

real briefing No. 5, 2023

Skills for when the State fulfils its Development Agenda

Overview

Whether South Africa is a developmental state or not is a common question. Arguably all states are developmental. The commitment to govern in ways that improve people's lives is built into the democratic mandate. States must 'do' development and need public services that can deliver to meet citizens' needs.

This REAL briefing seeks to take the debate beyond the ongoing narrative about whether South Africa is a developmental state to what we believe is the real question. Is South Africa a capable state, or not?

The reality is that a state cannot be developmental without being capable.

In exploring the state's capability, this REAL brief focuses on the intersection of the capable and developmental state to achieve South Africa's goals. The argument is that the state, in its adoption of strategies, tends to mimic global rationalities for organising systems, operations and human resources without considering local contexts, skills and conditions. These rationalities create boundaries by defining what 'capable' or 'developmental' is, regardless of institutionalised practices and routines.

This REAL brief draws on research embarked upon by the University of the Witwatersrand's Centre

for Researching Education and Labout (REAL) on behalf of the Public Service Sector Education and Training Authority (PSETA) to explore the factors that affect the identification and provision of skills in the public service sector. Here we take into account the changing shape of the state and the implications for identifying and buildings skills to secure a capable state. The research aimed to develop insight into how to strengthen labour market intelligence so that it links to the appropriate provision of skills.

The problem

In South Africa, the ability of the state to deliver on its mandates is strongly associated with development, and development is associated with the state's capacity to provide social justice.

Despite poor economic growth prospects, some significant changes have been achieved in social development. However, 28 years after the first democratic elections, South Africa remains one of the most unequal societies in the world. Poverty, unemployment, crime and corruption compromise democracy (Levy, 2021). The pandemic lockdowns and several years of state capture have only deepened socio-economic cleavages and eroded public trust.

The National Development Plan (NDP) provides a vision of the 2030 South African Public



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ducation and Labou sills for an equitable, just Service: what it can do, deliver, care and serve. It is a vision of a just public administration that meets the needs of all citizens in South Africa. This vision is professional, outcomes-oriented, development focused, efficient and effective. The NDP identifies the critical interventions for securing a more capable state. These include stabilising the politicaladministration interface, professionalisation and developing the required skills.

The NDP recommendations build on existing strategies, including three iterations of a public service training institute, White Papers, legislation, competency frameworks, performance management, skills development, and most recently, public service professionalisation.

The NDP's precursors have created complex skills planning and regulatory processes that intersect with the historical, contextual and institutional factors that shape the state, nature of work and needed skills. Within this complexity, the PSETA is required to bridge demand and supply of skills to ensure a skilled public service sector.

What is a capable, ethical and developmental state?

A capable, ethical and developmental state is a state that delivers on its mandates, is honest and careful with public resources, and is focused on improving the lives and livelihoods of the people.

If we are to address the twin challenges of poverty and inequality, a state is needed that is capable of playing a transformative and developmental role. This requires well run and effectively coordinated state institutions staffed by skilled public servants who are committed to the public good and capable of delivering consistently high-quality services for all South African, while prioritising the nation's developmental objectives. (NDP 2011, p. 165). This understanding of a capable and developmental state is not new. The approach builds on the global normative concept of the modern state as a provider of public goods to build legitimacy and social support. It is associated with debates about economic development and democratic governance. The public service connects state capacity to development because it comprises the legitimate institutions, systems and processes states use to make policy decisions and deliver critical services.

The idea of an inclusive, fair, democratic and developmental state is assumed in the Reconstruction and Development Programme, the Constitution, and the NDP. Such a state has a public service sector committed to democratic governance and inclusive socio-economic development. The public services sector plans and organises public organisations' day-to-day activities to achieve specific purposes in the public's interest.

A capable state is one that delivers.

The idea of a capable and accountable public service is a central tenet of global discourse on democratic governance. This discourse emphasises the role of the state and the public service in providing services and enabling development. The idea is rooted in the World Bank's 'good governance' and 'structural adjustment' strategies and has become the norm or measure for effective state performance. Francis Fukuyama (2013, p. 350) captures this as "as government's ability to make and enforce rules, and to deliver services."

This research's understanding of a developmental state is slightly different from Japan's post-war economic growth path or the experiences of the socalled Asian tigers (China, South Korea, Malaysia and Taiwan). Some of the attributes of a developmental state are implicit, such as:

- purposeful, uncorrupted and determined developmental (business or political) elites;
- * the relative autonomy of elites and state institutions; and
- * a powerful, competent and insulated public administration and economic bureaucracy.

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Centre For Researching Education and Labour Skills For an equitable, just and sustainable Future Nevertheless, these conditions must be developed while delivering services to increasingly demoralised and angry citizens.

Locating skills within a capable state

Figure 1 (below) demonstrates the relationship between skills, systems and agency that supports a capable state. The interaction between these provides the operational capability for the state to make and implement decisions within the rule of law and consensus on limits of action. This in turn creates public value and trust. Capability combines individual skills with institutional ability.



Figure 1: Relationship between skills, systems and agency in a capable state

As a debated concept, 'skills' points to the knowledge to complete multiple tasks in a specific job (REAL, 2022). Winch and Addis (2020) argue that when employees use their knowledge, experience and judgement to decide a course of action amongst alternatives, they act on their agency. They are also autonomous if they are allowed to use their initiative without asking for permission. The relationships in Figure 1 apply to the state, departments, units or individuals. Therefore, a developmental state needs people and institutions to have the capacity, skills and space (systems and cultures) to do what they are required. Furthermore, people and institutions need will and motivation to act autonomously and commit to being developmental.

Do we have a capable state?

Due to structural inequality, difficult politicaladministrative relationships, so-called skills gaps, leadership and management instability, and organisational pathologies that erode trust in the state's capacity to respond to the complex development challenges, ildentifying skills and

> capacities for a capable and development state is difficult because there is a lack of clarity and consensus on those skills and capacities. The current standards, measures and competency frameworks draw on historical practice and dominant global frameworks that are not easily translated into South African contexts.

These are not tested against actual performance in the workplace or service delivery improvement, except nominally in performance reviews. Multiple reporting systems, data templates and planning cycles, combined with politicisation, have created a compliance culture which requires additional staffing to meet demands. Skills anticipation tends to have an annual focus and does not consider capacities needed for an evolving developmental state operating in increasingly uncertain

and unpredictable contexts. These challenges within the public service sector skills planning system lead to a poor understanding of demand and supply across the public service labour market.

Historical legacies and global rationalities strongly influence the State for organising systems, operations and human resources for service delivery. There is no due consideration of local contexts, skills and conditions. Many conditions defining capable and developmental states do not exist in South Africa.

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Centre For Researching Education and Labour Skills For an equitable, just and sustainable Puture The apartheid state was never dismantled; it was repurposed. Many of apartheid's organising systems continue to define work and decision-making processes. In order to play a developmental role, the state requires strategic, organisational and technical capacity.

The State's strategic capacity speaks to its ability to unite the public sector, business, labour and civil society to implement shared programmes. It must be able to set targets for programmes and effectively monitor their delivery. Organisational and technical ability means establishing efficient and effective structures and systems to realise goals. The technical ability of the state implies that programmes and projects are planned around the broad objectives of the state in such a way that these are successfully run to deliver on the overall plan of government.

Conclusion

The PSETA's role is not to build a capable state but to lead the planning and development of skills that will develop a skilled, capable, innovative public service sector. This task sits at the interface between state capacity and state capability. Skills identification and development requires, in addition, the institutionalisation of appropriate working practices and norms of behaviour. There is a need then to define the training programmes and the institutional structures, systems and processes that provide support. The objective is that such development will help shape and transform the institution of the state. More work needs to be done to understand and find ways to shape the state for development. Figure 2 provides a summary of this approach and a broader framework for thinking about skills needs for a developmental state. This includes how to shift contextual factors as part of building capability. It is difficult to influence the developmental state trajectory as many factors are outside the state's control. However, the PSETA can guide and enable the development of the mindsets, work organisation and skills that build capability. For example, the PSETA could use its regulatory role to align and improve data collection and sharing, facilitate discussions across silos about strategic skills needs concerning contextual and historical challenges, and engage government providers, Higher Education

High levels of trust as state institutions and skilled public servants support the achievement of mandates

Low levels of exclusive growth deepens inequality, poverty and unemployment, leads to social conflict and political instability Some institutions in place to deliver basic services but high levels of poverty, inequality and unemployment

DEVELOPMENTAL STATE

Poor economic growth, and high levels of poverty and inequality combined with a dysfunctional state. Capable and developmental state with skilled and independent public service sector

Economic growth creates jobs and ameliorates poverty and inequality but the state lacks the capacity to mass deliver

State institutions are ineffective, the public service is demotivated and public trust is eroded.

CAPABLE STATE

Figure 2: PSETA's role in building a capable state

High levels of inclusive growth provides social security, redistribution and jobs to build social cohesion and democracy Institutions and Technical and Vocational Education and Training colleges in conversations about supply and its challenges.

The tools and strategies available to SETAs, such as the PSETA, can be used to influence the system to improve alignment and more relevant skills provision. The goal is to facilitate building a capable state.

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