6. ORGANISATION STRUCTURES AND RELATED ISSUES

6.1 Organisational structures define how work or tasks are organised and allocated. They are the vehicles through which organisations can determine where jobs should be placed in a hierarchy, define pay levels and the scope for pay progression and provide the basis on which relativities should be managed. Most of the Public Sector structures resemble a pyramid which get wide as we move down. They are predominantly organised by functions with a hierarchy of personnel. As organisation structures in the public sector occupy a key role in government processes, they have an impact on public policy development. Hence, an overall review exercise provides an opportunity for organisations to revisit their existing structures to make them more responsive to their mission, vision, objectives and customers' expectations.

6.2 The Bureau reports upon Public Sector organisations which comprise Ministries/Departments, Parastatal and Other Statutory Bodies, Local Authorities, Rodrigues Regional Assembly and Private Secondary Schools.

6.3 Currently, the Public Sector employs around 87000 employees who are regrouped in more than 3000 grades encompassing employees from the Workmen's Group to the Secretary to Cabinet and Head of the Civil Service. Most of the Organisational Units of the Public Sector like in the Civil Service follow a hierarchical structure where the chain of command is clearly defined and enforced.

Recommendations of previous PRB Reports

6.4 In its previous Reports, the Bureau recommended flatter/lean structures for effectiveness and improved efficiency. Some structures were streamlined and levels merged, while a few specialised Units were created only for meeting functional requirements and ensuring organisational effectiveness. Polyvalent grades were created for greater flexibility and functional mobility of staff. Additionally, the Bureau recommended the setting up of a Standing Committee on organisational design and redefined its composition and terms of reference together with a framework as a guide for better organisation design and delivery of service. Guidelines for creation of grades were also provided.

Submissions received

6.5 In the context of this review, Management of organisations were requested to make submissions on re-engineering/structural change including, among others, delayering, merging of grades, multi-skilling, creation of additional levels, re-definition of job specification/enlargement/enrichment and restyling of posts which may enable an organisation to have a fit-for-purpose structure to deliver on its mandate more efficiently and effectively.

6.6 The Ministry of Public Service, Administrative and Institutional Reforms (MPSAIR), canvassed for the structuring of lean and flat structures in organisations and for a reclassification of existing grades to expedite decision-making and enable prompt delivery of services while eliminating inherent bureaucracy bottlenecks.

6.7 Other representations made mainly pertain to creation of additional levels, merging of grades for career earnings, demerging of combined positions to restore seniority, supervision and abolition of existing grades against creation of new ones. Moreover, requests were also made for appellation of grades to be more attuned with the nature and level of duties performed. Similar demands were also made by the staff side.

Views of the Bureau on proposals made

Restyling of Grades

6.8 The Bureau has analysed the submissions of all parties and considers that the purpose of restyling a job appellation is to convey an immediate understanding and identification of the work devolving upon incumbents in a particular grade. A few appellations have been reviewed in cases where there was need to identify the job performed. However, the Bureau has refrained from restyling some grades where it was found to have grading implications and/or no nexus with the duties and responsibilities associated with the posts.

6.9 We have also noted with much concern that a few grades have been restyled in the Civil Establishment Order (CEO) or by Management of a few Parastatal Bodies/Local Authorities, without following the appropriate procedures. Consequently, such situations have given rise to internal imbalances in the present structures. A restyling of grades is only considered in the wake of a general review or acceded to with the approval of the High Powered Committee (HPC). **Hence, we hold that all requests for restyling of grades and the reasons thereof should be submitted to the Bureau for consideration through the parent Ministry and the MPSAIR. The latter being the sole authority for updating the CEO, should ensure that the appellations of grades are strictly in accordance with our recommendations or as approved by the HPC.**

Merging of Grades

6.10 As regards the merging of levels, the Bureau views that this may be done with consensus of all stakeholders, where there is considerable overlapping of duties and accountabilities with no close or purposeful supervision. **Merging of grades in a hierarchy should be consistent with the functional needs and organisational requirements.**

Creation of grades

6.11 In the context of this review exercise, we have received a number of representations for the creation of grades. At times, such demands were premised on the expectation of obtaining a promotion or an upgraded salary. It is to be highlighted that grades are created based on functional needs and organisational requirements in order to avoid overlapping of duties and duplication of grades. Supervising Officers of Ministries/Departments should ensure that the human resources of the organisation are fully utilised at the level at which they are expected to operate. However, wherever grades have to be created, **the Bureau recommends that they be based**

strictly on the functional considerations and in conformity with the updated guidelines for the creation of grades at Annex of this Chapter.

Abolition of Grades

6.12 Many requests were made to abolish certain vacant positions and at times, against the creation of another level, on ground that the unfilled grade has outlived its utility in the organisation's existing structure. It has occurred that, despite such request and agreement during meetings, Management of a few organisations have proceeded with the filling of these vacant posts, thus leading to duplication of grades and technical difficulties which need further redress particularly when another level has been created against abolition of the position concerned. **The Bureau considers that Management should refrain from such practice.**

Grades with no Promotion Prospect

6.13 The Bureau considers it inappropriate to create stand-alone grades which are not integrated in a career structure, more particularly, where the duties and responsibilities could be devolved upon incumbents in other grades. However, in instances where the duties and responsibilities could not be carried out by incumbents in other grades or because of the very nature of the duties, there may be no alternative than to proceed with the creation of stand-alone grades. For this review, after considering a few parameters, we have, to the extent possible, provided some incentives in terms of merged appellations coupled with enhanced salary scales to ensure career earnings for some grades in this situation. **However, it is noteworthy that where such provision has been made, no supervisory position would be created**.

Reclassification of grades

6.14 The MPSAIR has submitted that there is need to reduce the number of grades in the Public Service for effective service delivery. The Bureau has examined the issue and views that this would have implications on the schemes of service (SOSs) as a reclassification of grades would require that many SOSs be reviewed/revamped. In order to carry out such an exercise, a prudent and concerted approach should be adopted. **We, therefore, recommend that the MPSAIR considers the advisability of carrying out a study to review the SOSs from a broader perspective to enable a proper reclassification of grades in the Public Service.**

Standing Committee on Creation of Grades

6.15 It has become a recurrent feature for organisations to create grades in between salary review exercises. In a few instances, it has been observed that the appropriate procedures have not been followed. Though holding dissenting views, the Bureau does not even get the opportunity to seek for clarification but is required to provide the salary grading despite that this may give rise to lateral imbalances in the structures/classes or even across the public sector. Such practices are then used as reference by our stakeholders to claim for parity of treatment. In view of the distortion that these may create, the Bureau finds this practice inappropriate.

Furthermore, during consultations, members of the Federations highlighted the need for an approach in line with the philosophy of the Report.

6.16 In a bid to render the process of creation of grades more efficient and effective, the Bureau considers that there should be a mechanism to address these issues. **We, therefore, recommend the setting up of a Standing Committee under the Chairmanship of the Secretary for Public Service of the MPSAIR and comprising representatives of the Prime Minister's Office, Ministry of Finance, Economic Planning and Development and Pay Research Bureau to examine and approve all requests pertaining to creation of grades in between general reviews in Ministries/Departments/Organisations.**

Guidelines for Organisational Design

6.17 The way an organisation is structured would influence how its resources, both financial and human, are managed. Poor organisational structures often result in incommensurate workloads and delaying decisions.

6.18 During consultations, several requests were made by both Management and the staff side for the review of organisational designs in order to be better equipped to deliver on their mandates. The Bureau has studied the representations and subscribes that an effective organisational structure with emphasis on delayering and mergers, polyvalent grades for greater flexibility and the need to work smarter rather than harder are indeed important for promoting an appropriate organisational culture for effectiveness and efficiency. We also view that an organisational structure should be designed taking into consideration, among others, the organisation's strategy and set objectives. It should be undertaken to establish and ensure the fit between goals to be achieved and the vehicles through which these are to be attained for enhanced service delivery and organisational performance.

6.19 In the 2003 PRB Report, a framework was introduced as a guide for better organisation design. With the evolution in the Public Service, we consider that such guidelines which are important in assisting organisations in the design thereof should be reviewed accordingly. **We are, therefore, proposing a few ones which have been used in the South African Public Sector organisations:**

(a) the organisational design should promote fair and equitable service delivery, efficient and effective use of resources, transparency and accountability;

(b) focus should be on strategic priorities of the Government and the Department/Organisation;

(c) emphasis should be laid on the needs and requirements of the different stakeholders;

(d) it should promote building a professional cadre of public officers and strengthen human capital to achieve the set goals;

(e) it should be adaptive and responsive to the external environment; and

(f) organisational design should foster learning and innovation to enhance internal and external communication, and encourage information sharing and Knowledge Management.

6.20 Additionally, in line with what has been suggested for the South African Public Sector Organisations, the following sequence of events for restructuring may be adopted:

(a) review the strategy or identify the problem;

(b) understand those processes that would need to perform or improve; and

(c) consider structures as a possible solution to the strategy or process improvement requirements.

6.21 It is equally essential that the structure of an organisation be clearly depicted in an organisation chart which should be regularly updated to reflect changes in either vertical or horizontal relationships, if any.

6.22 Organisational review should also deal with developing appropriate processes to guide the operations of Ministries and Departments. In so doing, it is necessary that each Ministry/Department should develop operations Manuals to provide guidelines to its employees to perform their functions correctly and reasonably efficiently.

Other related Issues

Succession Planning for Key Positions

6.23 Succession planning is a talent management process that builds a pool of trained employees who are ready to fill key roles when leaders and other key employees step down or retire.

6.24 During consultations, the Bureau has been apprised that there are regular requests for continuation of service beyond compulsory retirement age at top key positions due to unpreparedness and non-training of immediate subordinate to take the lead. Such practice impedes service delivery as it leads to demotivation and frustration impacting on employee's morale and jeopardising the sustainability of the organisations. We have analysed the issue and consider that there should be proper succession planning for key positions to ensure that there is a strategy which should be put in place to enable an officer to step in or to be promoted or to take over that officer's duties without a loss in productivity or morale. **We, therefore, recommend that Management should plan to fill those positions which, by virtue of their specialist nature or importance within the organisation, are vital for their success. These positions should be spotted and prompt measures should be taken to ensure that such future vacancies and potential sources of human resources be identified and used, upon need arising.**

Standard Setting, Quality and Productivity

6.25 In order to improve the level and quality of services provided to the customers, organisations need to set standards and improve quality. Together with setting standard and quality, improvement in productivity is equally important as poor and low productivity is a cost to the Government**.**

6.26 In the 2016 PRB Report, mention was made that the MPSAIR was facilitating the implementation of some quality initiatives with a view to further enhancing the quality of services delivered by Public Sector Organisations. As these initiatives have enabled participating organisations to streamline their processes and procedures, the Bureau holds that the MPSAIR should continue to sustain efforts to further increase the participation level in such initiatives. **The following can be considered when setting standards and quality:**

(a) provision of the mission, vision and strategy of the organisation;

(b) establishment of the expected service quality and setting the standards of key outputs;

(c) setting up of control mechanisms to ensure that standards are adhered to;

(d) development of effective supervisory skills; and

(e) forming Work Improvement Teams.

6.27 Moreover, with a view to improving productivity for effective service delivery, the Bureau holds that:

(a) employees should be provided with the required training;

(b) there should be proper communication between employer and employee;

(c) special attention should be placed on the ergonomics of the workplace;

(d) adequate and up-to-date materials, equipment and technology should, as far as possible, be made available; and

(e) a proper work environment inclusive of accountability and discipline should be provided.

Organisational Resilience

6.28 Current events teach us that crisis and even disaster occur far more frequently than previously anticipated. The key to not only surviving such events, but to prospering during such upheavals, is organisational resilience. Organisational resilience is the ability of an organisation to anticipate, prepare for, respond and adapt to incremental change and sudden disruption in order to survive and prosper.

6.29 Any organisation, regardless of its size or structure can build planned and adaptive resilience capabilities. In fact, resilience is less dependent on the structural design than it is on the relationship between people and groups within that organisation.

Resilience relates more to how an organisation can access and utilise resources when it needs them.

6.30 Organisations operating in different sectors can face different resilience and challenges. Some organisations may also be constrained in their ability to implement solutions at short notice. To manage crises more responsively and effectively, there is need to reconfigure and redirect resources to the critical goal.

6.31 In the same vein, the Public Sector Business Transformation Bureau (PSBTB) has been set up in line with the Public Sector Business Transformation Strategy (PSBTS) with the main objective of preparing and equipping the Public Sector to remain efficient, resilient and responsive in order to face a complex and highly competitive global landscape by leveraging on innovative technologies, lean and smart processes and a fit-for-purpose organisational structure.

6.32 Government requires a resilient workforce that not only survives, but prospers in the face of challenge and adversity to meet and exceed Public Sector demands. Transition of our workforce to meet the future needs of our organisations would include remote working arrangements, the importance of which was highlighted by the unprecedented pandemic. Without a clear vision, Civil Service Leaders risk things falling back to how they were before. Covid-19 has lifted much of the inertia around challenging the what, how, when and where people work, and evolving to the new reality could accelerate workforce of the future.

6.33 Leaders should articulate the future shape of their workforce and then develop them, rather than make incremental changes from their current organisation charts. Making the existing mechanism work and adapt should be a first priority and there is little need to revamp most structures completely. Hence, it would be advisable to make appropriate adjustments to structures to address impediments. **In order to manage transition effectively, meet the challenge for resilience and exploit new opportunities in the Public Sector, the Bureau views that in crafting its strategies, the PSBTB may consider the following:**

(a) developing workforce plans that detail the transition for employees, teams and units;

(b) providing training sessions on agile working and digital tools to support employees in order to build a healthy and engaged workforce;

(c) building a digital Civil Service by using data and new technologies;

(d) updating all contact details and putting in place an Emergency Communication Procedure in each organisation;

(e) facilitating a healthy team culture which will support team members and empower them in their daily work;

(f) coming up with up-to-date and exercised business continuity plans;

(g) preparing every officer for the future through learning and reskilling and adapting to changes;

(h) ensuring adaptive capacity for operations to be reorganised for change;

(i) providing a culture of empowerment to make decisions; and

(j) ensuring that there is a way to embed innovation across the organisation through information-sharing and creating a culture that embraces change.

The Way Forward

6.34 Public sector organisations are striving to make services more efficient through digital transformation. The future of work and the workforce are complex and multi-faceted issues that Civil Service leaders need to be proactive about. Developing a vision for the shape of the future workforce enables consistent steps forward over time and a balance of looking after people while looking to the future. **For the Civil Service to become future-fit, focus should be on the following:**

(a) fostering swift moves from current technologies to emerging technologies that enable greater value creation;

(b) fostering rapid and effective collaboration and joined-up responses, and eliminating hierarchy and competition between different operational areas and levels, so that everyone can focus fully on collaborating on creating value;

(c) making it frictionless for brilliant ideas to make it through to practical implementation;

(d) enabling employees to feel the strongest sense of autonomy, mastery, growth, purpose and connectedness; and

(e) investing deeply in developing people's full potential, using the best possible methods to rapidly and durably build much higher personal capability.

ANNEX

Guidelines for Creation of Grades

(i) Creation of a grade must be considered based on its functional needs in the organisation.

(ii) Justifications for the creation of a grade must be clearly spelt out, whether it is warranted as a result of:

(a) the staffing of a new function linked to a new (or a change in) policy goal/objective or to the implementation of a project;

(b) a new level of responsibility which must be created within an existing structure to increase organisational efficiency and effectiveness;

(c) new pattern of work requiring a change to suit operational needs of organisation requiring abolition of existing grade(s) (for example: Abolition of grade of Tradesman against creation of grade of Tradesman (Multi-Skilled); and

(d) redundancy management to absorb employees from a defunct organisation to carry out functions in a particular field in the new organisation.

(iii) Information must be provided on the activities/operations/tasks associated with the new position and what they are intended to achieve. Wherever possible, the benefits to be derived must be quantified and stipulated.

(iv) The creation of the grade must be envisaged only after the following possibilities of carrying out the new function have been explored:

(a) re-allocation of duties;

(b) redeployment of staff;

(c) improvement of work methods;

(d) use of new equipment;

(e) passing the work on to another organisation within the Public Sector where it can be done more efficiently and economically; and

(f) contracting out.

(v) The number of grades to be created and their concomitant levels must also be fully justified. If the grades constitute a new structure, an organisation chart must be submitted depicting clearly its interlinkages within the broader organisation of the Ministry/Department.

(vi) The qualifications (that is, knowledge, skills and abilities), experience, personal qualities, duties and role and responsibility of the grade must be accurately and clearly spelt out.

(vii) The following practices must be avoided:

(a) multilayering, that is, the creation of grades without taking into account the scope of the work and levels of responsibility involved. A level is created only when it brings added value to the work;

(b) creation of supervisory grades for the mere sake of giving promotion;

(c) creation of isolated grades which are not integrated in a career structure;

(d) creation of permanent grades to meet temporary needs; and

(e) creation of grades to absorb partly qualified contractual officers into substantive positions.

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