandable. Quantifiable data are those values one can be measured numerically as quantities (Saunders, Lewis, & Thornhill, 2000:326).

Robson (1993:310) argues that quantitative data analysis is "...a field where it is not at all difficult to carry an analysis which is simply wrong, or inappropriate for the purpose. And the negative side of readily available analysis software is that it becomes that much easier to generate elegantly presented rubbish".

Qualitative data is based on perceptions expressed through words. It is the collection of results in non-standardised data requiring classification into categories. Qualitative analysis is conducted through the use of conceptualisation (Saunders, et al., 2000:99). According to Robson (1993:28), qualitative data are associated with such concepts and are characterised by their richness and fullness based on an opportunity to explore a subject in as real a manner as is possible.

The advantage of using multi-method examples is that it enables triangulation to take place. Triangulation refers to the use of different data collection methods within a given study in order to ensure that the data exposes what the respondents are thinking. For example, semi-structured group interviews may be a valuable way of triangulating data collected by other means such as a questionnaire (Saunders, et al., 2000:99).

Each method, tool or technique has its unique strengths and weakness (Smith, 1975). There is an inevitable relationship between the data collection methods that may be used. The problem could be that it is mostly impossible to ascertain the nature of such an effect. Since all different methods will have different effects, it is reasonable to utilise different methods to cancel out the 'method effect', an approach that will lead to greater confidence being placed in findings and conclusions.

The approach adopted for this study embodies a combination of the three methodologies which will provide insight into the research problem.

In addition to the above, the following processes are part of the study:

- undertaking a literature search of available and relevant literature;
- an empirical survey will be undertaken;
- data will be collected by means of face-to-face interviews and e-mails by means of structured questionnaires;
- the population(sample) respondents to be interviewed will be Directors-General, Chief Directors, Directors, middle management and lower management;
- the collected data will be analysed by a statistician and, finally, the findings will be interpreted to formulate a set of recommendations.

1.5.1 Literature search

Literature search is a study of relevant books, journal articles, academic papers, official reports, government policy, such as legislation and subordinate legislation, minutes of meetings, official publications and other policy documents, newspaper articles, unpublished research and other applicable published and unpublished material for the purpose of becoming familiar with existing literature on the topic as well as for identifying selected normative criteria in respect of research problem.

The identification and investigation of the impact of globalisation on human resource management in the South African Public Service is conducted through a literature study of available texts.

1.5.2 Empirical Survey

The word “empirical” means “guided by practical experience”. A research project is augmented by an empirical survey of a representative sample of a given research population (universe) and where the practical area pertaining to the research is investigated by various means of data collection, for example, a questionnaire. The Likert-scaling system was used to collect data. The respondents strongly agreed or strongly disagreed on a 5-point scale.

For this research, the samples were drawn from national government departments. The questionnaires and interviews were directed at the target population (sample), namely, Director-Generals, Directors/ Heads of Departments /officials involved in human resource management. In order to execute this survey, the researcher utilised the quantitative approach methodology. The sample size was decided on in collaboration with the resident CPUT statistician, who also assisted with the statistical analysis of the response data.

1.5.3 Data Analysis

Appropriate response percentages were determined in collaboration with the resident CPUT statistician by determining relative values from the empirical data and transferring such values in a codified form to a computer database. The dataset thus analysed was interpreted by utilising selected statistical methods and analytical instruments. A description of the analysis methodology design is provided in the separate chapter on the research design.

1.5.4 Interpretation of the findings

After receiving the statistical analysis data from the statistician, the results were interpreted by the researcher. The findings were articulated and described in the form of tables, charts and figures, followed by a brief textual explanation of each and every analysis event. In the separate chapter on the statistical analysis, figures, tables and charts were used to clarify the descriptions of findings.

1.5.5 Recommendation proposal

Following the literature study and the empirical survey, the normative criteria extracted from the literature study and the findings of the statistical analysis of the empirical survey were presented to illuminate the research problems set out above. A number of recommendations are presented and were designed from the selected normative criteria extracted from the literature and also from the empirical survey.

1.6 OVERVIEW OF CHAPTERS

Chapter one introduces the topic of the thesis and provides a background and overview of the study.

Chapter two explores the theoretical basis for globalisation from a public management perspective. It explains public administration in the context of globalisation and human resources management in the South African public service.

Chapter three elucidates on the various theories of globalisation and human resources management.

Chapter four presents an evaluation of selected international experiences of globalisation.

Chapter five focuses on the South African trend of globalisation and human resources management. It further sets out the themes and sub-themes of globalisation and human resource management.

Chapter six explains the approaches to research methodology and the normative survey method.

Chapter seven illuminates the statistical analysis and interpretation of findings. This chapter analyses, interprets and articulates the analysed data in graphical and textual representations.

Chapter eight provides recommendations and concluding remarks.

At the end, the bibliography and attachments are included.

1.7 CLARIFICATION OF TERMS AND CONCEPTS

For the purposes of this research the following definitions will be used:-

Globalisation

Sachs (1997:9) explains that “globalisation means moving away from providing services locally to providing services internationally. Instead of only listening to ourselves and implementing our own ideas, we are able to consult with the rest of the world. Globalisation allows us to consult with other countries on their policies and incorporate it in accordance with what are applicable to ours” (Sachs, 1997:9).

Multinational corporations manufacture products in various countries and sell to consumers around the world. Money, technology and raw materials move across national borders along with products, finances, ideas and cultures which circulate relatively freely. It has to be noted that often business-driven globalisation means uprooting old ways of life and threatening livelihoods and cultures (du Toit, van Niekerk, van der Waldt and Dolye, 2002:167).

Proponents of globalisation

According to the Managing Director of the International Monetary Fund (IMF), “Globalisation is a positive development for the world economy ... to begin with, globalisation is the continuation of the trend of growing openness and integration among economies that has brought the world a half century of unparalleled prosperity” (Niemann, 2005:312).

Currently, the term globalisation is widely used for example; foreign tourists in local hotels, world news on television, soccer players joining clubs overseas or foreign-made vehicles are observed on local roads.

To summarise, according to the proponents of globalisation:

- it is a natural and inevitable part of historical change;
- will increase wealth and prosperity for all countries and people, including workers and,
- is a possible path for the success of the world economy.

Opponents of Globalisation

Those who oppose globalisation define the term differently and call it an 'attack' on workers and their standards of living as well as a 'strategy' for capitalism to be able to survive. Some call globalisation a new form of colonialism or a 'world war'.

Globalisation has been marked by a concerted strategy by capitalists, in particular trans-national corporations, to safeguard their interests and to destroy any possibilities of socialism (Nieman, 2005:312).

Public services

Public services is a term usually used to mean services provided by government to its citizens, either directly through the public sector or by financing private provision of services. The term is associated with a social consensus usually expressed through democratic elections that certain services should be available to all who live in a country (<http://www.answers.com/topic/public-services>).

According to the South African Constitution Act No. 108 of 1996, Section 197, there is a public service within public administration that has to function and be

structured in terms of national legislation and which has to loyally execute and implement the laws of the South African government. The conditions of employment in the public service have to be regulated by national legislation. In this context, provincial government is responsible for the recruitment, promotion, transfer and dismissal of members of the public service in their administration.

Policies and procedures

Policies and procedures refer to the systematic way an organisation designs, structures or organises its collection of information for purposes of storage and access (Urigo, 1999:20).

Policies are principles, rules, and guidelines formulated and/or adopted by an organisation to reach its long-term goals. They are designed to influence and determine all major decisions and actions, and all activities take place within the boundaries set by them. Procedures are the specific methods employed to express policies in action in day-to-day operations of the organisation.

Together, policies and procedures ensure that a point of view held by the governing body of an organisation is translated into steps that result in an outcome compatible with that view (<http://www.businessdictionary.com/definition/policies-and-procedures.html>).

Public Policy

Hanekom (1987:7) defines public policy as a formally articulated goal that the legislator intends pursuing. The policy have to be put into action to serve as a guideline in the allocation of resources necessary to realise societal goals and objectives that had been decided upon by the legislator. In other words, public policy is a declaration of a course of action to ensure that the citizens have a better quality of life.

According to Cloete (1998:125), there is a need for public policy as soon as people start living together in communities because they require goods and services.

Public policies are essential to reconcile conflicting interests of individuals and groups.

Effectiveness

Effectiveness refers to the achievement of the organisation's objectives. It is a system that is producing the desired quantity and the quality of output (Keeling & Kallaus, 1996:662).

“Effectiveness may be reserved for the achievement of specific, measurable, desired ends (objectives). Effective management can be quantified as the manager being concerned with using the available resources to achieve the specific objectives” (Du Toit, Knipe, Van der Walt, Bayat and Cheminais, 1998:115).

Efficiency

Efficiency refers to achievement of organisational objectiveness with optimum utilisation of available resources. It is a system that is operating in an economical manner which is reliable and minimises the time and costs involved in its operation (Keeling & Kallaus, 1996:662).

According to Fox and Meyer (Public Administration Dictionary: 1995), efficiency is explained as, “in the traditional view of administration, efficiency is the primary objective of administrative science. The term conjures up images of clear-cut comparisons of costs with the value of outputs, profit (or benefits) maximization and cost minimisation or recovery”.

Public Human Resource Management (PHRM)

Public Human resource management is a strategic and coherent approach to the management of a public service institution's most valued assets - the people working there who individually and collectively contribute to the achievement of the objectives of the organisation. The terms "human resources management" and

"human resources" have largely replaced the term "personnel management" as a description of the processes involved in managing people (http://en.wikipedia.org/wiki/Human_resource_management - cite_note-hrmhandbook-0#cite_note-hrmhandbook). Human Resources management is constantly evolving. Human resources management is both an academic theory and a practice that addresses the theoretical and practical techniques of managing a workforce (Armstrong, 2006:5).

Strategic public human resources planning

Van der Waldt, *et al* (2002:5) states that any public manager ought to know where the institution is and where it is going. It is necessary to know the implications on the future demands and supply of human resources. The purpose of public human resource planning is to ensure that people will be available to provide the continued smooth functioning and growth of an institution.

According to Robbins (1982:74), the planning of public human resources is the process by which an institution ensures that it has an adequate number of suitable individuals in appropriate positions and at the right time. The appointed people has to have the capacity to perform their duties effectively and efficiently in order to attain the objectives of the institution.

Global human resource management

According to van Dyk, *et al* (2002:4), global human resources management is the efficient delivery of customised quality-assured human resource management services to the community of the institution through highly efficient knowledge assets (internal or out-sourced) to enhance the institution's global effectiveness and efficiency. The public service is becoming global and the internet accelerates this trend. Public human resources management policies have been traditionally ethnocentric and parochial. The local employees move between countries and public human resources management balances the global needs with local needs. In order to change its focus, public human resources management needs to become more involved in cross-border relationships to spread shared learning

between countries. International networking is essential in the transformation of the public human resources management function.

Training and development

It is generally accepted that in future, South Africa will require an increased supply of skilled managers and staff in all sectors to deliver a consistent and quality service. Staff members that are trained enhance and improve a government department's image and add value to public service. Attracting and retaining good staff and ensuring consistent quality can only be achieved with management's commitment to effective training. Investment in training and education will have long and lasting returns through increased productivity and improved staff performance. The returns on investment will only really be worthwhile if supported by appropriate policies and measures, not only in education and training but also in other areas such as infrastructure, transport planning and labour market programme. Training programmes are the process of providing staff members with information they need to perform their duties satisfactorily (Dessler, 2001:273).

Training and development can be defined "as all those planned and purposeful activities which enable to improve knowledge, skills, insight, attitudes, values, working and thinking habits in such a way that they are able to perform such job or task, or to perform such job more efficiently and unless the context in which the word is used clearly indicates" (Keith, 1999:164).

Government

Government is a machinery, or agency through which a political unit exercises authority and performs functions and which is usually classified according to the distribution of power within which the complex of political institutions, laws, and customs through which functions of governing is carried out (<http://www.merriam-ebster.com/dictionary/government>).

Governmental relations

Hattingh (1998:4) is of the opinion that governmental relations are the study of relations between public officials and political office bearers who are in authority as well as individuals and institutions.

Governmental relations can be defined as the regulations controlling orderly relations between individuals in power, government institutions and departments as well as between governments on various levels with the aim to facilitate co-operation, co-ordination and decision-making (van der Waladt, et al. 2002:89).

1.8 SUMMARY

This chapter has covered an introduction, problem statement, key questions pertaining to the research, objectives of the research, research methodology, including mention made of the literature search, the empirical survey, data analysis and interpretation and articulation of the results of the statistical analysis of the response data, followed by a clarification of terms and conditions and a summary.

The theory of globalisation is the integration of national economics into the global economy through trade and technological communications. As the economic environment became more competitive domestically and internationally, human resource management is expected to contribute towards a government's competitiveness by becoming more service-driven and improving the quality of the life of the citizens. During the 1980s public human resource management assumed an advisory role, acting as a consultant to line managers. In line with the intensification of efficient and effective public service delivery pressures during the 1990s and into the 2000's, the public human resource function was increasingly required to demonstrate that it could add real value to public service delivery.

In order for a country to be effective and efficient from a global perspective, it is necessary that its public human resources managers are adequately trained to embrace, inter alia, the challenges of globalisation. Public human resources

management need to prove its contribution to the organisation towards attaining its objectives to add value.

The next chapter contains a theoretical exposition for globalisation from a public administration perspective.

CHAPTER 2

A THEORETICAL BASIS FOR GLOBALISATION OF PUBLIC HUMAN RESOURCES MANAGEMENT FROM A PUBLIC MANAGEMENT PERSPECTIVE

2.1 INTRODUCTION

Public Human resources management is the process of coordinating an institution's human resources, or employees, to meet organisational goals. Human resource professionals deal with such areas as employee recruitment and selection, performance evaluation, compensation and benefits, professional development, safety and health, forecasting, and labour relations. The challenges public human resources management face include maintaining a diverse workforce, dealing with major technological changes, immigration, brain drain, adhering to governmental regulations and handling restructuring.

There have been several changes in the field of public human resources management because the needs of the organisations or institutions are changing to meet the demands of the global economy. The changes take place in the manner in which jobs are structured and restructured in terms of devolution and decentralisation to ensure effectiveness and efficiency in public service delivery. Government departments are required to meet the demands of the public and to able to raise its profile so that it can be seen to add value and a better quality of life for its citizens.

This chapter explains the conceptualisation of globalisation against a theoretical background and within public human resources management as a sub-field of public management.

2.2 THE PHILOSOPHY OF MANAGEMENT

The philosophy of management lies in the assumptions that people make in respect of other, and the way in which they perceive and interact with one another. People's social behaviour is based on the way in which they believe other people behave, irrespective of whether they are aware of it or not.

Managers, as human beings, do not differ from other human beings. All managers direct their behaviour and actions according to the way they believe employees behave. Human resources management processes must utilise management and organisational development to determine the prevailing management philosophy and its effect on the work behaviour of the workers corps, and to change this philosophy if necessary. Management is the function of achieving goals through other people. (Nel *et al* 2005:20).

2.2.1 Theories of Management

The following are a selection of theories of management. This section is particularly relevant to the impact of globalisation on human resources management policies and procedures in the South African public service.

2.2.1.1 The Classical approaches

Taylor (1911 [nbn]) initiated the scientific management approach. He adopted a scientific approach to analyse specific tasks of workers and thereby addressed the problem of how to judge whether employees are working productively. He believed that money motivates workers and developed the individual piecework system as the basis of remuneration. Organisations paid workers who produced more than a specific production standard a higher rate for their work than what they paid workers adhering only to the specified production standard.

The process (administrative) approach grew out of the need to find guidelines for managing complex such as factories. Fayol was the pioneer of this approach (<http://www.analytictech.com/mb021/fayol.htm>).

He was interested in the administrative side of operations. He conceptualised that managers should maintain formal authority which is not possible or advisable in some contemporary organisations. The bureaucratic approach focused on the more fundamental issue on how the organisations are structured. Max Weber

developed a theory of bureaucratic management that stressed the need for strictly defined hierarchy governed by regulations and authority (<http://www.businessmate.org/Article.php?ArtikelId=30>).

Elton Mayo and his associates at General Electric's Hawthorne plant near Chicago pioneered the human relations approach. Their work showed the importance of paying attention to people to improve their productivity. They also focused on the use of scientific methods in their studies of people in their work environment (www.vectorstudy.com/management_gurus/elton_mayo.htm).

Behavioural scientists, such as Maslow with his hierarchy of needs (en.wikipedia.org/wiki/Maslow's_hierarchy_of_needs) and Douglas McGregor with Theory X and Y used more sophisticated research methods to focus on management's attention on the needs of the workers (en.wikipedia.org/wiki/Douglas_McGregor).

2.2.1.2 Contemporary approaches

The systems approach views an organisation as a group of interrelated parts with a single purpose: to remain in balance (equilibrium). The action of one part influences the other parts and causes imbalance. Managers should view the organisation as a whole rather than focus on the performance of individual departments. The action of one part (section, department, team or individual) influences the others and managers cannot deal separately with individual parts (en.wikipedia.org/wiki/Systems_theory).

The approach followed in this module is based on the systems approach where the organisation is viewed as a system comprising four elements: input (resources), transformation processes (managerial processes, systems and so on), output (products and services) and feedback (reaction from the environment). The systems approach is the basis of the contingency approach. It refers to using the right management approach for the situation in which managers find themselves (en.wikipedia.org/wiki/Systems_theory).

The objective of the Total Quality Management (TQM), on the other hand, is to create an organisation committed to continuous improvement. TQM is a philosophy of management that is driven by competition and client needs and expectations. The term customer encompasses employees, suppliers and consumers (searchcio.techtarget.com/.../Total-Quality-Management).

The learning organisation is a management approach based on the systems approach and pioneered by Peter Senge (www.infed.org/thinkers/senge.htm). According to this approach, organisational learning is the process that enables an organisation to adapt to change and move forward by acquiring new knowledge skills and/or behaviours and thereby transforms itself. In successful learning organisations individual learning is continuous, knowledge is shared, and the organisation culture supports learning. Employees are encouraged to think critically and take risks with new ideas and all individuals are valued for their contribution to the organisation (www.infed.org/thinkers/senge.htm).

2.3 THE PHILOSOPHICAL AND THEORETICAL CONCEPTS OF PUBLIC MANAGEMENT

According to Fox, et al (2000:15), there is confusion about the terms public administration and public management. Public administration is a wide field of academic study and of practice and is, therefore, difficult to define. Several models have been presented in order to describe the field of public administration. Six of these models are the classic, bureaucratic, the neo-bureaucratic, the institutional, the human relations, the public choice and the entrepreneurial models.

During the latter part of the 20th century, the majority of academics in South Africa made public management the focal point in the public service. Simultaneously, public administration was defined more broadly. It has being regarded as value-laden and environmentally-influenced (Fox, et al. 2000:15).

Fox (2000:15) holds that irrespective to what extent the various models are manipulated, not one of them fits the present South African situation since a new model should take into account that the country has moved into a public management system that shows individual elements found in every model, but that there are aspects that do not fit into any of them (Fox, et al. 2000:15).

2.3.1 Definition of public administration

Dunsire (1979:11) defines public administration as “the system of structures and processes; operating within a particular society as an environment; with the objective of facilitating the formulation of appropriate, legal and legitimate governmental policies regarding public goods and service delivery”, and “the effective, efficient, responsive and productive execution of the formulated policies”.

2.3.2 The locus and focus of public administration

The locus of public administration is the sum total of the legislative, executive, judicial and administrative institutions of service delivery in a country. The focus is the achievement, maintenance and enhancement of the general welfare of a country’s population by rendering public services effectively and efficiently to ensure quality of life and survival

(www.egyankosh.ac.in/bitstream/123456789/25474/1/Unit-1.pdf).

The study of public administration focuses on the system as a whole or part of any aspect. The focus, for example, may be on the systems and structures of public administration, or on its role within society and its environment, or on public policy-making, or on the processes of managing the public sector. One of the necessary areas of focus is public administration and its role in delivery of public goods and services to the society within which it is operating (Frederickson 1986:37).

The question often arises as to why Public Administration and Public Management, should be regarded as unique disciplines within the broad field of the managerial sciences.

Frederickson (1986:37) is of the view that the following are among the more key reasons:

- The public service operation is mainly based on party political environment. The focus is not so much on market forces as on the ideology of the government of the day.
- There is a unique organisational structure, headed by a legislature elected by the people. This also means that the legislation under which they operate is unique to the public sector.

- The core business is to deliver public goods and services, not to a selected clientele, but to all citizens without a view to making a profit.
- The operations are subject to public policy. The public sector is driven by public policy, of which the public budget is a prime example. In a democracy, a government, in theory, governs in terms of the power of the voters to dismiss that government if its policies do not conform to their wishes.
- There is a unique system of normative values, of which public accountability is a prime example, which do not exist in the private sector.
- The control structures, such as the auditor-general and the public protector, differ from those of the private sector.

According to Frederickson (1986:37), the introduction of public management into the theory and practice of public administration suspends, subsumes or replaces the latter. One may make this assumption if one regards public administration merely as a process with a number of functions. In this context, public administration should be regarded as a functional societal system. This immediately puts into play all the implications of the tried and proven social approach to organisations.

2.4 MODELS OF PUBLIC ADMINISTRATION

A number of theoretical models of public administration have been formulated in order to organise and categorise the discipline of public administration. In this context, theory is meant to denote positive or empirically based knowledge. The models are explained and compared in terms of public administration values. The values are defined as the normative supposition within or underlying the models and the process of moral reasoning in support of them (Frederickson, 1986:38).

2.4.1 Classical bureaucratic model

The bureaucratic model has two basic components, the first being the structure and design of an institution, and the second being the means by which persons

and work are managed within the organisational design. Max Weber's ideal type organisation is the general point of departure for understanding the structural aspects preoccupation with organisational diagrams (organograms) and the fitting of people into these descriptions, personnel classifications and salary scales. In the description of hierarchy may be include the patterns of behaviour, such as the keeping of records and the elaboration description of delegations (Frederickson, 1986:38).

2.3.2 Neo-bureaucratic model

This model is one of the products of the behavioural era in the social sciences. The values to be maximised in the model are generally similar to those of the bureaucratic model. Therefore, the model was named neo-bureaucratic, although this is the only area in which they correspond. The bureaucratic model emphasises structural, control and the 'principles of administration', with the unit of analysis being the work group, the section, and the department or whole governments. In contrast to the values of effectiveness, efficiency and economy, the neo-bureaucratic model takes the decisions as the more common unit of analysis, with the process of decision-making being the central focus. The pattern of reasoning is 'rational', that is, decisions are made to achieve as much of a given objective as possible (Frederickson, 1986:39).

According to McCurdy (1977:99), modern management science, systems analysis and operations research are built on earlier writings, especially those of Herbert Simon. These theorists had an understanding of such matters as formal and informal patterns of organisational control and the limits of rationality, whereas the modern versions of the neo-bureaucratic School have decided on the original means-end logic growing out of logical positivism. The close similarities between means-end analysis of the neo-bureaucratic model and the policy-administration dichotomy (two opposing matters) of the bureaucratic model are obvious. The objectives of operations research, systems analysis and management sciences are similar to the bureaucratic model. The modern management scientist's work contributes extensively to the attainment of efficiency, economy and productivity (McCurdy, 1977:99).

2.4.3 Institutional model

The institutional model is a product of the work of social scientists during the 1940s to the 1960s; it is the manifestation of the behavioural era, particularly in sociology and political science. This model is less concerned with how to design efficient, effective or productive organisations but more with how to analyse and understand existing bureaucracies. These scholars were generally positivist in their perspective, searching in order to explain how the complex organisations behave. In the above context, there is no agreed-upon model or paradigm, but rather a body of knowledge generally known as organisation theory. Public Administration scholars are both users of and contributors to organisation theory. In this context, the researcher intends to ascertain how globalisation impacts on the behaviour of policy makers (Frederickson, 1986:40).

Behavioural scholars claim that they do not indulge in normative questions and that they describe organisations and do not prescribe values. In this context, the institutional model has strong normative currents. One of these can be characterised as an analysis of public bureaucracy. It is held to be powerful, resistant to change, beyond legislative or executive control, tending to isolate and seal off its technology and guarantee its sources of revenue, and concern itself primarily with survival. Discerning these behavioural patterns, bureaucracy is observed to be bad, and ways to control it should be considered. Otherwise, it may be considered merely as a natural phenomenon and the price a complex and advanced society has to pay if it wishes its government to deliver goods and services in a transparent and accountable way (Frederickson, 1986:40).

In the final analyse, it is necessary for public service practitioners to contribute to effective and efficient public service delivery to ensure that every citizen enjoys a better quality of life.

2.4.4 Public choice model

The body of knowledge presented by the public choice model is rich in tradition and intellectual rigour. Public choice theorists have had, and will continue to have,

a valued influence on public administration. The perspective on public administration developed by Woodrow Wilson, often called “bureaucratic theory” may be compared with the perspectives of the public choice theorists, called a “paradigm of democratic administration” (Osborne and Gaebler, 1982:74).

Wilson’s bureaucratic paradigm consists of the following components:

- The existent of a dominant centre of power in a government system.
- A single centre of government will always control a society because of its powerful unified position. This will ensure that it will be become responsible.
- The field of politics set the task for administration, but the field of administration lies outside the proper field of politics. This component has become known as the politics/administration dichotomy.
- Perfection in the hierarchical ordering of a professionally trained public service provides the structural conditions necessary for “good” administration (Osborne and Gaebler, 1982:74).

2.4.5 Human relations model

The human relations model is a reaction to the classical bureaucratic and neo-bureaucratic models. The emphasis in bureaucratic theory on control, structure, efficiency economy and rationality in essence gave rise to the human relations movements. The human relations model has its applied manifestations in group dynamics, sensitivity training and organisational development. The emphasis in these training endeavours reflects the values underlying the human relations model such as worker and client participation in decision making, reduction in status differentiation, reduction in interpersonal competition and the emphasis on transparency, honesty, self-actualisation and general worker satisfaction (Osborne and Gaebler, 1982:78).

2.4.6 Entrepreneurial model

The entrepreneurial model focuses on the service delivery of government and should be conducted in a professional manner. The proponents of this model argue that as governments are also subject to market tendencies. The majority of entrepreneurial governments promote competition between service providers and they empower citizens by pushing control out of the bureaucracy, into the community. They measure the performances of their agencies, focusing not on inputs but on outcomes and are driven by their goals- their missions, not by their rules and regulations. The clients are redefined as citizens and offer them choices. The entrepreneurial governments prevent problems before they emerge, rather than simply offering services afterwards and put their energies into earning money, not simply spending it. They decentralise authority and embrace participatory and consultative management. This approach prefers market mechanisms to bureaucratic mechanisms. It focuses on providing public services by catalysing all sectors, i.e., public and private into action to solve their community problems (Osborne and Gaebler, 1993:19).

2.5 PUBLIC ADMINISTRATION MODELS IN THE SOUTH AFRICAN CONTEXT

Two particular models have been suggested in the South African context. The first, which originated during the 1960s and almost universally adopted academically and practically, has become known as the generic administrative process or GAP model of public administration. The model was elevated to an exclusive theory of Public Administration and generally regarded as the only legitimate theory relating to the discipline as a whole (McCurdy, 1977:89).

The term “generic” was coined to indicate that administration, as advocated in the model, was universal. The term functional has been used to indicate that the model asserts that the process of administration consists of six main processes and various subsidiary functions. In addition, the model contains what is called guiding principles, such as fairness and efficiency. As from the 1980’s, the model was criticised to an ever-increasing extent, mainly because it claimed to be descriptive of the whole of the public administration system, and because it

described a closed system of administration where its environment played no part (McCurdy, 1977:88).

The second model proposed is not one that claims to be descriptive of the system of public administration as a whole, but a key component of it to be the driving force behind the process of public administration and termed public management. This proposes that public administration is an open system in which its environments play are present. It concentrates on what knowledge, skills and applications are necessary to manage those environments efficiently. Therefore, the various roles of the public manager are described normatively. The societal values underlying the process form a key element of this model (McCurdy, 1977:89).

Figure 2.1 shows the relationship between the national government of South Africa and its global partners. Over the past few decades, there has been an increase in which governments co-operate with one another. Governments in a region for example, in Africa, America and Europe formed a group such as the African Union(AU), Southern African Developing Countries (SADC), European Union(EU) and North Atlantic Free Trade Association(NAFTA), which includes the United States of America(USA), Mexico and Canada. There are people who view the development of regional groups as globalisation, others are of the view that it is part of the globalisation process. National governments are developing beyond their national boundaries, which will lead to larger, regional states in the future (Isaacs, 2002:14).

On a daily basis the South African state Departments interacts with their regional and international counterparts in order to provide a service to its citizens.

FIGURE 2.1

NATIONAL GOVERNMENT OF SOUTH AFRICA IN RELATION TO GLOBAL PARTNERS (AS ADAPTED)

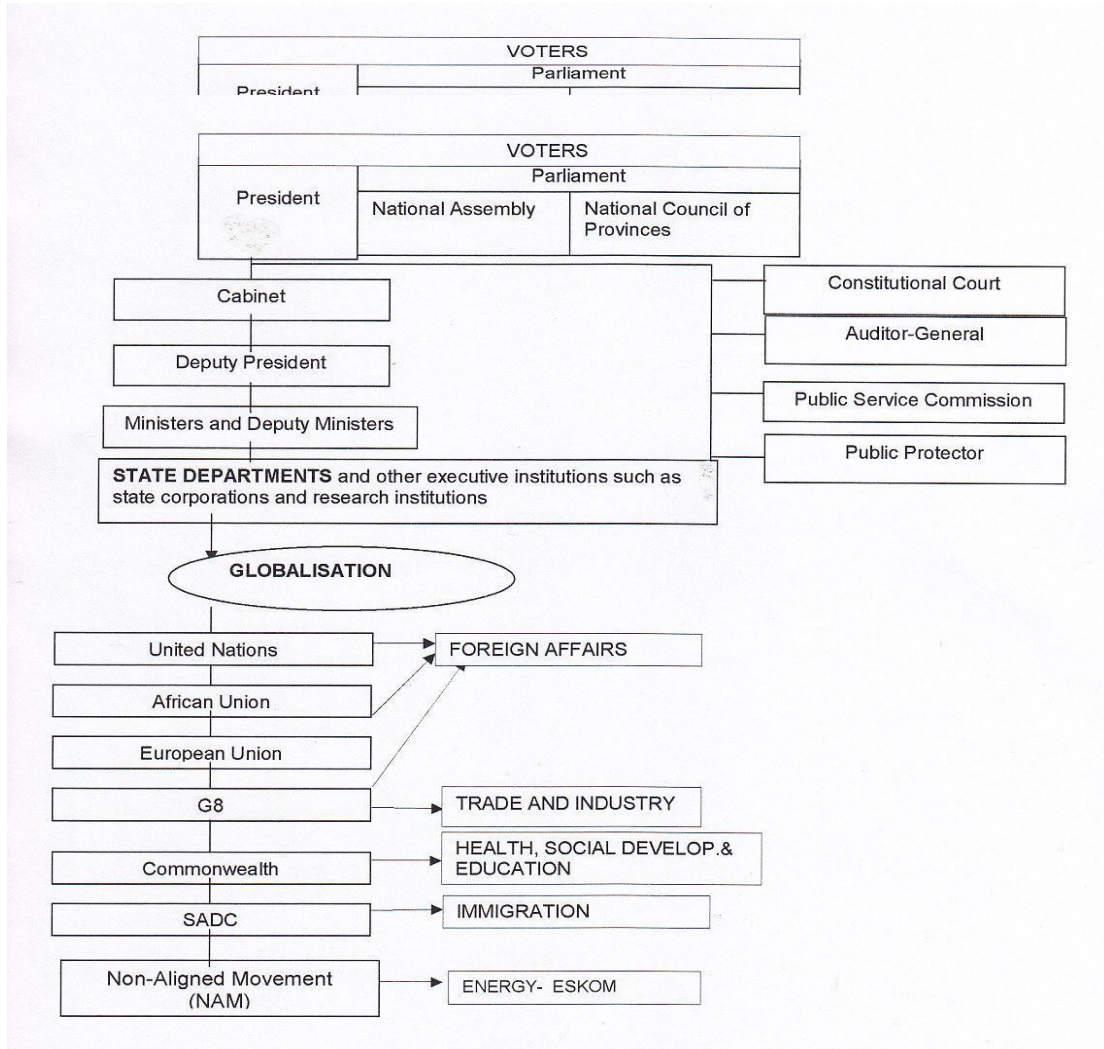


Figure 2.1 explains the various interfaces where the South African government departments interact with global institutions, for example, Department of Trade and Industry with G8 countries, the Departments of Foreign Affairs, Immigration and Public Service and Administration with the United Nations. The SADC interact with the Department of Energy and Eskom in respect for power generation. The European Union interacts with the Department of Trade and Industry with regards to trading.

2.6 AN ALTERNATIVE PARADIGM IN PUBLIC ADMINISTRATION

Since the French Revolution the administrative state has been regarded as an instrument for promoting the national interest. The rule of just law was intended to replace the rule of unjust men. The general will was supposed to prevail over special interests, and collective needs would be satisfied before special interests. It has not turned out exactly as intended. There has been much experiences and writings about bureaucracy and the failing of the administrative state (Gortner, 1981:22).

All models of public administration have been set up from a Western perspective, without taking developing countries and their administrations into account. Developing means that there is or should be development. There should also be the essence of a developing administration that is going beyond mere development. The emphasis should move towards sustainable development (Gortner, 1981:22).

In practice, it has been found that it is difficult to operationalise sustainable development. The general view of sustainable development focuses on the key areas of government, which are social sustainability, economic sustainability and environmental sustainability. In order to make all of it more sustainable, it has become clear that the utilisation of indigenous knowledge systems should be an essential element of such a system of government.

Although various attempts have been made to present public administration as a model, this has not always been quite successful. The models represent theoretical thought at various historical intervals. It must be noted that much of what is regarded as modern public administration, to a greater or lesser degree contains different elements of the various models.

Based on reasons such as the mainly political environment and the structures of control within the public sector, Public Administration and, therefore Public Management may be regarded as unique disciplines within the context of the managerial sciences. In the South African context, at least two attempts have

been made to describe the process of public administration, the first attempt has become known as the generic functional model. A more modest model describing normatively, the necessary process of public management has superseded this (Gortner, 1981:25).

2.7 CLOETE VERSUS SCHWELLA APPROACHES TO PUBLIC ADMINISTRATION

A fledgling democracy like South African cannot accept that the various models devised by western scholars can be made applicable to its system of government. When analysing these models, it is observed that elements of each one can be found in the South African system of public administration. However, to be able to reflect the system in place in that country, a paradigm shift is needed.

The debate is between a school of thought adhering to the traditional approach to the subject Public Administration followed in South Africa as advocated by JJN Cloete (Wessels & Pauw, 1999:333) and a school of thought striving to introduce new content into the academic efforts and professional actions of public administration in South Africa as advocated by Erwin Schwella (Wessels & Pauw, 1999:333).

2.7.1 Cloete's administrative process approach

JJN Cloete advocates that public administration can be defined to consist of the following six generic administrative processes which are regarded as enabling processes (Cloete, 1998:85):

- Policy-making;
- Organising;
- Staffing;
- Financing;
- Determining work methods and procedures; and,
- Controlling.

Apart from the above activities being performed, there are other related activities that are essential in administrative executive institutions. They are the auxiliary, instrumental and functional aspects, which are known as the line functions. In practice all these functions are conducted simultaneously and are integrated to

such an extent that it is often not noticed where one ends and the other begins. In this context it has to be pointed out that the commencement of the administrative functions are a prerequisite before the functional activities or line functions can be initiated (Cloete, 1998:85).

Table 2.1 illustrates the functions performed in an administrative executive institution:

TABLE 2.1 - FUNCTIONS PERFORMED IN AN ADMINISTRATIVE EXECUTIVE INSTITUTION

GENERIC ADMINISTRATIVE FUNCTIONS		AUXILIARY FUNCTIONS	INSTRUMENTAL FUNCTIONS	LINE FUNCTIONS
Conceptual and Directive Functions	Delivery (Managerial) Functions	Research. Conducting public relations	Personal Decision-making Communication	Occupational/professional-work for government departments
Policy-making-& analysis Identifying needs Preparing legislation-and regulations.	Policy implementation Setting-mission-and objectives. Planning and analysis			
Organising Devising and improving structures (macro and micro)	Organising Setting duty inventories for-units-and individuals	Data collection and processing		
Staffing Devising systems Preparing legislations	Staffing Leading Motivating Training Performance management.			
Financing Devising financing systems Preparing estimates of income and expenditure	Financing Costing/cost benefit analysis Accounting and auditing Preparing estimates of income and expenditure reporting			
Determining work methods and procedures Preparing procedure codes and manuals	Determining work methods and procedures Checking and improving methods and procedures Devising method and procedures.			
Controlling Devising control systems and directives	Controlling Applying standards prescribed Internal auditing			

(Adapted from Cloete, 1998: 86-87).

2.7.2 Criticism of the traditional Closed Process Approach

Groenewald (1992:68) has paraphrased Erwin Schwella's criticism of the JJN Cloete's generic administrative process as the dominant paradigm in South African Public Administration as follows:

- **Reductionism**-which reduces the complexity of public administration to merely the administrative process and, therefore, the administrative functions of policy-making, organising, financing, personnel provision and utilisation and control.
- **Reification**- by elevating theoretical constructs and concepts to the level and status of reality, thus elevating one approach being the generic administrative process to the status of reality.
- **Relevance**- where it is clear that the generic administrative approach was lacking in relevance because it did not reflect the serious problems in the systems of governance an administration in the South Africa of the past. As the approach is systemically biased towards internal aspects of bureaucracy rather than the relationships between the system of public administration and its complex societal environment. It will also not reflect on present and future problems in South African governance and administration in a critical way.

2.7.3 Schwella's Open System Approach

Schwella suggests the following regarding an open system approach as the basis for a new paradigm for public administration (Wessels & Pauw, 1999:344):

- Public Administration is a complicated and dynamic societal phenomenon consisting of a system of structures and processes operating within society as environment. This system has as its primary objectives facilitating the formulation of appropriate governmental policies, catering for the diverse need of society, and the effective and efficient execution of policies.

- Public administration is, therefore, constantly influenced by relevant aspects of the environment within which it operates and in turn influences that environment. If the system does not operate in an acceptable way, it will receive signals in this regard. A failure to make the necessary evolutionary adaptations will result in pressures to address growing disequilibrium within society by means of revolutionary change.

Public administration as a system is managed by people and provides relevant policies and services for people. Groups of people therefore direct and manage the actions of the public administration system. This professional activity should be geared towards the philosophical ideal of striving for the values of the good society through effective, efficient and productive action. The open system advocates that public administration is linked to society. Public administration is a key human endeavour for the benefit of people. There are three key societal systems impinging upon public administration. According to Wessels & Pauw (1999:345), these are the political, economic and societal systems of society which will be discussed in the paragraphs that follow.

2.7.3.1 The political context of public administration

Political system should be under the control of the people and should therefore take civic considerations into account. In this regard, values such as democracy, representativeness, legitimacy, and equity are key aspects of such a political system. The incorporation of these values into the system of public administration will facilitate the functionality of public administration in its relationship with society. Public administration is involved with authoritative governmental actions. The academic implications of the political dimension of public administration involve paying attention to the field of governance (Wessels & Pauw, 1999:345).

2.7.3.2 The economic context of public administration

Since public administration provides services, it extracts economic resources such as taxes from society and provides services and product to the society. In view of this, it has to take utilitarian considerations into account. Values such as relevant

technology, effectiveness, efficiency and productivity have to be born in mind. These values should be incorporated into public administration to enhance both its societal and professional relevance.

In order of the government to achieve its objectives, effective management of scarce resources is of paramount importance. The management of public administration institutions requires a specific public management approach. Public In this context, management is a prominent sub-field of Public Administration (Wessels & Pauw, 1999:346).

2.7.3.3 The social context of public administration

The needs and aspirations of the people should be a guiding force for the system of public administration. Public administration should take into account the social considerations of the community because values such as equality, social equity, social responsibility, justice and empathy become of importance. There should be action and academic interest in public administration for the purposes of development, in situations where there is great inequality and inequity in a society like South Africa.

Development Management as a sub-field of Public Administration is relevant in order to ensure a better quality of life for the citizens (Wessels & Pauw, 1999:346).

2.7.3.4 New Public Administration Initiative (NPAI) Resolution

According to the Conference of the New Public Administration Initiatives (NPAI) held on November 1991 the following resolutions were adopted:

- New approaches to the study, teaching on practice of Public Administration are necessary. It should be an explicit normative focus on, inter alia, promoting more democratic, inclusive and participatory government and public service at all levels of government;

- A just, equitable and non-racial society with equal access for all people to societal resources, providing better public services to;
- People must be able to improve their quality of life and become more self-reliant;
- Maintaining sustainable economic, social and political growth and development; and
- Promoting values such as efficiency, effectiveness, productivity, accountability, responsibility and responsiveness.

A model of the South African public administration will have to take the concept of sustainable development as its basis. This means that it will reflect what a developing public administration should be performing, namely the optimum delivery of public goods and services (Wessels & Pauw, 1999:346).

2.8 A PHILOSOPHY OF PUBLIC HUMAN RESOURCES MANAGEMENT

Public human resources management has its roots in the Industrial Revolution, when the spread of industrialisation placed increasing emphasis on organisations' ability to hire, train, and retain large numbers of employees. During the late 19th and early 20th century changes in government regulation and labour relations also contributed to this field's origins. Human resources management rose in prominence in the mid-20th century, fostered by advances in behavioural and organisational studies. The field of public human resources management has developed into a well-recognised profession for practitioners and researchers (www.emeraldinsight.com/journals.htm/journals.htm).

2.9 NORMATIVE FACTORS IN PUBLIC HUMAN RESOURCE MANAGEMENT

The practice of public human resource management in the public sector requires officials to embrace and respect specific basic guidelines in order to perform their duties effectively and efficiently. According to van der Waldt & Helmbold (1996:9), the following are the fundamental guidelines:

2.9.1 Constitutional Supremacy

In South Africa, public administration function in accordance with the guide-lines and restrictions of the Constitution of the Republic of South Africa Act 1996, (Act 108 of 1996) and that all public officials must act within a strict framework of laws and regulations. Chapter 1, Section 2 of the Constitution is the foremost policy document which acts out the role and functions of the various structures and institutions necessary for the governance of the state. The Constitution can only be amended by 2/3 majority of representations in Parliament. The functional activities of all public office - bearers, namely, the President, Premiers, Ministers and public officials in the governmental dispensation, are directed by the Constitution (van der Waldt & Helmbold, 1996:9).

2.9.2 Public Accountability, Openness and Transparency

According to Cloete (1998: 97), every public official in a democratic state should always be able to account for one's action. In other words each official should observe public accountability in the performance of one's work.

In terms of Chapter 10, Section 195 of the Constitution of the Republic of South Africa Act 108 of 1996, one of the essential basic values and principles governing public administration is that of public accountability, therefore certain control mechanisms ought to be put in place. Officials should perform their functions within the prescribed policies and procedures of the institution.

It is essential that public officials exercise transparency and openness in the execution of their duties in order to prevent corruption. The human resource management functions of any institution must be transparent to avoid suspicion and gain the confidence of the staff members.

2.9.3 Tenets of Democracy

In a democratic society, the rights and freedoms of officials must always be respected. The objective of democracy is to create conditions for the employees well being. The official cannot be allowed to achieve the greatest well-being for oneself in a selfish manner at the expense of the others (Cloete, 1998: 104).

When the functions constituting human resource management are performed, supervisors should be aware of the rights and freedoms of their subordinates. Officials are protected against harmful treatment and may seek legal action for relief. The public also has similar rights for equality and impartiality.

2.9.4 Fairness and Reasonableness

According to Cloete (1998: 107), public institutions are there to promote the general welfare and every public functionary should treat the public fair and reasonable. Officials are required to display integrity in their execution of their functions and interaction with the public.

Certain professions have codes of conduct and are therefore bound by professional ethics. In order to prevent corruption and malpractice most professions e.g. personnel, medical, engineering, accounting and law have bodies or boards which prescribe codes of conduct to control unethical behaviour. Human resource or personnel practitioners are required to be registered with the South African Board for Personnel Practice. Human resource practitioners should at all times perform the functions impartially to the best of their ability (Reddy, 1996: 119).

The relationship between a manager and subordinate would be harmonious provided the conduct of the manager is fair, reasonable, balanced, sound, unimpeachable and honest (Cloete, 1998:108).

2.9.5 Effectiveness and Efficiency

The objective of public institutions is to provide a service. In most cases the demands are great while the resources are limited. Therefore, the available resources should be utilised effectively and efficiently to satisfy needs to the greatest possible extent. In order to achieve effectiveness and efficiency in human resources management, it is essential that all the functions constituting human resources management should be executed to attain the objectives with the least effort as possible (Cloete, 1998:109). Institutions are therefore, required to utilise staff with the appropriate capacity to perform the function effectively and efficiently.

2.9.6 Human Rights

The Constitution of the Republic of South Africa Act, 1996 (Act 108 of 1996), ensures that a person's dignity is protected. Employees, irrespective of race, sex, colour, creed or disability should not be discriminated against, in terms of labour relations practices. The matter of human rights should be central to human resource management both in the public and private sectors (Reddy, 1996: 118). The public official must at all times conduct one's functions and duties with empathy and be aware of the human rights of the public at large.

2.9.7 Ethics

According to Hanekom and Thornhill (1983:122), the public official's actions should not harm the community in any way possible. Similarly, human resource officials should maintain a high degree of responsibility, integrity, loyalty and efficiency in the workplace. They should be frank and honest in their official dealings with colleagues.

In order to eliminate maladministration and corruption, public officials are required to be ethical in the performance of their duties. They must not be engage in conflict of interest so as to profit or enrich themselves from corrupt transactions. One ought to safeguard against receiving gifts irrespective of its value. This may result in corrupt practices at the detriment of the institutions.

In light of the above, it is necessary that staff should adhere to a code of conduct which outlines the ethical standards within which staff should confine themselves to be effective and efficient in the institutions. Universities and former technikons have realised the necessity of a code of conduct for all staff members, hence, they have formulated such a document to maintain a high standard of ethics (Hanekom and Thornhill (1983:122)).

2.10 CHALLENGES OF PUBLIC HUMAN RESOURCES MANAGEMENT

Human resource management is the process of coordinating an organisation's human resources, or employees, to meet organisational goals. Human resource professionals deal with such areas as employee recruitment and selection, performance evaluation, compensation and benefits, professional development, safety and health, forecasting, and labour relations. Some of the challenges today in human resources management are maintaining a diverse workforce, dealing with major technological changes, keeping up with governmental regulations, and handling corporate restructuring and downsizing.

Human resources management has its roots in the Industrial Revolution, when the spread of industrialisation placed increasing emphasis on the ability to hire, train, and retain large numbers of employees. During the 19th and 20th century changes in government regulation and labour relations also contributed to the field's origins. Human resources management rose in prominence in the mid-20th century, fostered by advances in behavioural and organisational studies (<http://www.questia.com>).

2.10.1 Competitive advantage of Public Human Resources Management

The competitive advantage of public human resources management is the ability to compete globally and meet organisations' global demands. Human resources practitioners are expected to manage a workforce that contributes to global success. This requires a complete understanding of policies and practices across nations and how they compare and contrast with each other.

It should be understood that global conditions impact on the management of human resources at home and abroad. The human resources systems of other nations need to be understood in relation to the forces creating variations in Human Resources systems across all nations (for example, national culture, stage of development, external labour markets, roles of government, employers, and unions). It focuses on assessing the effect of these systems on:

- decisions to locate operations in other nations and coordinate them and
- how to develop and implement Public Human Resources strategies and practices (<http://www.iiasiisa.be/ias/aiacc.htm>).

Multinational firms are operating in the above environment. It ensures that one recognises the basic patterns in public human resource management systems across developed and developing nations. Globalisation, multinational and expatriate human resources management issues in the context of overseas subsidiaries, joint ventures and the multinational corporation must be considered (<http://www.iiasiisa.be/ias/aiacc.htm>).

Throughout history, adventurers, generals, merchants, and financiers have constructed an ever-more-global economy. Presently, there is a unprecedented change in communications, transportation and computer technology which has given the process new impetus. As globally mobile capital reorganises corporate, it sweeps away regulation and undermines local and national politics. Globalisation creates new markets and wealth, even as it causes widespread suffering, disorder, and unrest. It is both a source of repression and a catalyst for global movements of social justice and emancipation (<http://www.iiasiisa.be/ias/aiacc.htm>).

Globalisation is an active process of corporate expansion and a structure of cross-border facilities and economic linkages that has been steadily growing and changing as the process gathers steam. It is an idealism to reduce resistance to the process by making it seem beneficent and unstoppable (<http://www.iiasiisa.be/ias/aiacc.htm>).

Globalisation is a term describing the inexorable march of forces accelerating the interdependence of the planet to the point where one can speak of a true world community. The process began shortly after World War II, when delegates meeting in the new United Nations decided that how a government treats its citizens within its country would no longer be its business (<http://www.iiasisa.be/ias/aiacc.htm>).

2.10.2 Globalisation as ideology

Globalisation is one of a number of concepts that have been mobilised to advance the corporate agenda. Globalisation hints at internationalism and solidarity between countries, as opposed to nationalism and protectionism, which have negative connotations. The cross-border trade and investment might be economically damaging to the weaker party, or that they might erode democratic controls in both the stronger and weaker countries, is excluded from consideration by mainstream economists and pundits. It is also unthinkable in the mainstream that the contest between free trade and globalisation, on the one hand, and "protectionism," on the other, might be reworded as a struggle between "protection" of transnational corporate (TNC) rights versus the "freedom" of democratic governments to regulate in the interests of domestic non-corporate constituencies (<http://www.iiasisa.be/ias/aiacc.htm>).

Globalisation connotes not only freedom and internationalism, but, realise the benefits of free trade, and comparative advantage and the division of labour, it enhances efficiency and productivity. It is because of these characteristics, and the alleged inability of governments to halt "progress," globalisation is widely perceived as beyond human control (<http://www.ias/aiacc.htm>).

Whilst globalisation may yield economic benefits, the economic-political regime may threaten progressive ends. This is a formidable task, as the economic and political power of its beneficiaries are great and contesting it may seem a difficult task. Globalisation has its vulnerabilities, and attacking it intellectually can help build understanding and support for a large oppositional movement (Edward, 1999:25).

2.10.3 The impact of globalisation on the world economy

Globalisation as a process has been made to appear by trans-national corporation that it serves the interests of the people. These corporations have successfully created the impression that globalisation is inevitable and a success. It did not take into account the distributional effects. There has been a substantial decline in rates of output, productivity and investment growth. This has resulted in the new regime of enhanced financial mobility and power, with volatile financial markets and increase in risk taking. The real interest rates have, consequently, risen substantially. The average rate of the G-7 countries (United States, Britain, France, Italy, Germany, Canada and Japan) has gone from 0.4 percent, 1971- 82, to 4.6 percent, 1983-94. This has not encouraged investment in new plant and equipment and as a result stimulated expenditure on the re-equipment of old facilities along with a greater volume of financial transactions mergers, buybacks of shares, financial manoeuvres, and speculative activities (<http://www.questia.com>).

The income gap between the 20 percent of the world's population in the richest and poorest countries has grown from 30 to 1 in 1960 to 82 to 1 in 1995, and Third World conditions have in many respects not improved. The per capita incomes have fallen in more than 70 countries over the past 20 years. It is noticed that some 3 billion people live on under two dollars a day; and 800 million suffer from malnutrition (<http://www.questia.com>).

There are increased unemployment and underemployment in the Third World. As a consequence, massive poverty exists with a growing elite affluence and 75 million people a year or more seek asylum or employment in First World countries. Third World governments allow virtually unrestricted capital flight and seek to attract foreign investments. Third world countries rely on loans but not able to repay such loans which results in increased financial burdens and debt crisis are threatening (<http://www.questia.com>).

2.10.4 Flexibility in the workplace

Traditional personnel approaches that were conceived emphasising command and control are giving way to new approaches characterised by greater employee commitment, cooperation and communication. Organisations with rigid structures may experience problems with maintaining the abovementioned characteristics (Carrell, Elbert & Hatfield, 2006:27).

There has been much change in the way employees need to be managed. The issue of workplace flexibility has emerged in response to the needs of today's organisations and the diversity of their employees. During the last century, standardisation was the norm in personnel administration. Consistency and conformity were once hallmarks of management policy. Today, developing the capacity for flexibility is considered a vital component of the company's corporate human resource strategy, the so-called organisational fitness strategy (Carrell, Elbert & Hatfield, 2006:27).

2.11 A PHILOSOPHY OF GLOBALISATION

Globalisation has been experienced from the end of the nineteenth century sometimes in larger and smaller extents. The initial effect of globalisation was at the end of the 19th century to before the Great Depression years and around World War 2. In 1980s the world experienced two significant economic changes, which are called "Thatcherism in UK" and "Reaganomics in US". Both of them were attempts to introduce the market power into the economies and put more restriction on governments' interference into the economy. These two challenges helped the world economy to be globalised and which resulted in the United Kingdom and United States of America to enjoy economic prosperity, owing to these economic changes (Globe and Mail, 1988).

The phenomenon of globalisation has captured the world attention in various ways. This is the information superhighway to the international trade. The subject of globalisation has come to concern all and sundry. Technology and information have reduced the concepts of time and space to a great extend. Information and

communications technology (ICT) has emerged as the dominant force in the global system of productivity with significant impact on all spheres of human existence. The extent of technology change in moving goods, services and knowledge cost effectively and swiftly across the world has continued unabated and to the extent of even accelerating (Bhagwati, 2004:10).

The contribution and impact of ICT on the global economy and the emergence of globalisation has been a phenomenon of globalisation in its economic sense. There is a new ethos about the economic dimensions of globalisation that places it above all other human values or phenomena. The unfortunate consequence has been to mask the social, cultural and the political roots and impact of the phenomenon. To understand the political and economic dimensions of the phenomenon of globalisation is essential to development (Bhagwati, 2004:10).

It is necessary to understand the motivating forces that are impelling these developments aside because of globalisation's multifaceted nature. Globalisation can come in the form of multinational corporations. Intrinsic to this form of globalisation is a growing legal and institutional framework within which the regimes of contemporary international trade, finance and investment are being conducted. Globalisation can also be in the form of the environmental, women's and anti-nuclear movements or human rights struggle. The human rights movement has long laid claim to a universalising or a globalising mission (Bhagwati, 2004:10).

There is evidence that the regime of rights and freedoms established through the Universal Declaration of Human Rights and other instruments that have been promulgated in the spirit of national concern. It can assist to mobilise resistance against the hegemonising tendencies that globalisation may present.

There is a need for a recommitment to a bring of all the world around an agenda not to hamper productive and revolutionary innovations that technological development has resulted. Technology and economic development should be seen as providing a service to nations. Developments should not marginalise, discriminate or systemically deny access to the world (Bhagwati, 2004:11).

The following are some of the main features of globalisation:

- trade liberalisation;
- increasing and changing patterns of financial flows;
- cheaper and quicker transport;
- the growth in the size and power of corporations; and
- impressive advances in new technology, in particular information and communications technology.

Generally, the above processes are evolving, partly through their own dynamism and partly through the implementation of international, regional and national rules, standards and policies, in particular, the rules of the World Trade Organisation (WTO), and the policies of the International Monetary Fund (IMF) and the World Bank (Bhagwati, 2004:11).

2.11.1 DEFINITIONS OF GLOBALISATION

Throughout history, adventurers, generals, merchants, and financiers have constructed an ever-more-global economy. Today, unprecedented changes in communications, transportation, and computer technology have given the process new impetus. As globally mobile capital reorganises business firms, it sweeps away regulation and undermines local and national politics. Globalisation creates new markets and wealth, even as it causes widespread suffering, disorder, and unrest. It is both a source of repression and a catalyst for global movements of social justice and emancipation. These materials look at the main features of globalisation, asking what is new, what drives the process, how it changes politics, and how it affects global institutions like the United Nations.

“Globalisation is defined as a process of growing interdependence between all people of this planet. People are linked together economically, and socially by trade, investments and governance by market liberalisation and information,

communication and transportation technologies” (International Labour Organisation: www.staging2.ilo.org/wcmstp5/groups/.../---ed.../wcms_124332.pdf).

“Fundamentally, globalisation is the closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communication, and the breaking down of artificial barriers to the flow of goods, services and capital, knowledge and (to a lesser extent) people across borders” (Stiglitz, 1990: 9).

According to Friedman (1992:9), the integration of markets, nation-states and technologies enables an individual, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before and, also, to enable the world to reach into individuals, corporations, and nation-states farther, faster, deeper and cheaper.

Globalisation refers to the compression of the world and the intensification of consciousness of the world as a whole (Guinness, 2003:2).

“Globalisation is the integration of business activities across geographical and organisational boundaries. It is the freedom to conceive, design, buy, produce, distribute and sell products and services in a manner which offers maximum benefits to the firm without regard to the consequences for individual geographic locations or organisational units” (Kirkbride, 2001:14).

Globalisation can be described as a continual exchange of economic, cultural and social elements across the world. These exchanges provide economic trade and this in turn spurs on cultural awareness and increases social interaction globally. Globalisation is often more of an economic definition especially because of the melting pot of trade between different countries. This international market is characterised by foreign investment, capital monetary flows between countries, technology and labour migration.

2.11.2 Neo-Classical Theories of Globalisation

The proponents of the classical economics theories view that free trades among countries stimulate the economic growth of the whole economic system. The reality one sees in the era of the globalisation is different from what those classical economists have proven. If one compares two countries, one is a developed country that has more capital and less labour and the other is a developing country that has less capital and less labour. Theoretically, a free trade between two countries make both of them be better off. However, one notes that all goods, money, and all the people are gathering into the rich countries. Therefore, the inequality between the rich and the poor is widening (Carey, 1995:106).

2.11.3 The current flow of globalisation

The ratio of the average income in the developing countries compared to the average income in the United States of America has been declining for decades. This means that there is clear evidence of the income inequality has been widening. Globalisation widens the inequality in the world. Globalisation has a big impact on the economic growth in the world. Historically, growth rates are higher when the power of the market was relatively more dominant than when the state power was dominant. The reason is that the globalisation makes goods and financial assets more freely moved, it cause an economic growth (Carey, 1995:106).

2.11.4 Crises caused by the impact of globalisation

One notes that market failures do occur. Unaccountable financial crises resulted all over the world in the 1990s. The crises are not always bad. Small crises strengthen the market structure of the countries. This can be observed from countless experiences of crises in the 1990s. The economic performances of the countries which had financial crises because of globalisation have shown better performances than other countries which did not have economic crises. Therefore, the International Monetary Fund (IMF) strongly insists the globalisation is a good for the world economy.

Countries with inadequate institutions should embrace globalisation. Although it may be argued that it is better for these countries to choose not to be globalised. It

depends on the countries and they should “just go and do it”. One has to take a risk because as the world’s biggest advocate of the globalisation, the IMF will support countries who want to get along with the market and the globalisation (Globe and Mail, 1988).

2.12 GLOBALISATION AT A GLANCE

TABLE 2.2 SHOWING THE IMPACT OF GLOBAL ACTIVITIES

World trade	1950 - 1998	exports of goods increased 17- fold while world economy increased only 6 fold
Capital Flows	1970-1998	global direct investment increased \$44 billion to \$ 644 billion
Shipping	1950-1998	kilometres flown grew nearly100-fold from 20 billion to 2.6 trillion
Tourism	1950-1998	international tourist arrivals increased from 25 million to 635 million
Telephones	1960-1998	lines linking phones grew from 86 million to 838 million
NGOs	1956-1998	international NGOs grew from 985 to an estimated 23,000

(Source: www.u.arizona.edu.)

Globalisation as internationalisation-is viewed as simply another adjective to describe cross-border relations between countries. It describes the growth in international exchange and interdependence as follows (Hirst and Peters, 1996:8 and 10):

- **Globalisation as liberalisation:** Globalisation refers to the process of removing government imposed restrictions on movements between countries in order to create an “open” borderless world economy. Those who have argued with some success for the abolition of regulatory trade barriers and capital controls have sometimes clothed this in the mantle of globalisation (Scholte, 2000:16).

- **Globalisation as universalisation:** In this use “global” is used in the sense of being “worldwide” and “globalisation” is the process of spreading various objects and experiences to people at all corners of the earth e.g., the spread of computers and television, etc.
- **Globalisation as westernisation or modernisation:** In this context, globalisation is understood as dynamic social structures of modernity (i.e., capitalism, rationalism, industrialism, bureaucratism, etc.) are spread all over the world.
- **Globalisation as de-territorialisation (or as the spread of supra-territoriality)**

In the above context, globalisation entails a configuration of geography, so that social space is no longer wholly mapped in terms of territorial places, territorial distances and territorial borders. Anthony Giddens has thus defined globalisation as the intensification of worldwide relations which links distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa (Giddens, 1990:64).

2.12.1 Globalisation and public administration

Globalisation and public administration are enmeshed in a complex pattern of interdependence that cannot easily be untangled, but the World Wide Web provides a transparent window through which to take a closer look at these linkages.

The internet may be viewed both as a cause and consequence of globalisation, and as an interactive link to connect it with administrative phenomena.

Globalisation and public administration are complex and multi-levelled. However, if one focuses on one aspect of public administration (the dynamics of bureaucratic performance in independent states) and one perspective on globalisation (the images reflected through the Web) one can find a convenient and useful starting point. One may then supplement this foundational information by looking at some

of the gaps that need to be filled during the coming years
(www.iiasisa.be/ias/aiacc.htm).

2.12.2 The impact of the internet on globalisation

The internet is a powerful manifestation of globalisation. It contributes to the modern dynamics that have accelerated the information revolution of our contemporary world system. Public administration, by contrast, is an ancient phenomenon but in the world today, it has vastly expanded its scope. One may visualise the resulting transformation in the form of a triangle. If one visualizes a dynamic pyramid of governance which has three sides, that is, ascending, descending, and horizontal and which represents complementary principles that are incomplete by themselves, but can stabilise modern governments when effectively linked.

The World Wide Web provides a resource that interested individuals and private groups are using with accelerating speed, all around the globe, both within states and across state boundaries, to create links with others who share their interests and concerns, and also to interact with public officials and elected politicians. In response, bureaucrats have become more responsibly interactive with individual citizens, viewed them as clients or customers rather than as subjects to be controlled or manipulated.

A principal vehicle for such interactions that cuts across all the established public and private boundaries is the World Wide Web, including all the Web sites and interactive e-mail lists that it supports. The sequence of sites will proceed from the general to the specific, from the most comprehensive global sites, to regional organisations, and then to those presenting data from independent states. Virtually all of these sites represent a public and private amalgamation, insofar, as they bring private citizens, scholars and responsible public officials together in conferences, research, publications, and training programs
(www.iiasisa.be/ias/aiacc.htm).

In a broader perspective, this is only a start because public administration, in response to globalisation, now encompasses much more than the management of

independent states. It is evident that governments are utilising Web sites to present themselves and discuss their problems. Similarly, a growing number of international organisations, both governmental and non-governmental in membership, have become active globally and their staffing arrangements also reflect basic principles and problems of public administration. In growing numbers, they also have their own Web sites. The impact of globalisation may be most visible in global organisations (www.iiasisa.be/iias/aiacc.htm).

2.13 GLOBALISATION AND INFORMATION TECHNOLOGY

Governance in the context of globalisation involves inter-governmental relations as well as the participation of non-governmental organisations (NGOs), citizens' movements, multinational corporations and the global capital market. The unprecedented advances in information and communications technology (ICT) did not only propel and facilitate globalisation, these developments also provide communities and other citizens groups, access to and use of information for their enlightened participation in governance. The central role of ICT in an emerging global knowledge based economy has been stressed. Through developments in ICT, innovative approaches and partnerships like community connectivity and information on private sector investment or even improving the local content of the Internet can help promote the cause of social development. A regulatory framework can be developed to ensure that market forces alone will not decide how ICT can be utilized for social and economic development. Questions like how ICT can help address poverty within and across nations even as it facilitates the movement of information and capital across national boundaries may be addressed in this sub-theme.

Information technology may enable people to access more information that could be valuable in their decision making process. Information and communication technology can open new doors for developing countries, giving them the capacity to cope with the demands of the global community. It can help the government improve its methods of operation in providing public services. Public administration must also analyse the downside of ICT such as aggravating the digital divide and over dependence in technology (www.iiasisa.be/iias/aiacc.htm).

2.14 GLOBALISATION, HUMAN RESOURCES DEVELOPMENT AND PUBLIC SECTOR REFORM

Globalisation has shifted the levels of standards and expectations in various aspects of life, including that of human resource. Academic and training institutions must produce a populace with the relevant knowledge, values, skills and experience that would enable them to compete with other individuals in the global market. The civil service system is not spared from the competition, as it must likewise be able to provide packages and compensation that would appeal to eligible and competent individuals, providing room for career options and professional growth, highlighting the value of working with government, supported with a fair and consistent performance evaluation mechanism and a realistic compensation scheme.

This sub-theme will focus on various aspects of human resource development, specifically recent developments in the field of:

- public management training and education;
- performance evaluation,
- compensation, and
- sustaining the merit system in the public sector.

Efforts at improving these aspects of human resource development will be documented, particularly those that proved to be successful in introducing innovations aimed at resolving recurring dilemmas in this area.

Human resource development is the process of skills development within work organization, in order to suit overall organisational strategic objectives. It represents a considerably more bottom line driven approach to skills development than traditional organizational training initiatives (Coetzee, et al. 2001:526).

According widespread consensus amongst politician and commentators both within developing and developed countries, training and development should be

encouraged. Human resource development represents training and development specifically geared to the bottom line to developing skills aimed at ensuring the survival and growth of individual work organizations. A government that fails to take a proactive stance in facilitating such initiatives will find itself in an even more parlous position (Coetzee, et al. 2001:527).

2.15 THE SIGNIFICANCE OF HUMAN RESOURCE DEVELOPMENT AND GLOBALISATION

Jeffrey Pfeffer(1994,6-16) asserts that the competitive advantage of a company depends on five basic factors: technology, the degree of protection, access to financial resources, economies of scale, and the nature and composition of the work force. Countries can no longer rely on a secure place in the market simply on account of possessing a technological edge. As the life cycles of products shorten, companies can no longer count on economies of scale, success depends on being able to profit from short product runs (Coetzee, et al. 2001:527).

In the South African context, these pressures are particularly accentuated, as firms face the immediate challenge of moving beyond the comfortable practices of the past engendered by closed market and an overly interventionist state (Human and Horwitz 1992:145). The current crisis of competitiveness has resulted in South African companies and organisations to be more aware of the need to experiment with more flexible techniques of work organisation. South African managers often under rate the pressures of globalisation and are reluctant to invest too much on employee development (Coetzee, et al. 2001:527).

In order to survive in the harsh global environment, firms have to use all the resources at their disposal in an effective manner. The need for affirmative action, given both social and legislative pressures necessitates that organisations give particular attention to developing their internal human capacities through both skills and development and stable employment policies (Coetzee, et al. 2001:528).

Countries can enhance their competitiveness and ensure success in the global realities. The development of human resources is seen as equipping those whose existing skills are surplus, redundant or lacking in the first place. Training should

be part of an ongoing process in order to maintain an effective workforce. There has been a global trend towards the integration of employment and training. Training has often tended to be job-specific with limited transferability between employers.

2.16 LOCUS AND FOCUS OF GLOBALISATION AND PUBLIC HUMAN RESOURCE MANAGEMENT

Globalisation attracts increasing interest and importance in contemporary world affairs. It also inspires passionate supporters and critics. These reports explore the different facets of the complex, evolving phenomenon of globalisation (Mohamad, 2002:22).

Globalisation centres on the unification of markets and technology, the increased mobility of capital and the rise of trans-national corporations. The globalisation process represents a phenomenon, assuming ideological and cultural dimensions. Globalisation has not brought with greater equality, rather, the old core-periphery distinction persists. The free market functions without interference. Governments must remove all rules and regulations that do not allow free operation and movement of goods and services, capital organisations and financial institutions across borders.

Business and government have to respond to rapid changes in investors' strategies, technology and consumer markets. Such responses require a greater degree of flexibility, in other words, an ability to respond in a range of manners to a rapidly changing external environment. This would include the effective utilisation of human resources by up-skilling and development (Kayatekin and Ruccio, 1998: 38).

2.16.1 Globalisation is not a law of nature

Globalisation is a set of concepts and policies made by the nations of the world. Hence, it can also be deduced that globalisation can be re-conceptualised, reshaped and changed. Theoretically, globalisation is supposed to be for the good of all. This concept, in reality, was designed by the developed countries on behalf financial institutions. The reason is to overcome the rules and regulations set up

by developing countries to promote their domestic economy and local firms which had been marginalised during colonialism. These policies can assist to bring a country new opportunity for wealth creation. It also brings new risks that can destroy prosperity in the twinkle of an eye, as can be seen recently in East Asia and later in Argentina (Kayatekin and Ruccio, 1998: 38).

2.16.2 Countries make choices

Kayatekin and Ruccio (1998: 39) states that the lesson learnt is that a country must be cautious to choose policies that enables it to take the opportunity to prevent any pitfalls. A developing country may find that it is not easy to integrate with the world economy because it may open risks that can damage its local economy. It is better to engage in a strategic and selective integration with the world economy.

The co-operation and competition between its local and foreign organisations is good of the country, in particular sectors that wants to liberalise and those sectors that still need some protection,. The removal of economic barriers may not be new as it also took place in the laissez-faire era of the 19th century (Kayatekin and Ruccio, 1998: 39).

2.16.3 The role of global institutions

The International Monetary Fund (IMF), the World Bank and the World Trade Organisation (WTO) formulate policies for developing countries that should previously been made by national governments. The policies tend to favour the richer countries that dominate the developing countries. The reason is that the policies are set in a one-size-fits-all manner, as a result these policies hinder the ability of the individual developing countries to choose the particular set of policies that suits its own development requirements. Developing countries have, consequently, found it difficult to steer through the turbulent waters of globalisation.

2.17 GLOBALISATION AND THE CHANGING FACE OF PUBLIC HUMAN RESOURCES MANAGEMENT

The impact on public human resources management models are not entirely due to globalisation. It is simple to disentangle the causes and effects of globalisation. However, it would be true to state that globalisation is represented by the opening up of markets due to foreign direct investment upon the lowering of investment barriers in most countries. The liberalisation of trade and deregulation of financial markets have little control over the flow of capital across borders. All this implies the dominance of the market system, facilitated by the collapse of alternative economic systems. There is a direct link between globalisation and information technology (IT). Rapid technological change and reduction in communication costs have facilitated the globalisation of production and financial markets to a large extent. Globalisation stimulates technology through competition since it diffuses technology through foreign direct investment.

Developments have effects such as democratisation and pressures for more labour rights in countries where such rights have been restricted more liberalisation and deregulation competition for investment increased economic independence. Information and technology flows are on the increase internationally and creation of mergers and alliances people-driven global and local markets, but at the same time segmented markets competitiveness increasingly based on knowledge and innovation, skills and productivity. The success of global companies is to a large extent dependent on their ability to organise across national boundaries information, money, people and other resources.

Organisations are moving production overseas to reduce costs and to facilitate sensitivity to local and regional market requirements. It is a rationale of outsourcing that enables an organisation to concentrate on its core competencies it makes service work more productive. For example, in the United States of America, outsourcing of functions in hospitals not directly related to the work of doctors and nurses has increased the productivity of the hospitals, and provided new opportunities for service employees (www.questia.com).

2.17.1 Introduction of new technology

The introduction of a more deregulated and flexible labour market system and more emphasis on productivity and quality as well as a greater employee involvement in the design and execution of work shift the focus of collective bargaining from the industry level to the organisation level. Employers are of the view that issues relevant to the employment relationship such as work re-organisation, flexible working hours and contractual arrangements, and pay for performance and skills, are increasingly workplace-related, and should therefore be addressed at the organisation level. In the United States of America collective bargaining has, with some exceptions, been very much at the organisation level. In the United Kingdom there is a shift towards organisation bargaining and the trends in Continental Europe are also in that direction. In many Asian countries outside Australia and New Zealand, collective bargaining has been at the organisation level. In New Zealand negotiation has in the 1990s been almost entirely decentralised. In Australia the trend is in the direction of decentralisation.

2.17.2 Downsizing the workforce

A noted response is the introduction of flexibility in the employment relationship to order to increase the capacity of a organisation to adapt to market changes. This involved measures as flexible working hours and different types of employment service contracts to the standard ones so that employees who are multi-skilled are not confined to the performance of only one task. Employees can be rotated to ensure job satisfaction. Globalisation has increased the introduction of new technology as well as the need for flexible adaptation to market changes, has resulted to the re-organisation of production systems and methods of work. Narrow job classifications are reduced and demarcation lines between managers and workers are drawn which are accompanied by skills enhancement needed to perform jobs with a broader range of tasks.

There is an increasing area for worker involvement in the conception, execution and control of work. A greater focus on workplace relations and policies and practices is conducive to better motivation and performance such as information-

sharing and two-way communication. Employers are making more investments in skills training and to offering incentives to employees to improve their skills. Workers take upon themselves some responsibility for their own development. The competition generated by globalisation and rapid technological changes accompanied by shorter product life have, while destroying countless jobs in industrialised countries, created opportunities for multi-skilled and easily trainable workers, and for the most significant group of emerging employees ,i.e., the worker who is knowledgeable.

It is necessary to note that knowledge and skills are essential factors of investment, employment opportunities, productivity and quality. The impact of globalisation and information technology on one another has made work more mobile, capable of being performed in different parts of the world without the need to actually set up physical facilities in other countries. These changes in work and workers are being brought about by globalisation. It is whether globalisation is solely responsible for the growing service sector, and it does not account for the rapid influx of women in the workforce. Some of the changes which have a fundamental impact on traditional industrial relations include the expanding service sector at the expense of the manufacturing sector in industrialised and rapidly industrialised countries more advanced and skilled workforces. The rapid influx into the workforce of women who will occupy more than half the emerging jobs could result. The decreasing number of people working under “permanent” contracts of employment and other types of work arrangements such as part-time and temporary work, home work and contract work. Traditional Industrial Relations has been challenged to accommodate different types of employment contracts and different types of remuneration systems to reward performance and skills (www.questia.com).

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2.17.3 The management of virtual teams

Virtual Teams are about managing people at a distance using technology. This will be the office of the future. It would reduce the travel cost by up to 50% with huge gains in team productivity and morale. Virtual Teams are a high risk strategy unless corporations are committed and require investment in technology as well as

in team training. It would mean maintaining close working relationships with colleagues in many locations, without the need for as many meetings as traditionally needed.

Senior officials are travelling twice as much now as they were two years ago. They are already spending up to 6 weeks a year at 35,000 feet. Virtual office eliminates the hassles of flying delays, taxis, hotels and jet lag. The model of team management followed by most organisations is completely unsustainable and will be a number one survival issue. Teams that can bridge the distance gap will win a clear competitive advantage, travelling less but with greater impact during each visit, backed up with regular video-conferencing, shared space technologies, chat, e-mail, telephone conference calls and other digital tools. One must forget about old-style video-links in board rooms and think wireless, everywhere, anytime. Video-links can start as spontaneously as a telephone call. Human resources, information technology, corporate real estate, all these areas need to think together about how teams of tomorrow can operate in the most efficient and human and sensitive way (The Financial Times, 17 February 2003).

2.18 SUMMARY

This chapter elucidated, after the introduction, on aspects of philosophy of management, which include a number of management theories, from both classical and contemporary perspectives. This is followed by an exposition of a philosophical and theoretical conceptualisation of public administration as well as the provision of a number of models of public administration. A description of public administration models in a South African context is provided, followed by a philosophy of the public human resources management. A philosophy of globalisation is provided, within the context of human resources management in the South African public service. The last section explains globalisation and the changing face of public human resources management against the background of global developments.

Public administration is essentially the study of various processes and functional activities by the institutions. It functions within the environment to improve the general welfare of society by providing services.

Public administration as a system is managed by people and provides relevant policies and services for people. This professional activity is geared towards striving for the values for a good society through effective, efficient and productive action. The traditional approach to public administration entailed a dogmatic adherence to the administrative process model, which reduced complex societal phenomena to generic processes and six administrative functions. This is inappropriate for a developing society as it effectively ignores complex socio-economic variables.

Recent approaches to public management emphasises the environment and focuses on the political and social relevance of society. The economic and professional relevance are also catered for in terms of the central linking concept of public management. The public management model does not profess to be exhaustive and completely sufficient. It has to be utilised in conjunction with other focuses such as policy analysis and development studies. It attempts to enhance the societal and professional relevance of public administration as professional endeavour and academic discipline.

The section on the normative factors in human resource management indicates that it is necessary that staff members embrace these fundamental guidelines in order to perform functions effectively and efficiently. It has also been noted that it is imperative for institutions to function within a structured code of conduct which would promote a high standard of ethics within the work environment. The objective of such a code would ensure effectiveness and efficiency of the staff members.

The next chapter elucidates on selected theories on globalisation and human resources management

CHAPTER 3

SELECTED THEORIES ON GLOBALISATION AND HUMAN RESOURCES MANAGEMENT

3.1 INTRODUCTION

The concept of globalisation has found wide appeal during the previous decade as well as in the new millennium beginning with the year 2000. In that context, it has become an attractor of books, articles and debate. Social theorists agree that today's world is organised by accelerating globalisation. Globalisation is strengthening the dominance of a world free-market economic system, supplanting the primacy of the nation-state by trans-national corporations and organisations and eradicating local cultures and traditions through a global culture.

In this chapter, a brief overview of psychological contract impact on globalisation and public human resource management is provided, followed by selected criticisms of globalisation. Globalisation and technological revolution is explained, the restructuring of capitalism, as well as various theories pertaining to world systems, world cultures, the polity theory and critical theory and development.

3.2 IMPACT OF GLOBALISATION AND PUBLIC HUMAN RESOURCE MANAGEMENT ON PSYCHOLOGICAL CONTRACT

Public human resource management is a specialised function, which allows managers in an institution to make optimal use of their staff efficiently and effectively.

Hall & Goodale (1986:6) describe human resource management as

“... the process an optimal fit is achieved among the employee, job, organisation and its environment so that employees reach their desired level of satisfaction and performance and the organization meets its goals.”

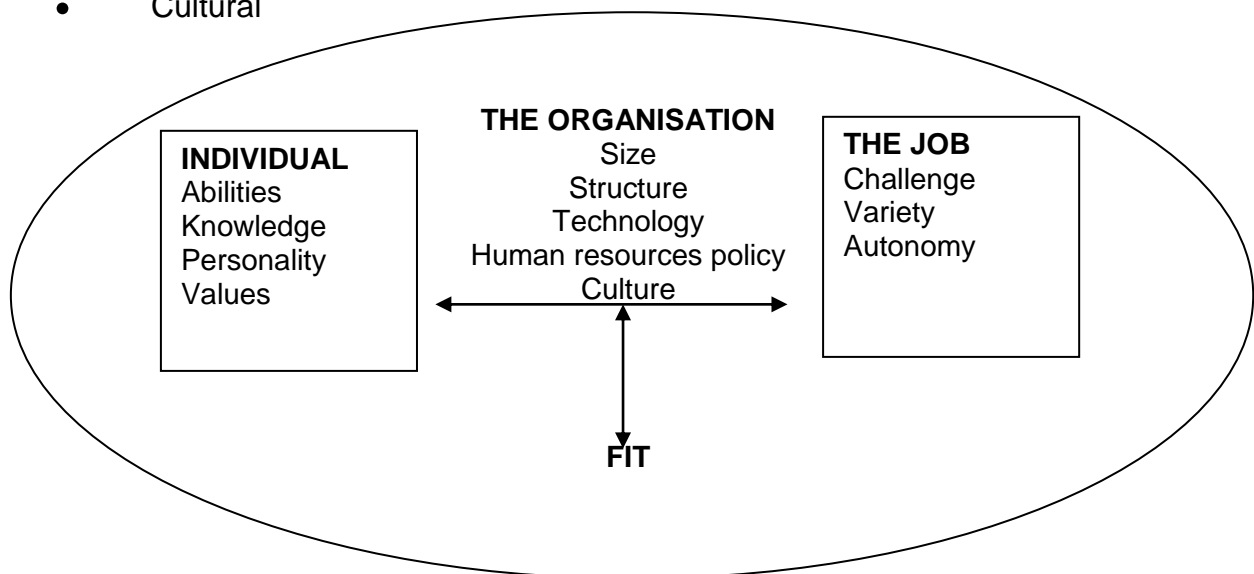
The aim of human resource management is to contribute towards goal achievement of the institution. Human resource management is the continual process by which managers forecast the demand for human resources

development programmes to meet human resources needs and evaluate their effectiveness in terms of organisational objectives.

Human resource policies are guidelines that an institution adopts in managing their human resources. Policies are dynamic and therefore have to fulfill the needs of the institution. Personnel policies are based on the values held in the institution about how its human resources should react to globalisation. This is especially relevant since South Africa is now regarded a global player in the international arena. Personnel should, therefore, possess skills and expertise to interact globally in order to function effectively and efficiently. See figure 3.1 below.

Figure 3.1 COMPONENTS OF HUMAN RESOURCE MANAGEMENT ENVIRONMENT

- Economic
- Social
- Political
- Technological
- Cultural



SOURCE: Adapted from Hall & Goodale (1986:4)

According to the above-mentioned figure 3.1, the four factors, namely, the external environment, organisation, work itself and the individual employee must interact in order to attain the objective of the organisation or institution. Since the world has become a global market place, the focus of human resources management lies in

the integration of the human resources management strategy into the global strategy of the organisation or the institution (Nel, et al. 2004:6).

In order to address the demands of globalisation, governments must ensure that it's social, economic, political and technological policies be aligned to global policies. This adjustment will enable countries to be globally competitive and meet the demand of the citizens.

3.3 CRITICISM OF GLOBALISATION

The critics of globalisation regard it as harmful because of domination and control by the rich overdeveloped nations over the poor underdeveloped countries, thus increasing the hegemony of the “haves” and “have nots”. In addition, supplementing the negative view, globalisation critics assert that globalisation produces an undermining of democracy, a cultural homogenisation, and increased destruction of natural species and the environment. Some critics imagine that globalisation may be viewed positively or negatively, as inevitable and beyond human control and intervention. Whereas others view globalisation as generating new conflicts and new spaces for struggle, distinguishing between globalisation from above and globalisation from below (Brecher, Costello & Smith 2000:57).

In order to understanding globalisation critically, one must view it as a product of technological revolution and the global restructuring of capitalism in which economic, technological, political, and cultural features are integrated. It is from this perspective, one should avoid both technological and economic determinism and all one-sided optics of globalisation in favour of a view that theorises globalisation as complex, contradictory and ambiguous set of institutions and social relations, as well as involving flows of goods, services, ideas, technologies and cultural forms. (Appadurai 1996:78).

3.4 GLOBALISATION, TECHNOLOGICAL REVOLUTION AND THE RESTRUCTURING OF CAPITALISM

Globalisation involves capitalist economic markets and sets of social relations and flows of commodities, capital, technology, ideas and different forms of culture across national boundaries through a global networked society (Castells, 1998:77). Globalisation has resulted in the transmutations of technology and capital which work together to create a new globalised and interconnected world. This technologically revolutionalised world involving the creation of a computerised network of communication, transportation and exchange is the presupposition of a globalised economy. The technological revolution presupposes global computerised networks and the free movement of goods, services, information and peoples across national boundaries. The internet and global computer networks make globalisation possible by producing a technological infrastructure for the global economy. Computerised networks, satellite-communication systems, and the software and hardware link together and facilitate the global economy. Techno-science has generated transistors, increasingly powerful and sophisticated computer chips, integrated circuits, high-tech communication systems, and a technological revolution that provides an infrastructure for the global economy and society (Best and Kellner 2001:89).

Globalisation cannot be understood without comprehending the scientific and technological revolutions and global restructuring of capital that are the motor and matrix of globalisation. Many theorists of globalisation do not observe the fundamental importance of scientific and technological revolution. Some other theorists interpret the process of globalisation as a technological framework that occludes the economic dimensions of the imperatives and institutions of capitalism. This one-sided optics fail to grasp the evolution of science, technology, and capitalism and the complex and highly ambiguous system of globalisation that combines capitalism and democracy, technological mutations and a turbulent mixture of costs and benefits, gains and losses (Harvey, 1987:55).

In order to theorise the global network economy, it is essential to avoid the extremes of technological and economic factors. Technological determinists use the discourse of post-industrial, or post-modern, society to describe current

developments. This discourse often produces a distinction between a previous mode of industrial production characterised by heavy industry, mass production and consumption, bureaucratic organisation and social conformity which is contrasted to the new post-industrial society characterised by "flexible production," or "post-fordism," in which new technologies to a new post-modernity (Harvey, 1987:55).

3.4.1 Post-modernity movement

The post-modern theorists such as Baudrillard (1993:24), technologies of information and social reproduction (e.g. simulation) have permeated every aspect of society and created a new social environment. In the movement toward post-modernity, Baudrillard(1993:27) claims that humanity has left behind reality and modern conceptions, as well as the world of modernity. This post-modern adventure is marked by an implosion of technology and the human factors, which is generating a new post-human species and post-modern world. Other less extravagant theorists of the technological revolution, the human species is evolving into a novel post-industrial technosociety, culture, and condition where technology, knowledge, and information are the axial or organising principles (Bell, 1976:40).

There are positive and negative models of technological determinism. A positive discourse envisages new technologies as producing a new economy interpreted affirmatively as fabricating a fresh wealth of nations. On this affirmative view, globalisation provides opportunities for small business and individual entrepreneurs, empowering excluded persons and social groups. Technophiles claim that new technologies also make possible increased democratisation, communication, education, culture, entertainment, and other social benefits, thus generating a utopia of social progress.

There are few legitimating theories of the information and technological revolution that contextualise the structuring, implementation, marketing, and use of new technologies in the context of contemporary capitalism. The ideologies of the information society act as if technology were an autonomous force and either

neglect to theorise the evolution of capital and technology, or use the advancements of technology to legitimate market capitalism (Friedman , 1999:18).

3.4.2 The Capital Logic Theory

In addition to technologically determinist and reductive post-industrial accounts of globalisation, there Economic determinists view it primarily as the continuation of capitalism rather than its restructuring through technological revolution. A large number of theorists conceive globalisation as a process of the imposition of the logic of capital and neo-liberalism on various parts of the world rather than the restructuring process. Enormous changes and transformations to the scientific and technological revolution exist in the networked economy and society (Friedman, 1999:27).

Capital logic theorists portray globalisation as the imposition of the logic of capital on the world economy, polity, and culture. Economic determinism, rather than seeing the complex new configurations of economy, technology, polity, and culture, and attendant forces of domination and resistance. Some critical theorists depict globalisation as the triumph of a globalised hegemony of market capitalism where capital creates a homogeneous world culture of commercialisation, administration, surveillance, and domination (Robins and Webster, 1999:57).

According from an economic perspectives, globalisation is a continuation of previous social tendencies; i.e. the logic of capital and domination by corporate and commercial interests of the world economy and culture. The defenders of capitalism present globalisation as the success of free markets and democracy (Friedman, 1999:27).

There are both positive and negative versions of economic and technological determinism. Most theories of globalisation are reductive, un-dialectical, and one-sided, either failing to see the interaction between technological features of globalisation and the global restructuring of capitalism, or the complex relations between capitalism and democracy. The dominant discourse of globalisation are for or against globalisation and does not articulate the contradictions and the

conflicting costs and benefits. Many current theories of globalisation do not capture the novelty and ambiguity of the present moment that involves both innovative forms of technology and economy and emergent conflicts and problems generated by the contradictions of globalisation.

Economic determinism and reductionism that merely depicts globalisation as the continuation of market capitalism fails to comprehend the new forms and modes of capitalism itself which are based on novel developments in science, technology, culture, and everyday life. Technological determinism does not note that the new technologies and economy are part of a global restructuring of capitalism. They are not autonomous forces that engender a new society and economy which breaks with social organisation. The post-industrial society is referred to as the "knowledge society," or "information society," in which knowledge and information are given predominant roles (Webster, 1995:78).

The theories of Daniel Bell and other post-industrial theorists are not as ideological and far off the mark as many of their critics on the left once argued. In order to avoid the technological determinism and idealism of many forms of this theory, one should theorise the information or knowledge "revolution" as part and parcel of a new form of techno-capitalism marked by a synthesis of capital and technology (Webster, 1995:28).

Poststructuralist theories stress the complexity of globalisation and exaggerate the dysfunctions and autonomous flows of capital, technology, culture, people, and goods. In this way, a critical theory of globalisation grounds globalisation in a theory of capitalist restructuring and technological revolution. The term "techno-capitalism" is essential to describe the synthesis of capital and technology in the present society (Kellner, 1989:88).

Unlike theories of post-modernity, or the knowledge and information society, which often argue that technology is the new organising principle of society. The concept of techno-capitalism points to both the increasingly relevant role of technology and the enduring primacy of capitalist relations of production. Based on capitalism, contemporary societies are still organised around production and capital

accumulation, and that capitalist imperatives continue to dominate production, distribution and consumption, as well as other cultural, social and political domains. Workers remain exploited by capitalists and capital persists as the hegemonic force after the collapse of communism (Baudrillard, 1993:24).

The emergence of new and original forms of technology, politics, culture, and economy stipulates a situation to that confronted by the Frankfurt school in the 1930s. These German theorists who left Nazi Germany were forced to theorise the new configurations brought about by the change from market to state monopoly capitalism (Kellner, 1989:89).

In their now classical texts, the Frankfurt school analysed the emergent forms of social and economic organisation, technology, and culture; the rise of giant corporations and cartels and the capitalist state in organised capitalism. In both its fascist or democratic state capitalist forms and the culture industries and mass culture which served as new modes of social control, new forms of ideology and domination, and novel configurations of culture and everyday life.

Globalisation also is constituted by a complex interconnection between capitalism and democracy which involves positive and negative features that empowers and dis-empowers individuals and groups, undermining and yet creating potential for fresh types of democracy. The theories of globalisation are either primarily negative, presenting it as a disaster for the human species, or as positive, bringing a wealth of products, ideas, and economic opportunities to a global arena. One would advocate development of a critical theory of globalisation that would dialectically appraise its positive and negative features. A critical theory is sharply critical of globalisation oppressive effects, sceptical of legitimating ideological discourse. It promotes globalisation progressive features and makes it possible to reconstruct education and more a democratic polity, as well as increasing the power of capital, while noting contradictions and ambiguities (Kellner, 1989:89).

3.5 THE CONTRADICTIONS OF GLOBALISATION

The terrorist acts on the United States of America on September 11, 2001 and world terrorism are the negatives of globalisation. The way that global flows of technology, goods, information, ideologies, and people can have destructive as well as productive effects. The disclosure of powerful anti-Western terrorist networks shows that globalisation divides the world as it unifies, that it produces enemies as it incorporates participants. The events disclose contradictions and conflict of globalisation and that the technologies of information, communication, and transportation that facilitate globalisation can also be used to undermine and attack it, and generate instruments of destruction as well as production.

The experience of September 11, 2001 points to the objective ambiguity of globalisation, that positive and negative sides are interconnected, that the institutions of the open society unlock the possibilities of destruction and violence, as well as democracy, free trade, and cultural and social exchange. The interconnection and interdependency of the networked world demonstrated as terrorists from the Middle East brought local grievances from their region to attack key symbols of American power and the very infrastructure of New York. Some saw terrorism as an expression of the dark side of globalisation while one would conceive it as part of the objective ambiguity of globalisation that simultaneously creates friends and enemies, wealth and poverty, and growing divisions between the “haves” and “have nots” (Kellner, 1989:76).

The down-turning of the global economy, intensification of local and global political conflicts, repression of human rights and civil liberties, and general increase in fear and anxiety have certainly undermined the naïve optimism of globaphiles who perceived globalisation as a purely positive instrument of progress and well-being. The use of powerful technologies as weapons of destruction also discloses current asymmetries of power and emergent forms of terrorism and war, as the new millennium exploded into dangerous conflicts and interventions. As technologies of mass destruction become more available and dispersed, perilous instabilities have emerged that have elicited policing measures to stem the flow of movements of people and goods across borders and internally. In particular, the American

legislation has led to repressive measures that are replacing the spaces of the open and free information society with new forms of surveillance, policing, and repression (Kellner, 1989:77).

In addition, they highlight some of the contradictions of globalisation and the need to develop a highly complex and dialectical model to capture its conflicts, ambiguities, and contradictory effects (Friedman, 1999:55).

In order to theorise globalisation one needs to conceptualise several sets of contradictions generated by globalisation's combination of technological evolution and restructuring of capital. This in turn generate tensions between capitalism and democracy, and “haves” and “have nots”. Globalisation involves within the world economy, the proliferation of the logic of capital, but also the spread of democracy in information, finance, investing, and the diffusion of technology (Friedman, 1999:57).

Globalisation is a contradictory of capitalism and democracy in which the logic of capital and the market system enter ever more arenas of global life, even as democracy spreads and more political regions and spaces of everyday life are being contested by democratic demands and forces. Sometimes globalising forces promote democracy and sometimes inhibit it, thus either equating capitalism or democracy, or simply opposing them, are problematical. These tensions are especially evident in the domain of the Internet and the expansion of new realms of technologically-mediated communication, information, and politics.

Globalisation increases the supremacy of big corporations and big government and it can also give power to groups and individuals that were previously left out of the democratic dialogue. The positive effects of globalisation include increased access to education for individuals. The role of technology in social movements, political struggle, and everyday life forces social movements to reconsider their political strategies and democratic theory to appraise how new technologies do and do not promote democratisation (Kellner, 1997: 19).

Many theorists have argued that one of the trends of globalisation is de-politicisation of publics, the decline of the nation-state, and end of traditional politics. While one would agree that globalisation is promoted by tremendously powerful economic forces and that it often undermines democratic movements and decision-making, one would also argue that there are openings and possibilities for both a globalisation from below that inflects globalisation for positive and progressive ends, and that globalisation can thus help promote as well as undermine democracy. Globalisation involves a disorganisation and reorganisation of capitalism which creates openings for progressive social change and intervention (Boggs, 2000:82).

During the 1970s, new social movements, new non-governmental organisations (NGOs), and new forms of struggle and solidarity emerged that have been expanding to the present day (Hardt and Negri, 2000:77).

The globalisers attempt to keep economies growing in the more developed countries and capital flowing to developing nations. The former United States Vice-President Al Gore called on all countries to enhance economic growth and proposed a new United States of America, led initiative to eliminate the debt burdens of developing countries. Former South African President Nelson Mandela asked: "Is globalisation only for the powerful? Does it offer nothing to the men, women and children who are ravaged by the violence of poverty?" (Hardt and Negri, 2000:77).

3.6 THE GLOBAL MOVEMENT AGAINST CAPITALIST GLOBALISATION

As the new millennium opened, there was no clear answer to Mandela's question and with the global economic recession and the Terror War erupting in 2001, the situation of many developing countries has worsened. The backlash against globalisation over the past years, a wide range of theorists has argued that the proliferation of difference and the shift to more local discourses and practices define the contemporary scene. Theory and politics should shift from the level of globalisation to focus on the local, the specific, the particular, the heterogeneous and the micro level of everyday experience. An array of theories associated with

post-structuralism, postmodernism, feminism, and multiculturalism focus on difference, marginality, the personal, the particular, and the concrete over more general theory and politics that aim at more global or universal conditions (Cvetkovich and Kellner, 1997:45).

A challenge for a critical theory of globalisation is to think through the relationships between the global and the local by observing how global forces influence and even structure an increasing number of local situations. This requires analysis as well of how local forces mediate the global, inflecting global forces to diverse ends and conditions (Luke, 2000:56).

Globalisation is complex and challenging to both critical theories and radical democratic politics. Globalisation is the solution and underdevelopment, backwardness, and provincialism are the problem. In other words, globalisation is the problem for locals, and localisation is the solution. The less simplistically, it is the mix that matters and whether global or local solutions are most fitting depends on the conditions in the distinctive context that one is addressing and the specific solutions and policies being proposed (Luke, 2000:56).

3.6.1 Electronic media and globalisation

The Internet can be used to promote capitalist globalisation. The use of the Internet is to foster movements against the excesses of corporate capitalism occurred in the protests in Seattle (USA) and throughout the world against the World Trade Organisation (WTO) meeting in December 1999. The use of the internet to champion a global protest movement indicates the power of the internet to organise resistance to the WTO and capitalist globalisation. Several web sites contained anti-WTO material and mailing lists used the Internet to distribute critical material and to organise the protest. This resulted in the mobilisation of caravans across the United States to transport people who were protesting to Seattle. It was the first time they met as they were recruited through the Internet. There were a number of international participants such as environmentalist, feminist, anti-capitalist, animal rights, anarchist groups organised to protest. This was the power of the internet. Protests occurred throughout the world, and a proliferation of anti-

WTO material against the extremely secret group spread throughout the Internet (Falk, 1999:97).

The Internet provided coverage of the event, documentation of the various groups' protests, and debate over the WTO and globalisation. The mainstream media, on the other hand, presented the protests as "anti-trade," featured the incidents of anarchist violence against property, while minimising police violence against demonstrators. The Internet provided pictures, and reports of police brutality and the generally peaceful and non-violent nature of the protests.

In May 2002, a demonstration took place in Washington against capitalist globalisation and for world peace and justice. A new worldwide movement was in the making that was uniting diverse opponents of capitalist globalisation throughout the world. The anti-corporate globalisation movement favoured globalisation-from-below, which would protect the environment, labour rights, national cultures, democratisation, and other goods from the ravages of an uncontrolled capitalist globalisation (Falk, 1999:97).

The movement against capitalist globalisation used the Internet to organise mass demonstrations and to disseminate information to the world concerning the policies of the institutions of capitalist globalisation. The events made clear that protestors were not against globalisation per se, but were against neo-liberal and capitalist globalisation, opposing specific policies and institutions that produce intensified exploitation of labour, environmental devastation, growing divisions among the social classes, and the undermining of democracy. The emerging anti-globalisation-from-above movements are contextualising these problems in the framework of a restructuring of capitalism on a worldwide basis for maximum profit with zero accountability and have made clear the need for democratisation, regulation, rules, and globalisation in the interests of people and not profit (Dyer-Witthford, 1999:45).

3.7 GLOBALISATION AS A FORCE OF CAPITALISM AND DEMOCRACY

A critical theory of globalisation is a force of capitalism and democracy imposed in conjunction with resistance. Globalisation generates new conflicts, new struggles and new crises, which in part can be seen as resistance to capitalist logic. In the light of the neo-liberal projects to dismantle the Welfare State, colonise the public sphere and control globalisation, it is up to citizens and activists to create new public spheres. Politics, and pedagogies, and to use the new technologies to discuss what kinds of society people today want and to oppose the society against which people resist and struggle. This involves education, health care, welfare, and benefits from the state, and to struggle to create a more democratic and egalitarian society. One cannot expect that generous corporations and a beneficent state are going to make available to citizens the bounties and benefits of the globalised new information economy. It is up to individuals and groups to promote democratisation and progressive social change (Kellner 2000: 29).

In opposition to the globalisation of corporate capitalism, the advocates of globalisation supports individuals and groups using the new technologies to create a more multicultural, egalitarian, democratic, and ecological globalisation. The new technologies might exacerbate existing inequalities in the current class, gender, race, and regional configurations of power and give the major corporate forces powerful new tools to advance their interests. It is up to people to devise strategies to use the new technologies to promote democratisation and social justice. As the new technologies become ever more central to every domain of everyday life, developing an oppositional techno-politics in the new public spheres will become increasingly relevant. Changes in the economy, politics, and social life demand a constant rethinking of politics and social change in the light of globalisation and the technological revolution (Kellner, 2000: 29).

3.8 THE WORLD-SYSTEM THEORY

Globalisation is the process by which the capitalist world-system spreads across the actual globe. Since that world-system has maintained some of its main features over several centuries, globalisation does not constitute a new phenomenon. At the turn of the twenty-first century, the capitalist world economy is in crisis according to the theory's leading proponent, the current "ideological celebration of so-called globalisation is in reality the swan song of our historical system" (Wallerstein, 1998: 32).

The modern world-system originated around 1500. In parts of Western Europe, a long-term crisis of feudalism gave way to technological innovation and the rise of market institutions. Advances in production and incentives for long-distance trade stimulated Europeans to reach other parts of the globe. Superior military strength and means of transportation enabled them to establish economic ties with other regions that favoured the accumulation of wealth in the European core. Europeans established an occupational and geographic division of labour in which capital-intensive production was reserved for core countries while peripheral areas provided low-skill labour and raw materials. The unequal relationship between European core and non-European periphery inevitably generated unequal development. Some regions in the "semi-periphery" moderated this inequality by serving as a buffer. States also played a crucial role in maintaining the hierarchical structure, since they helped to direct profits to monopoly producers in the core and protected the overall capitalist economy. A particular state could have hegemonic influence as the technological and military leader, but no single state could dominate the system. It is a world economy in which states are bound to compete (Wallerstein, 1998: 34).

The Europeans started with only small advantages and they exploited to reshape the world in their capitalist image. The world as a whole is now devoted to endless accumulation and profit-seeking on the basis of exchange in a market that treats goods and labour alike as commodities. In the twentieth century, the world-system reached its geographic limit with the extension of capitalist markets and the state system to all regions. It also witnessed the rise of the United States of America as

a hegemonic power-one that has seen its relative economic and political strength diminished since the last years of the Cold War. Newly independent states and communist regimes challenged core control throughout the century. Some countries improved their economic status but none of this shook the premises of a system that in fact was becoming more economically polarised. The nineteenth-century ideology of reform-oriented liberalism, which held out the hope of equal individual rights and economic advancement for all within states, became dominant in the twentieth but lost influence after 1968. Such twentieth-century developments set the stage for what Wallerstein calls a period of transition (Wallerstein, 1998: 34).

It is clear that crises can no longer be solved by exploiting new markets. In The economic decline will stimulate struggle and challenges in order to gather strength in the absence of a strong hegemonic power and a globally accepted ideology. It is not the end of capitalist globalisation, although there may be a chaotic transition.

3.8.1 Definition of a world system

World systems theory set the agenda for economic readings of globalisation, being founded upon a neo-Marxist attempt to place capitalist expansion in a global context. A world-system is any historical social system of interdependent parts that form a bounded structure and operate according to distinct rules, or "a unit with a single division of labour and multiple cultural systems". Three concrete instances stand out, i.e., mini-systems, world empires, and world-economies. The modern world-system is a world-economy which is "larger than any juristically defined political unit" and "the basic linkage between its parts is economic". It is a capitalist world-economy because the accumulation of private capital, through exploitation in production and sale for profit in a market, is its driving force (Wallerstein, 1998:45).

3.8.2 Key feature of world system.

The capitalist world-economy has no single political centre, it "has been able to flourish precisely because it has had within its bounds not one but a multiplicity of political systems," which has given capitalists "a freedom of manoeuvre that is structurally based" and has "made possible the constant expansion of the world-system". The modern world-system has its origin in the European world-economy

created in the late-fifteenth and early-sixteenth century, but only consolidated in its current form by the mid-seventeenth century. The crisis of feudalism created strong motivation to seek new markets and resources; technology gave Europeans a solid base for exploration. Parts of Western Europe exploited initially small differences, via specialisation in activities central to world commerce, to ultimately large advantage (Robertson, 1992:7).

3.8.3 Structure of the world system.

The system consists of a single division of labour within one world market but contains many states and cultures. Labour is divided among functionally defined and geographically distinct parts arranged in a hierarchy of occupational tasks. Core states concentrate on higher-skill, capital-intensive production; they are militarily strong; they appropriate much of the surplus of the whole world-economy. Peripheral areas focus on low-skill, labour-intensive production and extraction of raw materials; they have weak states. Semi-peripheral areas are less dependent on the core than peripheral ones; they have more diversified economies and stronger states. In the first centuries of world-system development, Northwest Europe constituted the core, Mediterranean Europe the semi-periphery, and Eastern Europe, Western hemisphere and parts of Asia the periphery.

Transition from one type of system to another is due to contradictions that cannot be contained. The capitalist world-economy is a historical configuration and therefore bound to be superseded. More intense crises in a now fully global system that is less able to meet those crises with traditional means will lead to transformation. World systems theory has played a major role in establishing the need to adopt a global perspective in understanding contemporary political and societal change (Robertson, 1992: 7).

3.9 THE WORLD CULTURE THEORY

World culture theory is a label for a particular interpretation of globalisation that focuses on the way in which participants in the process become conscious of and gives meaning to living in the world as a single place. In this account, globalisation "refers both to the compression of the world and the intensification of

consciousness of the world as a whole", in other words, it covers the acceleration in concrete global interdependence and in consciousness of the global whole (Robertson 1992: 8).

It involves the crystallisation of four main components of the "global-human circumstance": societies (or nation-states), the system of societies, individuals, and humankind, this takes the form of processes of, respectively, societalisation, internationalisation, individuation, and generalisation of consciousness about humankind (Robertson, 1992: 215). Rather than referring to a multitude of historical processes, the concept above all captures "the form in terms of which the world has moved towards unicity" (Robertson, 1992: 175). This form is practically contested. Closely linked to the process of globalisation is therefore the "problem of globality" or the cultural terms on which coexistence in a single place becomes possible. World culture denotes the multiple ways of defining the global situation, conceived as responses to this shared predicament (Robertson, 1992:134).

3.9.1 Key features of world culture theory.

As a process that both connects and stimulates awareness of connection, globalisation dissolves the autonomy of actors and practices in contemporary world order. In this process of relativisation, all units engaged in globalisation are constrained to assume a position and define an identity relative to the emerging global whole (Robertson 1992: 29).

3.10 THE POLITY THEORY

A polity is a "system of creating value through the collective conferral of authority" (Meyer, 2004:111-2). The system is constituted by a set of rules, also called frames or models. Actors in the system are "entities constructed and motivated by enveloping frames" (Boli and Thomas, 1997: 172). The world polity contains no single actor or institution defining what is valuable for the world as a whole. "Instead of a central actor, the culture of world society allocates responsible and authoritative actorhood to nation-states" (Meyer, 2004: 169). The authority is rooted in a world culture: a set of universally applicable models that define who legitimate actors in world society are, what goals they can pursue and how they

can pursue them. While world polity models define sovereign states as key actors, enabling authorities to construct collective goals and devise the means or programs to produce them, state officials are not the only ones engaged in such authoritative creation of value (Robertson, 1992: 125).

3.10.1 Key feature of polity theory.

The enactment of global models creates considerable institutional similarity among differently situated states. "World society models shape nation-state identities, structures, and behaviour via worldwide cultural and associational processes. As creatures of exogenous world culture, states are ritualised actors marked by intensive de-coupling and a good deal more structural than would occur if they were responsive only to local, cultural, functional, or power processes" (Meyer, 2004:173).

3.11 CRITICAL THEORY AND DEVELOPMENT

The critical theoretical approach to understanding development begins by examining the relationship between human reason and human freedom. In exploring this relationship it comments on the distorted use of reason, which it sees as blocking the passage of society's development. Critical theory proposes to extend the theoretical insights of Karl Marx. Criticism has to be self –critical, therefore, critical theorists developed an open attitude to any philosophical tradition that held out the promise of human emancipation through social critique (Coetzee, 2001:142).

Critical theory insisted that Marxism should not be allowed to become a dogma. It found that it is necessary that people undertake a close view of what is involved in "doing science", and how this process may relate to the larger project enhancing human freedom (Roderick, 1986:150). According to critical theory any social "revolution" should include consideration of how to harness human reason in a different fashion, and should incorporate discussions relating to "the good life".

Normative foundation refers to social values that are what is good and bad. He suggests that critical theory is tied to certain normative commitments, for instance,

his own commitment is to rescuing potential communicative rationality in society. Habermas criticises all inquiry that attempt to remove values from the process of knowing (Coetzee, 2001:142).

Habermas's uses a critical theoretical approach to the modernity concept. Furthermore, he also looks at development problems in society by criticising the dominance of what he calls instrumental forms of reasoning penetrated by the ideology of science and technology (Coetzee, 2001:152).

3.12 SUMMARY

This chapter examined psychological contract impact on globalisation and public human resource management and selected criticisms of globalisation. Technological revolution in the context of globalisation was explained, as well as the restructuring of capitalism, various theories pertaining to world systems, world cultures, the polity theory and critical theory and development.

The meaning and causes of globalisation are often contested. A number of theorists hold that it is the logical outcome of capitalism and the development of world markets, or the result of information technologies with transformative implication of the state's society and the individual. Other theorists argue that it is the outcome of long processes through which the world has become shaped by certain cultural norms. Globalisation is in terms of the social, economic and political processes resulting in greater interconnectedness coupled with a heightened awareness among people that they inhabit "one world".

The next chapter evaluates selected international experiences of globalisation with respect to public human resources management.

CHAPTER 4

AN EVALUATION OF SELECTED INTERNATIONAL EXPERIENCES OF GLOBALISATION WITH RESPECT TO PUBLIC HUMAN RESOURCES MANAGEMENT

4.1 INTRODUCTION

Managing people could be viewed as a critical aspect of organisational management. Whether an organisation is public or private, a non-profit, start-up company or mature business, employees are essential to achieving objectives by attaining positive results and being successful. The activity once known as personnel and now more commonly described as human resources management can be regarded as a fundamental part of successful management. Human resources management focuses on the theory and practice of managing human resources.

Human resources management has become the dominant approach to people management in English-speaking countries. A history of attempts exists to achieve an understanding of human behaviour in the workplace. Throughout the 20th century and earlier, practitioners and academics developed theories and practices to explain and influence human behaviour at work.

This chapter explains recent and ongoing changes in human resources management. The human resources function and its activities are often examined in detail in large organisations. Human resources processes, especially those involving the collection and dissemination of information, are being computerised and automated, potentially eliminating routine administrative functions. Human resources information and knowledge is being linked and integrated with other information systems by breaking down departmental barriers.

Inter alia, this chapter elucidates on the influence of public human resources management policies and procedures, the effect of globalisation on the labour market, public human resources implications on globalisation and restructuring in

commerce challenges of globalisation and public human resources management in the global market, including explanation of the impact of strategic public human resources management on globalisation.

4.2 THE INFLUENCE OF PUBLIC HUMAN RESOURCES MANAGEMENT POLICIES AND PROCEDURES

Public Human resources policies are guidelines that an institution adopts in managing their human resources. Policies are dynamic and therefore have to fulfil the needs of the institution. Personnel policies are based on the values held in the institution about how its human resources should react to globalisation. This is especially relevant since South Africa is now regarded a global player in the international arena. Personnel should possess skills and expertise to interact globally in order to function effectively and efficiently.

Since the world has become a global market place, the focus of public human resources management lies in the integration of the public human resources management strategy into the global strategy of the organisation or the institution (Nel, et al. 2004:6).

In order to address the demands of globalisation, governments must ensure that the social, economic, political and technological policies are aligned to global policies. This adjustment will enable countries to be globally competitive and meet the demand of the citizens. The aim of public human resources management is to contribute towards achievement of the goals of an institution and at assisting functional or operational managers to utilise and employ the resource, labour, in the most efficient and effective manner within the institution (Gerber, et al. 1992: 22).

The main problems facing the public service is that highly skilled personnel are being enticed away from the public sector to the private sector or internationally. In an effort to prevent this happening, public service departments should be focusing on management development. A large number of different measures should be introduced within the public service for example these include the introduction of a

variable pay structure that links expected behaviour to performance and development programmes specifically for leaders of tomorrow. The jobs must be made challenging and stimulating in order to prevent personnel from leaving the country.

International human resources management is becoming ever more popular since organisations are finding that in order to survive; they must compete in international markets as well as fend off foreign competition (Noe, et al., 2000:8). It is in this light that strategic public human resources management is practiced more and more. Strategic human resources management is defined as public human resources management issues, functions and policies and practices that result from the strategic activities of organisations that impact on the international concerns and goals of those enterprises (Brewster, et al. 2000:160).

Over the past few decades, there has been an increase in the way in which national governments co-operate with one another. National governments are developing beyond their national boundaries and forging international linkages and collaborations. Governments have also formed international organisations, e.g. the World Trade Organisation (WTO), within which they interact on global issues (Isaacs, 2002:14).

According to Penceliah & Moodley (2002:31) globalisation in “the public service is no longer isolated, but is part of transformation that necessitates government intervention if the Public Service has to be globally relevant”. It is evident that globalisation has widespread political, social and economic effects internationally. Therefore, it is inevitable that human resources management and its policies have to adapt globally to these dynamic circumstances. The public human resources policies and procedures should be amended or modified to accommodate global needs. Penceliah & Moodley (2002:32) further state that “governments have to rethink their nature role and functions given the changes in the global environment”.

Both public and private institutions are constantly exploring innovative methods to increase productivity and maximise profitability. Therefore, it is essential for their

human resources to have the competitive edge of their competitors. The environment within which an organisation operates is dynamic. “External and internal forces are constantly changing the rules of the game and the organisation must amend or adapt new strategies to remain competitive” (Anthony, et al. 1999:3).

The public human resources must be developed to acquire knowledge, skills and attitude towards the job, in order to increase productivity. The impact of globalisation on public human resources management can be experienced in international trade, agriculture and mining, manufacturing, foreign direct investment, new production technologies, communication, education and training, international labour markets, migration and skills transfer (Centre for the study of Globalisation and Regionalisation, 2000:27).

The South African government is collaborating with other countries at a global level. It is imperative for the public service and, in particular, its human resource management to be able to co-operate effectively and efficiently at an international level.

4.3 CHANGES IN PUBLIC HUMAN RESOURCES MANAGEMENT POLICIES

Public Human Resources processes have become more easily measurable. Concepts such as the high performance organisation and knowledge management offer Human Resources specialists the chance to push public human resource management to the fore. Public Human Resources processes and their outcomes are central to these concepts and the introduction of technology allows more exact methods of determining whether or not human resources initiatives do affect the 'bottom line' and shareholder value.

There is some cynical scepticism coming from Human Resource practitioners and academics, some of it associated with dogged technophobia, together with justifiable questioning of the methodology, rationale and, not least, the capabilities of the systems and concepts discussed. Public Human resources management

has absorbed ideas and techniques from a wide range of these theories and practical tools. In effect, Public Human resources management is a synthesis of themes and concepts drawn from a long history of work, more recent management theories and social science research (Price, 2004:28).

The human relations and human factors approaches were absorbed into a broad behavioural science movement in the 1950's and 1960's. This period produced some influential theories on the motivation of human performance. Maslow's hierarchy of needs, for example, provided an individual focus on the reasons why people work. He argued that people satisfied an ascending series of needs from survival, through security to eventual 'self-actualisation'. In the same period, concepts of job design such as job enrichment and job enlargement were investigated. It was felt that people would give more to an organisation if they gained satisfaction from their jobs. Jobs should be designed to be interesting and challenging to gain the commitment of workers - a central theme of public human resources management (Price, 2004:28).

4.4 DEVELOPMENT OF PUBLIC PERSONNEL MANAGEMENT

It is natural for public human resources management to emerge comparatively smoothly from human personnel management. In countries such as Australia, South Africa and the United Kingdom, human personnel management function arrived slowly and came from a number of routes. In Britain its origins can be traced to the 'welfare officers' employed by Quaker-owned companies such as Cadburys. At an early stage it became evident that there was an inherent conflict between their activities and those of line managers. They were not seen to have a philosophy compatible with the worldview of senior managers. The welfare officer orientation placed human personnel management as a buffer between the public service and its employees. In terms of "organisational politics" this was not a politically viable position for individuals wishing to further their careers, increase their status and earn high salaries (Price, 2004:16).

Like fashions in hairstyle and clothing, management ideas come and go. Today's best-selling management concept will not survive long before being overtaken by

the next 'big idea'. Significantly, however, a consistent theme has prevailed for more than two decades: the most successful organisations make the most effective use of their people their human resources.

The emergence of public human resources management was part of a major shift in the nature and meaning of management towards the end of the twentieth century. This happened for a number of reasons. Perhaps most significantly, major developments in the structure and intensity of international competition forced companies to make radical changes in their working practices (Goss, 1994:1).

From the 1970s onwards, managers in the industrialised countries felt themselves to be on a roller-coaster of change, expected to deliver improved business performance. The managers' careers and rewards were increasingly linked to those improvements and many were despatched to the ranks of the unemployed for not acting quickly and imaginatively enough. Managers sought credible new ideas as a potential route for survival because they need to manage decisively to avoid failure (Goss, 1994:1).

4.5 PROMOTING PUBLIC HUMAN RESOURCES MANAGEMENT FLEXIBILITY

Globalisation is associated with increased reliance on the regulation of economic relations by markets. National governments turn to liberal approaches to macroeconomic management, implying privatisation, monetary liberalisation and reduction in import tariffs, labour market flexibility and fiscal discipline. Countries are also becoming more closely connected as trade barriers are dismantled.

India reduced its average import tariffs from 82 per cent in 1990 to 30 per cent in 1997. Brazil reduced its import tariffs from 25 per cent in 1991 to 12 per cent in 1997, and China from 43 per cent in 1992 to 18 per cent in 1997 (United Nations Development Programme, 1999:29). South Africa reduced its average import tariffs on manufactured goods from 14 per cent in 1994 to 5.6 per cent in 1998 (ILO, 1999: 76). This puts workers in one country in competition with each other,

which opens up the danger of a "levelling down" in wages and working conditions (UNDP, 1999:31-32).

The flow of money and goods between countries has also increased. Foreign direct investment grew to \$400 billion in 1997, seven times what it was in real terms in the 1970s. Goods exported now average a value of \$7 trillion. Multinational corporations have been growing at a rapid pace through mergers and acquisitions; 11,300 took place in 1990. In 1997, the number more than doubled to 24,600 and \$236 billion was spent in cross-border mergers and acquisitions. Numerous multinational corporations now have annual sales totalling more than the gross domestic product of many countries, including South Africa (UNDP, 1999:31-32).

As workers across the globe are become more closely linked through common employers, or through the threat of factories relocating to areas where labour is docile and cheap, trade unions have increasingly become aware of the need for a different approach to their campaigns. Recent events, such as trans-national industrial action in the Australian dockworker strike, and the involvement of the International social clause campaigns during the Seattle talks of the World Trade Organisation, have indicated that organised labour understands that national responses to the effects of globalisation are not sufficient in themselves (Taylor, 1998:99).

4.6 THE IMPACT OF TECHNOLOGICAL ADVANCES ON HUMAN RESOURCES MANAGEMENT

Owing to new technological advances, globalisation has been increasing rapidly since the 1980's and especially the 1990's. These advances include, for instance, greatly reduced transport, telecommunications and computation costs, which helped to overcome the natural barriers of space and time that separates national markets (Toukhy, 1998:74). It was spurred on by large developing countries choosing to improve their investment climates in order to attract overseas investors and to open up to foreign trade.

Globalisation refers to the widening and deepening of international trade, finance, information and culture (e.g. movies) in a single integrated world market (Toukhy, 1998:75). According to another description, globalisation is characterised, in particular, by an intensification of cross-border trade and increase financial and foreign direct investment flows, promoted by rapid liberalisation and advances in information technology (Daouas, 2001:56).

South Africa has introduced a far-reaching trade liberalisation programme in the 1990s, and especially since the democratic elections in 1994, in order for the economy to become more outward-looking. This was to encourage export-led growth and to reap the benefits that globalisation has provided to many countries. This formed a key element of the government's economic policies to create an environment conducive to economic growth.

In some cases the liberalisation programme even exceeded the requirements of the General Agreement on Trade and Tariffs (GATT) and the World Trade Organisation (WTO) negotiations. These include tariffs being simplified and reduced and other trade-related measures to abolish practices that contravene WTO rules, such as local content requirements and export incentives. It should be mentioned from the outset that there has been much criticism against the government for reducing tariffs more rapidly than required by our international obligations. This would contribute to a contraction in employment due to the structural adjustments required to compete with the products of other countries, both within and outside South Africa (Nattrass, 1998:2).

4.7 THE EFFECT OF GLOBALISATION ON THE LABOUR MARKET

Some developing countries have benefited massively from globalisation. The share of manufacturers in developing country exports rose from less than 25% in 1980 to more than 80% in 1989 (World Bank as quoted by the Institute for Further Research, 2002). A total of 24 developing countries (with a combined population of 3 billion people) have doubled their ratio of trade to gross domestic product (GDP) since 1980 and their per capita GDP growth rate has increased from 3% in the 1970s to 5% in the 1990s (Barker, 2003:181).

The rest of the developing world represents some 2 billion people, trades less today than 20 years ago. This has resulted in them becoming marginalised, showing a decline in average GDP per capita. In many countries globalisation has made the pursuit of development and maintenance of internal and external stability difficult. On the one hand, globalisation holds out to participants the promise of growth of trade and international investments and on the other hand it heightens the risk of instability and marginalisation. Trade liberalisation can affect the labour market in various ways, including the following:

- Trade liberalisation could increase national welfare if countries succeed in exploiting their comparative advantage. Increase welfare and economic growth can lead to an increase in employment. However, countries may also fail to compete successfully, leading to higher unemployment and poverty.
- Trade liberalisation might affect labour standards. On the one hand, labour standards might improve if higher productivity leads to high wages and on the other hand, labour standards will be negatively affected if trade liberalisation leads to pressure on enterprises to reduce labour costs in order to remain competitive.
- Trade liberalisation has a distributional effect because it increases the demand for some production factors and reduces the demand for others. The demand for skilled labour might, for instance, increase, while the demand for unskilled labour might reduce. This could increase inequalities, which might or might not be compensated for by the positive effects of higher economic growth (Barker, 2003:182).

4.7.1 The effect of global Trade Liberalisation on Human Resources

Recent research by Dollar and Kraay (2001:56) explored the effects of globalisation by studying the experiences of a group of developing countries that have significantly opened up to international trade during the past two decades. The increased trade has strongly encouraged growth and poverty reduction. The study found that 18 out of 24 developing countries that have introduced trade liberalisation have experienced increases in growth, many of them quite substantial.

4.8 HUMAN RESOURCES IMPLICATIONS OF GLOBALISATION AND RESTRUCTURING IN COMMERCE

Commerce is a wide-ranging activity, encompassing both the highly organised, modern sector and sometimes a rudimentary, informal sector. The sector plays a multiple and central function in the satisfaction of consumer needs, as a major source of employment, and as a catalyst for the economy as a whole. Both the wholesale and retail are, as such, indispensable engines of economic development. A healthy economy is likewise a prerequisite for a vibrant commerce sector.

Commerce the world over has undergone profound change over the last decade; earlier regional expansion is being replaced by globalisation of big business. Globalisation most often takes the form of international mergers and acquisitions, joint ventures between multinational distributors and local operators, strategic alliances between retailers in different countries and increased franchising arrangements. Among other effects, these activities are resulting in the consolidation of the sector into fewer, bigger operators with better scale advantages, higher purchasing and economic power and retailers better prepared for expanded global competition.

In addition to globalisation, internal market deregulation, increased competition and changes in consumer behaviour are accelerating the sector's restructuring. Among some of the consequences of this process are the crowding out of smaller, independent community wholesalers and retailers in some parts of commerce, and the ability of local enterprises to establish themselves in the market-place has deteriorated, with attendant job losses and impacts on previously vibrant urban and rural shopping areas. These problems are also extremely serious in developing countries. Another consequence of changes in consumer behaviour and increased competition is growing pressure in many countries for liberalisation of shop opening hours, which are a product of long-standing traditions, cultural considerations and specific local or national circumstances.

Notwithstanding the additional convenience for many customers, liberalisation has been found to affect commerce workers' employment and working conditions, without always contributing to job growth. In addition to existing social and labour legislation in each country, the specific concerns of the sector can be complemented by negotiated agreements between the social partners.

Gains in marketing and distribution efficiencies have also been achieved as a result of retailers' new operating styles and philosophy, including improved responsiveness to consumer demand, closer retailer-led partnerships within the supply-distribution chain, and the introduction of new information technologies.

All these developments have contributed significantly to increased productivity and corresponding profitability for many large retailers and wholesalers, especially in the industrialised countries. The ability of commerce workers to share significantly in the success of their companies through consultation related to restructuring, including issues of improved pay, job security and better working conditions, will be a decisive factor towards productivity and profitability which will be sustained with the continuing changes.

4.8.1 Employment

An expanding commerce sector has generally been good for employment creation in many countries, generating the job growth required to replace some of those lost in other parts of the economy, especially in manufacturing. There are countries where employment in commerce has turned into decline. The lack of reliable statistics concerning the structure of the commerce labour force makes it difficult to assess the employment development in terms of annual hours worked.

There are both positive and negative effects of the processes of globalisation, restructuring and the introduction of new technologies on existing jobs and employment in general. In a number of cases, some occupations have simply been rendered obsolete and ceased to exist, while others have been transformed beyond recognition and new jobs have been created.

4.8.2 Working and employment conditions

Restructuring, constant relaxation of zoning and establishment regulations, and increasing business demands for labour flexibility have contributed to a situation where there are not enough full-time jobs available and to an increase in part-time and atypical work.

Globalisation means that expanding wholesale and retail activities in a competitive market-place require the capacity to attract qualified people. A means to do this is for commerce to promote stable and secure quality employment, training and career opportunities, satisfactory wages and favourable and healthy working conditions.

4.8.3 Equal opportunity

A striking characteristic of commerce is that it provides jobs to more women and young people than any other sector. In fact, the majority of commerce workers are indeed from these two categories, and growth in the commerce sector would expand their opportunities. In the light of the effects of globalisation and restructuring and in order to improve equal opportunity, better policies by employers and, where appropriate, by governments are needed. Policy should aim at expanding career options, secure employment and equal pay and ensure that training and other benefits are available to these categories of workers. Particular attention must be paid to ameliorate the position of women workers in developing countries to ensure their equal access to quality employment in commerce. In this context, the availability of education and training opportunities is of particular importance.

Flexibility can have both positive and negative effects. On the positive side, flexibility has created work opportunities, especially for men and women who might otherwise not be able to work. On the other hand, flexibility may increase job instability and diminish working conditions. In addition, increased temporary and part-time work may not always provide access to training opportunities, thus hampering career progress. Social dialogue at appropriate levels which reflect the needs in the particular countries concerned is a good way to establish a

satisfactory framework on equal opportunity (ILO, Tripartite Meeting on the Human Implications of Globalisation and Restructuring in Commerce, Geneva, 1999).

4.8.4 Informal sector

In a great number of developing countries as well as in some of those in transition, globalisation has brought a rising number of multinationals into these new markets, and given some local firms the opportunity to expand beyond national borders. There are cases where the efficiencies introduced by this new competition and the ensuing restructuring of the distribution sector have led to a rising number of retrenched workers swelling the ranks of those forced into an ever-expanding informal sector.

The continued growth of the informal sector can generate downward pressure on wages and working conditions in the formal commerce sector with which it is in competition. The challenge to the tripartite partners is therefore to work towards the creation of conditions conducive to the integration of informal sector workers. Independent traders or employees of micro and small businesses must be introduced into the mainstream economy. The challenge facing governments and social partners is the growing problem of child labour in the informal commerce sector. The ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up of 1998 should be undertaken and targeted at the informal sector.

Apart from the fact that workers in the informal sector usually work for very long hours for low wages, they also lack even the bare minimum of social and workplace protections. This situation must be corrected. The paucity of reliable statistical data on the informal sector renders it impossible to develop and implement properly targeted policies and programmes on the informal sector. The ILO should undertake to ensure that the statistical methodologies which it has developed specifically for the informal sector will be used to collect information about informal commerce, and to carry out analytical studies on different aspects of the sector in order to provide a scientific basis for decision-makers (ILO, Tripartite Meeting on the Human Implications of Globalisation and Restructuring in Commerce, Geneva, 1999).

4.8.5 Electronic commerce

Information technology, in which the wholesale and retail enterprises have invested significant resources, has brought many practical benefits, especially for the consumer, the enterprise and the sector's growing number of information technology personnel. These benefits need to be spread as widely as possible to all the workers in the sector if their impact is to be maximised.

Electronic commerce is a new and high-growth marketing and distribution tool, whose full potential is yet to be realised, and whose overall effect on employment can only be tentatively estimated at present. It is clear that in the next decade electronic commerce will have a very significant impact on the structure of commerce, its ability to generate employment, the organisation of work and working relations, occupational categories, and the range of skills requirements. Although many of the existing labour laws can be applied to work in both traditional commerce as in cyber-commerce, certain provisions such as those relating to hours of work, are difficult to enforce. Governments and the social partners need to watch closely the continued growth and direction of electronic commerce, with a view to developing policies and programmes to take full advantage of this technology and to minimise its potential disruptions on business, workers and communities.

4.8.6 Human resources development

It is worth recalling that the enterprise interacts with the customers through its employees. Past policies that emphasised on-the-job learning with little prior training can no longer be considered sufficient. In the context of fast-changing consumer demand, a highly competitive market environment, and increased use of information technologies, the social partners need an active and cooperative approach on human resource development policies. These should include efforts to ensure that commerce gets a fair share of education and training resources, the development and implementation of lifelong learning programmes and the multi-skilling of existing workers.

4.8.7 Labour relations

Freedom of association and collective bargaining rights and continuous social dialogue, on the basis of the ILO Declaration on Fundamental Principles and Rights at Work and its follow-up of 1998, are also valid in the commerce sector.

The ILO should undertake promotion of all the international labour Conventions relevant to commerce, as well as social dialogue at appropriate levels. The ILO should, in cooperation with the social partners, also develop and widely distribute a manual on social dialogue in commerce to assist the social partners, particularly in countries where the institutional framework for social dialogue is still weak or non-existent (ILO, Tripartite Meeting on the Human Implications of Globalisation and Restructuring in Commerce, Geneva, 1999).

4.9 CHALLENGES OF GLOBALISATION AND HUMAN RESOURCES MANAGEMENT IN THE GLOBAL MARKET

Globalisation is a distinctive Human Resources Management challenge to businesses especially those operating across national boundaries as multinational or global institution. Global business is characterised by the free flow of human and financial resources especially in the developed economies of European Union (EU), the North American Free Trade Agreement (NAFTA), other regional groupings such as the Association of South East Asian Nations (ASEAN), the Economic Community of West African States (ECOWAS), the Southern African Development Community (SADC), etc. These developments are opening up new markets in a way that has never been seen before. This accentuates the need to manage human resources effectively to gain competitive advantage in the global market place. To achieve this, organisations require an understanding of the factors that can determine the effectiveness of various Human Resources practices and approaches. This is because countries differ along a number of dimensions that influence the attractiveness of direct foreign investments in each country. These differences determine the economic viability of building an operation in a foreign country and they have a particularly strong impact on Human Resource Management in that operation. A number of factors that affect Human Resources Management in global markets are identified:

- Social system;
- Economic System;
- Political System – the legal framework; and,
- Human capital (Noe, et al., 2000: 536).

Human capital that is the skills, capabilities or competencies of the workforce plays a vital role in ensuring effective service delivery. It is necessary that cognisance be taken of competency based human resources plans in order to provide a source for gaining competitive advantage for countries profoundly affected by a foreign country's desire to locate or enter that country's market (O'Reilly, 1992). This partly explains why Japan and United States of America locate and enter the local markets in South East Asia and Mexico, respectively.

In the case of developing countries, globalisation poses distinct challenges to governments, the private sector and organised labour. These challenges, which must be addressed through a strategic approach to human resources management, include:

- partnership in economic recovery especially in South East Asia;
- dealing with the fund managers;
- concerns over possibility of fraud in E-commerce (such as issues of confidence and trust) and,
- implementing prescriptions for recovery and growth taking in to consideration the development agenda and unique circumstances of individual country.

4.10 THE IMPACT OF STRATEGIC HUMAN RESOURCES MANAGEMENT WITH REGARDS TO THE CHALLENGES OF GLOBALISATION

Strategic Human Resources Management (SHRM) involves a set of internally consistent policies and practices designed and implemented to ensure that a firm's human capital (employees) contribute to the achievement of its business objectives.

Schuler (1992: 18) has developed a comprehensive definition of SHRM:

“Strategic human resources management is largely about integration and adaptation. Its concern is to ensure that: (1) human resources (HR) management is fully integrated with the strategy and the strategic needs of the firm; (2) HR policies cohere both across policy areas and across hierarchies; and (3) HR practices are adjusted, accepted, and used by line managers and employees as part of their everyday work”.

According to Wright & McMahan (1992:298), SHRM refers to “the pattern of planned human resources deployments and activities intended to enable an organisation to achieve its goals”. Some of the frequently cited fundamental elements of SHRM in the literature are: SHRM practices are macro-oriented, proactive and long term focused in nature; views human resources as assets or investments not expenses; implementation of SHRM practices bears linkage to organisational performance; and focusing on the alignment of human resources with firm strategy as a means of gaining competitive advantage (Nee & Khatri, 1999:311).

The United Kingdom-based Management Charter Initiative (MCI), an independent competence-based management development organisation, identifies seven key roles and required competencies. These include competencies required to manage roles like managing activities, managing resources, managing people, managing information, managing energy, managing quality and managing projects (MCI Management Standards, April, 1997). Finally, Huselid, et al (1997) identified two sets of Human Resources Management personnel competencies as necessary for Human Resource Management personnel:

- Human Resources professional competencies; and,
- Business-related competencies.

Human Resources professional competence describes the state-of-the-art Human Resources knowledge, expertise and skill relevant for performing excellently within a traditional Public Human Resource functional department such as recruitment

and selection, training, compensation, etc. This competence insures that technical Public Human Resources Management knowledge is both present and used within an organisation (Huselid, et al., 1997). Organisation-related competence refers to the amount of experience Public Human Resources personnel have had outside the functional Public Human Resources Management speciality. These capabilities should facilitate the selection and implementation of Public Human Resources Management policies and practices that fit the unique characteristics of a firm including its size, strategy, structure, and culture (Jackson & Schuler, 1995). In other words, these competencies will enable the Public Human Resources Management staff to know the company's business and understand its economic and financial capabilities necessary for making logical decisions that support the company's strategic plan based on the most accurate information possible (Jackson & Schuler, 1995).

Huselid, et al. (1997) conducted an elaborate study in the United States of America to evaluate the impact of public human resources managers' professional/technical competencies on Public Human Resources practices and the latter's impact on organisational performance. Results of the study suggest that consistent with the resource-based view of the organisation, there exist a significant relationship between SHRM practices and organisation's performance. The following was found:

- Public Human Resources related competencies and, to a lesser extent, organisation-related competencies increase the extent of effective implementation of SHRM practices; and,
- consistent with recent studies linking Public Human Resources Management activities and organisation performance. The study supports the argument that investments in human resources are a potential source of competitive advantage.

4.11 SUMMARY

This chapter includes explanations on the influence of public human resources management policies and procedures, the effect of globalisation on the labour market, public human resources implications on globalisation and restructuring in commerce challenges of globalisation and public human resources management in the global market as well as the impact of strategic public human resources management on globalisation.

Leading theorists of globalisation define it first as the process of turning the world into a single place. It is necessary to note that both an objective and a subjective pole are involved in this process.

The next chapter explains globalisation and human resources management from a South African perspective.

CHAPTER 5

GLOBALISATION AND HUMAN RESOURCES MANAGEMENT FROM A SOUTH AFRICAN PERSPECTIVE

5.1 INTRODUCTION

Globalisation describes a complex phenomenon, full of promise and threat. It promises to bring millions of people into active participation into the global economic life. Globalisation at the same time, threatens to marginalise millions more in countries and situations unwilling or ill-equipped to adapt to the extreme pace of globalisation. It is common knowledge that, some people and some communities lose more than they gain from exposure to globalising trends, at least in the short run.

In its broadest sense, globalisation refers to the rapid growth of linkages and interconnections between nations and social communities who make up the present world system thus any meaningful discussion of globalisation must begin with recognition that it may mean different things to different people, for some it refers to the vast spread of global communities. Others think it best conveys the homogenisation of consumer cultures. Some people believe that it is mostly a way of drawing attention to the emerging consciousness of our mutual dependence on the life support system of a small planet. Many others believe it is best reserved to describe economic globalisation - the erasing of economic borders to allow the free flow of goods and money. Some still wonder if it might best be used to acknowledge the spread of global civil society, a force that questions other forms of globalisation, especially economic globalisation.

The demise of apartheid and advent of democratisation in South Africa coincided with a number of critical global developments. South Africa experienced the impact of globalisation and economic liberalism. It had to accept globalisation in its entirety since the international community were opening its doors economically and otherwise.

This chapter includes explanations of the South African Public Service Commission, South African training and development legislations, the White Paper on public human resources management in the South African public service, the Constitution of the Republic of South Africa Act no 108 of 1996, the White Paper on Transformation of the South African public service and the White Paper on Affirmative Action in South Africa. Other topics covered in this chapter include public leadership and management academy (Palama), globalisation in the South African context and the impact of globalisation on South Africa.

5.2 PUBLIC SERVICE COMMISSION

According to the Public Service Commission (State of the Public Service Report 2005: 48) the key challenge for the public service posed by the principle of good human resource management is to consolidate its key asset, human resource. The public service is the largest employer which employs over one (1) million employees. The objective of the government is to ensure effective public service delivery and the public service should lead the country in sound human resource practices.

Human resource management refers to the measures put in place to ensure that employees are willing and able to implement government programmes. It is essential for the employees to be able to interact and function at an international level.

5.3 SOUTH AFRICAN TRAINING AND DEVELOPMENT LEGISLATIONS

The local trends are driven by training legislations and national human resource training and development needs in South Africa. The legislations promulgated to improve the skills level base are the following:

- South African Qualifications Authority Act, Act no. 58 of 1995
- Skills Development Act, no. 97 of 1998;
- Skills Development Levies Act, no. 9 of 1999.

These Acts, together, form part of the national skills development strategy that aims to link the learning demands of the world of work, to develop the skills of existing workers and to enable institutions to become more productive and competitive (Cronje, Du Toit, Marais and Motlatla, 2003:248).

Cronje et al (2003:248) explains that the linkages can be explained as follows: The South African Qualifications Authority Act (SAQA) creates the National Framework (NQF), where outcomes can be registered as unit standards. The Skills Development Act introduces a strategic approach by creating 25 Sector Educational and Training Authorities (SETA's). The Skills Development Levies Act imposes a skills levy on employees.

These legislations were developed as a direct result of globalisation because as Meyer (1999:1) states, that in order to achieve competence in the area of human resource development, international and global best practices have been identified, primarily by considering the international trends . These trends have been integrated with the local requirements of the NQF from an outcomes based education perspective.

Appropriate training and development will ensure that South Africans succeed globally by improving productivity and competitiveness (Meyer, 1999:1).

According to Reid and Barrington (1997:59) in Cronje (2008:475) the policy training and development of an organisation is influenced by a number of variables. These range amongst others, from the economic and social objectives to past and current training policies and practices as current training policies and practices as well as the training and experience of its senior staff.

5.4 WHITE PAPER ON HUMAN RESOURCES MANAGEMENT IN THE SOUTH AFRICAN PUBLIC SERVICE

According to the White Paper on Human Resources Management in the South African Public Service the purpose of this document is to transform the Public Service into an instrument capable of fulfilling its role in bringing about the a new

South Africa which depends on the commitment and effectiveness of its employees, which in turn depend on the way in which those employees are managed. South Africa's first democratically elected Government inherited a Public Service whose role in bringing about economic and social equity is pivotal, but whose capacity to do so is severely limited by outmoded and inappropriate human resource management practices. Transforming the way human resources are managed is, therefore, the catalyst for the transformation of the Public Service itself. The purpose of this White Paper is to provide a policy framework that will facilitate the development of human resource management practices which support an effective and efficient Public Service, geared for economic and social transformation. Human resource management is therefore, regarded as one of the strategic instruments of the transformation agenda for the Public Sector.

The South African government adopted a vision and mission for the management of employees in the Public Service in its White Paper on Human Resources Management in the Public Service (Republic of South Africa, 1997:2). The vision is "Human resources management in the Public Service will result in a diverse competent and well-managed workforce; capable of and committed to delivering high quality services to the people of South Africa". Arising from the vision, the government adopted the following mission:

"Human resources management in the Public Service should become a model of excellence, in which service to society stems from individual commitment instead of compulsion. "The management of people should be regarded as a significant task for those who have been charged with the responsibility and should be conducted in a professional manner" (White Paper on Human Resources Management in the Public Service, 1997:2).

5.5 THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA ACT 108 OF 1996

The Constitution of the Republic of South Africa Act 108 of 1996, was approved by the Constitutional Court (CC) on 4 December 1996 and took effect on 4 February 1997.

The Constitution is the supreme law of the land. As a result no other law or government action can supersede the provisions of the Constitution. South Africa's Constitution is one of the most progressive in the world and enjoys high acclaim internationally.

According to Section 195 of the South African Constitution 108 of 1996, the basic values and principles governing public administration must be to govern by the democratic values and principles as enshrined in the Constitution. The following principles:

- “A high standard of professional ethics must be promoted and maintained.
- Efficient, economic and effective use of resources must be promoted.
- Public administration must be development-oriented.
- Services must be provided impartially, fairly, equitably and without bias.
- People's needs must be responded to, and the public must be encouraged to participate in policy-making.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.
- Good human-resource management and career-development practices, to maximise human potential, must be cultivated.
- Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.”

5.6 WHITE PAPER ON TRANSFORMATION OF THE PUBLIC SERVICE

Public services are not a privilege in society but rather a legitimate public expectation. This means that government institutions must be reoriented to optimise access to their services by all citizens in order to fulfill their needs.

In terms of the Constitutional principles, the White Paper on Transformation of the Public Service (WPTPS) of 24 November 1995 calls on all governmental departments to make service delivery a priority. The WPTPS also provides a framework to enable national and provincial departments to develop departmental

service delivery strategies. These strategies will need to promote continuous improvements in the quantity, quality and equity of service provision:

“service standards, defined outputs and targets, and performance indicators, benchmarked against comparable international standards;
monitoring and evaluation mechanisms and structures, designed to measure progress and introduce corrective action, where appropriate;
plans for staffing, human resource development and organisational capacity building, tailored to service delivery needs;
the redirection of human and other resources from administrative tasks to service provision, particularly for disadvantaged groups and areas;
financial plans that ‘link budgets directly to service needs and personnel plans”
(White Paper on Transformation of the Public Service [WPTPS] of 24 November 1995).

and

“In order to ensure effective and efficient public service delivery, training and development of the public services is essential” (Governmental Gazette 1 Oct. 1997 No. 18340).

The White Paper on Transformation of the Public Service specifies that in order to ensure that service delivery is constantly improved, national and provincial departments will be required to outline their specific short, medium and long term goals for service provision. Improving the delivery of public services’ means redressing the imbalances of the past and while maintaining continuity of service to all levels of society.

5.7 WHITE PAPER ON AFFIRMATIVE ACTION

According to the white paper on affirmative action government inherited a Public Service which was strongly influenced by discriminatory employment policies and practices based on race, gender and disability. Hence these groups are poorly

represented at decision making levels and in other technical occupational classes. The Constitution identifies representativeness of the Public Service as one of the main foundations of a non-racist, non-sexist and democratic society that integrates people with disabilities. When the Government came into power in 1994, initiatives were put into place to remove discriminatory practices and policies in employment. Measures were also developed as an interim arrangement to facilitate and promote accessibility to the Public Service for all. This White Paper on affirmative action is a testimony of the Government's commitment to the transformation of the Public Service into an institution whose employment practices are underpinned by equity. The Public Service which is representative and draws on the talents and skills of the diverse spectrum of South African society, will not only be geared towards providing better services for all sectors of our society but will also enjoy legitimacy in the eyes of South African people. The White Paper seeks to provide a comprehensive framework within which national departments and provincial administrations will develop their own affirmative action programmes, structures, mechanisms and guidance. It is also aimed at closing gaps and removing ambiguities in policies which were created by the previous measures of 1995 (Government Gazette, 23 April 1998 No. 18800:5).

Public Service can be seen as one of the keys to the transformation process. To this end, affirmative action policies were introduced for the first time in 1994 to bring into the administrative heart of government, people from those groups who had been marginalised and systematically discriminated against in the former area. The transformation of the Public Service is being undertaken within the new legislative framework that has been ushered in since the inauguration of the new Government and with particular reference to the Public Service Laws Amendment Act, 1997, and the new Public Service Regulations, which will come into effect this year. The White Paper is primarily focused on the field of human resource management and targets the three groups, black people, women, and people with disabilities, who are identified in the Employment Equity Act as having suffered most from unfair past discrimination. The term 'Black people' is used to refer to African, Coloured and Indian people (Government Gazette, 23 April 1998 No. 18800:5).

5.8 PUBLIC ADMINISTRATION LEADERSHIP AND MANAGEMENT ACADEMY (PALAMA)

The South African Management Institute was reformed into the Public Leadership and Management Academy (PALAMA) after a Cabinet inquiry into the effectiveness of the training being offered to the public sector. The existence of PALAMA, it could be argued is a product of the ever changing nature of global environment and the increasing demand for competitiveness value for money and flexibility.

Palama means “arise!” or “get on board” in SeSotho. It is a call to all Public Servants to use PALAMA to gain better skills, in the interest of better public service delivery to all public servants in an effective, consultative and courteous manner.

Palama is a national government department with statutory responsibility for providing, integrating, and managing training and management development for the public service in national, provincial and local government. It works in close collaboration with other institutions with training responsibilities such as the Treasury, the Department of Co-operative Government and Traditional Affairs, province’s training academies, SALGA, and the Development Bank (<http://www.palama.gov.za/>).

The following are the objectives of PALAMA:-

- “Offers training programmes tailored to the authorised Public Services competencies
- Provides general and specific management programmes at different levels by sourcing and professionally developing the best training and trainers available
- Develops curricula and courses relevant to government’s service-delivery mandate
- Creates and maintains training partnership, bases on Palama’s curricula, with universities and universities of technology, colleges, and other specialists
- Establishes standards, secures programme accreditation, and monitors and evaluates courses to ensure quality
- Provides varied executive development programmes for the 10 000 members of the Senior Management Service (SMS) from Director level upwards

- Seeks to ensure that the 250 000 Junior and Middle Managers (JMMS) between Assistant and Deputy Director levels get at least one week of formal professional development per year
- Provides a wide range of practical and relevant programmes, in the areas of
 - Financial Management
 - Project Management
 - Supply Chain Management
 - Asset Management
 - Good Governance". (<http://www.palama.gov.za>).

5.8.1 Palama's international involvement

This structure reports to the then Minister of Public Service and Administration, Richard Masenyani Baloyi. Internationally, Palama has moved to a new level of operation. A successful programme to train public servants and trainers, and refurbish a new Academy, is concluding in the Democratic Republic of Congo (DRC). Using a new model of organisational capacity development, Palama is assisting counterpart management development institutes in three post-conflicting societies; Rwanda, Burundi, Southern Sudan. The five-year programme has massive donor support. In addition, Palama has incubated the African Management Development Institutes Network (AMDIN) and provide the training support for its initial ten-country workshop.

Palama's enhanced capacity has been underpinned by strengthened support services. Processes have been streamlined and made more user-friendly and relevant to new needs and appropriate outsourcing of non-core functions undertaken (notably facilities management and information technology). Significant developments include rigorous processes and standards for recruitment and procurement, the installation of various policies required in the public service context, in particular the implementation of extensive financial and human resources delegations to branch heads, support by an online 'dashboard' of information and structured reporting arrangements (<http://www.palama.gov.za>).

Meyer (1999:4) notes that there is an increasing awareness of the importance of inter alia, evaluation of training programmes, proactive needs identification, strategic human resource and management development. Meyer's observation is supported by the fact that in July 2005, Cabinet queried whether or not SAMDI was effective in its rollout of training programmes to the public sector. This motion led to the complete review of SAMDI which resulted in:

- More varied, deeper and larger-scale training for the Senior Management Service(SMS);
- “Massification” of training at the levels where most of the delivery decisions take place-the level of junior and middle managers(JMMS);
- Ongoing training and development for all levels, at least 5 days per annum. SAMDI started the change process by looking at its environmental context and other service training models(e.g. India, United Kingdom and Canada) Government responded to needs during the SAMDI review that highlighted this specific gap through massification of training to all levels of staff in the public sector. Another impact of demand of globalisation is the establishment of certain quality and standards for training and development to remain competitive. As a result all government training interventions must have unit standards and be accredited by SETA (Van der Walt, 2004:224).

5.9 GLOBALISATION IN THE SOUTH AFRICAN CONTEXT

The following section provides a brief overview of globalisation in South Africa.

5.9.1 A brief overview of Globalisation in South Africa

In the years following World War II, South Africa began to show as ongoing deficit in the current account of its balance of payments. The country relied on the inflow of foreign investment to maintain the equilibrium in the overall balance of payments. Towards the end of the 1960s, the deficit in the balance of payments increased to such an extent that import controls and a devaluation of the rand became necessary to correct the situation. Moreover, it became clear that the

main sources of foreign currency (gold and agricultural products) could no longer be relied on to the extent that they had been in the past. The country's ore reserves were becoming depleted and agricultural products were often affected by poor weather and volatile international supply and demand patterns (Nieman, et al. 2005:17).

Greater attention would have to be given to developing the export "potential" of the manufacturing industry. In the 1980s, the need for a shift in South Africa's protectionist policy became apparent. A commission of enquiry into South Africa's industrial development strategy was initiated in the early 1980s. In the report on the findings of the investigation, it was stated that import substitution had to be accompanied by export development and that the encouragement of local industry had to take place within a competitive, free enterprise system, i.e. protectionism had to be curtailed. This view was in line with the findings of studies conducted by the International Monetary Fund (IMF), namely, that countries that largely pursued an import substitution path had achieved far lower economic growth rates than countries following an export development policy.

Globalisation makes it possible to produce anywhere in the world and, as a result, the world market is the market firms participate in, not just the domestic market. One had witnessed the strengthening of the systems of global governance to manage the process of globalisation and liberalisation. The United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organisation (WTO) are the two intergovernmental institutions involved in these processes.

South Africa has played a prominent role in both, especially UNCTAD, where the Minister of Trade and Industry was the president. South Africa has also actively negotiated with trading blocs such as the European Union (EU) and the South African Development Community (SADC). Today, South African government is fully committed to a competitive, free enterprise system. This shift in policy was to some extent prompted by the growing pressure on the country to conform to GATT requirements- participating from the early 1990s when sanctions against the country began to subside. South Africa was an active participant in the Uruguay

Round of GATT negotiations and, in terms of the agreements concluded, it undertook to eliminate quantitative restrictions and to lower tariffs substantially (Nieman, et al., 2005:16).

The South African democratic dispensation emerged at the end of the Cold War and at the start of the new global economic regime (the end of the GATT and the formation of the WTO) led by the United States and the G7 countries. When the new dispensation was born, the government was faced with the mammoth challenge of transforming society and promoting equitable development. Yet as the country grappled with the challenges of national reconstruction and development, the world was engulfed in another revolution, the information superhighway, or the global village, with the advent of the Internet and digital technology. Suddenly, South Africa and its government were faced with the challenge of developing strategies to cope with globalisation and the information society. The task of the South African Government became to make the country economically competitive in the international community while not losing sight of social and political goals. Economic and social development urgently needed to be addressed.

The South African government acknowledges that technology is the key to development, that it is "the basic need of every other basic need," (South African Government Report), and that the nation must improve both its "hard" and "soft" information infrastructure. While the nation is not entirely lacking in technology, the struggle has become how to assure access and how to best to use it. The question now is how South Africa can strike a balance between adopting the glitziest technology of the West while guaranteeing that every far flung village can get a phone line. Additionally, in a time when resources are scarce, the government necessarily is concerned with generating the money and environment needed for growth of South Africa's hard and soft infrastructure. The South African government is under pressure to redress the ills of the past, and bring the country fully into the information economy as quickly as possible (Nieman, et al., 2005:16).

5.9.2 Issues of the Globalisation debate

The impact of globalisation has many “faces” and it is envisaged to provide a South African perspective. One can summarise the viewpoint as follows:

- The economic crisis of the 1970’s opened the way for faster global integration;
- The world is currently going through an unstable transition to a new global order in which national economics are more tightly integrated;
- The computer revolution made globalisation easier;
- English became the “official” language of all the communication systems,
- National governments are losing their power;
- The world is also fragmenting;
- Globalisation is concentrated within the richer economics,
- The poor economics, many of which are in Africa, are marginalised;
- Ethnic and political conflicts are leading to disintegration, and
- Global co-operation between trade unions and other grassroots organisations has become more necessary.

The speech on 6 September 2004 on the “African Renaissance” by the former South African President, Thabo Mbeki to the United Nations encouraged leading South African companies, politicians and economic leaders a more positive perception towards globalisation. The government believe that through the process of the “awakening of Africa”, South Africa and the rest of Africa can become a major force to be reckoned with. The influence of “the African Renaissance” is also a topic for reflection. In this context, it is necessary to take cognisance of the impact of the global economy on South Africa.

5.9.3 South Africa’s competitive position

A country’s international competitive position depends on a number of factors. Apart from the price of the product, factors such as the quality of the product delivered, customised products, on-time delivery, general good service to the customer, and movements in the exchange rate, all play a role. With regard to the latter, a depreciating currency, as South Africa has experienced in recent years,

makes exported products less expensive and therefore more attractive to foreign buyers. The Labour Market Commission (1996:21) argues that the depreciation of the Rand has lowered South Africa's unit labour costs relative to those of its major trading partners.

However, a depreciating currency does not only have disadvantages, but also poses certain threats. For instance, it leads to higher import prices that might increase local inflation and wipe out any benefit of a depreciating currency. Taking account of various factors, South Africa's competitiveness position compares unfavourably some countries.

According to Meyer (1999:2), the field of Human Resource Development (HRD) has evolved so rapidly in South Africa and abroad that traditional training is under threat. Meyer (1999:24) observes that where traditionally, training was seen as a tool to give employees knowledge and skills to perform their work more effectively, this view is changing. Often, human resource development is used as an imperative to enhance competitiveness and is employed strategically.

5.9.4 World Competitiveness: benching South Africa against other countries

According World Economic Forum (2002) South Africa fares particularly poorly in terms of its international competitiveness. The competitiveness position of a country is determined according to 290 criteria of hard data as well as a survey is given a weighting of one-third in the final result.

In 2001 South Africa occupied the 34th position on a list of 75 countries. The United States of America, Singapore, China Hong Kong are rated among the highest, and Zimbabwe, Nigeria and Nicaragua the lowest. The report looks at performance in three broad areas: technology, public transport and macroeconomic environment.

Some of the strengths related to the market were the following:

- the extent of incentive compensation ;
- company spending on research and development;
- judicial independence, and
- social transfer recipients.

Some notable competitive disadvantages are:

- * Tertiary enrolment;
- * Inflation;
- * cooperation in labour-employment relations;
- * availability of scientists and engineers;
- * quality of public schools;
- * skills outflow or “ brain drain”;
- * unemployment rate;
- * hiring and firing practices;
- * pay and productivity;
- * employment rules, and
- * union contributions to productivity .

5.9.5 Comparison with benchmark countries

This is expanded on by the Stanton Research Institute (SRI) international (1998). They compare South Africa with 11 benchmark countries, which were selected on the basis of a set of criteria such as similar economic structures and similar social conditions. The benchmark countries include among others Brazil, Egypt, Greece, Malaysia, Thailand and Mexico.

The following emerged from the survey:

- * Unemployment rate: South Africa had the highest unemployment rate of all 11 countries.
- * Adult literacy rate: South Africa ranked second from the bottom, only above Egypt.

- * Secondary school enrolment: The country compared favourably and ranks fifth.
- * Tertiary school enrolment: South Africa ranks near the bottom, just above Brazil.
- * Availability of skilled labour: South Africa is ranked last.
- * Labour cost: with regard to wage levels, South Africa is placed more or less in the middle among competitor countries. However, SRI International makes the point that when wages are adjusted for productivity, the country fares much more poorly. In fact, compared to other countries, labour accounted for the highest percentage of the total cost of manufacturing in South Africa.
- * Availability of competent senior managers: South Africa ranked near the bottom.
- * Strike activity: South Africa has the third highest level of strike activity, after Chile and Greece. In the latter countries, most disputes were in the public sector and the private sector experienced relative industrial peace.

South Africa's competitive position is weakened by factors such as the shortage of skilled labour, the outflow of skilled workers, high unemployment, the education system (and various related indicators of poor human resource development), and a lack of flexibility and adaptability in the utilisation of labour.

5.9.6 The effect of globalisation on cities

Globalisation has affected cities in Southern Africa in many ways. The case study of Port Elizabeth is used to chart some of these changes. Globalisation is affecting the cities economy, its social and cultural life, its political realisation and its physical form. The implications for cities in Southern Africa include economic pressure favouring coastal cities, the hastening demise of traditional life, the loosening of the grip of the State and the growth of competitive urban regions.

Globalisation has had a deep effect on cities all over the world, not the least in South Africa where the isolation of the apartheid years has given way to a much more open society and economy. Governments, businesses, cities and regions

that flourished in the years of isolation are in decline. Communities that were previously isolated are seeing their once cherished values challenged, especially by the young who perceive that the old ways will not do. New social and urban tensions worsened in Southern Africa by the twin scourge of crime and HIV/AIDS, accentuate the differences between rich and poor. The mass urbanisation of the African rural poor makes these contrasts all too apparent in the new melting pots of South Africa's cities.

5.10 THE IMPORTANCE OF GLOBALISATION TO SOUTH AFRICA

Madeleine Wackernagel reported in the "Mail and Guardian" online newspaper on November 21, 1997 that globalisation is simply a new term for an old concept, the free flow of capital and goods between countries. World War I laid the period of laissez-faire to rest, 50 years of significant cross-boarder movements of labour, money and produce were soon replaced by fierce protectionism. This was followed by the Great Depression, exacerbated by high tariff barriers and capital controls.

The big economic countries, post-World War II, placed their faith in breaking down those barriers to boost growth. The General Agreement on Tariffs and Trade was set up, and with it the first of many deals to cut tariffs world-wide. At the same time, countries gradually abolished exchange control, freeing up the flow of capital. The first time round, it was the drop in transports costs that oiled the wheels of free communication have made world markets easier to tap, at the same time, the benefits of liberalisation have come to outweigh the danger.

The trends to greater integration are clear, from 1980 to 1996 the world output has grown at a steady rate and the trade rate increased. The foreign direct investments flows have expanded tremendously. Few economics can afford to ignore this phenomenon, and South Africa is no exception. Years of isolation and protectionism have left the country out of touch with global standards of service, productivity and quality (Mail and Guardian: 21 November 1997).

The time for talk is over, was the message of the Globalisation at a conference in South Africa. Speaker after speaker emphasised the need for action, not analysis. The scene was set by the former Finance Minister, Trevor Manuel when he stated that globalisation has the government's blessing. Indeed, it has always been crucial to policy. South Africa must move away from the capital intensive, jobless growth of the past, and internationalisation was a major part of this process.

“Turning a sow's ear into silk purse is no easy matter”, Manuel stated that South Africa has made significant strides in the global arena. Business leaders were of an option, companies still have a long way to go before catching up with the rest of the world, as does the labour market. Wages rises have outrun productivity increases, quality of goods and services is poor, and tariff barriers are dropping too fast for many companies to keep up. As a result, one is left with a situation of ongoing retrenchment and slow economic growth. Labour was not represented at the conference, which is a pity considering they came in for the most criticism, a 40-hour working week was unacceptable, as was persistently poor productivity at relatively compared with India and Mexico, for instance. Only by working towards a common goal of improved flexibility and skills enhancement would the present impasse be overcome. Until then, South Africa would remain a marginal player in the world economy. Foreign companies in search of a low-cost manufacturing base cannot afford to relocate here and our exports are more expensive than those produced in Latin America and south-east Asia. Management, too, came under fire for being complacent. It is noticed that 40 years of protection have left many organisations ill-equipped to cope with the rapid pace of change now being forced on them (Mail and Guardian: 21 November 1997).

The favourite Nineties terms, downsizing, right-sizing and restructuring are not the solution, instead, companies need to develop new strategies, in consultation with labour, to carry them forward into the 21st century. A company and a country is only as good as its people. The alternative is to be left behind as the globalisation train proceeds (Mail and Guardian: online newspaper on November 21, 1997).

5.11 STRATEGIC PUBLIC HUMAN RESOURCES MANAGEMENT AND GLOBALISATION

Strategic human resources management starts with the external market. This means human resources management must go far beyond the traditional two-way relationship between management and employees. An external market approach demands that human resources management people align whatever they do inside the company and how they do it to ensure that a customer will buy and keep buying the company's products or services.

This "customer alignment" can be seen in leading retail firm like Pick 'n Pay. This company's employee development plan plays an integral part in the organisation's good customer service efforts. Similarly, an external market approach means aligning other key activities with the business strategy. These include human resource management playing a bigger role in identifying potential leaders and in developing them, and insuring that performance management and rewards systems are aligned explicitly to the values of the business objectives and priorities.

Strategic human resource management makes it essential to measure key factors in the value chain and it should be noted that where value is created in the organisation, this includes the measuring of human capital. In essence, strategic human resource management calls for a new type of human resource management professional, one that has a fundamental knowledge of business and is in possession of financial, strategic and technological capability.

5.12 PROFESSIONAL APPROACH TO PUBLIC HUMAN RESOURCES MANAGEMENT

Public Human resources management professionals needed are those that are more than change managers, but change leaders. They need to have problem-solving capabilities and must be willing to embrace transformation. Human resources management people need to ask themselves some fundamental questions about their contribution to the government.

Government should constantly investigate and adapt leading practices that may assist the State to achieve that competitive advantage. They then should work on refining these to reap the best rewards in their particular service context. If this means introducing flexible work practices, rotating shifts or variable pay schemes linked to the government's service delivery. Employees should be given the opportunity to become efficient and effective to boost competitiveness.

5.13 THE CHALLENGES OF GLOBALISATION IN SOUTH AFRICA

The year 1994 ushered in a new era in South Africa. Apartheid was dismantled and democratic institutions of governance were established. This facilitated the realisation of fundamental changes in the form and functions of the state. The post-Apartheid era witnessed the restructuring of governmental relations and a redefinition of the responsibilities of the different spheres of government. These changes were effected to ensure improved service delivery to the South African citizenry and to promote a more inclusive form of democracy.

The challenge of globalisation for the South African government is in the inherent strengths and weaknesses of the current training and development system. The government of South Africa faces a unique challenge in the new millennium as it strives to achieve national unity after years of apartheid by means of the communications industries. The former structure of the industries, however, has been under massive reconstruction since the "liberation vote" of 1994, and bills such as the Telecommunications Act of 1996 and the Broadcasting Bill of 1999 have massively transformed the information infrastructure, renovating large entities such as the South Africa Broadcasting Corporation, and creating new bodies of government to regulate the changing industry. The government also faces challenges from the globalisation process as the process's hallmarks of convergence and homogenisation threaten to permanently alter traditional cultures, and rend the newly unified culture of the society.

The challenge for policy-makers, at the national and local level, is how to articulate with the global economy so as to harness the potential benefits for national development and minimise the negative effects. Local institutions and policies can

mediate the impact of Globalisation. National policy-making is increasingly influenced by debates about the effects of Globalisation on local economies.

5.14 THE IMPACT OF GLOBALISATION ON SOUTH AFRICA

Several decades of relative economic isolation meant that organisations in South Africa were ill-prepared to take advantage of the opportunities arising from trade liberalisation, while the potential adjustment costs were correspondingly high. Trade liberalisation has certainly resulted in a sharp increase in exports, especially in the manufacturing industry. Manufactured exports increased by an average annual nominal rate of more than 10% between 1990 and 1994 and this already high growth rate was much higher in the period thereafter, i.e. after trade sanctions were lifted (Tsikata,1999:iv).

However, as far as employment in particular is concerned, trade liberalisation did not have the positive effect that might have been expected on the basis of good export performance or from the post-war experience of East Asia (Nattrass,1998:3).

One of the reasons is that South Africa's trade liberalisation initiatives have been relatively recent and the effect of employment takes years to materialise. Another reason for the fact that employment has not been affected positively is the changing nature of global competition, which in recent years had been much more intense than before. There is much greater competition in the trade in low wage, labour-intensive products. A further reason has to do with the structural shift that took place in South Africa towards capital-intensive sectors, partly as a result of trade liberalisation (Nattrass, 1998:14).

Trade liberalisation might therefore have contributed to the weak employment performance in South Africa over the last few years. However, the ILO maintains that this impact is probably relatively small (Hayter, et al. 2001:63). On the other hand, Nattrass (1998:14) argues that the impact on unskilled employment could have been relatively large.

5.15 SUMMARY

This chapter describes aspects of the South African Public Service Commission, South African training and development legislations, the White Paper on public human resources management in the South African public service, the Constitution of the Republic of South Africa Act no 108 of 1996, the White Paper on Transformation of the South African public service and the White Paper on Affirmative Action in South Africa. Also covered in this chapter include public leadership and management academy (Palama), globalisation in the South African context and the impact of globalisation on South Africa.

The South African economy and politics are generally positive towards globalisation. It is seen both as a boon and a burden for South African development. The balance of the effects of globalisation on the country's development depends strongly on how public institutions engage this process proactively and investment and maintains international respectability. The impact of globalisation influences the political, economic, and cultural landscape of South Africa.

It is especially severe, mainly because of the rapid and forced changes that the State had to employ in order to redress the inequalities of the past. These changes were necessary from a service delivery point of view; it was also as a result of the opening of the world markets and bilateral partnership with countries.

The next chapter illuminates aspects of research methodology theory as found in the literature.

CHAPTER 6

RESEARCH METHODOLOGY

6.1 INTRODUCTION

Research encompasses the interpretation of data which is used to draw conclusions. It is knowledge that can be used for the general applicability of objectives as well as the efficient utilisation of resources collected. Research is also the systematic process of collecting and analysing information to increase our understanding of the phenomenon under study. It is the function of the researcher to contribute to the understanding of the phenomenon and to communicate that understanding to others.

The function of research is to either create or test a theory and is the instrument used to test whether a theory is good or not. It is the process by which data is gathered to generate a theory or used to test a theory. There are different ways of conducting research. The method used will be based on the systematic collection and analysis of data. The emphasis is on the word systematic. This means one has to collect data in an ordered manner.

This chapter provides a general overview of research methodology theory, including the literature search, the empirical survey, as well as aspects of the normative survey method.

6.2 OVERVIEW OF RESEARCH METHODOLOGY

An overview of research methodology is provided in the paragraphs that follow.

6.2.1 Literature Search

The literature review provides a concise synthesis of existing research and literature on the current research topic. This creates the context from the past for the new study to be conducted with new subjects and newly obtained data.

The literature review assists the researcher in identifying what has and what has not been tried in regard to approaches and research methods exists. The review of earlier research provides insights into the variety of research methods used and

enables the researcher to select a method and design an appropriate research instrument.

The review should be comprehensive and concise without being exhaustive. This means that the literature should cover all the major facets of the problem areas. The literature review should begin with a concise, analytical and evaluation coverage of related literature and narrow the focus down to more specific studies that are associated with the current research problem. It also covers both material that contributes to the purpose and design of the study and background research material that delineates the theory on which the current study is based (Cooper & Schindler, 1998:92).

6.2.2 The empirical survey

Empirical research is obtaining knowledge essentially by means of observation or by one's own experience. It may be utilised to answer empirical questions, which has to be defined and answerable with the necessary data.

6.3 DATA COLLECTION METHODS

The entire research planning, designed and literature review processes converge on the data collection stage. All the planning is preparation for the actual process of collecting primary data on the topic from the research subjects. However, the researcher must also have the data analysis plan established before commencing with the data collection process.

The decision in relation to the specific research instrument that would be most suitable for the needs of the topic is normally made during the research design stage. The various methods are discussed to assist in understanding the operational issues relating to each specific technique.

The two most common used primary data collection methods are the questionnaire and the interview. All research is generally concerned with obtaining answers to questions. The questionnaire and interview are data collection instruments that enable the researcher to pose questions to subjects in one's search for answers to the research questions. Both these instruments, however,

have distinct features that have a bearing on the correct and appropriate use of each for specific data collection purposes.

6.3.1 Questionnaires

Questionnaires are most widely used in surveys with descriptive or exploratory purposes. It can also be effectively used in studies with experiment and case study research strategies. The appropriateness of questionnaires as research tools, however, must be carefully examined in the context of each study. Saunders, Lewis & Thornhill, et al. (2000:280) maintain that it is generally practice not to rely solely on questionnaire data but to use the questionnaire in conjunction with at least one other data collection instrument. For example, a questionnaire designed to establish customers' attitudes can be complemented by in-depth interviews to explore and understand the basis of these attitudes.

6.3.1.1 Types of questions

A number of aspects are relevant in this context.

- “Closed” questions that circumscribe the respondents' range of responses to questions are better suited to questionnaires as they readily lend themselves to coding and to quantitative analysis.
- Questions should be designed to facilitate computer analysis as this allows for rapid computation, statistical analysis and graphical presentation of data.
- Depending on the needs of the research topic and the range of data required for a comprehensive coverage of the research objectives, the typical questions formats include:
 - Single-option response ('yes', 'no' or short answer)
 - Multiple choice responses (set of options)
 - Rating questions (using, for example, Likert scales)
 - Ranking questions which is ranking a set of options (Saunders, et al. 2000:280).

6.3.2 The Interview

Although researchers in Public Management make use of various methods to collect data, interviewing is most probably used more frequently than others. This is because interviewing, as a method of collection data, allows the researcher to explain the questions if the respondent or interviewee is not clear on what are being asked. It also allows the researcher to probe more deeply following the answer of a respondent (De Wet, et al. 1981: 161-163).

Researchers in Public Management are advised to make widespread use of the interview, not because other methods of data collection are inadequate, but rather because the interview is an extremely useful method to secure valuable research material. In research, interviewing a person with professional status is usually accorded specific consideration (Brynard and Hanekom, 2006:39-40).

When interviews are used to collect data, caution should be exercised when gathering statistical and fiscal data. One should not rely on the memory of an interviewee for factual data as this could be in error as to the recollection of dates and amounts. Irrespective of these negative points, interviewing as a device for tapping the experience of those who have actively participated in the process of public management should be used to a much greater extent by researchers in this field than what has hitherto been the case.

The usefulness of interviewing in simulation thought cannot be sufficiently stressed. The meeting of two minds in a face-to-face conversation frequently illuminates a problem and could have a positive effect on the official being interviewed in the sense that one might “open up” with a flood of opinions and case instances. At the same time, talking to a public official could “recharge” the interviewer’s “batteries” (Brynard and Hanekom, 2006:40).

6.3.3 The Observation

Observational techniques are used to determine how individuals, or groups of persons, react under specific circumstances, either natural or artificial (De Wet et al. 1981: 163-165). Every recording made should be a true reflection of what

observed at the precise moment, and not of what was anticipated or predicted. One must guard against bias or giving a distorted picture.

Control group comparison is a useful method of data collection where two corresponding groups are present. The researcher is then in a position to subject one group to a particular situation which is changed from time to time, while the same particular situation remains unchanged for the other group. The researcher can then compare the behaviour of the two groups and draw conclusions. It is also possible to use photographic apparatus to record the behaviour of a target group. However, in this case, prior approval should be obtained from the target group to use such apparatus (Brynard and Hanekom, 2006:46).

Essentially observation involves systematic observation, recording, descriptive, analysis and interpretation of people's behaviour. There are many positive aspects to observational research. Observations are usually flexible, enabling the researcher to gather a wide range of data for a variety of research objectives. For example, before undertaking more structured research, a researcher may conduct observations to form a research question. In terms of validity, observational research findings are considered strong because the researcher is able to collect a depth of information about a particular phenomenon. Reliability and generalisation of findings, however, are not equally high. In observational research, often findings are only related to a unique population and therefore not freely applicable to the larger population. In general, however, observations are a valuable tool for researchers (Saunders, et al. 2000:280).

6.4 APPROACHES TO RESEARCH METHODOLOGY

A number of approaches to research methodology are explained in the paragraphs below.

6.4.1 Quantitative approach

Quantitative approach refers to all data that can be reduced to numerical values, ranging from the numerical frequency of occurrences to complex presentation of data in terms of graphs and charts. As soon as the information has been collated

from respondents in the study, all data should be recorded using numerical codes to categorise responses to each item on the research instrument.

To convey meaning within the framework of the study, this data has to be analysed and interpreted. Generally, it is preferable in quantitatively-oriented studies to collect data that enables the highest possible level of statistical analysis.

6.4.2 Qualitative approach

The analysis of qualitative data presents the researcher with a different set of procedures, which reflect, at a functional level, on the philosophical assumptions which underpin the aims of, and approach to, qualitative research. The analysis of qualitative data is different from the approach for quantitative data. While the analysis of quantitative data is based on meanings derived from numbers through the use of charts, diagrams and statistics, the analysis of qualitative data concentrates on meanings expressed through words and perceptions.

The nature of qualitative data has implications for both its collection and its analysis. Tables and diagrams can be used in an explanatory analysis of data to identify trends, show proportions and the distribution of values and to compare visually the relationship among variables.

Hussey and Hussey (1997:248) suggest that there are three related elements in the analysis of qualitative data:

- Reducing the data by condensing the material in some systematic way to make it more manageable;
- Structuring the data in terms of themes, patterns and interrelationships; and,
- Detextualising the data by conveying extended texts into more manageable forms such as summaries, charts, diagrams and illustrations (Saunders, et al. 2000:381).

6.4.3 Triangulative approach

The main purpose of triangulation of data sources is to provide validation for information obtained from one source by gathering information from another or more sources, usually used in the qualitative research technique. Various forms of triangulation are used, for example, analyst triangulation, data sources triangulation, theory/ perspective triangulation, and methods triangulation. The purpose thereof is to verify findings via “cross checking”.

There are two major advantages to employ a multi-method approach in the same study. First, different methods can be used for different purposes in a study. One may wish to employ case study methods, for example interviews, in order to get a feel for the key issues before embarking on a survey. This would provide confidence in addressing these issues (Saunders, et al. 2000:98).

The second advantage of using multi-method example is that it enables triangulation to take place. Triangulation refers to the use of different data collection methods within one study in order to ensure that the data refer to what the researcher intends to research. For example, semi-structural group interviews may be a valuable way of triangulating data collection by other means such as questionnaire.

Each method, tool or technique has its unique strengths and weaknesses (Smith, 1975:78). There is an inevitable relationship between the data collection method employed and the results obtained. In short, the results will be affected by the method used. The problem here is that it is impossible to ascertain that nature of that effect. Since all different methods will have different effects, it makes sense to use different methods to cancel out the ‘method effect’ which will lead to greater confidence being placed in the conclusions (Saunders, et al. 2000:99).

6.4.4 The approach followed for this research

The approach adopted for this research was a combination of quantitative and qualitative research. A Likert scale questionnaire was utilised to extract and elicit data from respondents.

6.5 THE NORMATIVE SURVEY METHOD

6.5.1 Research population

According to Brynard and Hanekom(2006:55), population refers to a group in the universe which possesses specific characteristics for example university students studying public management. The universe refers to subjects that possess the same attributes that the researcher is interested in. "Population" does not refer to the population of a country, but to objects, subjects, events, phenomena, cases and activities which the researcher is interested to obtain new knowledge.

6.5.2 The Sample

A sample is a small group with the same characteristics of a large group which is referred as the population. The sample is representative of the entire population because it possesses the same properties and characteristics as the large group (Brynard and Hanekom, 2006:55).

A sample of a population is utilised to:

- simplify the research because it is easier to study a representative sample rather than the entire population;
- save time because an entire population can be time consuming; and,
- cut costs because observing, interviewing or using questionnaires to collect data from every element of a population can be costly if the population is very large; and,
- produce a result quickly because of the urgency of the research.

According Saunders, et al.(2000:151), for certain research questions, it is possible to survey an entire population if it is of a manageable size. If a research is impracticable for one to survey the whole population one needs to select a sample.

6.5.3 The response population

The response population is the population that will respond to the research survey. In this case, the response population will be the senior public officials employed in the public service, namely national state government's Ministers, Director-Generals, Directors and senior staff. These are the population that have access to the national state department's policies or who hold senior position in the public service.

Range is the distribution of data values for a variable between the lowest and the highest values. However, this statistic is rarely used in research reports as it only represents the extreme values. A more frequently used statistic is the inter-quartile range. The median divides the range into two. The range can be further divided into four equal sections called quartiles. The lowest quartile is the value below which a quarter of the data values will fall; the upper quartile is the value above which a quarter of the data values will fall. As could be expected, the remaining half of the data values will fall between the lower and upper quartiles. The difference between the upper and lower quartiles is the inter-quartile range (Saunders, et al. 2000:355).

The simplest way of summarising data for individual variables so that specific values can be read is to use a table indicating a frequency distribution. The table summarises the number of cases that is, the frequency in each category. In cases where there are likely to be a large number of categories or values for quantifiable data, one will need to group the data into categories that reflect the research questions and objectives (Saunders, et al. 2000:338)

The chi square test enables one to find out whether the values for the variables are independent or associated. It is based on a comparison of the observed values in the table with what might be expected if the two distributions were entirely independent. Therefore, one is testing whether the data in the table differ significantly from those which would expect if the two variables were independent of each other. The chi square test calculates the probability that two variables are independent. A probability of 0.05 means that there is only a five per cent chance

that the variables are independent of each other. Therefore, a probability of 0.05 or smaller means one can be at least 95 per cent certain that the two variables are significantly associated (Saunders, et al. 2000:358-359).

6.5 SUMMARY

This chapter explained various concepts and terminologies of research methodology, including a general overview of research methodology theory, the literature search, the empirical survey, as well as aspects of the normative survey method.

The next chapter illuminates the statistical analysis and interpretations of the findings.

CHAPTER 7

STATISTICAL ANALYSIS AND INTERPRETATION OF FINDINGS

7.1 INTRODUCTION

This chapter presents the statistical analyses and findings of the research. The researcher utilised the quantitative methodology to conduct the research which elicited useful data. The statistical analysis was conducted in collaboration with the resident CPUT statistician, Mrs Uys, who performed the analysis and provided the interpretable data. In interpreting the results of the statistical analysis of the empirical survey, the researcher reported on the various relationships between the identified variables of the empirical survey. The survey was conducted based on a number of quantitative questions.

The chapter covers an overview of statistics *per se*, which include explanations of inferential and descriptive statistics. This is followed by the presentation and interpretation of the research findings.

7.2 AN OVERVIEW OF STATISTICS

A brief overview of statistics as a research tool is provided in the paragraphs that follow.

7.2.1 Inferential statistics

Statistical inference is the process of drawing conclusions from data that are subject to random variation, for example, observational errors or sampling variation. More substantially, the terms statistical inference, statistical induction and inferential statistics are used to describe systems of procedures that can be used to draw conclusions from datasets arising from systems affected by random variation. Initial requirements of such a system of procedures for inference and induction are that the system should produce reasonable answers when applied to well-defined situations and that it should be general enough to be applied across a range of situations.

With inferential statistics, one is trying to reach conclusions that extend beyond the immediate data alone. For instance, one may use inferential statistics to try to infer from the sample data what the population might think. One may use inferential statistics to make judgments of the probability that might have happened by chance in this study. Thus, one uses inferential statistics to make inferences from the data to more general conditions. Inferential statistics are techniques that allow one to use these samples to make generalizations about the populations from which the samples were drawn. Care should be taken that the sample accurately represents the population. The process of achieving this is called sampling (Freedman, 2009:442).

7.2.2 Descriptive statistics

Descriptive statistics is the term given to the analysis of data that helps describe, show or summarize data in a meaningful way such that, for example, patterns might emerge from the data. Descriptive statistics do not, however, allow one to make conclusions beyond the data one has analysed or reach conclusions. They are simply a way to describe data. It would be hard to visualize what the data was showing, especially if there was a lot of it. It, therefore, allows one to present the data in a more meaningful way which would allow a simpler interpretation of the data.

Descriptive statistics enable a concise description of the data in terms of statistics such as percentages, frequencies, means and standard deviations. The exploratory data analysis approach emphasizes the use of diagrams to understand data.

Descriptive statistics enables one to describe and compare variables numerically. Research questions and objectives although limited by the type of data, guide the choice of the statistics. Statistics describe a variable focus on the following two aspects:-

- The central tendency and
- The dispersion.

It is necessary to describe how the data values are dispersed around the central tendency when describing the central tendency for a variable. To calculate a measure of dispersion which:

- states the difference between the highest and the lowest values;
- states the difference within the middle 50% of values;
- states the difference within another fraction of the values;
- describes the extent data values differ from the mean; and,
- compares the extent data values differ from the mean between variables (Saunders, et al. 2000:352).

7.2.2.1 Distribution values

It is useful to compare the distribution of values for two or more variables. Prior to using many statistical tests it is necessary to establish the distribution of values for variables containing quantifiable data. This can be seen by plotting either a frequency polygon or a histogram for continuous data or a frequency polygon or bar chart for discrete data.

7.2.2.2 Measurements of central tendency

The three ways of measuring the central tendency most used in research are as follows:

- Value which occur most frequency (mode);
- Middle value or mid-point after the data have been ranked (median);
- Value, often known as the average, which includes all data values in its calculation (mean).

Most analysis software can calculate all three measures whether appropriate or not by using numerical codes. The middle value or median relates to the middle 50 percent of the data or inter-quartile range, and highest and lowest values of extremes.

- **The Median**

If one has quantitative data, it is also possible to calculate the middle median value by ranking all the values in ascending order and finding the mid-point or 50th percentile in the distribution. For variables which have an even number of data value the median will occur halfway between the middle data values. The median has the advantage that it is not affected by extreme values in the distribution (Saunders, et al. 2000:352).

- **The Mean**

The most frequently used measure of central tendency is the mean or average, which includes all data values in its calculation. It is usually only possible to calculate a meaningful mean using quantitative data.

The value of the mean is unduly influenced by extreme data values in skewed distributions. In such distributions, the mean tends to get drawn towards the long tail of extreme data values and may be less representative of the central tendency (Saunders, et al. 2000:353).

- **The Mode**

The mode is the value that occurs most frequently. It is the only measure of central tendency that can be sensibly interpreted. The mode can be calculated for variables where there are likely to be a large number of categories or values for quantitative data. One solution is to group the data into suitable categories and to quote the most frequently occurring group (Saunders, et al. 2000:353).

7.3 PRESENTATION AND INTERPRETATION OF THE RESEARCH DATA

The following section explains the presentation and interpretation of the research data.

7.3.1 The questionnaire

The questionnaire consists of 45 questions that are subdivided into 4 sections (strategic issues, organisational and structural impact, adapting to dynamic changes, control and monitoring). These questions were answered by each of 90

respondents from different national departments in the South African public service. The purpose of the data analysis is to identify patterns in these responses.

7.3.2 Strategic issues

The entries in the cells in the tables that follow represent and calculate the number of responses in each given category.

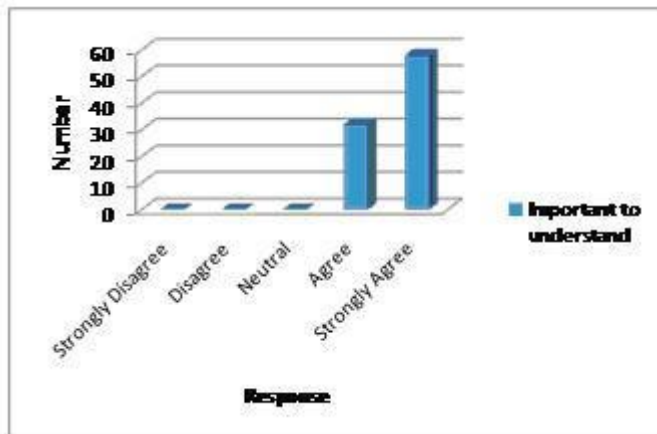
Table 7.1 **SUMMARY OF RESPONSES: STRATEGIC ISSUES**

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	mean	rank
1 Important to understand	0	0	0	32	58	4.64	1
6 Influence SA HR management	0	0	0	38	51	4.57	2
2 Global practices influence countries	0	0	0	39	51	4.57	3
4 Influence HR management	0	0	0	41	49	4.54	4
8 Policy changes justified	0	0	0	45	44	4.49	5
3 Positive impact for SA	0	0	0	50	40	4.44	6
9 International impact on SA HRM	0	0	0	53	37	4.41	7
16 Impact on HR management public service	0	0	2	49	35	4.38	8
17 New ideas increase performance management	0	0	0	61	29	4.32	9
12 Problems globalisation HR management	17	42	18	7	0	2.18	10
5 HR policy for globalisation	33	39	12	2	0	1.80	11

rank 1 – agree with most; rank 2 – agree with 2nd most; rank 3 – agree with 3rd most; rank 4 – agree with 4th most; rank 5 – agree with 5th most; rank 6 – agree with 6th most; rank 7 – agree with 7th most; rank 8 – agree with 8th most; rank 9 – agree with 9th most; rank 10 – agree with 10th most and rank 11 – agree with 11th most.

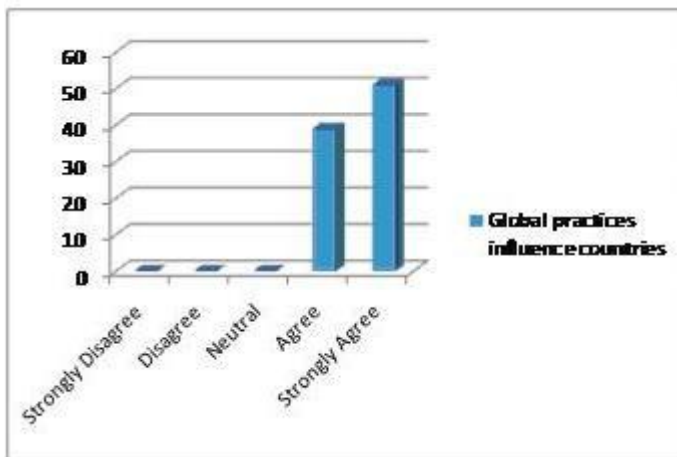
Respondents agree or strongly agree on all issues but q5 (have an HR management policy in respect of globalisation) and q12 (experienced problems in respect of globalisation in HR management).

Figure 7.1 – Important to understand (q1)



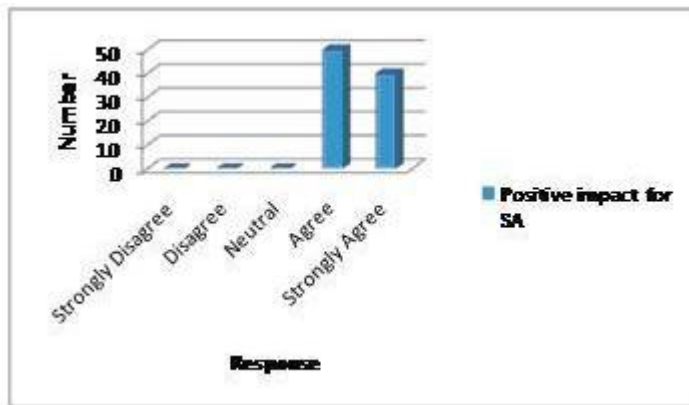
32(35.55%) of the respondents agree and 58(64.44%) strongly agree that it is important to understand globalisation. It is important to understand the meaning of globalisation in relation to human resources management. The above information indicates that the majority of the respondents believe that it is important to understand what globalisation means.

Figure 7.2 – Global practices influence countries (q2)



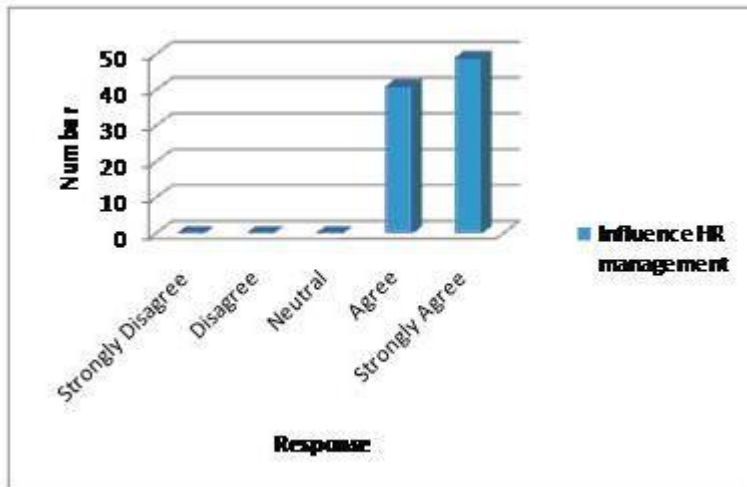
39(43.33%) of the respondents agree and 51(56.66%) strongly agree that global practices have a significant influence on the human resources management of countries. Since the world is a global village, countries interact and collaborate closely economically, socially, politically and technologically.

Figure 7.3 – Positive impact for South Africa (q3)



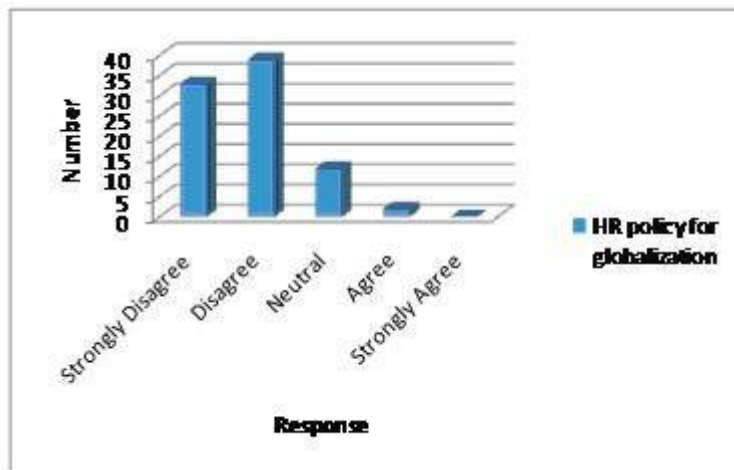
50(55.55%) of the respondents agree and 40(44.44%) respondents strongly agree that globalisation has a positive influence on South Africa regarding skills. The exchange of skills between countries impact positively regarding productivity based on the available human resources. The scarcity of certain skills may be remedied by the filling of strategic position from incumbents from another country.

Figure 7.4 – Influence Human Resources Management (q4)



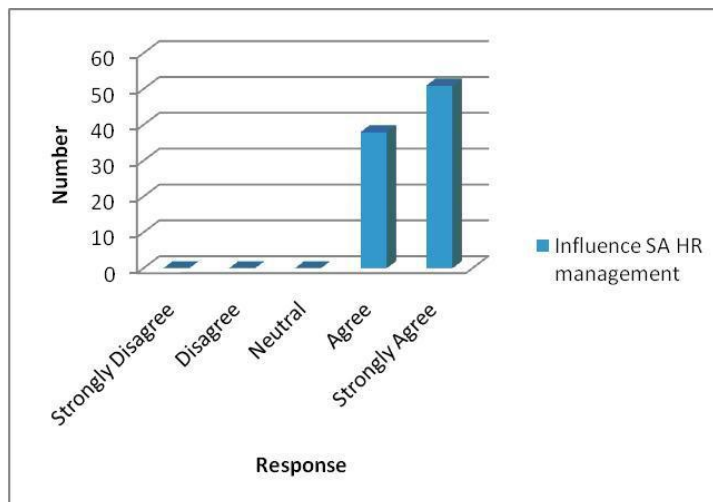
41(45.55%) respondents agree and 49(54.44%) respondents strongly agree that globalisation has an influence on human resources management.

Figure 7.5 – Human Resources policy for globalisation (q5)



33(36.66%) respondents strongly disagree, 39(43.33%) respondents disagree, 12(13.33%) respondents are uncertain and 2(2.22%) agree that there are human resource policy for globalisation. As a result of South Africa being a new democracy there are no human resource policies to address globalisation.

Figure 7.6 – Influence South African Human Resources Management (q6)



38(42.22%) respondents agree and 51(57.77%) respondents strongly agree that globalisation has an impact and influence on South Africa Human Resources Management. Since 1994 South Africa has become a fully democratic country which resulted in all other countries opening its doors to this fledgling democracy. The interaction between South Africa and other countries requires one to understand globalisation in the context of human resources management.

Figure 7.7 – Policy changes justified (q8)

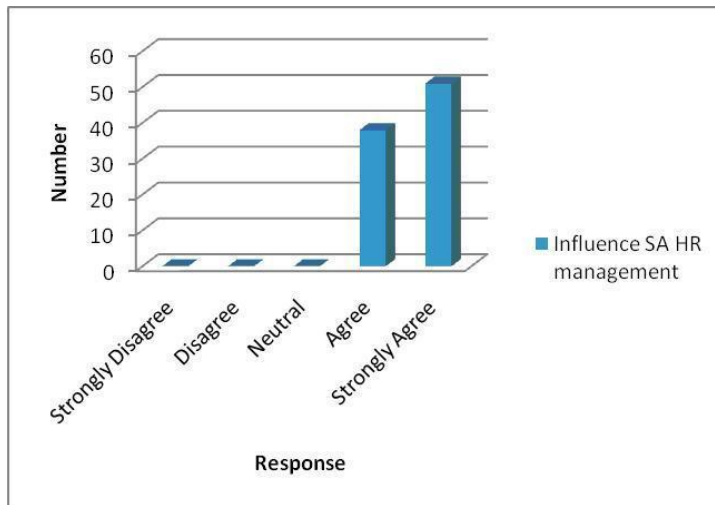


Figure 7.8 – International impact on South African Human Resources (q9)

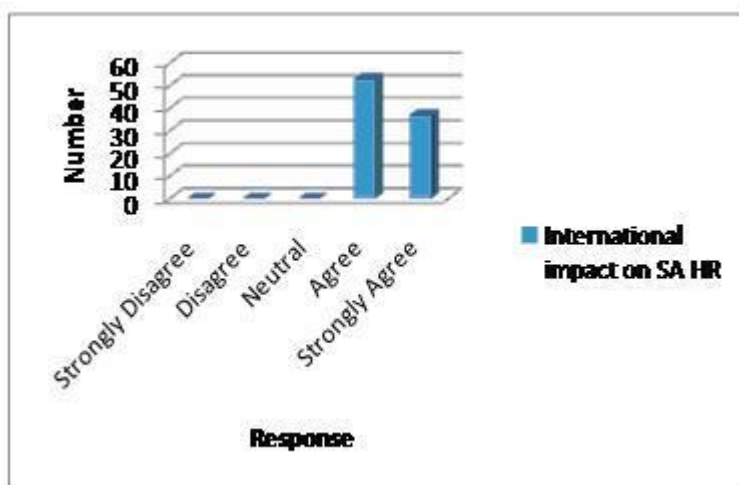
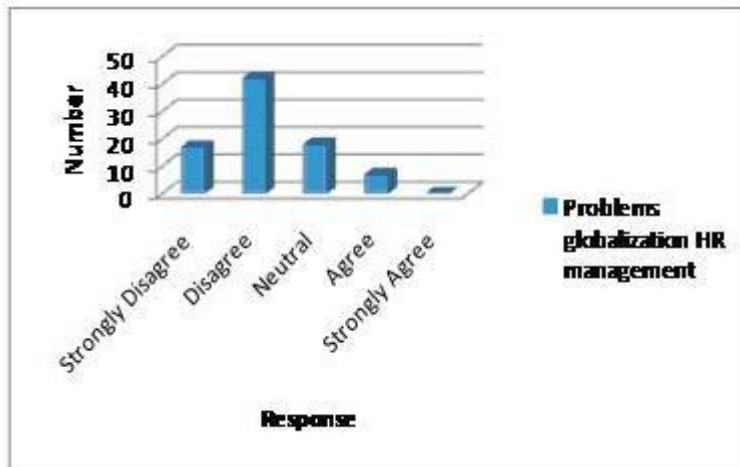


Figure 7.7 and Figure 7.8 indicate that there is a need for a policy change to accommodate the impact of globalisation on human resources management policies and procedures.

45(51.11 %) respondents agree and 44(48.88%) respondents strongly agree that human resources management policies change is justified in view of the impact of globalisation. It is imperative that human resources management policies and procedures be adapted for globalisation.

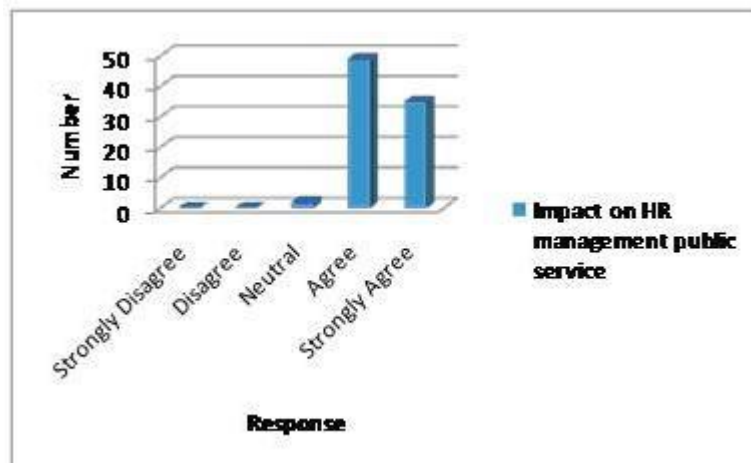
53(58.88%) respondents agree and 37(41.11%) strongly agree that the international arena has an influence on South African human resources management and all the activities that are associated to globalisation.

Figure 7.9 – Problems globalisation South African Human Resources (q12)



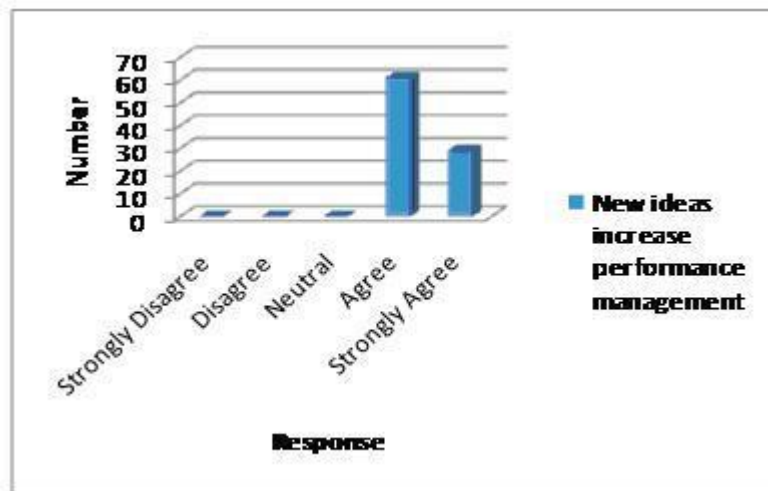
17(18.88%) respondents strongly disagree, 42(46.66%) disagree, 18(20%) are neutral and 7(7.77%) agree that there are problems regarding globalisation in terms of human resources management.

Figure 7.10 – Impact on South African Human Resources public service (q16)



49(54.44%) respondents agree, 35(38.88%) strongly agree and 2(2.22%) are neutral that globalisation has an impact on human resources management public service.

Figure 7.11 – New ideas increase performance management (q17)



61(67.77%) respondents agree and 29(32.22%) strongly agree that new ideas will increase the performance of the public servants as the result of globalisation.

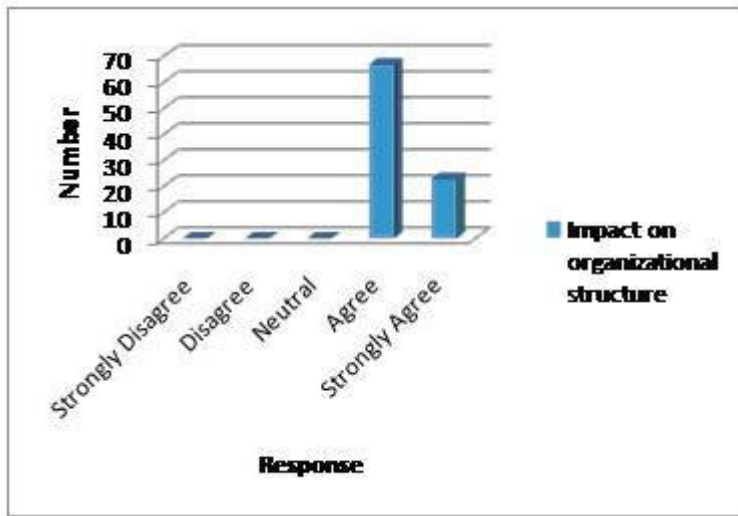
7.3 Organisational and structural impact

Table 7.2 – Summary of responses: Organisational and structural impact

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	mean	rank
19-Affected functioning of department	0	0	6	47	31	4.30	1
18-Impact on organisational structure	0	0	0	67	23	4.26	2
24-Influenced relationship between departments	0	0	12	46	25	4.16	3
20-Capacity to interact globally	0	2	16	55	0	3.73	4
21-Personnel trained to manage globalisation	0	4	39	40	1	3.45	5

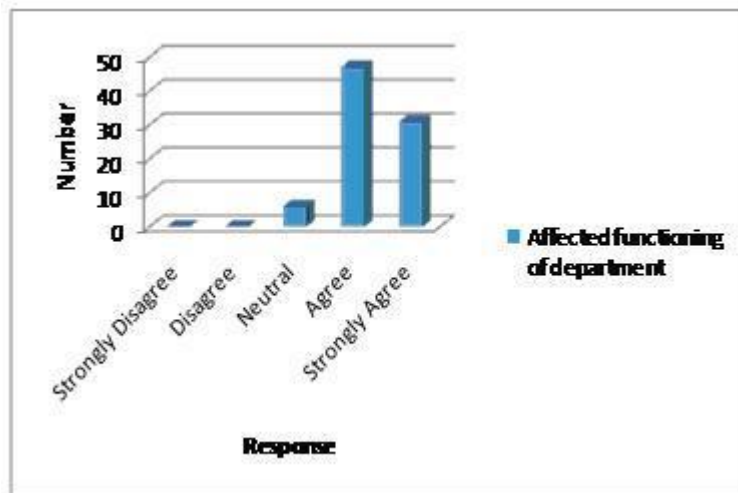
Respondents agree or strongly agree on all issues.

Figure 7.12 – Impact on organisational structure (q18)



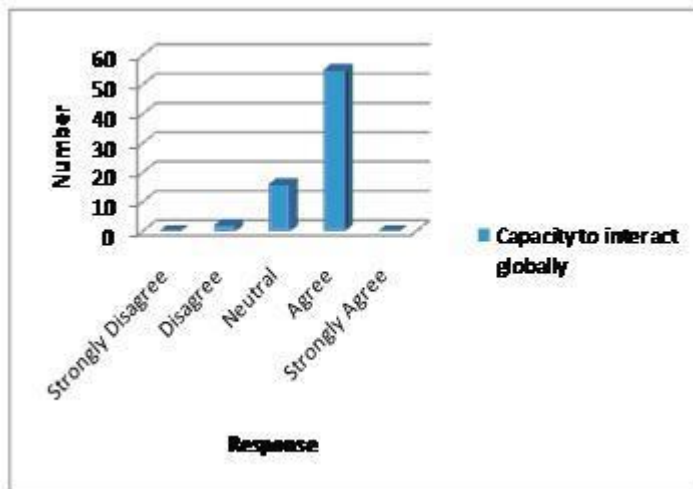
67(74.44%) respondents agree and 23(25.55%) strongly agree globalisation has an impact on organisation structure.

Figure 7.13 – Affected functioning of department (q19)



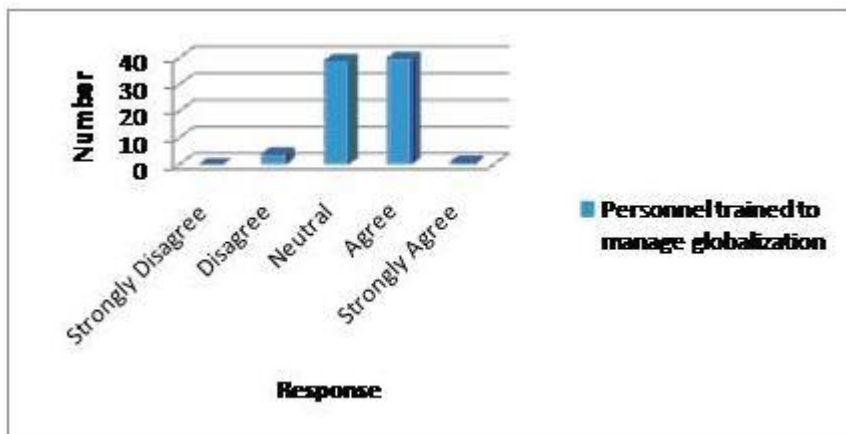
47(52.22%) respondents agree, 31(34.44%) strongly agree and 6(6.66%) were neutral that globalisation affects the functioning of the governmental departments.

Figure 7.14 – Capacity to interact globally (q20)



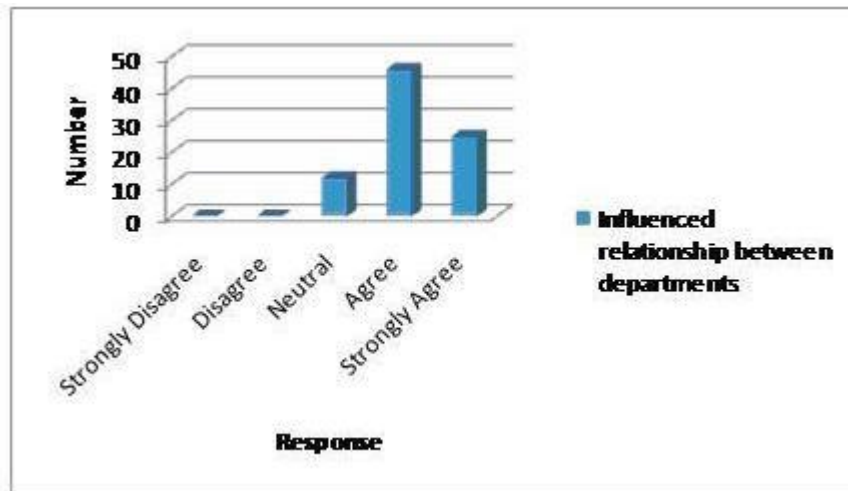
55(61.11%) respondents agree, 16(17.77%) were neutral and 2(2.22%) disagree that South Africa has the capacity to interact on a global scale.

Figure 7.15 – Personnel trained to manage globalisation (q21)



40(44.44%) agree, 1(1.11%) strongly agree, 39(43.33%) were neutral and 4(4.44%) disagree that the personnel were trained to manage the impact of globalisation.

Figure 7.16 – Influenced relationship between departments (q24)



25(27.77%) respondents strongly agree, 46(51.11%) agree and 12(13.33%) were neutral that globalisation influence the relationship between departments.

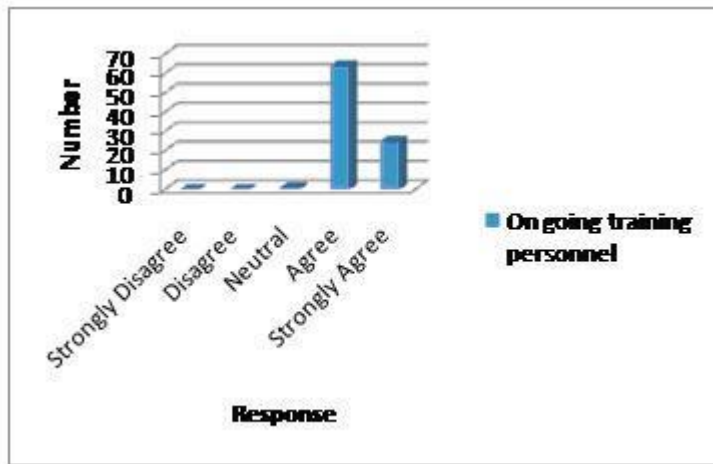
7.4 Adapting to dynamic changes

Table 7.3 – Summary of responses: Adapting to dynamic changes

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	mean	rank
28-Globally competitive	0	0	0	0	90	5.00	1
26-On going training personnel	0	0	1	64	25	4.27	2
30-Have ability to compete globally	0	0	9	79	0	3.90	3
29-International guidelines in department's HR	0	15	6	54	6	3.63	4
27-Study outside SA advocate international	0	19	8	56	4	3.52	5
31-Globalisation reduces autonomy	0	64	3	0	0	2.26	6

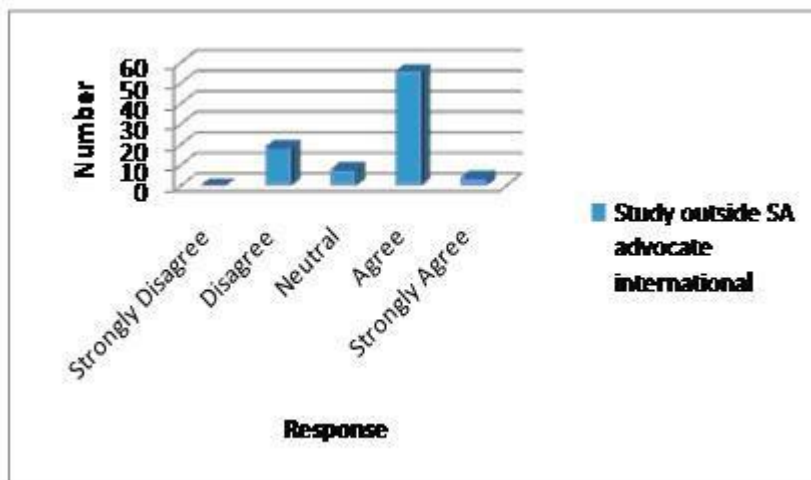
Respondents agree or strongly agree on all issues except q31 (globalisation and dependence on outside experiences reduce autonomy).

Figure 7.17 – On going training of personnel (q26)



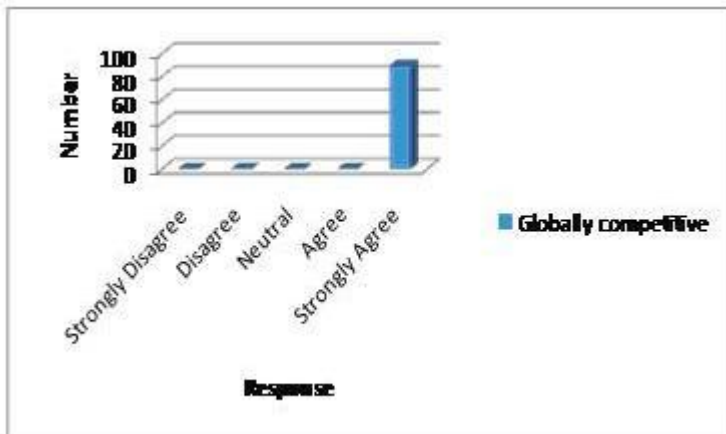
25(27.77%) respondents strongly agree, 64(71.11%) agree and 1(1.11%) were neutral that there should be on-going training the personnel to cope with globalisation.

Figure 7.18 – Study outside South Africa advocate international (q27)



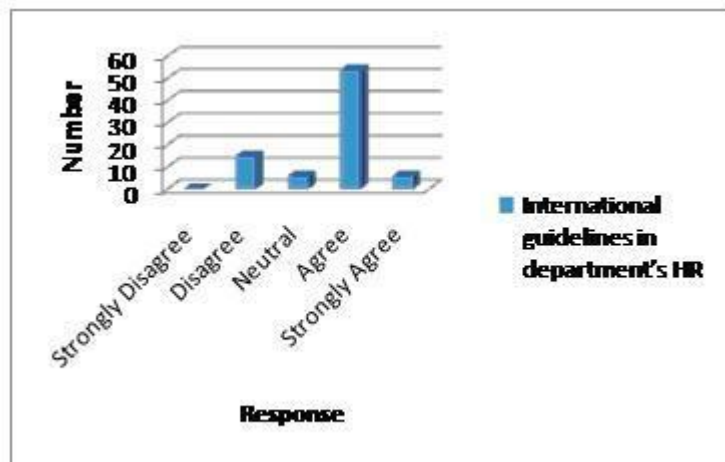
4(4.44%) respondents strongly agree, 56(62.22%) agree, 8(8.88%) were neutral and 19(21.1%) disagree that study outside South Africa advocates international experience.

Figure 7.19 – Globally competitive (q28)



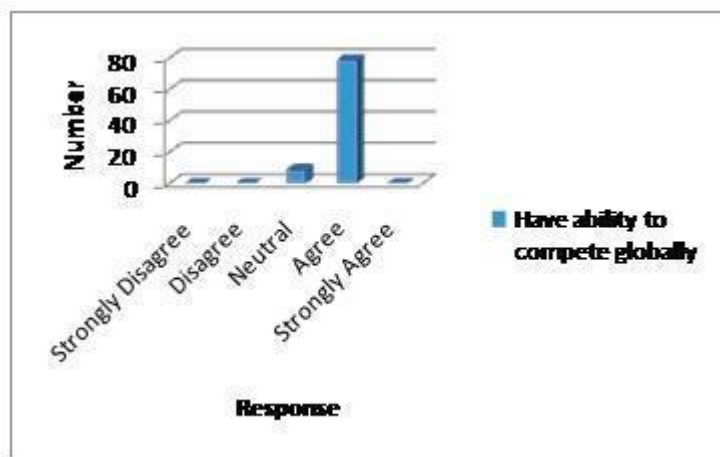
90(100%) respondents strongly agree that globalisation results in competitiveness in respect of human resources management.

Figure 7.20 – International guidelines in department's South African Human Resources (q29)



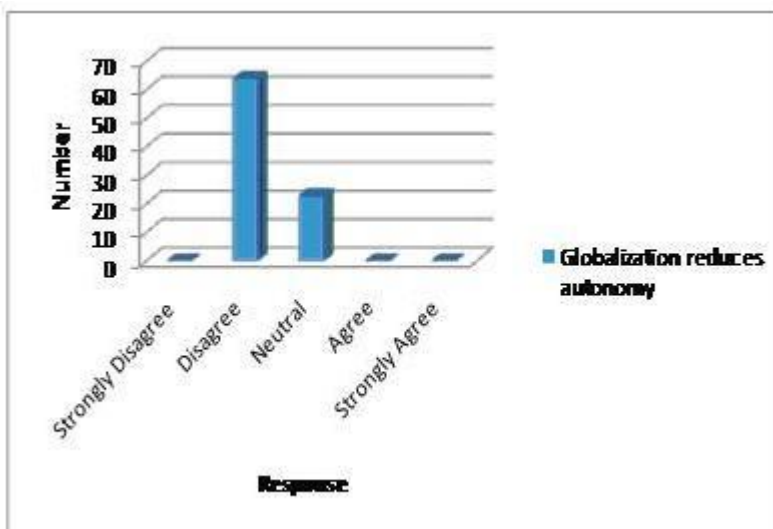
6(6.66%) respondents strongly agree, 54(60%) agree, 6(6.66%) are neutral and 15(16.66%) disagree that departments have international guidelines to attend to human resources management.

Figure 7.21 – Have ability to compete globally (q30)



79(87.7%) respondents agree and 9(10%) are neutral that South Africa has the ability to compete globally.

Figure 7.22 – Globalisation reduces autonomy (q31)



64(71.11%) respondents disagree and 23(25.55%) are neutral that globalisation reduces autonomy.

7.5 Control and monitoring

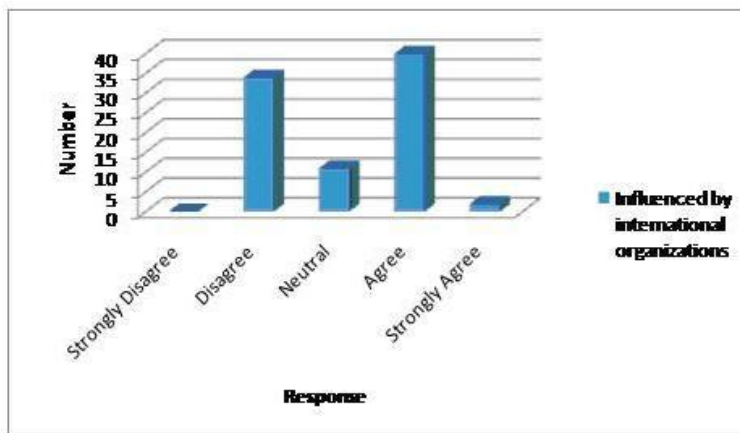
Table 7.4a **SUMMARY OF RESPONSES: CONTROL AND MONITORING**

Question	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	mean	rank
44-Skills Development Act will accelerate global competitiveness	0	0	0	0	90	5	1
45-AIDS negatively affects HR management	0	0	0	0	90	5	1
43-Officials benefit from training on globalisation	0	0	0	22	68	4.76	3
37-Globalisation trends in HR management	0	0	0	85	5	4.06	4
36-Service delivery in line with international trends	0	0	0	89	1	4.01	5
34-Performance management mixture of ideas	0	0	3	84	3	4	6
33-Influenced by international labour law	0	3	0	84	3	3.97	7
35-Best practices tried internationally	0	0	70	15	1	3.2	8
32-Influenced by international organisations	0	34	11	40	2	3.11	9
41-Competitive edge internationally	0	0	88	2	0	3.02	10
40-Plan of action globalisation	0	59	23	8	0	2.43	11
39-Globalisation trends change or stop	0	74	7	7	0	2.24	12
42-Accountability, transparency copied from Europe	0	87	2	1	0	2.04	13

Table 7.4b **COMMENTS ON RESPONSES**

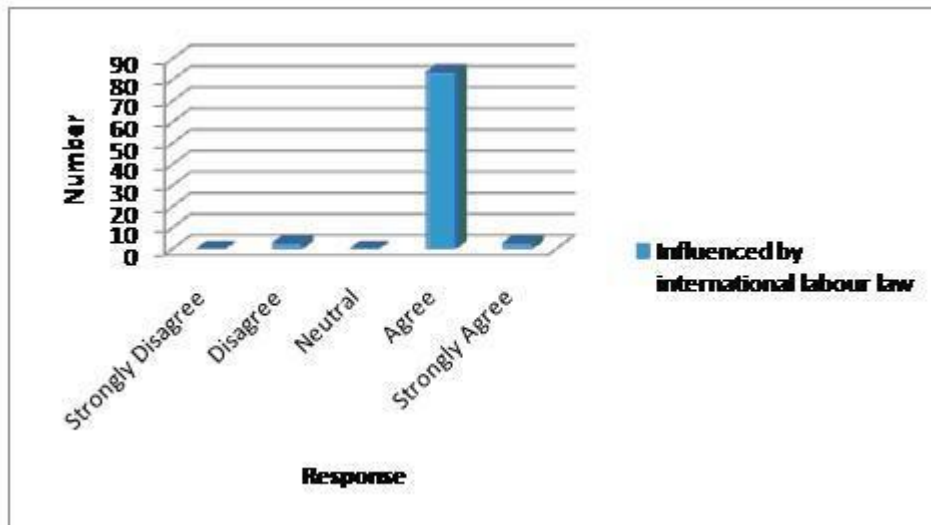
Agree or strongly agree	Divided opinion or disagree
33-Influenced by international labour law	32-Influenced by international organisations (divided)
34-Performance management mixture of ideas	35-Best practices tried internationally (divided)
36-Service delivery in line with international trends	39-Globalisation trends change or stop (disagree)
37-Globalisation trends in HR management	40-Plan of action globalisation (disagree)
43-Officials benefit from training on globalisation	41-Competitive edge internationally (divided)
44-Skills Development Act will accelerate global competitiveness	42-Accountability, transparency copied from Europe (disagree)
45-AIDS negatively affects HR management	

Figure 7.23 – Influenced by international organisations (q32)



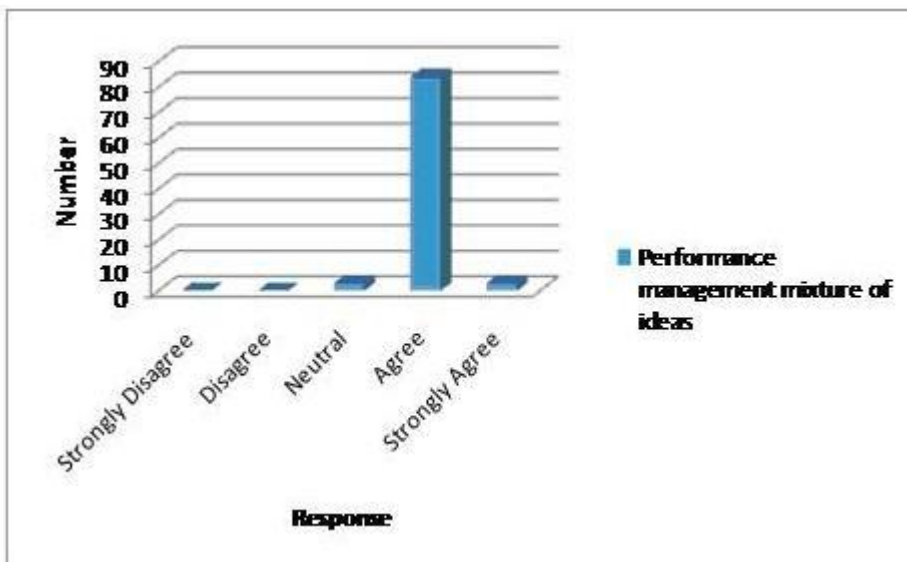
34(37.77%) respondents disagree, 11(12.22%) were neutral,40(44.44%) agree and 2(2.22%) strongly agree that human resources management in South Africa is influenced by international organisations.

Figure 7.24 – Influenced by international labour law (q33)



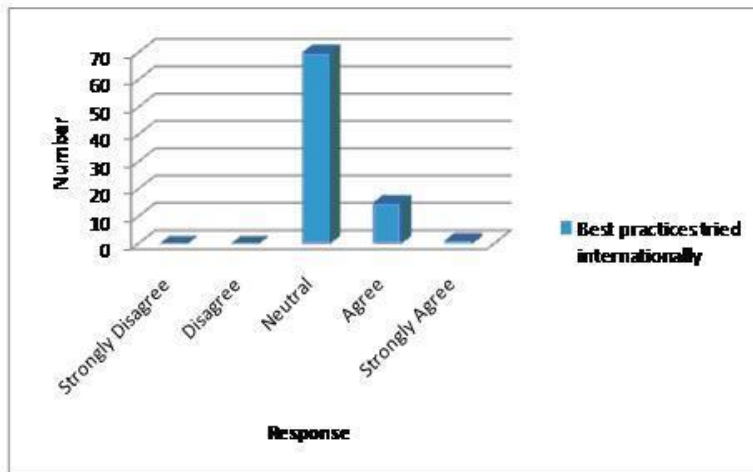
3(3.33%) respondents disagree, 84(93.33%) agree and 3(3.33%) strongly agree that human resources management is influenced by international labour law. Since the acceptance of South Africa into the United Nations, it had to embrace the rules and regulations of the International Labour Organisations.

Figure 7.25 – Performance management mixture of ideas (q34)



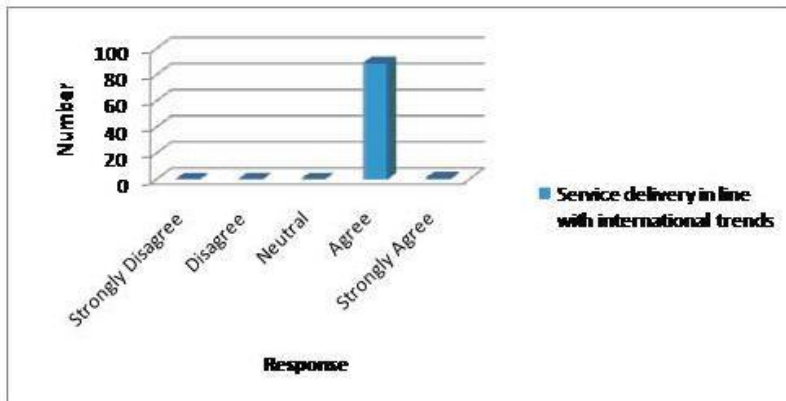
84(93.33%) respondents agree, 3(3.33%) strongly agree and 3(3.33%) are neutral that there is a performance management mixture of ideas.

Figure 7.26 – Best practices tried internationally (q35)



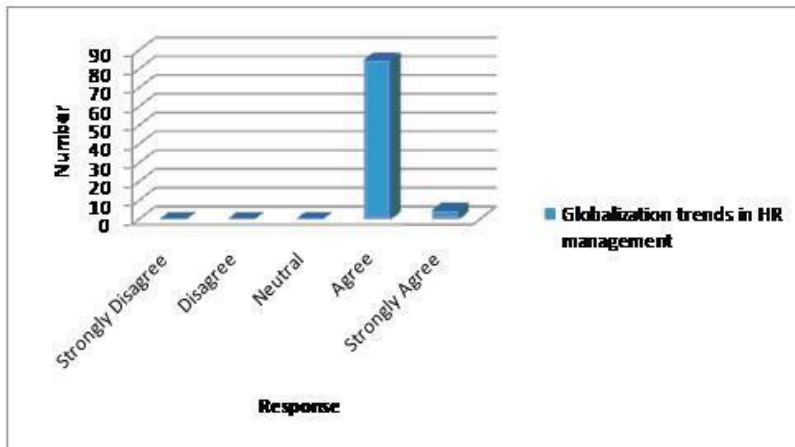
70(77.77%) respondents are divided, 15(16.66%) respondents agree and 1(1.11%) respondents strongly agree that the best practices were tried internationally.

Figure 7.27 – Service delivery in line with international trends (q36)



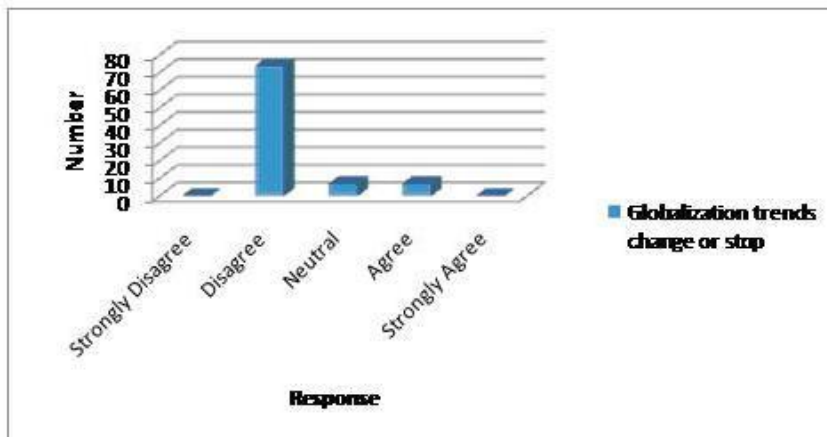
89(98.88%) respondents agree and 1(1.11%) strongly agree that service delivery is in line with international trends.

Figure 7.28 – Globalisation trends in South African Human Resources] management (q37)



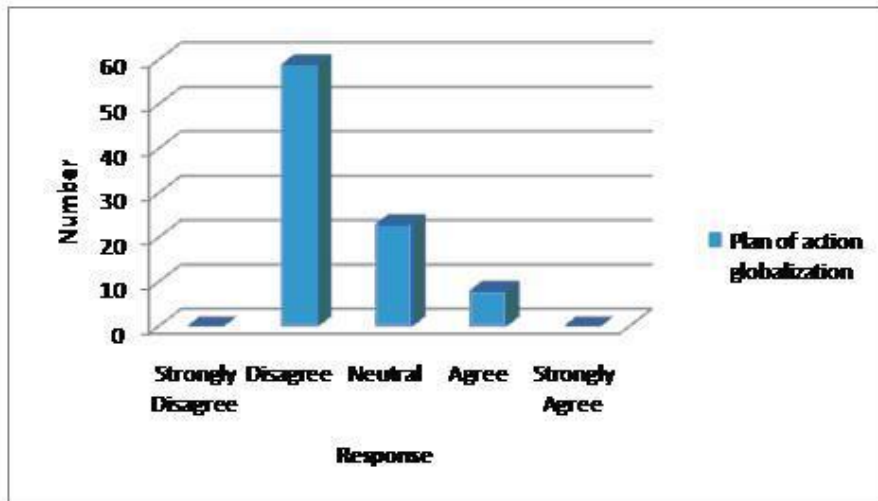
85(94.44%) respondents agree and 5(5.55%) strongly agree that there are globalisation trends in human resource management.

Figure 7.29 – Globalisation trends change or stop (q39)



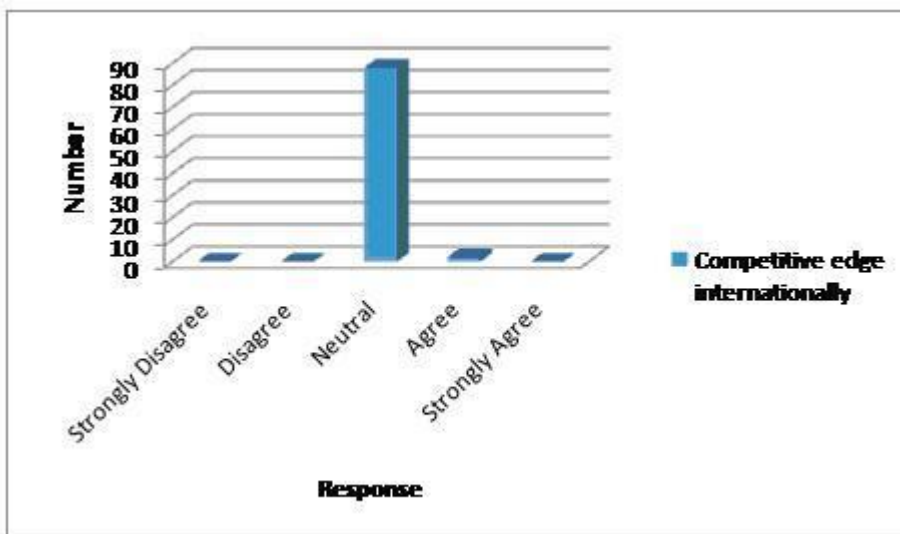
74(82.22%) respondents disagree, 7(7.77%) agree and 7(7.77%) are neutral that globalisation trends change or stop.

Figure 7.30 – Plan of action globalisation (q40)



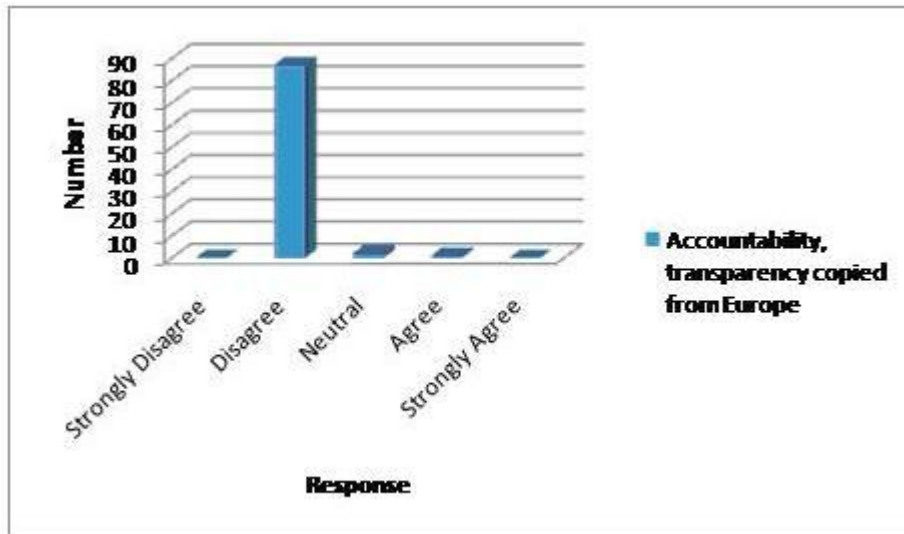
59(65.55%) respondents disagree, 23(25.55%) respondents were neutral and 8(8.88%) respondents agree that there is a plan of action to meet the demands of globalisation.

Figure 7.31 – Competitive edge internationally (q41)



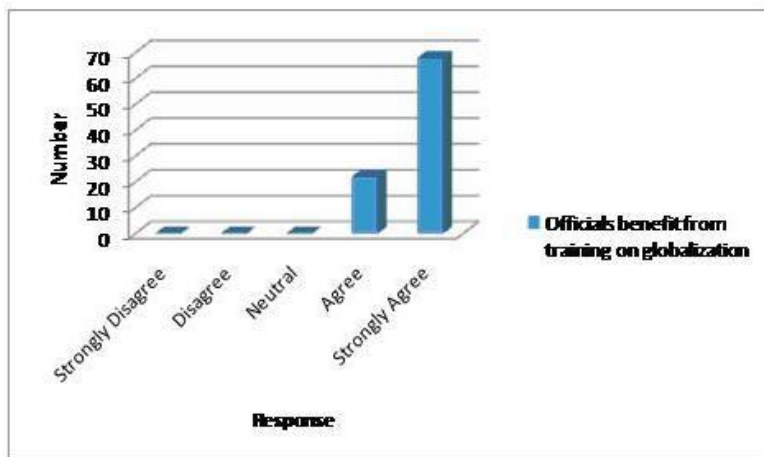
88(97.77%) of the respondents are not sure and 2(2.22%) respondents agree that South Africa has the competitive edge internationally.

Figure 7.32 – Accountability, transparency copied from Europe (q42) (see ANNEXURE C)



87(96.66%) respondents disagree, 2(2.22%) respondents are neutral and 1(1.11%) respondent agrees that accountability and transparency were copied from Europe (see ANNEXURE C).

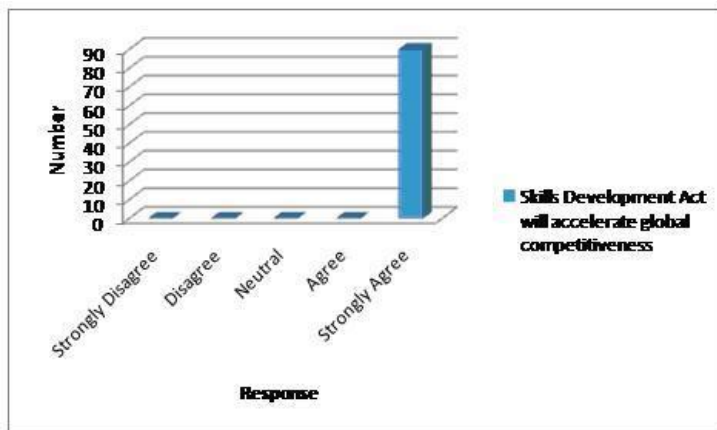
Figure 7.33 – Officials benefit from training on globalisation (q43)



Given the appropriate training and development on globalisation, public officials will benefits from such training.

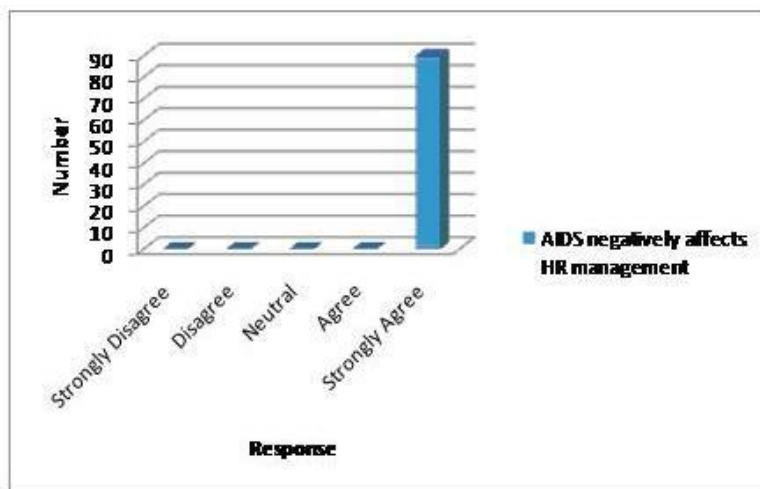
68(75.55%) respondents strongly agree and 22(24.44%) agree that public officials will benefit from training on globalisation.

Figure 7.34 – Skills Development Act will accelerate global competitiveness (q44)



90(100%) respondents strongly agree that the implementation of the Skills Development legislation will accelerate global competitiveness since personnel will be equipped with appropriate skills to compete with their international counterparts.

Figure 7.35 – AIDS negatively affects HR management (q45)



90(100%) of the respondents strongly agree that AIDS have a negative impact on resources management. The scourge of the pandemic has devastated the human resources and consequently the productivity which sometime negatively impacts on the organisation's efficiency and effectiveness. Several organisation which have been affected by the ravages of AIDS which has resulted in the lost of efficient and effective human resources.

7.6 Comparison of responses to groups of questions

Questions were on strategic issues (group 1 – 11 questions), organisational and structural impact (group 2 – 5 questions), adapting to dynamic changes (group 3 – 6 questions) and Control and monitoring (group 4 – 13 questions). The table below shows the results of a test for the equality of the means of the mean responses of the questions from the 4 groups.

Table 7.5 – Results of test for equality of means of mean responses from 4 groups

Kruskal-Wallis Test

Ranks

	group	N	Mean Rank
Means	1	11	22.45
	2	5	16.80
	3	6	16.17
	4	13	15.54
	Total	35	

Test Statistics(a,b)

	means
Chi-Square	3.091
Df	3
Asymp. Sig.	.378

a Kruskal Wallis Test

b Grouping Variable: group

The above test shows that the means of the mean responses for the different groups do not differ significantly.

7.7 Relationships between variables

Table 7.6 – Important to understand (q1) versus Positive impact for SA (q3)

		Q3		Total
		5	4	
Q1	5	28	30	58
	4	12	20	32
Total		40	50	90

Chi-square = 0.970 with a p-value of 0.325.

No significant relationship between q1 and q3.

Table 7.7 - HR policy for globalisation (q5) versus Influence SA HR management (q6)

		Q6		Total
		5	4	
Q5	4	0	2	2
	3	7	5	12
	2	21	17	38
	1	19	14	33
Total		47	38	85

Chi-square = 0.228 with p-value 0.892. No significant relationship between q5 and q6.

Table 7.8 – Influence SA HR management (q6) versus Policy changes justified (q8)

		Q8		Total
		5	4	
Q6	5	23	27	50
	4	20	18	38
Total		43	45	88

Chi-square = 0.380 with a p-value of 0.538. No significant relationship between q6 and q8.

Table 7.9 – International impact on SA HR (q9) versus Problems globalisation HR management (q12)

		Q12				Total
		4	3	2	1	
Q9	5	4	7	22	3	36
	4	3	11	20	14	48
Total		7	18	42	17	84

Chi-square = 6.666 with a p-value of 0.083. The ratio (number q9=4/number q9=5) differs from the rest at q12=1.

Table 7.10 – Maximize productivity for globalisation (q14) versus borrowed ideas from international experiences (q15)

		Q15				Total
		5	4	3	2	
Q14	5	1	42	8	0	51
	4	0	26	5	1	32
Total		1	68	13	1	83

Chi-square = 0.104 with a p-value of 0.747. No significant relationship between q14 and q15.

Table 7.11 – Impact on organisational structure (q18) versus Affected functioning of department (q19)

		Q19			Total
		5	4	3	
Q18	5	12	8	2	22
	4	19	39	4	62
Total		31	47	6	84

Chi-square = 4.716 with a p-value of 0.095. The ratio (number q18=4/number q18=5) at q19=4 differs from the rest.

Table 7.12 – Capacity to interact globally (q20) versus Personnel trained to manage globalisation (q21)

		Q21				Total
		5	4	3	2	
Q20	4	1	27	23	1	52
	3	0	7	8	1	16
	2	0	0	0	2	2
Total		1	34	31	4	70

Chi-square = 1.197 with a p-value of 0.274. No significant relationship between q20 and q21.

Table 7.13 – Personnel trained to manage globalisation (q21) versus On going training personnel (q26)

		Q26			Total
		5	4	3	
Q21	5	1	0	0	1
	4	15	24	1	40
	3	9	30	0	39
	2	0	4	0	4
Total		25	58	1	84

Chi-square = 3.287 with a p-value of 0.070. There is weak evidence that agreement on q21 is accompanied by agreement on q26.

Table 7.14 – Globally competitive (q28) versus Have ability to compete globally (q30)

		Q30		Total
		4	3	
Q28	5	79	9	88
Total		79	9	88

Since all the responses to q28 are 5, calculation of chi-square is not possible in this case. Respondents agree more on q28 than on q30. The higher number in cell (5,4) than cell (5,3) indicates reasonably high level of agreement.

Table 7.15 – Officials who study outside SA advocate international practice in service delivery (q27) versus International guidelines in department’s HR (q29)

		Q29				Total
		5	4	3	2	
Q27	5	1	3	0	0	4
	4	2	33	3	12	50
	3	0	3	1	2	6
	2	3	12	2	1	18
Total		6	51	6	15	78

Chi-square = 0.065 with a p-value of 0.799. No significant relationship between q27 and q29.

Table 7.16 – Influenced by international organisations (q32) versus Influenced by international labour law (q33)

		Q33			Total
		5	4	2	
Q32	5	2	0	0	2
	4	1	39	0	40
	3	0	11	0	11
	2	0	31	3	34
Total		3	81	3	87

Chi-square = 2.90 with a p-value of 0.089. There is weak evidence that agreement on q32 is accompanied by agreement on q33.

Table 7.17 – Officials who study outside SA advocate international practice in service delivery (q27) versus Performance management mixture of ideas (q34)

		Q34			Total
		5	4	3	1
Q27	5	3	1	0	4
	4	0	53	3	56
	3	0	8	0	8
	2	0	19	0	19
Total		3	81	3	87

Chi-square = 2.90 with a p-value of 0.235. No significant relationship between q27 and q34.

Table 7.18a – Officials who study outside SA advocate international practice in service delivery (q27) versus Best practices tried internationally (q35)

		Q35			Total
		5	4	3	
Q27	5	1	3	0	4
	4	0	1	53	54
	3	0	2	6	8
	2	0	9	8	17
Total		1	15	67	83

Chi-square = 14.052 with a p-value of 0.000.

Table 7.18b – Analysis of responses to q27 and q35

q27/q35	3	4 or 5	number in 3 / number in 4 or 5
2 or 3	14	11	14/11 = 1.27
4 or 5	53	5	53/5 = 10.6

A higher agreement on q27 accompanied by a lower the agreement on q35.

Table 7.19 – Globally competitive (q28) versus Globalisation trends in HR management (q37)

		Q37		Total
		5	4	
Q28	5	5	85	90
Total		5	85	90

Since all the responses to q28 are 5, calculation of chi-square is not possible in this case. Respondents agree more on q28 than on q37. Higher number in cell (5,4) than cell (5,3) indicates reasonably high level of agreement. More than 94% of all respondents agree strongly on both issues.

Table 7.20a – Global practices influence countries (q2) versus Globalisation trends change or stop (q39)

		Q39			Total
		4	3	2	
Q2	5	7	3	39	49
	4	0	4	35	39
Total		7	7	74	88

Chi-square = 6.304 with a p-value of 0.043.

Table 7.20b - Analysis of responses to q2 and q39

q2/q39	2	3 or 4	number in 2 / number in 3 or 4
4	35	4	35/4 = 8.75
5	39	10	39/10 = 3.9

A higher agreement on q2 accompanied by a lower the agreement on q39.

Table 7.21 – Service delivery in line with international trends (q36) versus Plan of action for globalisation (q40)

		Q40			Total
		4	3	2	
Q36	5	0	0	1	1
	4	8	23	58	89
Total		8	23	59	90

Chi-square = 0.531 with a p-value of 0.767. No significant relationship between q36 and q40.

Table 7.22 – Service delivery in line with international trends (q36) versus Competitive edge internationally (q41)

		Q41		Total
		4	3	
Q36	5	0	1	1
	4	2	87	89
Total		2	88	90

Chi-square = 0.023 with a p-value of 0.880. No significant relationship between q36 and q41. 87 out of 90 (97%) in cell (4,4).

Table 7.23 – Officials benefit from training on globalisation (q43) versus Skills Development Act will accelerate global competitiveness (q44)

		Q44	Total
		5	
Q43	5	68	68
	4	22	22
Total		90	90

Since all the responses to q44 are 5, calculation of chi-square is not possible in this case. Respondents agree more on q44 than on q43. More than 75% of the respondents agree very strongly on both issues.

7.4 SUMMARY

The chapter provided an overview of statistics *per se*, which include explanations of inferential and descriptive statistics. The last-mentioned section is expanded in sub-sections which explained aspects such as distribution values, measurements of central tendency, such as the median, mean, the mode, the range, frequency distribution, the Pearson chi-square analysis, skewness as well as the standard deviation, followed by the presentation and interpretation of the research findings.

In the next chapter, a number of recommendations are proposed, particularly linked to the stated research problems, followed by a number of concluding remarks.

CHAPTER 8

RECOMMENDATIONS AND CONCLUDING REMARKS

8.1 INTRODUCTION

Training and development cannot be effective if it is not properly assessed. Therefore “to measure is to know”. It forms the last link in the loop of the systems approach because it establishes whether the gap between the required performance and actual performance has been eradicated. There is a continuous training need in the South African public service, which requires that all employees and managers should be continuously trained and developed to meet the requirements of the current time.

The challenge that the democratic dispensation faced was the lack of skilled public servants. The training and education of public servants was a necessity to equip public servants with the necessary skills, knowledge and competencies to deliver quality services efficiently & effectively (WTPS, 1995:64). Training and development of human resources would also enhance the representivity of the public service through equipping those public servants who have been denied opportunities in terms of education. The training of public servants in the new public management paradigm would improve public servants in the new public management paradigm would improve public service efficiency, effectiveness and capacity to deliver services. The development of human resources as envisaged by the WTPS would also instil in public servants a sense professionalism and responsiveness to the public needs. Training and human resource development was therefore seen as a leverage for change to this regard the WTPS (1995:64) envisaged that training would be strategic and based on need linked to institutional transformation and building.

In this chapter, a number of recommendations are proposed, particularly linked to the stated research problems, followed by a number of concluding remarks

8.2 RECOMMENDATIONS

The following are a proposed number of recommendations for South African public officials to participate in and perform their tasks efficiently and effectively at an international level, against the background of globalisation *per se*, relevant to the problematic situation as explained in chapter 1.

8.2.1 Recommendation 1 - Training and Development

In order for South Africa to be internationally competitive, it is essential for the human resources of the South African Public Service to be trained and developed to be globally relevant. Staff should be trained to utilising the following methods to handle issues on a global scale.

8.2.1.1 Off-the-job training

- Off-the-job training should take place in a classroom or away from the workplace.
- The methods which can be applied are as follows:
 - Case studies;
 - Role playing;
 - In-basket training exercises;
 - The Kepner-Tregoe technique;
 - Management games;
 - Syndicate training;
 - Conference method;
 - Brainstorming;
 - Lectures.

8.2.1.2 On-the-job training

- On-the-job training usually fits the needs of a particular employee to suit his or her background, knowledge and skills
- Employees should learn by doing and do so over a long period of time
- They usually learn by performing tasks under the guidance of an experienced employee

- They should learn by actually doing tasks of the job, on the job
- It is important to note that this approach can prevent employees from acquiring a broad perspective which can adversely influence their perception as how their job fits into the broader organisation
- The following various methods can be used:
 - Coaching;
 - Job rotation;
 - Junior boards;
 - Job instruction training;
 - Understudy;
 - Mentoring;
 - Learner controlled instruction;
 - Behaviour modelling.

8.2.1.3 Learnership training

- A learner should work under the guidance of a skilled artisan;
- Learners should receive training mainly at two sites namely at the workplace at a college or university;
- A main characteristics is the inter linkage with the production process therefore, learning by doing;
- Contract conditions include qualification requirements for apprenticeship, periods of apprenticeship, remuneration, technical studies required, centralised technical training and the use of logbooks;
- Contract details are covered in chapters 4 and 5 of the Skills Development Act No.97 of 1998.

8.2.1.4 Vestibule training

- Trainees should learn the job in an environment that simulates the real world as closely as possible. An example is the simulated cockpit of an aircraft used to train airline pilots

8.2.1.5 The use of computer-based technology in training

- This modern development is indispensable in the modern day and age and cannot be done without in any training and development in an organisation today.

The following methods and approaches are briefly outlined below:

- Computer based training (CBT);
- Interactive video;
- Web-based training (WBT);
- Worldwide web (www);
- Internet and intranet-based training;
- E-learning or online learning;
- Virtual reality.

8.2.2 Recommendation 2 – Understanding diverse cultures

It is also important for all personnel to understand and relate to the varied international cultures. Understanding the diverse cultures ensures that the human resources manager, in particular, to understand why staff behave in a certain manner and to interact effectively with their international counterparts.

Understanding other countries' culture will improve communication and service delivery.

8.2.3 Recommendation 3 - Flexibility to respond to situations

Public institutions should have the flexibility to respond to complex and rapidly changing global circumstances. Governmental departments must adapt to the needs of the community in order to provide a global type of service delivery. The situation must be assessed and the appropriate response provided. The situation will dictate the type of interaction and intervention. Being a global village means providing services of a world class standard.

8.2.4 Recommendation 4 – Take Ownership of public goods and service delivery

Ownership of public goods and service delivery should be pulled out of the bureaucracy into empowered communities. Communities have more commitments to their members than goods and service delivery have to the citizens. Public servants must take ownership of goods and service delivery and embrace the Batho Pele principles which will result in effective and efficient service delivery.

8.2.5 Recommendation 5 – Competition should be mission and not rules driven

Competition should be injected into goods and service delivery to attain global status. Government should be mission-driven, and rules-driven organisation should be transformed. In other words, objectives must be set and attained timeously and bureaucracy should be reduced or eliminated to reach targets. Every country possesses a mission statement which consists of objectives that must be attained in order to realise one's vision, ultimately.

8.2.6 Recommendation 6 – Current challenges to top management

The current challenges of governmental department such as global competition and socio-economic development brings new dimensions to workplace training and development.

Top management should become more and more interested in the contribution of education and training from the bottom line of the organisation. Training must be perceived by government as an investment, which must be measured against service delivery. It is argued that since training competes for a department's resources with other investment means, it needs to offer a greater productivity improvement than alternative uses of other resources. Therefore, like any other form of investment, training can only be seen as a net contributor to improved efficiency, if it leads to an enhancement of government's performance.

8.2.7 Recommendation 7 - Greater awareness of training budgets

The greater awareness of government to ensure that training budgets become integrated with the critical operations. This will pose a totally new challenge to human resources managers and their teams. Instead of only perceiving their task of equipping employees with knowledge and skills in a classroom environment, human resources managers are compelled by the new emphasis to work much closer with operating managers.

8.2.8 Recommendation 8 – Development of managerial employees

Development should be aimed at employees serving in a managerial capacity or preparing them for managerial posts within an organisation. Managers must keep abreast of new developments in technological, economic, political, legislative and social fields as well as personnel-management practices. It should focus on developing people for tomorrow's needs of the government. Development is a process whereby managers obtain the necessary skills, experience and is a continuous process to update managers in particular regarding technological, economic, political, legislative and other human resources practices to obviate becoming obsolescent.

8.2.9 Recommendation 9 – Demonstration of performance

It is recommended that staff members' performance to be demonstrated before they are considered competent and this will ensure effective and efficient public service delivery. Performance management should be linked to incentive bonuses. Staff must meet certain criteria before they qualify for incentive bonuses.

Perhaps, salary increases and annual increments should be linked to performance management. In order to obtain an objective assessment, employees' should be assessed by a variety of people, i.e. their supervisor, peers, public/client/customers, subordinates and persons whom the employees who are in contact with them.

8.2.10 **Recommendation 10 – To ensure benefits for employee and employer**

- Ensure that various benefits accrue for the organisation, the individual and human relations.

To ensure benefits for the organisation are for example:

- It would create a better corporate image;
- Provides information for future needs in all areas of the organisation;
- Improves labour management relations.

To ensure benefits for the individual are for example:

- Helps the person handle stress, tension, frustration and conflict;
- Increases job satisfaction and recognition.

To ensure benefits in human relations, intra- and inter- group relations and policy implementation :

- Improved interpersonal skills;
- Improved morale.

8.2.11 **Recommendation 11 – The training of supervisors in South Africa**

- They should be responsible for carrying out policy and achieving the objectives of management
- They thus form a link between higher level management and lower level employees
- Their job comprises two parts namely supervisory work which deals with training, organising, directing, and controlling, and technical work which covers everything else
- Various means exist to determine as to whether they do their work adequately according to the Institute of People Management
- **The training of supervisors could cover the following areas:**
 - Understanding and implementation of the organisation's policy and rules;
 - Human resources policy;
 - Employment relations;
 - Inter-group conflict in the work situation;
- Interpersonal contact and social interaction.

8.3 CONCLUSION

This chapter proposes a number of recommendations for South African public officials to participate in and perform their tasks effectively and effectively against the background of international and globalisation issues, followed by the conclusion.

In this thesis, chapter one has introduced the topic of the thesis and provided a background and overview of the study. Aspects such as the problem statement and sub-problems appear in the chapter, followed by key questions pertaining to the research, objectives of the research and research methodology was briefly described. Clarifications of terms and concepts preceded the summary of chapter one.

Chapter Two explored the theoretical basis and philosophy for globalisation from a public management perspective. It covers public administration in the context of globalisation and human resources management in the South African public service and provides a number of models of public administration in the South African context. This is followed by a philosophy of public human resources management, normative factors in public human resources management, a philosophy of globalisation and, *inter alia*, globalisation and the changing face of public human resources management.

Chapter Three expands on selected theories of globalisation and human resources management, selected criticisms of globalisation, world-system and world culture theories, the polity theory, as well as critical theory and development.

Chapter Four presents an evaluation of selected international experiences of globalisation. It provides, *inter alia*, insight into the influence of public human resources management policies and procedures, development of public human resources management, challenges of globalisation and public human resources management in the global market, as well as the impact of strategic public human resources management on globalisation.

Chapter Five focuses on the South African trend of globalisation and human resource management. It further sets out, *inter alia*, the themes and sub-themes of globalisation and human resource management and a brief exposition of the South African Public Service Commission. This is followed by an overview of South African training and development legislations, the white paper on public human resources management in the South African public service, the Constitution of the Republic of South Africa act no 108 of 1996 and the White Paper on Transformation of the South African public service. Next, the White Paper on Affirmative Action in South Africa is described, the Public Leadership and Management Academy (Palama) is touched upon, globalisation in the South African context, a brief overview of globalisation in South Africa and current issues in the debate about globalisation. The chapter closes with an illumination of the impact of globalisation on South Africa and a summary.

Chapter Six elucidates on the approaches to research methodology, data collection methods, the normative survey method and concluded with a summary.

Chapter Seven explains the statistical analysis and interpretation of findings. This chapter analyses, interprets and presents the data collected in both written and graphical representation.

Chapter eight provides a brief overview of the research project, a number of recommendations and a conclusion, containing concluding remarks

Next, the bibliography and attachments are provided.

Training and development are essential to ensure that the South African public service is competent to perform effectively and efficiently in the global arena. Employees need to possess the necessary skills to function at an international level.

The South African legislations would ensure that South Africa equips its public servants to interact globally, while providing effective and efficient community-oriented service delivery.

In light of the foregoing it is imperative that the government identify the needs by conducting a needs analysis to determine the deficiency in the public service. The government must focus on the abovementioned recommendations in order for the employees would receive training and development to perform their current jobs competently on a global scale.

Training and development can be regarded as one of the most important human resource functions in the public service. If one or more of the phases of the training process is neglected it could affect the effectiveness of the learning programme. For example, if a programme is presented without a proper needs analysis, the chances are good that training will simply be presented for the sake of training with little impact on the organisation. Such learners will not benefit from the programme and skills transfer to the workplace will not occur.

For training to be successful, a systematic approach should be followed, while simultaneously meeting all the requirements of the Skills Development Act. It is also essential to create and promote a learning culture in an organisation in order to optimise the contribution of training and development. Not only does training and development improve the competence levels of employees, it also contributes towards the achievement of government's objectives.

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ANNEXURE A

Peter Veeran
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8001

Dear Sir/Madam

DOCTORAL RESEARCH ON THE IMPACT OF GLOBALISATION ON HUMAN RESOURCES MANAGEMENT POLICIES AND PROCEDURES IN THE SOUTH AFRICAN PUBLIC SERVICE

I am currently undertaking a doctorate research study on the “impact of globalisation on human resource management policies and procedures in the South African Public Service” at the Cape Peninsula University of Technology. In the light of this study, it would be appreciated if you would please participate in this research project by kindly completing the attached questionnaire.

The objectives of the study are to:

- determine the impact of globalisation on human resource management in the South African public service;
- examine the different administrative and management structures responsible for human resource management;
- understand how human resource departments are adapting to the dynamic changes in the field of human resource management;
- to what extent globalisation on human resource management functionalities focus on normative foundations of public administration-public accountability, deference to labour, human rights and ethical standards and
- to make a number of recommendations to facilitate knowledge and understanding of globalisation in South Africa.

Your participation in this study will assist in understanding of human resource management in the global context and will facilitate the making of recommendations

to improve the human resource management activities so that South Africa can take its rightful place with its equal partners in the global world.

All information collected will be treated strictly confidential. Therefore, you can be assured that you will not be identified in any way unless permission is specifically granted by you.

You can post the questionnaire and any relevant supporting documents to the above mentioned address or at electronic mail:

veeranp@cput.ac.za

I would like to take this opportunity to thank you in advance for your consideration to participate in this research project.

Yours faithfully

P Veeran

Peter Veeran

RESEARCHER

Contact numbers: 0829323 757; (021) 9596428(w)

QUESTIONNAIRE (CONFIDENTIAL)

SECTION A

BIOGRAPHICAL INFORMATION

POSITION (MIDDLE OR TOP MANAGEMENT):-----

DEPARTMENT: -----

SECTION B

POLICY, PLANNING AND STRATEGIC ISSUES OF GLOBALISATION AND HUMAN RESOURCES MANAGEMENT AT INTERNATIONAL, NATIONAL AND REGIONAL SPHERE

1. It is important to understand globalisation

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

2. Every country is greatly influenced by global/international practices

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

3. Globalisation will have a positive impact for South Africa

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

4. Globalisation has a major influence on all aspects of human resource management policies and legislation in South Africa

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

5. My Department has a human resource management policy in respect of globalisation

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

6. Globalisation has greatly influenced and changed certain aspects of the South Africa's Human Resource Management policies and practices

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain what aspects. Attach a copy of such changes.

.....

7. Elaborate on your institutional human resources management policies regarding the following:

7.1 globalisation

.....

7.2 international relations

.....

7.3 training/retraining

.....

7.4 vision

.....

7.5 mission statement

8. Policy changes are justified

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain why

9. International experiences continue to impact on South Africa's human resources policies

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

10. The Employment Equity policy owes its origin to outside/international pressure/influence

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

11. Affirmative Action owes its origin to international influence. The concept of skills development was borrowed/adapted from western countries

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

12. My department is experiencing or has experienced problem/s in respect of globalisation in human resource management

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Please state the problem/s

.....

.....

.....

13. If there are such problems, they must be solved immediately.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain how the problems can be solved

.....

.....

.....

14. My institution/department intends to maximize productivity in the light of globalisation

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain

.....

.....

15. The (new) drive towards/for productivity has borrowed most of its ideas from best international experiences

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

16. Globalisation does impact on human resources management in the public service.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Please elaborate in which aspect/s

17. Globalisation ensures that new ideas increase performance management

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

SECTION C. ORGANISATIONAL AND STRUCTURAL IMPACT.

18. Globalisation has an impact on organizational structure and service delivery.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain how

19. Globalisation has affected the functioning of my Department.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain to what extent

20. My Department has the capacity to interact globally

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

21. My personnel are adequately trained to manage globalisation effectively and efficiently

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Please elaborate

22. If you agree to (Q21) what training programme is/are being instituted in your Department presently? How and by whom?

Please elaborate

23. If you do not agree to (Q21) then please state the training programme the department endeavours to implement. How and by whom?

24. Globalisation has influenced bi-lateral relationship between departments

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree

25. State the techniques that your department would utilise or utilises

TRAINING TECHNIQUE:	Yes	No
Coaching		
Mentoring		
Case studies		

In-basket training		
Management games		
Lectures		
Group discussions		
Role playing		
Structured experiences		
Job rotation		

26. It is necessary to train and retrain personnel on an on-going basis

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree

Explain why

.....

.....

.....

27. The officials who have studied/lived outside South Africa are the ones who advocate international practice in service delivery

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

28. The South African public service must be globally competitive

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain why

.....

.....

.....

29. International policies or guidelines can be traced in my department's Human Resources procedures

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

30. The South African public service has the ability and capacity to compete globally.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain why

31. Globalisation and dependence on outside experiences undermines/reduces sovereign autonomy

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

SECTION D. CONTROL AND MONITORING

32. Most government departments are more influenced by international organisations like the UNO or European Union on policy matters rather than bilateral relations

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

33. Government departments are greatly influenced by International Labour Organisation precepts in the Human Resources Management programmes

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

34. Performance management practices in South Africa's government departments are a mixture of outside ideas as well as inside views

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

35. The best sustainable civil service practices are those which have been tried internationally

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

36. The service delivery in my department or in government has to be in line with international trends to compete effectively

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

37. The public service must have a system to deal with globalisation trends with regards to human resource management.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

38. If you agree to (Q37), state the globalisation trends and explain how it is dealt with?

39. These globalisation trends will change or stop

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain why

40. My department does have a plan of action to cope with globalisation

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Explain how

41. My department has the competitive edge, internationally, compared to other departments

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Please elaborate

42. Issues of accountability and transparency in Public Administration or Government civil service, albeit on a small scale, have been copied from Europe

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

43. Government officials will benefit from training and empowerment on globalisation

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

44. The implementation of the Skills Development Act, will accelerate the process to make South Africans globally competitive

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

45. The impact of HIV and AIDS will negatively effect the human resources management of South Africa, nationally and internationally.

Strongly Agree 1	Agree 2	Undecided 3	Disagree 4	Strongly Disagree 5

Thank you for your kind participation.

P Veeran

RESEARCHER

ANNEXURE B

Paper presented by Mr Peter Veeran at the 2010 International Conference on Public Administration (6th ICPA) with the main theme “*Public Administration Challenges and Opportunities: Serving Citizens in Globalised World*” from 22 to 24 October 2010 held in Canberra, Australia and co-authored with Prof IW Ferreira of the Department of Public Management in the Faculty of Business at the Cape Peninsula University of Technology in Bellville, Cape Town.

THE IMPACT OF GLOBALISATION ON HUMAN RESOURCES MANAGEMENT POLICIES AND PROCEDURES IN THE SOUTH AFRICAN PUBLIC SERVICE.

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ABSTRACT

Globalisation has a significant impact on public human resources management policies and procedures in the South African public service. The driving forces of globalisation have affected public human resources management to a large extent, for example, the impact of technology demands different skills and competencies from public officials on all levels.

This paper examines the impact of globalisation on public human resources management policies and procedures in the South African public service. The focus is on selected national governmental departments in South Africa.

The main problem emphasised in this paper is that the current training and development mechanisms in the South African public service do not take due cognisance of the significance of the influence of globalisation on local public human resources management, including training to equip public officials to interact internationally effectively and efficiently.

Currently, an apparent inability exists among public officials in this country to adapt to the changing strategic public human resources management needs from an international perspective. The problem regarding the lack of knowledge and understanding by public officials of globalisation and its impacts on South African society at large, results in an inability to manage and incorporate into the South African public service, international trends in public human resources management.

There is a need for achieving, maintaining and enhancing public service delivery systems as well as implementing cutting-edge human resources management theories and practices for globally competitive human resources management.

The objectives of this paper is to determine the impact of the globalisation process on the training and development of public human resources management policies

and to conceptualise how public human resources departments in selected state departments in the South African public service are adapting to the dynamic changes in the field of public human resources management.

In addition, this paper will also provide a set of recommendations on how to overcome the challenges of globalisation and the impacts thereof on public service delivery from a public human resources management perspective.

Keywords: globalisation, human resources management, public service delivery, policies and procedures, training and development.

INTRODUCTION

The main function of public human resources management is to ensure the provision, training, utilisation and maintenance of sufficient numbers of competent, dedicated, committed public service personnel with an impeccable work ethic and who are responsible for effective, efficient and community-oriented public service delivery. If the training function is neglected, the nature of public service delivery will be deficient and counter-productive to achieving the general welfare. In this context, the management and utilisation of public human resources in a globalised setting poses a challenge.

The changing nature of public service delivery has contributed to certain inadequacies in the public service and since governments are collaborating at a global level for improved public service delivery, the public service is obliged to co-operate effectively and efficiently at an international level, in order to comply with section 195 of the South African Constitution Act 108 of 1996, as well as with the Batho Pele Principles for community-oriented public service delivery. The successful implementation of the normative criteria as stipulated in the Constitution and in the Batho Pele Principles has to be preceded by the acquisition by public officials of relevant and applicable skills.

Human resources management is a dynamic field and has been evolving rapidly over the past many decades. This study focuses on the impact of globalisation on human resources management policies in the South African Public Service. In particular, the study examines the existing human resources management policies

as well as the practices of the South African public service against the background of the global community and globalisation per se.

Public human resources management is confronted with the challenge to fill certain senior and high profile positions especially in the field of financial management in the public sector and, therefore, has to play a strategic role in the success of the public service. Institutions that do not place particular emphasis on attracting and retaining talent will find themselves with dire consequences, as the talented staff may leave and be absorbed in the private sector or go abroad. In the light of this situation, heads of departments in the public service strategically manage their human resources. The scarcity of skills, locally and globally, forces institutions to become more adaptable, resilient, agile and community-focused in order to provide effective and efficient service delivery. The public human resources practitioner has to adapt to become a strategist in the institution.

Public human resource management is changing from being a local activity into a global function. The future role of public human resources management, as intellectual capital is becoming the main generator of wealth for both individuals and the government. In this context, the South African public service has embarked, currently, on transforming its public human resources management systems to cope with the changing environment in order to fulfil the staffing needs. Some of these public human resources management functions include improving of service delivery, recruitment, selection, induction, orientation, mentoring, coaching, education, training, development, labour relations, employment equity and employment assistance programme(EAP). Service delivery has always been the “raison de etre” of the public service in a democratic dispensation.

The efficient and effective need for public service delivery has contributed to inadequacies in the public service, largely because formal education and vocational training programmes have failed to adapt to the changing skills needs of the country.

On the one hand, there is a need for higher academic skills and increasing technological expertise to respond to the demands of this increasingly technology

driven world, yet, on the other hand, there is a need for more broad-based management of training, which would assist to develop a variety of skills such as customer care, financial management, procurement and logistics, labour relations, project management and general management. There is a growing shortage of the abovementioned skilled labour in all sectors of the public service because of the inadequacies to implement training, particularly on-the-job training, off- the- job training or job enrichment programme make it difficult to attract and retain qualified personnel.

The demise of apartheid and the advent of political democratisation in South Africa has resulted in trading and opening of diplomatic relationships with countries that previously avoided this country. In the light of this development, South Africa is confronted with the challenges of globalisation in particular, human resources management. It is essential for employees in the public service to possess skills and expertise such as customer care, financial management, procurement and logistics, labour relations, project management and general management, in order to cope with demands of globalisation.

PROBLEM STATEMENT

The main problem being researched is that the management of training and development in the South African public service does not adequately meet the training needs of the current demographically diverse staff component to equip it with necessary skills for effective and efficient service delivery against the background of the global community and its concomitant globalisation.

The following sub problems are derived from the main research problem:

- The above main problem causes, inter alia, an inability to adapt to changing strategic public human resources management needs from a national and international perspective;
- The main problem of lack knowledge and understanding by public officials of globalisation results in an inability to effectively and efficiently and effectively manage and execute national and international human resources management trends, a needed skill for achieving, maintaining and enhancing cutting-edge

human resources management theories and practices for globally competitive human resource management.

The aim of human resources management is to contribute towards goal achievement of the institution. Human resources management is the process through which managers in the public sector, inter alia, forecast the demand for human resources in order to prepare human resources development programmes which would meet the human resources management needs and evaluate their effectiveness in terms of organisational objectives.

OBJECTIVES OF THE RESEARCH

The main objectives of the paper are:

- to determine the impact of the globalisation process on public human resources management in the South African Public Service;
 - to examine selected administrative and management structures responsible for public human resource policies and procedures on training and development South African Public Service;
 - to understand how public human resources departments in the South African Public Service are adapting to dynamic changes in the field of public human resources management nationally and internationally;
 - to ascertain the extent to which public human resource management functionaries focus on normative foundations of public administration- public accountability, deference to labour, human rights and ethical standards,
 - to determine the level of understanding of public human resources management in terms of globalisation,
 - to conduct an empirical survey,
- to propose a set of recommendations

A PHILOSOPHY OF GLOBALISATION

Globalisation has been experienced from the end of the nineteenth century sometimes in larger and smaller extents. The initial effect of globalisation was at the end of the 19th century to before the Great Depression years and around World War 2. In 1980s the world experienced two significant economic changes,

which are called "Thatcherism in UK" and "Reaganomics in US". Both of them were attempts to introduce the market power into the economies and put more restriction on governments' interference into the economy. These two challenges helped the world economy to be globalised and which resulted in the United Kingdom and United States of America to enjoy economic prosperity, owing to these economic changes (Globe and Mail, 1988).

The phenomenon of globalisation has captured the world attention in various ways. This is the information superhighway to the international trade. The subject of globalisation has come to concern all and sundry. The core of most discussions of the issue is the extraordinary explosion of both technology and information, in ways that have considerably reduced the twin concepts of time and space. In particular, information and communications technology (ICT) has emerged as perhaps the most dominant force in the global system of production, albeit with significant ramifications in all other spheres of contemporary human existence. The rate of technology change in moving goods and services and knowledge cheaply and rapidly across the nations has continued unabated and to the extent of even accelerating (Bhagwati, 2004:10).

While recognising the contribution of ICT and the attendant forces of the global economy to the emergence of globalisation, too much has been made of the phenomenon of globalisation in its economic dimensions. In a sense there is a new orthodoxy or ethos about the economic dimensions of globalisation that exalts it above all other human values or phenomena, indeed even above the basic condition of human beings themselves. The unfortunate consequence of this has been to denigrate or mask the social, cultural and especially the political roots and ramifications of the phenomenon. Moreover, it is a power game the rules of which are dictated by very few actors. Its impact affects the vast majority. Consequently, understanding the political and other dimensions of the phenomenon of globalisation is essential to the development of a rational and considered response to it (Bhagwati, 2004:10).

It is essential to grasp the different motivating forces that are impelling these developments aside from the purely economic because of globalisation's

multifaceted nature, and also to recognise the different directions from which they are coming. Globalisation can come in the form of multinational firms, international capital flows and world markets. Intrinsic to this form of globalisation is a growing legal and institutional framework within which the regimes of contemporary international trade, finance and investment are being conducted. Another form of globalisation can be in the form of the environmental, women's and anti-nuclear movements or human rights struggles. The human rights movement has long laid claim to a universalising or a globalising mission (Bhagwati, 2004:10).

This is evident in the assertion that the regime of rights and freedoms established through the Universal Declaration of Human Rights and the numerous other instruments that have since been promulgated in the same spirit extend beyond the arena of purely national concern. Globalisation can be brought down from the rarefied and glorified atmosphere of corporate boardrooms to the daily realities of ordinary human beings. It can help them mobilise in resistance against the hegemonising tendencies that globalisation may present.

Indeed, there is a need for a recommitment to a bringing together of all the world's peoples around an agenda that does not seek to stifle the very productive and revolutionary innovations that technological development has unleashed.

Technology and economic development must be put to the service of humankind as a whole. In particular, such developments should not marginalise, discriminate or systemically deny access to the majority of the people in the world.

The following are some of the main features of globalisation:

- trade liberalisation;
- increasing and changing patterns of financial flows;
- cheaper and quicker transport;
- the growth in the size and power of corporations; and
- impressive advances in new technology, in particular information and communications technology.

Generally, these processes are evolving, partly through their own dynamism and partly through the implementation of international, regional and national rules,

standards and policies, in particular, the rules of the World Trade Organisation (WTO), and the policies of the International Monetary Fund (IMF) and the World Bank (Bhagwati, 2004:11).

DEFINITIONS OF GLOBALISATION

Throughout history, adventurers, generals, merchants, and financiers have constructed an ever-more-global economy. Today, unprecedented changes in communications, transportation, and computer technology have given the process new impetus. As globally mobile capital reorganises business firms, it sweeps away regulation and undermines local and national politics. Globalisation creates new markets and wealth, even as it causes widespread suffering, disorder, and unrest. It is both a source of repression and a catalyst for global movements of social justice and emancipation. These materials look at the main features of globalisation, asking what is new, what drives the process, how it changes politics, and how it affects global institutions like the United Nations.

“Globalisation is defined as a process of growing interdependence between all people of this planet. People are linked together economically, and socially by trade, investments and governance by market liberalisation and information, communication and transportation technologies”(International Labour Organisation).

“Fundamentally, globalisation is the closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communication, and the breaking down of artificial barriers to the flow of goods , services and capital, knowledge and (to a lesser extent) people across borders”(Stiglitz, 1990: 9).

According to Friedman(1992:9), the integration of markets, nation-states and technologies enables an individual, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before and, also, to enable the world to reach into individuals, corporations, and nation-states farther, faster, deeper and cheaper.

Globalisation is defined as a concept which refers both to the compression of the world and the intensification of consciousness of the world as a whole (Guinness, 2003:2).

“Globalisation is the integration of business activities across geographical and organizational boundaries. It is the freedom to conceive, design, buy, produce, distribute and sell products and services in a manner which offers maximum benefits to the firm without regard to the consequences for individual geographic locations or organizational units”(Kirkbride, 2001:14).

Globalisation can be described as a continual exchange of economic, cultural and social elements across the world. These exchanges provide economic trade and this in turn spurs on cultural awareness and increases social interaction globally. Globalisation is often more of an economic definition especially because of the melting pot of trade between different countries. This international market is characterised by foreign investment, capital monetary flows between countries, technology and labour migration.

FIGURE 1

NATIONAL GOVERNMENT OF SOUTH AFRICA IN RELATION TO GLOBAL PARTNERS (AS ADAPTED)

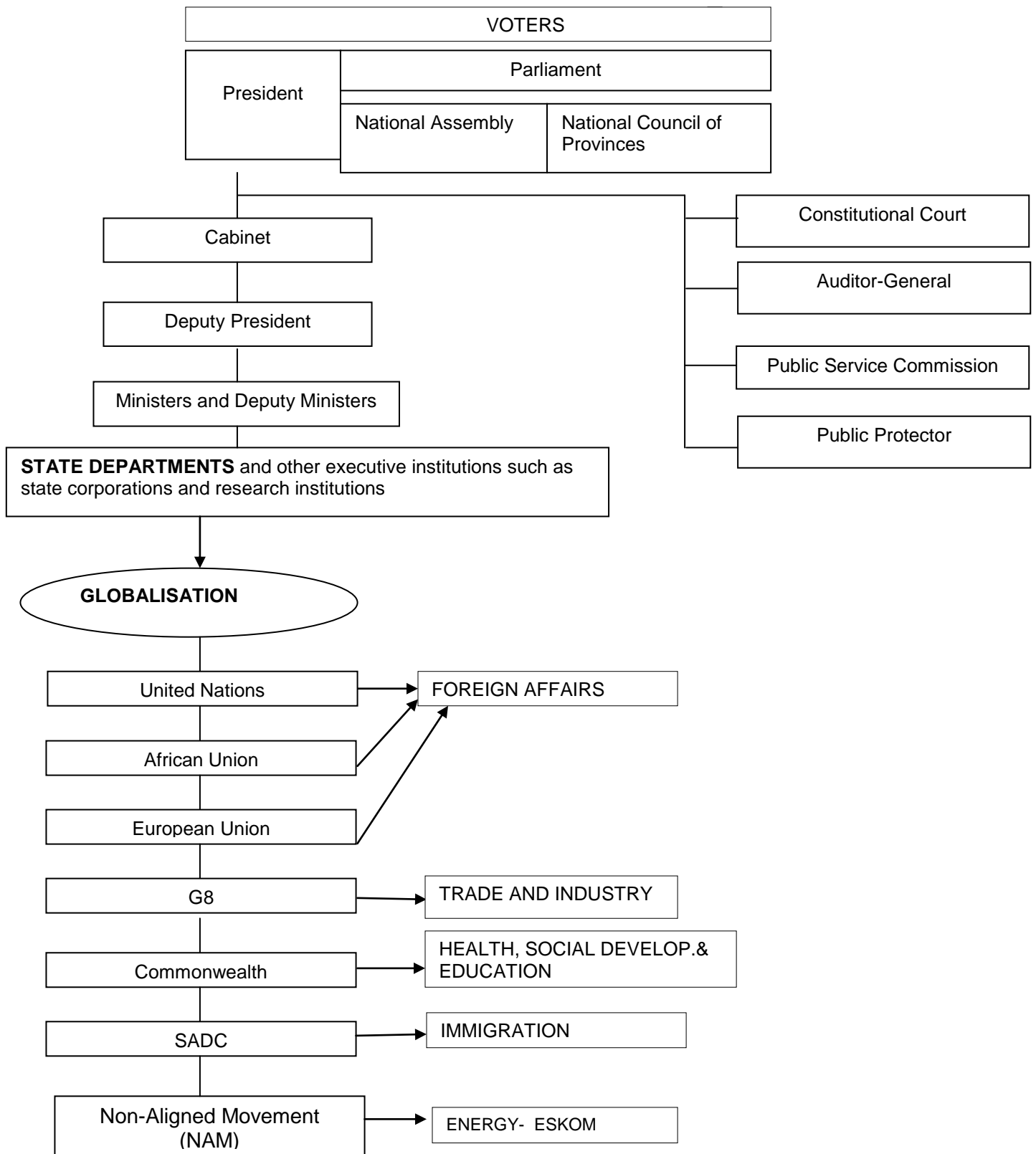


FIGURE 1 explains the various interfaces where the South African government departments interact with global institutions e.g. Department of Trade and Industry with G8 countries, the Departments of Foreign Affairs, Immigration and Public Service and Administration with the United Nations. The SADC interact with the Department of Energy and Eskom in respect for power generation. The European Union interacts with the Department of Trade and Industry with regards to trading.

GLOBALISATION, HUMAN RESOURCES DEVELOPMENT AND PUBLIC SECTOR REFORM

Globalisation has shifted the levels of standards and expectations in various aspects of life, including that of human resource. Academic and training institutions must produce a populace with the relevant knowledge, values, skills and experience that would enable them to compete with other individuals in the global market. The civil service system is not spared from the competition, as it must likewise be able to provide packages and compensation that would appeal to eligible and competent individuals, providing room for career options and professional growth, highlighting the value of working with government, supported with a fair and consistent performance evaluation mechanism and a realistic compensation scheme.

This sub-theme focuses on various aspects of human resource development, specifically recent developments in the field of:

- public management training and education;
- performance evaluation,
- compensation, and,
- sustaining the merit system in the public sector.

Efforts at improving these aspects of human resource development will be documented, particularly those that proved to be successful in introducing innovations aimed at resolving recurring dilemmas in this area.

Human resource development is the process of skills development within work organization, in order to suit overall organisational strategic objectives. It represents a considerably more bottom line driven approach to skills development than traditional organizational training initiatives (Coetzee, et al. 2001:526).

According widespread consensus amongst politician and commentators both within developing and developed countries, training and development should be encouraged. Human resource development represents training and development specifically geared to the bottom line to developing skills aimed at ensuring the survival and growth of individual work organizations. A government that fails to take a proactive stance in facilitating such initiatives will find itself in an even more parlous position (Coetzee, et al. 2001:527).

THE SIGNIFICANCE OF HUMAN RESOURCES DEVELOPMENT AND GLOBALISATION

Jeffrey Pfeffer(1994,6-16) asserts that the competitive advantage of a company depends on five basic factors: technology, the degree of protection, a particular may enjoy, access to financial resources, economies of scale, and the nature and composition of the work force. Countries can no longer rely on a secure place in the market simply on account of possessing a technological edge. As the life cycles of products shorten, companies can no longer count on economies of scale, success depends on being able to profit from short product runs (Coetzee, et al. 2001:527).

In the South African context, these pressures are particularly accentuated, as firms face the immediate challenge of moving beyond the comfortable practices of the past engendered by closed market and an overly interventionist state (Human and Horwitz 1992:145). The current crisis of competitiveness has resulted in South African companies and organisations to be more aware of the need to experiment with more flexible techniques of work organisation. South African managers often under rate the pressures of globalisation and are reluctant to invest too much on employee development (Coetzee, et al. 2001:527).

In order to survive in the harsh global environment, firms have to use all the resources at their disposal in an effective manner. The need for affirmative action, given both social and legislative pressures makes it necessary that organisations give particular attention to developing their internal human capacities through both skills and development and stable employment policies (Coetzee, et al. 2001:528).

Countries can enhance its competitiveness and ensure success in the global realities. The development of human resources is seen as equipping those whose existing skills are surplus, redundant or lacking in the first place. Training should be part of an ongoing process in order to maintain an effective workforce. There has been a global trend towards the integration of employment and training. Training has often tended to be job specific with limited transferability between employers.

LOCUS AND FOCUS OF GLOBALISATION AND PUBLIC HUMAN RESOURCES MANAGEMENT

Globalisation attracts increasing interest and importance in contemporary world affairs. It also inspires passionate supporters and critics. These reports explore the different facets of the complex, evolving phenomenon of globalisation (Mohamad, 2002:22).

The concept of “globalisation” is deceptively simple. It centres on the unification of markets and technology, the increased mobility of capital and the rise of transnational corporations. The globalisation process represents a phenomenon, assuming ideological and cultural dimensions. Globalisation has not brought with greater equality, rather, the old core-periphery distinction persists. The free market must be allowed to function without interference. Governments must remove all barriers that prevent the full and free operation and movement of goods and services, capital, firms and financial institutions across borders.

Business and government have to respond to rapid changes in investors’ strategies, technology and consumer markets. Such responses require a greater degree of flexibility, in other words, an ability to respond in a range of manners to a rapidly changing external environment. This would include the effective utilisation

of human resources by up-skilling and development (Kayatekin and Ruccio, 1998: 38).

GLOBALISATION AND THE CHANGING FACE OF PUBLIC HUMAN RESOURCES MANAGEMENT

The pressures on traditional public human resources management models are not all due to globalisation, but many of the changes taking place can be traced to globalisation. It is not always easy to disentangle the causes and effects of globalisation. However, it would probably be true to say that globalisation is represented by the opening up of markets due, in large measure, to foreign direct investment consequent upon the lowering of investment barriers in practically all countries. The liberalisation of trade, and by the deregulation of financial markets in consequence of which governments increasingly have little control over the flow of capital on cross borders. There is also a direct link between globalisation and information technology (IT). Rapid technological change and reduction in communication costs have facilitated the globalisation of production and financial markets. Globalisation stimulates technology through increased competition, it diffuses technology through foreign direct investment.

These developments have had further effects such as democratisation and pressures for more labour rights in countries where such rights have been restricted more liberalisation and deregulation competition for investment increased economic independence of a nation's capital. Information and technology flows are on the increase internationalisation of enterprises and creation of mergers and alliances customer-driven (and not product-driven) global and local markets, but at the same time segmented markets competitiveness increasingly based (not on low wages or natural resources) on knowledge and innovation, skills and productivity. The success of global companies is to a large extent dependent on their ability to organise (within and between organisations) across national boundaries information, money, people and other resources.

Organisations are moving production overseas to reduce costs and to facilitate sensitivity to local and regional market requirements. It is an accepted rationale of out-sourcing that, on the one hand, enables an organisation to concentrate on its core competencies, and on the other hand, it makes service work more productive.

For example, in the United States of America, outsourcing of functions in hospitals not directly related to the work of doctors and nurses (care of patients) has substantially increased the productivity of the hospitals, and provided new opportunities for service employees. "Outsourcing is needed not just because of the economics involved. It is required equally because it gives opportunities, income and dignity to service work and service workers," more part-time and temporary work (especially among women, the elderly and students) (www.questia.com).

INTRODUCTION OF NEW TECHNOLOGY

Pushing for a more deregulated and flexible labour market, more emphasis on productivity and quality, greater employee involvement in the design and execution of work, shifting the focus of collective bargaining from the nation/industry level to the enterprise level. Employers are of the view that issues relevant to the employment relationship such as work re-organization, flexible working hours and contractual arrangements, and pay for performance and skills, are increasingly workplace-related, and should therefore be addressed at the enterprise level. In the United States of America, collective bargaining has, with some exceptions, been very much at the organisational level; in the United Kingdom there is a marked shift towards organisation bargaining; and the trends in Continental Europe are also in that direction. In many Asian countries outside Australia and New Zealand, the relatively little collective bargaining has been mostly at the organisation level. In New Zealand negotiation has in the 1990s been almost entirely decentralized. In Australia the trend is in the direction of decentralisation.

DOWNSISING THE WORKFORCE

One response has been the introduction of flexibility in the employment relationship to increase the capacity of organisation to adapt rapidly to market changes. This has involved measures such as flexible working hours part-time work different types of employment contracts to the standard ones familiar to collective Industrial Relations flexibility in functions, so that employees who are multi-skilled are not confined to the performance of only one task. Globalisation

has, through technology diffusion, substantially increased the introduction of new technology. This, as well as the need for flexible adaptation to market changes, has led to the re-organisation of production systems and methods of work. Reduction of narrow job classifications and demarcation lines between managers and workers, accompanied by skills enhancement needed to perform jobs with a broader range of tasks.

Increasing areas for worker involvement in the conception, execution and control of work. A greater focus on workplace relations and policies and practices conducive to better motivation and performance such as information-sharing and two-way communication. These responses have increased the necessity for employers to make more investments in skills training, to offer incentives to employees to improve their skills, and for workers to take upon themselves some responsibility for their own development. The competition generated by globalisation and rapid technological changes accompanied by shorter product life have, while destroying countless jobs in industrialised countries, created opportunities for multi-skilled and easily trainable workers, and for the most significant group of emerging employees - the knowledge worker.

Knowledge and skills have become key determinants of investment, employment opportunities, productivity and quality and of flexibility. The impact globalisation and information technology have had on each other has made work more mobile, capable of being performed in different parts of the world without the need to actually set up physical facilities in other countries. Other changes in the nature of work and workers are being brought about partly by globalisation, but not entirely because of it. It is arguable whether globalisation is solely responsible for the growing service sector, and it does not account for the rapid influx of women into the workforce. Some of the changes which have a fundamental impact on traditional industrial relations include the expanding service sector at the expense of the manufacturing sector in industrialised and rapidly industrialised countries more advanced and skilled workforces. The rapid influx into the workforce of women who will, in some countries, occupy more than half the emerging jobs an increasing number of people who will not be working in an organization, though they will be working for an organisation. The decreasing

number of people working under “permanent” contracts of employment, and the proliferation of other types of work arrangements such as part-time and temporary work, home work and contract work. Traditional Industrial Relations has been challenged to accommodate different types of employment contracts, and different types of pay systems to reward performance and skills (www.questia.com).

THE MANAGEMENT OF VIRTUAL TEAMS

Virtual Teams are about managing people at a distance using technology. This will be the office of the future. It would reduce the travel cost by up to 50% with huge gains in team productivity and morale. Virtual Teams are a high risk strategy unless corporations are committed and require investment in technology as well as in team training. It would mean maintaining close working relationships with colleagues in many locations, without the need for as many meetings as traditionally needed.

Senior officials are travelling twice as much now as they were two years ago. They are already spending up to 6 weeks a year at 35,000 feet. Virtual office eliminates the hassles of flying delays, taxis, hotels and jet lag. The model of team management followed by most organisations is completely unsustainable and will be a number one survival issue. Teams that can bridge the distance gap will win a clear competitive advantage, travelling less but with greater impact during each visit, backed up with regular video-conferencing, shared space technologies, chat, e-mail, telephone conference calls and other digital tools. One must forget about old-style video-links in board rooms and think wireless, everywhere, anytime. Video-links can start as spontaneously as a telephone call. Human resources, information technology, corporate real estate, all these areas need to think together about how teams of tomorrow can operate in the most efficient and human and sensitive way (The Financial Times 17 February 2003).

AN EVALUATION OF SELECTED INTERNATIONAL EXPERIENCES OF GLOBALISATION WITH RESPECT TO PUBLIC HUMAN RESOURCES MANAGEMENT

Managing people is one of the most critical aspects of organisational management in the 21st Century. No matter whether an organisation is public or private organisation, a non-profit, start-up company or mature business, employees are crucial to achieving objectives by attaining results and being successful. The activity once known as personnel and now more commonly described as human resources management is seen as a fundamental aspect of successful management. Human resources management focuses on the theory and practice of managing human resources.

Human resources management has become the dominant approach to people management in English-speaking countries. It should be emphasised that human resources management has not 'come out of nowhere'. There is a long history of attempts to achieve an understanding of human behaviour in the workplace. Throughout the 20th century and earlier, practitioners and academics developed theories and practices to explain and influence human behaviour at work.

This chapter discusses recent and ongoing ways in which the human resources management function is changing, perhaps more radically than ever before. The Human Resources function and its activities are being examined in microscopic detail in many large organisations. Human resources processes, especially those involving the collection and dissemination of information, are being computerised and automated, potentially eliminating routine administrative functions. Human Resources information and knowledge is being linked and integrated with other information systems by breaking down departmental barriers.

THE INFLUENCE OF PUBLIC HUMAN RESOURCES MANAGEMENT POLICIES AND PROCEDURES

Public Human resources policies are guidelines that an institution adopts in managing their human resources. Policies are dynamic and therefore have to fulfill the needs of the institution. Personnel policies are based on the values held in the institution about how its human resources should react to globalisation. This

is especially relevant since South Africa is now regarded a global player in the international arena. Personnel should possess skills and expertise to interact globally in order to function effectively and efficiently.

Since the world has become a global market place, the focus of public human resources management lies in the integration of the public human resources management strategy into the global strategy of the organisation or the institution (Nel, et al. 2004:6).

In order to address the demands of globalisation, governments must ensure that the social, economic, political and technological policies are aligned to global policies. This adjustment will enable countries to be globally competitive and meet the demand of the citizens. The aim of public human resources management is to contribute towards achievement of the goals of an institution and at assisting functional or operational managers to utilise and employ the resource, labour, in the most efficient and effective manner within the institution (Gerber, et al. 1992: 22).

The main problems facing the public service is that highly skilled personnel are being enticed away from the public sector to the private sector or internationally. In an effort to prevent this happening, public service departments should be focusing on management development. A large number of different measures should be introduced within the public service for example these include the introduction of a variable pay structure that links expected behaviour to performance and development programmes specifically for leaders of tomorrow. The jobs must be made challenging and stimulating in order to prevent personnel from leaving the country.

International human resources management is becoming ever more popular since organisations are finding that in order to survive; they must compete in international markets as well as fend off foreign competition (Noe, et al., 2000:8). It is in this light that strategic public human resources management is practiced more and more. Strategic human resources management is defined as public human resources management issues, functions and policies and practices that

result from the strategic activities of organisations that impact on the international concerns and goals of those enterprises (Brewster, et al. 2000:160).

Over the past few decades, there has been an increase in the way in which national governments co-operate with one another. National governments are developing beyond their national boundaries and forging international linkages and collaborations. Governments have also formed international organisations, e.g. the World Trade Organisation (WTO), within which they interact on global issues (Isaacs, 2002:14).

According to Penceliah & Moodley (2002:31) globalisation in “the public service is no longer isolated, but is part of transformation that necessitates government intervention if the Public Service has to be globally relevant”. It is evident that globalisation has widespread political, social and economic effects internationally. Therefore, it is inevitable that human resources management and its policies has to adapt globally to these dynamic circumstances. The public human resources policies and procedures should be amended or modified to accommodate global needs. Penceliah & Moodley (2002:32) further state that “governments have to rethink their nature role and functions given the changes in the global environment”.

Both public and private institutions are constantly exploring innovative methods to increase productivity and maximise profitability. Therefore, it is essential for their human resources to have the competitive edge of their competitors. The environment within which an organisation operates is dynamic. “External and internal forces are constantly changing the rules of the game and the organisation must amend or adapt new strategies to remain competitive” (Anthony, et al. 1999:3).

The public human resources must be developed to acquire knowledge, skills and attitude towards the job, in order to increase productivity. The impact of globalisation on public human resources management can be experienced in international trade, agriculture and mining, manufacturing, foreign direct

investment, new production technologies, communication, education and training, international labour markets, migration and skills transfer.

The South African government is collaborating with other countries at a global level. It is imperative for the public service and, in particular, its human resource management to be able to co-operate effectively and efficiently at an international level.

CHANGES IN PUBLIC HUMAN RESOURCES MANAGEMENT POLICIES

Public Human Resources processes have become more easily measurable. Concepts such as the high performance organisation and knowledge management offer Human Resources specialists the chance to push public human resource management to the fore. Public Human Resources processes and their outcomes are central to these concepts and the introduction of technology allows more exact methods of determining whether or not human resources initiatives do affect the 'bottom line' and shareholder value.

There is some cynical scepticism coming from Human Resource practitioners and academics, some of it associated with dogged technophobia, together with justifiable questioning of the methodology, rationale and, not least, the capabilities of the systems and concepts discussed. Public Human resources management has absorbed ideas and techniques from a wide range of these theories and practical tools. In effect, Public Human resources management is a synthesis of themes and concepts drawn from a long history of work, more recent management theories and social science research (Price, 2004:28).

The human relations and human factors approaches were absorbed into a broad behavioural science movement in the 1950's and 1960's. This period produced some influential theories on the motivation of human performance. Maslow's hierarchy of needs, for example, provided an individual focus on the reasons why people work. He argued that people satisfied an ascending series of needs from survival, through security to eventual 'self-actualisation'.

In the same period, concepts of job design such as job enrichment and job enlargement were investigated. It was felt that people would give more to an organisation if they gained satisfaction from their jobs. Jobs should be designed to be interesting and challenging to gain the commitment of workers - a central theme of public human resources management (Price, 2004:28).

SOUTH AFRICA'S COMPETITIVE POSITION

A country's international competitive position depends on a number of factors. Apart from the price of the product, factors such as the quality of the product delivered, customised products, on-time delivery, general good service to the customer, and movements in the exchange rate, all play a role. With regard to the latter, a depreciating currency, as South Africa has experienced in recent years, makes exported products less expensive and therefore more attractive to foreign buyers. The Labour Market Commission (1996:21) argues that the depreciation of the Rand has lowered South Africa's unit labour costs relative to those of its major trading partners.

However, a depreciating currency does not only have disadvantages, but also poses certain threats. For instance, it leads to higher import prices that might increase local inflation and wipe out any benefit of a depreciating currency. Taking account of various factors, South Africa's competitiveness position compares unfavourably some countries.

According to Meyer(1999:2), the field of Human Resource Development (HRD) has evolved so rapidly in South Africa and abroad that traditional training is under threat. Meyer (1999:24) observes that where traditionally, training was seen as a tool to give employees knowledge and skills to perform their work more effectively, this view is changing. Nowadays, Public Human Resource Development is used as an imperative to enhance competitiveness and is employed strategically.

WORLD COMPETITIVENESS: BENCHING SOUTH AFRICA AGAINST OTHER COUNTRIES

According World Economic Forum (2002) South Africa fares particularly poorly in terms of its international competitiveness. The competitiveness position of a country is determined according to 290 criteria of hard data as well as a survey is given a weighting of one-third in the final result.

In 2007 South Africa occupied the 34th position on a list of 75 countries. The United States of America, Singapore, China Hong Kong are rated among the highest, and Zimbabwe, Nigeria and Nicaragua the lowest. The report looks at performance in three broad areas: technology, public transport and macroeconomic environment.

Some of the strengths related to the market were the following:

- the extent of incentive compensation ;
- company spending on research and development;
- judicial independence, and
- social transfer recipients.

Some notable competitive disadvantages are:

- Tertiary enrolment;
- Inflation;
- cooperation in labour-employment relations;
- availability of scientists and engineers;
- quality of public schools;
- skills outflow or “ brain drain”;
- unemployment rate;
- hiring and firing practices;
- pay and productivity;
- employment rules, and
- union contributions to productivity .

COMPARISON WITH BENCHMARK COUNTRIES

This is expanded on by the Stanton Research Institute (SRI) international (1998). They compare South Africa with 11 benchmark countries, which were selected on the basis of a set of criteria such as similar economic structures and similar social conditions. The benchmark countries include among others Brazil, Egypt, Greece, Malaysia, Thailand and Mexico.

The following emerged from the survey:

- *Unemployment rate*: South Africa had the highest unemployment rate of all 11 countries.
- *Adult literacy rate*: South Africa ranked second from the bottom, only above Egypt.
- *Secondary school enrolment*: The country compared favourably and ranks fifth.
- *Tertiary school enrolment*: South Africa ranks near the bottom, just above Brazil.
- *Availability of skilled labour*: South Africa is ranked last.
- *Labour cost*: with regard to wage levels, South Africa is placed more or less in the middle among competitor countries. However, SRI International makes the point that when wages are adjusted for productivity, the country fares much more poorly. In fact, compared to other countries, labour accounted for the highest percentage of the total cost of manufacturing in South Africa.
- *Availability of competent senior managers*: South Africa ranked near the bottom.
- *Strike activity*: South Africa has the third highest level of strike activity, after Chile and Greece. In the latter countries, most disputes were in the public sector and the private sector experienced relative industrial peace.

It is hoped that some indicators would have improved in recent years, for instance tertiary school enrolment and strike activity. As regards the latter, however, the granting of the right to strike about retrenchment might result in an increase in strike activity in future years (www.weforum.org).

South Africa's competitive position is weakened by factors such as the shortage of skilled labour, the outflow of skilled workers, high unemployment, the education system (and various related indicators of poor human resource development), and a lack of flexibility and adaptability in the utilisation of labour.

THE IMPACT OF GLOBALISATION ON SOUTH AFRICA

Several decades of relative economic isolation meant that organisations in South Africa were ill-prepared to take advantage of the opportunities arising from trade liberalisation, while the potential adjustment costs were correspondingly high. Trade liberalisation has certainly resulted in a sharp increase in exports, especially in the manufacturing industry. Manufactured exports increased by an average annual nominal rate of more than 10% between 1990 and 1994 and this already high growth rate was much higher in the period thereafter, i.e. after trade sanctions were lifted.

However, as far as employment in particular is concerned, trade liberalisation did not have the positive effect that might have been expected on the basis of good export performance or from the post-war experience of East Asia (Natrass, 1998:3).

One of the reasons is that South Africa's trade liberalisation initiatives have been relatively recent and the effect of employment takes years to materialise. Another reason for the fact that employment has not been affected positively is the changing nature of global competition, which in recent years had been much more intense than before. There is much greater competition in the trade in low wage, labour-intensive products. A further reason has to do with the structural shift that took place in South Africa towards capital-intensive sectors, partly as a result of trade liberalisation (Natrass(1998:14)

Trade liberalisation might therefore have contributed to the weak employment performance in South Africa over the last few years. However, the ILO maintains that this impact is probably relatively small (Hayter, et al., 2001:63). On the other

hand, Nattrass(1998:14) argues that the impact on unskilled employment could have been relatively large.

RECOMMENDATIONS AND CONCLUDING REMARKS

Recommendation 1

In order for South Africa to be internationally competitive, it is essential for the human resources of the South African Public Service to be trained and developed to be globally relevant. Staff should be trained to handle issues on a global scale.

Recommendation 2

All personnel should understand and relate to the varied international cultures. Understanding the diverse cultures ensures that the human resources manager, in particular, understand why staff behave in a certain manner.

Recommendation 3

Public institutions should have the flexibility to respond to complex and rapidly changing global circumstances. Governmental departments must adapt to the needs of the community in order to provide a global type of service delivery.

Recommendation 4

Ownership of public goods and service delivery should be pulled out of the bureaucracy into empowered communities. Communities have more commitments to their members than goods and service delivery have to the citizens.

Recommendation 5

Competition should be injected into goods and service delivery;
Government should be mission-driven, and rules-driven organisation should be transformed

Recommendation 6

The current challenges of governmental department such as global competition and socio-economic development brings new dimensions to workplace training and development.

Top management should become more and more interested in the contribution of education and training from the bottom line of the organisation. Training must be perceived by government as an investment, which must be measured against service delivery. It is argued that since training competes for a department's resources with other investment means, it needs to offer a greater productivity improvement than alternative uses of other resources. Therefore, like any other form of investment, training can only be seen as a net contributor to improved efficiency, if it leads to an enhancement of government's performance.

Recommendation 7

The greater awareness of government to ensure that training budgets become integrated with the critical operations. This will poses a totally new challenge to human resources managers and their teams. Instead of only perceiving their task of equipping employees with knowledge and skills in a classroom environment, human resources managers are compelled by the new emphasis to work much closer with operating managers.

Recommendation 8

Development should be aimed at employees serving in a managerial capacity or preparing them for managerial posts within an organisation

Managers must keep abreast of new developments in technological, economic, political, legislative and social fields as well as personnel-management practices. It should focus on developing people for tomorrow's needs of the government.

Development is a process whereby managers obtain the necessary skills, experience and is a continuous process to update managers in particular regarding technological, economic, political, legislative and other human resources practices to obviate becoming obsolescent

Recommendation 9

It is recommended that staff members' performance to be exhibited before they are considered competent and this will ensure effective and efficient public service delivery.

Recommendation 10

Benefits of training and development to an organisation:

- Various benefits accrue for the organisation, the individual and human relations

Benefits for the organisation are for example:

- It would create a better corporate image
- Provides information for future needs in all areas of the organisation
- Improves labour management relations

- **Benefits for the individual are for example:**

- Helps the person handle stress, tension, frustration and conflict
- Increases job satisfaction and recognition

- **Benefits in human relations, intra- and inter- group relations and policy implementation :**

- Improved interpersonal skills
- Improved morale

Recommendation 11

The training of supervisors in South Africa

- They should be responsible for carrying out policy and achieving the objectives of management
- They thus form a link between higher level management and lower level employees
- Their job comprises two parts namely supervisory work which deals with training, organising, directing, and controlling, and technical work which covers everything else
- Various means exist to determine as to whether they do their work adequately according to the Institute of People Management
- **The training of supervisors could cover the following:**
- Understanding and implementation of the organisation's policy and rules

- Human resources policy
- Employment relations
- Inter-group conflict in the work situation
- Interpersonal contact and social interaction

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**TOPIC: “THE IMPACT REGARDING THE LACK OF ACCOUNTABILITY AND
TRANSPARENCY IN THE SOUTH AFRICAN GOVERNMENT’S
PROCUREMENT AND TENDER PROCESSES”.**

ABSTRACT

This paper examines the impact regarding the lack of accountability and transparency in the South African government's procurement and tender processes.

The main problem emphasised in this paper is that the current control mechanisms such as the legislations, rules and regulations pertaining to accountability and transparency in the South African public service, are either ignored or disregarded by certain public officials, which impact negatively on good governance and public service delivery. Although the government of the day is endeavouring to embark on curbing corruption and mal-administration by ensuring that there are adequate checks and balances, the problem still persists.

Currently, there are several cases of procurement and tender irregularities and allegations of fraud because the procurement processes were not adhered to. Consequently, public service delivery is being hampered negatively at the expense of taxpaying citizens.

Hence, it is imperative in order to achieve, maintain and enhance an effective and efficient public service delivery system, cutting-edge control mechanisms and practices must be implemented to ensure that a fair and just procurement and tender process prevail.

The objective of this paper is to explore the deficiencies in respect of accountability and transparency in the procurement and tender processes and to provide a set of control mechanisms and recommendations on how to overcome the challenges regarding the lack of accountability and transparency in the South African government's tender process which would result in effective and efficient public service delivery.

Keywords: accountability, transparency, procurement, tender processes, control mechanisms, public service delivery.

THE IMPACT REGARDING THE LACK OF ACCOUNTABILITY AND TRANSPARENCY IN THE SOUTH AFRICAN GOVERNMENT'S PROCUREMENT AND TENDER PROCESSES

BY PETER VEERAN

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Although the government of the day is endeavouring to embark on curbing corruption and mal-administration by ensuring that there are adequate checks and balances, the problem still persists. Why?

Currently, there are several cases of procurement and tender irregularities and allegations of fraud because the procurement processes were not adhered to. Consequently, public service delivery is being hampered negatively at the expense of taxpaying citizens.

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▶ **Accountability**

- ▶ Where a Public Manager is obliged to give an explanation or account of his/her actions and decisions regarding the use of money entrusted to his or her care (Marx, 2004:169).

▶ **Transparency**

According to Chapter 10 of the SA Constitution, transparency must be fostered by providing the public with timely, accessible and accurate information

- ▶ Procurement is the acquisition of goods and/or services. It is favourable that the goods/services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time, and location.

Procurement in government provides a critical support that enables the government institutions to acquire goods and services, which government is not in a position to produce and supply for the benefit of its citizens through public service delivery programmes.

▶ **Tender:**

- ▶ Tender is an offer in writing to carry out work, which has been specified in details by a client or customer. The offer quotes a fixed price, which will be charged for rendering services after the offer has been approved by the client/customer.

▶ **Corruption**

It is fraudulent activities which are normally done by those in power e.g. Political Office Bearers, Public Officials etc.

- ▶ Giving bribes to satisfy their own needs.

Using government materials for self-benefits but not for the set objective **e.g.** using government material to build your own house.

- ▶ **Mismanagement**

- ▶ Mismanagement refers to managing carelessly, inefficient, misdirection etc. It all has to do with Managers that accomplish little or nothing when they have to produce results due to their mismanagement.

- ▶ **Irregularities**

- ▶ Irregularities refer to a situation where the set rules, laws and guidelines have not been followed. Even though there are set rules but people still do the opposite of what is expected from them and it is usually against the law or set rules or guidelines

- The Constitution of the Republic Of South Africa Act 108 of 1996:
- Public Finance Management Act 1 of 1999 (PFMA)), 1999 (Act No. 1 of 1999) (As amended by Act No. 29 of 1999):
- State Tender Board Act 86 of 1968:
- Municipal Finance Act 56 of 2003 (MFMA):

- ▶ The Municipal Systems Act, 2000 (Act No. 32 of 2000) No. 1187 2000

Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA):

- ▶ Reported in March 2005, a charge against Intaka Company owned by a business man named Gaston Savoi was charged of corruption. Charges were about him winning corrupt hospital deals in the province worth tens of millions of Rands for the supply of water-purification plants and oxygen machines to hospitals.
- ▶ Preliminary Investigations currently by the Special Investigation Unit (SIU) reported the following:

Uncovered massive fraud in the SAP and the Department of Public Works which estimated to have costs taxpayers about R330 million and R450 million respectively.

- ▶ Tshwane Metro, where 65 officials are believed to have fraudulently approved procurement valued at more than R480 million and the Ekurhuleni Metro where ten waste management contracts worth more than R500 million are under investigation.

At the SABC, business deals between the public broadcaster and its own staff which are believed to be involved in fraud and corruption of R2.4 billion

- Political Office Bearers most of the time fails to declare their business interest
- Public Servants business interest which is for own self-benefit.
- There is no political will to rule out corruption in all spheres of government, specifically the facilitators of tenders.
- Unethical conduct and greediness of certain individuals.

Cadre deployment within the government sphere.

- ▶ The poor workmanship **i.e.** Government provides funds for houses to be built and yet houses, which are built are falling or walls cracking, therefore this leads to another unnecessary expenditure.
 - Increasing social problems i.e. if there is no water, people's health will be affected and that also creates a burden for another department etc.
 - South African citizens' trust and confidence to the government has been demoralized.

Government Departments' annual performance plan has the same objectives most of the time and this is simply because they always have to redress, instead of attending to other social needs.

- ▶ Tighten laws regarding the accountability of the officials.
 - Enhancing compliance monitoring and improving transparency and accountability in supply chain management.
 - Enforce verification of companies that are doing business with government.

Encourage the use of modern information and communication technology.

- Ongoing training and development of personnel dealing with procurement, or any other public money within the government sphere.

The contractor should have penalty clause covering any possible failure on the part of the successful bidder to meet the term of the tender

- ▶ Monitoring and evaluation of the project from start to finish-to be more radical robust
- ▶ Checks and balances during the procurement processes in terms of the rules and regulation-Enforcement.

Independent body to oversee the tender process-to administer proper procedures are adhered to.

- ▶ Public Servants must embrace the “Batho Pele” principles” especially when it comes to value for money. Value for money is the core principle underpinning public procurement and incorporating with their ethical behaviour.
- ▶ Public Protector must be afforded more power.
- ▶ No political interference to cover the crime.

Penalty and sentencing more severe to deter future cases

THANK YOU.

ANNEXURE D

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THE IMPACT OF GLOBALISATION ON HUMAN RESOURCE MANAGEMENT POLICIES AND PROCEDURES IN THE SOUTH AFRICAN PUBLIC SERVICE

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ABSTRACT

Globalisation exercises a significant impact on public human resource management policies and procedures in the South African public service. The driving forces of globalisation have affected public human resource management to a large extent, for example, the impact of technology demands different skills and competencies from public officials on all levels. This article examines the impact of globalisation on public human resource management policies and procedures in the South African public service. The focus is on selected national government departments in South Africa. The main problem emphasised in this paper is that the current training and development mechanisms in the South African public service do not take due cognisance of the significance of the influence of globalisation on local public human resource management, including training to equip public officials to interact internationally effectively and efficiently. There is a need for achieving, maintaining and enhancing public service delivery systems as well as implementing cutting-edge human resource management theories and practices for globally competitive human resource management. This article provides a set of recommendations on how to overcome the challenges of globalisation and the impacts thereof on public service delivery from a public human resource management perspective.

INTRODUCTION

The main normative function of public human resource management is to ensure the provision, training, utilisation and maintenance of sufficient numbers of competent, dedicated, committed public service personnel with an impeccable work ethic and who are responsible for effective, efficient and community-oriented public service delivery. If the training function is neglected, the nature of public service delivery will be deficient and counter-productive to achieving the general welfare, as the ultimate objective of public service. In this context, the management and utilisation of public human resources in a globalised setting poses a challenge.

Since governments are collaborating at a global level for improved public service delivery, the public service is obliged to co-operate effectively and efficiently on an international level, in order to comply with the normative principles contained in section 195 of the *Constitution of the Republic of South Africa*, 1996 as well as with the eight *Batho Pele* principles for community-oriented public service delivery. The following are the principles: consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money. The successful implementation of the normative criteria as stipulated in the *Constitution* and in the *Batho Pele* principles has to be preceded by the acquisition by public officials of relevant and applicable skills (Mhone & Edigheji, 2003:78).

Public human resource management is a dynamic field and has been evolving rapidly over the past decades. This paper focuses on the impact of globalisation on human resource management policies in the South African Public Service. In particular, the paper examines the existing human resource management policies as well as the practices of the South African public service against the background of the global community and globalisation (Coetzee, 2001:520).

Public human resource management is confronted with the challenge to fill senior and high profile positions, especially in the field of financial management in the public sector and, in that context, has to accomplish a strategic role in the success of the public service. Institutions that do not place particular emphasis on attracting and retaining talent will find themselves facing dire consequences, as talented staff may leave and be absorbed in the private sector or go abroad. In the light of this situation, heads of departments in the public service strategically manage their human resources. The scarcity of skills, locally and globally, forces institutions to become more adaptable, resilient, agile and community-focused in order to provide effective and efficient service delivery. The public human resource practitioner has to adapt to become a strategist in the institution (Mhone & Edigheji, 2003:90).

Public human resource management is changing from being a local activity into a global function. The future role of public human resource management as intellectual capital is becoming the main generator of wealth for both individuals and the government. In this context, the South African public service has embarked, currently, on transforming its public human resource management systems to cope with the changing environment in order to fulfil the staffing needs. Some of these public human resource management functions include improving of service delivery, recruitment, selection, induction, orientation, mentoring, coaching, education, training, development, labour relations, employment equity and employment assistance programmes (EAP). Service delivery has always been the *raison d'être* of the public service in a democratic dispensation.

On the one hand, there is a need for higher academic skills and increasing technological expertise to respond to the demands of this increasingly technology driven world, yet, on the other hand, there is a need for more broad-based

management of training, which would assist to develop a variety of skills such as customer care, financial management, procurement and logistics, labour relations, project management and general management. There is a growing shortage of the abovementioned skilled labour in all sectors of the public service because of the inadequacies of on-the-job training, off-the-job training or job enrichment programmes which makes it difficult to attract and retain qualified personnel (Coetzee, 2001:425).

The demise of apartheid and the advent of political democratisation in South Africa have resulted in trading and the opening of diplomatic relationships with countries that previously avoided this country. In the light of this development, South Africa is confronted with the challenges of globalisation, in particular human resource management. It is essential for employees in the public service to possess skills and expertise such as customer care, financial management, procurement and logistics, labour relations, project management and general management, in order to cope with the demands of globalisation in order to provide effective and efficient public service delivery.

PROBLEM STATEMENT

The main problem researched is that the management of training and development in the South African public service does not adequately meet the training needs of the current demographically diverse staff component to equip it with necessary skills for effective and efficient service delivery against the background of the global community and its concomitant globalisation.

The following sub-problems are derived from the main research problem:

- The above problem causes, inter alia, an inability to adapt to changing strategic public human resource management needs from a national and international perspective.
- The problem of lack of knowledge and understanding by public officials of globalisation results in an inability to effectively and efficiently manage and execute national and international human resource management trends, a needed skill for achieving, maintaining and enhancing cutting-edge human resource management theories and practices for globally competitive human resource management.

OBJECTIVES OF THE RESEARCH

The main objectives of the paper are:

- to determine the impact of globalisation on public human resource management in the South African public service;
- to examine selected administrative and management structures responsible for public human resource policies and procedures on training and devel-

- development in the South African public service;
- to understand how public human resource departments in the South African public service are adapting to dynamic changes in the field of public human resource management nationally and internationally;
- to ascertain which public human resource management functionalities focus on normative foundations of public administration, public accountability, deference to labour, human rights and ethical standards;
- to determine the level of understanding of public human resource management in terms of globalisation; and
- to propose a set of recommendations.

CONCEPTUAL ANALYSIS OF GLOBALISATION

According to the International Labour Organisation of the United Nations, 'Globalisation is defined as a process of growing interdependence between all people of this planet. People are linked together economically and socially by trade, investments and governance by market liberalisation and information, communication and transportation technologies'.

The integration of markets, nation-states and technologies enables an individual, corporations and nation-states to reach around the world farther, faster, deeper and cheaper than ever before and also to enable the world to reach into individuals, corporations and nation-states farther, faster, deeper and cheaper. Globalisation is defined as a concept which refers both to the compression of the world and the intensification of consciousness of the world as a whole (Guinness, 2003:2).

Globalisation can be described as a continual exchange of economic, cultural and social elements across the world. These exchanges provide economic trade and this in turn spurs on cultural awareness and increases social interaction globally. Globalisation often has a more economic definition especially because of the melting pot of trade between different countries. This international market is characterised by foreign investment, capital monetary flows between countries, technology and labour migration.

The phenomenon of globalisation has captured the world attention in various ways. This is the information super-highway to international trade. The subject of globalisation has come to concern all and sundry. The core of most discussions of the issue is the extraordinary explosion of both technology and information, in ways that have considerably reduced the twin concepts of time and space. In particular, information and communications technology (ICT) has emerged as perhaps the most dominant force in the global system of production, albeit with significant ramifications in all other spheres of contemporary human existence. The rate of technology change in moving goods and services and knowledge cheaply and rapidly across the nations has continued unabated and to the extent of even accelerating (Bhagwati, 2004:10).

Too much has been made of the phenomenon of globalisation in its economic dimensions while recognising the contribution of ICT and the attendant forces of the global economy to the emergence of globalisation. There is a new ethos about the economic dimensions of globalisation that exalts above all other human values or phenomena, indeed even above the basic condition of human beings themselves. The globalisation of markets and manufacturing has vastly increased international competition. Production is becoming globalised too, as manufacturers around the world put manufacturing facilities where products are produced cheaply. South Africa's punitive legislation has impacted negatively on South Africa, as manufacturers transfer their manufacturing to India, Indonesia or China (Cronje, Du Toit & Motlatla, 2000:59).

It is essential to grasp the different motivating forces that are impelling these developments aside from the purely economic because of globalisation's multi-faceted nature, and also to recognise the different directions from which they are coming. Globalisation can come in the form of multinational firms, international capital flows and world markets. Intrinsic to this form of globalisation is a growing legal and institutional framework within which the regimes of contemporary international trade, finance and investment are being conducted. Another form of globalisation can be in the form of environmental, women's and anti-nuclear movements or human rights struggles. The human rights movement has long laid claim to a universalising or a globalising mission.

This is evident in the assertion that the regime of rights and freedoms established through the Universal Declaration of Human Rights and the numerous other instruments that have since been promulgated in the same spirit extend beyond the arena of purely national concern. Globalisation can be brought down from the rarefied and glorified atmosphere of corporate boardrooms to the daily realities of ordinary human beings. It can help them mobilise in resistance against the hegemonising tendencies that globalisation may present.

Cronje, Du Toit and Motlatla (2000:77) state that globalisation refers to the widening and deepening of international trade, finance, human resources, information and culture in a single integrated world market. The aim of globalisation is to produce the best outcome for all as regards economic growth and human welfare.

According to Bhagwati, (2004:11), the following are some of the main features of globalisation:

- trade liberalisation;
- increasing and changing patterns of financial flows;
- cheaper and quicker transport;
- the growth in the size and power of corporations; and
- impressive advances in new technology, in particular, information and communications technology.

Generally, these processes are evolving, partly through their own dynamism and partly through the implementation of international, regional and national rules, standards and policies, in particular, the rules of the World Trade Organisation (WTO), the policies of the International Monetary Fund (IMF) and the World Bank. Fundamentally, globalisation is the closer integration of the countries and peoples of the world which has been brought about by the enormous reduction of costs of transportation and communication, and the breaking down of artificial barriers to the flow of goods, services and capital, knowledge and people across borders.

Figure 1: National Government of South Africa in relation to global partners

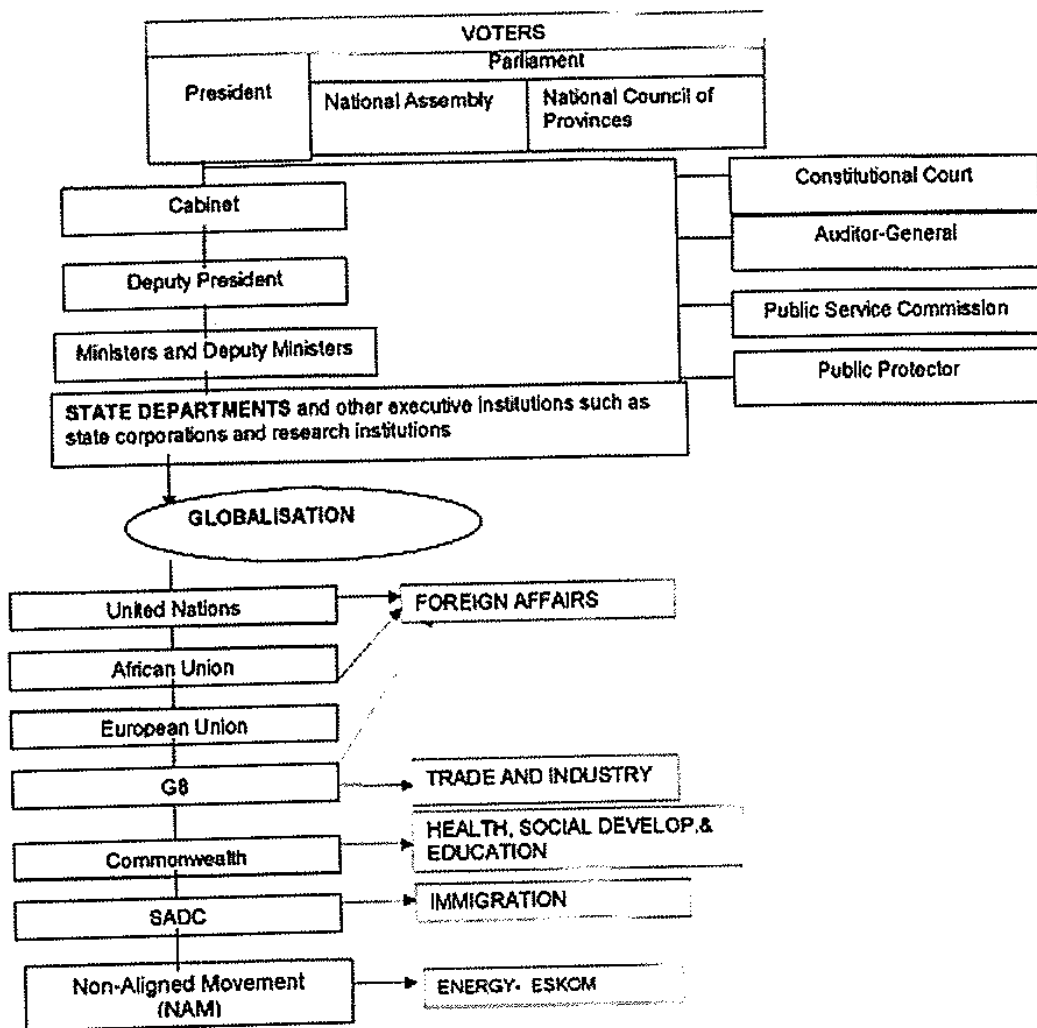


Figure 1 explains the various interfaces where the South African government departments interact with global institutions and partners such as the Department

of Trade and Industry with G8 countries, the Departments of Foreign Affairs, Immigration and Public Service and Administration with the United Nations. SADC interacts with the Department of Energy and Eskom in respect of power generation. The European Union interacts with the Department of Trade and Industry with regards to trading.

GLOBALISATION, HUMAN RESOURCE DEVELOPMENT AND PUBLIC SERVICE REFORM

Globalisation has shifted the levels of standards and expectations in various aspects of life, including that of human resources. Academic and training institutions have to produce a populace with the relevant knowledge, values, skills and experience that would enable them to compete with other individuals in the global market. The public service system is not spared from the competition, as it must likewise be able to provide packages and compensation that would appeal to eligible and competent individuals, providing room for career options and professional growth, highlighting the value of working with government, supported with a fair and consistent performance evaluation mechanism and a realistic compensation scheme. Human resource development is the process of skills development within work organisations, in order to suit overall organisational strategic objectives. It represents a considerably more bottom line driven approach to skills development than traditional organisational training initiatives (Coetzee, 2001:526).

There is a widespread consensus among politicians and commentators both within developing and developed countries that training and development should be encouraged. Human resource development represents training and development specifically geared to the bottom line to developing skills aimed at ensuring the survival and growth of individual work organisations. A government that does not take a proactive stance in facilitating such training and development initiatives will find itself lacking in skills to provide an effective and efficient service delivery.

The significance of human resource development and globalisation

The competitive advantage of a company depends on some basic factors: technology, the degree of protection, access to financial resources, economies of scale, and the nature and composition of the work force. Countries can no longer rely on a secure place in the market simply on account of possessing a technological edge. As the life cycles of products shorten, companies can no longer count on economies of scale, as success depends on being able to profit from short product runs.

According to Coetzee (2001:527), in the South African context, these pressures are particularly accentuated, as organisations face the immediate challenge of moving beyond the comfortable practices of the past engendered by a closed market and an overly interventionist state. The current crisis of competitiveness has resulted in South African organisations being more aware of the need to experi-

ment with more flexible techniques of work organisation. South African managers often underrate the pressures of globalisation and are reluctant to invest too much on employee development.

Countries have embarked on a thorough re-evaluation of the role, structure and functions of the state in general and human resource management and development in particular. This has been in response to a number of factors including the growing impact of global markets and competition, the trend towards 'knowledge workers', multi-skilling and multi-tasking and the growing pressure for equal opportunities in employment (Du Toit *et al.*, 2002:165).

In order to survive in the harsh global environment, organisations have to use all the resources at their disposal in an effective manner. The need for affirmative action, given both social and legislative pressures, makes it critically important that organisations give particular attention to developing their internal human capacities through both skills and development and stable employment policies. Countries can enhance their competitiveness and ensure success in the global realities. The development of human resources is seen as equipping those whose existing skills are surplus, redundant or lacking in the first place. Training should be part of an ongoing process in order to maintain an effective workforce. There has been a global trend towards the integration of employment and training. Training has often tended to be job specific with limited transferability between employers (Coetzee, 2001:528).

Changes in public human resource management policies

Public human resource processes have become more easily measurable. Concepts such as the high performance organisation and knowledge management offer Human Resource specialists the chance to push public human resource management to the fore. Public human resource processes and their outcomes are central to these concepts and the introduction of technology allows more exact methods of determining whether or not human resource initiatives do affect the 'bottom line' and shareholder value (Price, 2004:27).

There is some cynical scepticism coming from human resource practitioners and academics, some of it associated with dogged technophobia, together with justifiable questioning of the methodology, rationale and, not least, the capabilities of the systems and concepts discussed. Public human resource management has absorbed ideas and techniques from a wide range of theories and practical tools. In effect, public human resource management is a synthesis of themes and concepts drawn from a long history of work, more recent management theories and social science research. The trend with the human resource management policies has been globally adapted based on the increased integration of national economics into the global economy through trade and investment rules (Nel *et al.*, 2005:27).

Globalisation dominates the competition horizon. The concept is not new, but the intensity of the challenge to get on with it is. Globalisation entails new markets, new products, new mindsets, new competencies and new ways of thinking about

business. As the world becomes smaller through telecommunication, travel, information, ideologies and partnerships, the global village is not the horizon, it is here (Meyer & Botha, 2004:110).

The human relations and human factors approaches were absorbed into a broad behavioural science movement in the 1950s and 1960s. This period produced some influential theories on the motivation of human performance. Maslow's hierarchy of needs, for example, provided an individual focus on the reasons why people work. He argued that people satisfied an ascending series of needs from survival, through security to eventual 'self-actualisation'. In the same period, concepts of job design such as job enrichment and job enlargement were investigated. It was felt that people would give more to an organisation if they gained satisfaction from their jobs. Jobs should be designed to be interesting and challenging to gain the commitment of workers which is a central theme of public human resource management (Price, 2004:28).

SOUTH AFRICA 'S COMPETITIVE POSITION

A country's international competitive position depends on a number of factors. Apart from the pride of the product, factors such as the quality of the product delivered, customised products, on-time delivery, general good service to the customer, and movements in the exchange rate, all play a role. With regard to the latter, a depreciating currency, as South Africa has experienced in recent years, makes exported products less expensive and therefore more attractive to foreign buyers. The Labour Market Commission argues that the depreciation of the rand has lowered South Africa's unit labour costs relative to those of its major trading partners. However, a depreciating currency does not only have disadvantages, but also poses certain threats. For instance, it leads to higher import prices that might increase local inflation and wipe out any benefit of a depreciating currency. Taking account of various factors, South Africa's competitiveness position compares unfavourably to that of some countries (Mohamad, 2002:7).

According to Meyer (2004:2), the field of Human Resource Development (HRD) has evolved so rapidly in South Africa and abroad that traditional training is under threat. Meyer (2004:24) observes that where traditionally training was seen as a tool to give employees knowledge and skills to perform their work more effectively, this view is changing. Nowadays, Public Human Resource Development is used as an important imperative to enhance competitiveness and is employed strategically.

WORLD COMPETITIVENESS: BENCHMARKING SOUTH AFRICA AGAINST OTHER COUNTRIES

According to the World Economic Forum of 2002, South Africa fares particularly poorly in terms of its international competitiveness. The competitiveness position of a country is determined according to 290 criteria of hard data as well as a survey giving a weighting of one-third in the final result.

In 2007 South Africa occupied the 34th position in a list of 75 countries. The United States of America, Singapore, China Hong Kong are rated among the highest, and Zimbabwe, Nigeria and Nicaragua the lowest. The report looks at performance in three broad areas: technology, public transport and macro-economic environment.

Some of the strengths related to the market were the following:

- the extent of incentive compensation;
- company spending on research and development;
- judicial independence, and
- social transfer recipients.

Some notable competitive disadvantages are:

- tertiary enrolment;
- inflation;
- cooperation in labour–employment relations;
- availability of scientists and engineers;
- quality of public schools;
- skills outflow or ‘brain drain’;
- unemployment rate;
- hiring and firing practices;
- pay and productivity;
- employment rules; and
- union contributions to productivity.

Globalisation is the integration of business activities across geographical and organisational boundaries. It is the freedom to conceive, design, buy, produce, distribute and sell products and services in a manner which offers maximum benefits to the firm without regard to the consequences for individual geographic locations or organisational units (Kirkbride, 2001:14).

THE IMPACT OF GLOBALISATION ON SOUTH AFRICA

Several decades of relative economic isolation meant that organisations in South Africa were ill-prepared to take advantage of the opportunities arising from trade liberalisation, while the potential adjustment costs were correspondingly high. Trade liberalisation has certainly resulted in a sharp increase in

exports, especially in the manufacturing industry. Manufactured exports increased by an average annual nominal rate of more than 10% between 1990 and 1994 and this already high growth rate was much higher in the period thereafter, that is, after trade sanctions were lifted (Bennett, Jooste, & Strydom, 2005:177).

However, as far as employment in particular is concerned, trade liberalisation did not have the positive effect that might have been expected on the basis of good export performance or from the post-war experience of East Asia. One of the reasons is that South Africa's trade liberalisation initiatives have been relatively recent and the effect of employment takes years to materialise.

Another reason for the fact that employment has not been affected positively is the changing nature of global competition, which in recent years has been much more intense than before. There is much greater competition in the trade in low wage, labour-intensive products. A further reason has to do with the structural shift that took place in South Africa towards capital-intensive sectors, partly as a result of trade liberalisation.

Trade liberalisation might therefore have contributed to the weak employment performance in South Africa over the last few years. However, the ILO maintains that this impact is probably relatively small. However, the impact on unskilled employment could have been relatively large (Mohamad, 2002:27).

RECOMMENDATIONS AND CONCLUDING REMARKS

Recommendation 1: Training and development

In order for South Africa to be internationally competitive, it is essential for the human resources of the South African Public Service to be appropriately trained and developed to be globally relevant. Staff should be trained to handle issues on a global scale. The current challenges, such as global competition and socio-economic development facing governmental departments, bring new dimensions to workplace training and development.

Top management should become more and more interested in the contribution of education and training from the bottom line of the organisation. Training must be perceived by government as an investment, which must be measured against service delivery. It is argued that since training competes for a department's resources with other investment means, it needs to offer a greater productivity improvement than alternative uses of other resources. Therefore, like any other form of investment, training can only be seen as a net contributor to improved efficiency if it leads to an enhancement of government's performance.

Recommendation 2: Understanding diverse cultures

It is also important for all personnel to understand and relate to the varied international cultures. Understanding the diverse cultures ensures that human resource

managers, in particular, can understand why staff behave in a certain manner and to interact effectively with their international counterparts. Understanding other countries' culture will improve communication.

Recommendation 3: Flexibility to respond to situations

Public institutions should have the flexibility to respond to complex and rapidly changing global circumstances. Governmental departments must adapt to the needs of the international community in order to provide a global type of service delivery.

Recommendation 4: Take ownership of goods and service delivery

Ownership of public goods and service delivery should be pulled out of bureaucracy into empowered communities. Communities have more commitments to their members than goods and service delivery has to the citizens. Public servants must take ownership of goods and service delivery which will result in effective and efficient service delivery.

Recommendation 5: Competition should be mission- and not rules-driven

Competition should be injected into goods and service delivery to attain global status. Government should be mission-driven, and rules-driven and organisations should be transformed. In other words, objectives must be set and attained timely and bureaucracy should be reduced or eliminated to reach targets.

Recommendation 6: Greater awareness of training budgets

There must be greater awareness by government to ensure that training budgets become integrated with critical operations. This will pose a totally new challenge to human resource managers and their teams. Instead of only perceiving their task to be equipping employees with knowledge and skills in a classroom environment, human resource managers are compelled by the new emphasis to work much closer with operating managers at an international level.

Recommendation 7: Development of managerial employees

Development should be aimed at employees serving in a managerial capacity or preparing them for managerial posts within an organisation. Managers must keep abreast of new developments in technological, economic, political, legislative and social fields as well as human resource management practices. It should focus on developing people for government's needs of tomorrow. Development is a process whereby managers obtain the necessary skills and experience and is a continuous process to update managers in particular regarding technological, economic, political, legislative and other human resource practices to obviate becoming obsolescent.

- They should be responsible for carrying out policy and achieving the

objectives of management.

- They thus form a link between higher level management and lower level employees.
- Their job comprises two parts, namely, supervisory work which deals with training, organising, directing and controlling, and technical work which covers everything else.
- Various means exist to determine whether they do their work adequately according to the Institute of People Management.

The international training of supervisors could cover the following:

- Understanding and implementation of the organisation's policy and rules;
- Human resources policy (locally and internationally);
- Employment relations (locally and internationally);
- Inter-group conflict in the work situation; and
- Interpersonal contact and social interaction.

Recommendation 8: Demonstration of performance

It is recommended that staff members' performance to be demonstrated before they are considered competent locally and internationally and this will ensure effective and efficient public service delivery internationally.

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