

BENCHMARKING OF HUMAN RESOURCE MANAGEMENT IN THE PUBLIC SECTOR: PROSPECTS, PROBLEMS AND CHALLENGES

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ABSTRACT

This paper reviews the role of human resource management (HRM) which, today, plays a strategic partnership role in management. The focus of the paper is on HRM in the public sector, where much hope rests on HRM as a means of transforming the public service and achieving much needed service delivery. However, a critical evaluation of HRM practices in the public sector reveals that these services leave much to be desired. The paper suggests the adoption of benchmarking as a process to revamp HRM in the public sector so that it is able to deliver on its promises. It describes the nature and process of benchmarking and highlights the inherent difficulties in applying benchmarking in HRM. It concludes with some suggestions for a plan of action. The process of identifying "best" practices in HRM requires the best collaborative efforts of HRM practitioners and academicians. If used creatively, benchmarking has the potential to bring about radical and positive changes in HRM in the public sector. The adoption of the benchmarking process is, in itself, a litmus test of the extent to which HRM in the public sector has grown professionally.

Keywords: benchmarking, benchmarking process, human resource management, public sector, public sector management

In any organised human activity, human beings naturally take precedence over other resources, as it is they and they alone who are capable of directing and utilising other resources. Effective human resource management (HRM) has, therefore, become crucial and critical to the achievement of individual, organisational, community, national and international goals and objectives. Ironically, even though human beings are widely considered as the most important assets of any organisation or nation, their development, motivation and utilisation have not always occupied the central place in management (Bendix, 1996, p. 4-10). In the history of management thought, the neglect of the human side of enterprise brought the scientific school of management to its knees and led to the rise of the human relations and the behavioural schools of thought which firmly succeeded in putting human beings as the core of management (Carrell, Elbert & Hartfield, 1995). In the practical world, the commodification or de-personalisation of human beings during the industrial revolution was also associated with the rise of trade union movements, leading to government interventions and regulations and the emergence of labour relations and personnel administration as fields of study (Bendix, 1995, p. 7). In the 1990s, personnel management metamorphosed into human resource management in clear recognition of its strategic role in the overall performance of organisations (Authur, 1994; Cascio, 1995; Huselid, 1995; Gerber, Nel & van Dyk, 1998).

THE STATE OF HRM IN SOUTH AFRICA

The history of South Africa, rising from the ashes of the apartheid regime, is replete with cases of poor HRM, to the point of constricting its development more than a decade after its independence (Deputy President, Phumzile Mlambo-Ngcuka, 2006). The Deputy President while launching the Joint Initiative for Priority Skills Acquisition (JIPSA) remarked that:

Nothing short of a skills revolution by a nation united will extricate us from the crises we face. We are addressing logjams, some of which are systemic and therefore in some cases entrenched even in post-apartheid South Africa. The systemic nature of some of our challenges

undermine our excellent new policies, at least in the short term, hence the need for interventions such as JIPSA to enhance implementation of our policies (<http://www.info.gov.za/speeches/2006/06032810451001.htm>)

Historically, South Africa has performed very poorly in practically all the criteria on the liability side of human resources balance sheet as measured by the World Competitiveness Ratings (1998, 1999). Some of these include equal opportunity, skilled labour, Aids, worker motivation, brain drain, unemployment, alcohol and drug abuse, values of the society, illiteracy, dependency ratio, human development index and competent managers. The field of labour relations (LR), like its human resources counterpart, reflects the country's socio-political history which was characterised by deep divisions along racial and political lines, discrimination, unfair labour practices and gross distortions in the labour market systems, resulting in serious confrontations between the social partners and perennial industrial unrest (Bendix, 1996, p. 71-104).

These stark realities have prompted the democratic government to enact a series of laws designed to bring radical changes in the areas of HRM and labour relations. Some of these include:

- Occupational Health and Safety Act No 85 of 1993
- Labour Relations Act 66 of 1995 and Labour Relations Amendment Act No 127 of 1998
- South African Qualifications Act No 58 of 1995
- Basic Conditions of Employment Act No 104 of 1997
- Employment Equity Act No. 55 of 1998
- Skills Development Act No 97 of 1998
- Skills Development Levies Act No. 9 of 1999
- Promotion of Equality and the Prevention of Unfair Discrimination Act 4 of 2000
- White Paper on Human Resource Management in the Public Service, 2000

The intention of these Acts was to create a healthy, humane, just and equitable workplace or society, free from discrimination and oppression and in which people and workers are educated and continuously trained to meet the challenges of national

development and globalisation in a peaceful industrial climate. In 2006, the nation launched the Joint Initiative on Priority Skills Acquisition (JIPSA) to develop skills that are most urgently needed as part of the Accelerated and Shared Growth Initiative for South Africa (AsgiSA), which was to propel South Africa at a development trajectory of 6% GDP by 2010. The implementation and the realisation of these Acts and initiatives require, among other things, managers and, especially, human resource professionals, whose responsibility it is to effectively manage the human resources of their organisations. For its own part, the South African Board of Personnel Practice has proposed a bill, the Human Resource Profession Bill (2005), which intends to professionalise the practice of HRM in South Africa.

The focus of this paper is on HRM in the public sector, where the challenges are most acutely felt. The Government White Paper on Human Resource Management in the Public Service (2000) notes that national departments and provincial administrations employ approximately 1,2 million people, who account for more than 50% of all public expenditure. It declares that "people are therefore the Public Service's most valuable asset, and managing human resources effectively and strategically must be the cornerstone of the wider transformation of the Public Service". Appropriately, Government has embraced the shift of focus from personnel administration to HRM. Therefore, Government's vision of HRM in the Public Service is that it 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". It further stressed that the practice of HRM would be underpinned by the following values which derive from the Constitution: fairness, accessibility, transparency, accountability, participation and professionalism.

However, the White Paper on Human Resource Management in the Public Service (2000) was quick to point out the inadequacies and out-dated practices of HRM in the public sector, describing various aspects of it in the following ways:

(It is) over-centralised, excessively bureaucratic and rule-bound. It is focused on form rather than substance and results. Human resource planning is weak; post-filling and promotion criteria over-emphasize educational qualifications and seniority and little or no emphasis is placed on the requirements of the job to be done. Performance management is also underdeveloped.

All these inadequacies and the racial imbalance simply mean that Government's avowed desire to transform public service delivery by putting people first (via the "Batho Pele principles") would be greatly frustrated by an inefficient and ineffective management, in general, and lacklustre state of human resource management, in particular.

More than a decade after independence, the state of HRM in South Africa has not changed as drastically as expected at either the macro or micro level. This is due to a number of factors including the following (Gerber, Nel and van Dyk, 1998; Bowmaker-Falconer, Horwitz, Jain & Taggar, 1998; White Paper on HRM, 2000; Horwilt, Browning, Jain & Steenkamp, 2002; <http://www.ippmedia.com/ipp/guardian/2008/05/27/115219.html>):

1. Reluctance by corporations to embrace transformation and major changes implied or required by the various legislations.
2. Reluctance on the part of trade unions to buy into the perceived capitalist agenda of the new government, leading to a shaky alliance between government and its alliance partners, the Congress of South African Trade Unions (Cosatu) and South African Communist Party (SACP).
3. Fear of reverse discrimination by whites, sparking off emigration in large numbers and leading to only modest gains in the area of employment equity and diversity management.

4. Health and safety at work remains a contentious issue, especially in small and medium establishments, in mines and on farms.
5. The public sector itself being too bureaucratic and change resistant.
6. Skills and income disparities have continued along racial lines.
7. The scourge of HIV/Aids has complicated and worsened the human resources situation in the nation and in organisations.
8. Strikes and protests have continued unabated, as the economy plods along and inflation, power outages and hikes in fuel prices and interest rates seriously erode wages.
9. Pressures from the influx of illegal immigrants from politically unstable neighbouring countries, leading to overloading of services and resulting in xenophobic clashes, which left more than sixty people dead in May/June 2008.

In short, although South Africa is armed with formidable legislative armoury to create a humane society and organisational environments conducive to HRM, the fact remains that it will take many more years to undo the legacy of apartheid in "creating structural inequalities in the acquisition of education, work skills and access to managerial, professional and occupational positions" (Horwitz, Browning, Jain & Steenkamp, 2002). This situation, therefore, calls for innovative practices such as benchmarking, the focus of this study.

AIMS AND STRUCTURE OF THE PAPER

The role of benchmarking will be discussed in the context of the above concerns. The aim of this paper is to advocate the adoption of benchmarking as a tool to revamp, in order for Government to be able to deliver on its promises. The objectives are to describe the nature and process of benchmarking, to highlight the inherent difficulties in applying benchmarking in HRM and to suggest a plan of action. Accordingly, the rest of this paper is structured, first, to highlight the nature and process of benchmarking and then to review the literature on benchmarking as applied to the HRM function. The problems and prospects of benchmarking in HRM are highlighted and discussed. In conclusion, approaches and suggestions for using benchmarking to improve HRM practices in the public sector are made.

THE NATURE OF BENCHMARKING

Camp (1989), who first wrote a book on the subject based on his experience at Xerox Corporation in the USA, defined benchmarking as the search for industry best practices that will lead to superior performance. A more elaborate definition was offered by the International Benchmarking Clearing House Design Committee which regards benchmarking as "a systematic and continuous measurement process; a process of continuously measuring and comparing an organisation's business process against business leaders anywhere in the world to gain information which will help the organisation to take action to improve its performance" (Lema & Price, 1995).

Benchmarking has gained acceptance worldwide as an instrument of continuous improvement in the context of total quality management and as a means of enhancing competitiveness (Carpinetti & de Melo, 2002, p. 1). This process is used intensively and extensively in the private sector and its use is growing steadily in the public sector (Dorsch & Yasin, 1998; Auluck, 2002). Indeed, Auluck (2002, p. 1) regards both benchmarking and the learning organisation ideal as "institutional fairy godmothers", which offer potential to improve organisational performance in the public sector". In this regard, benchmarking is said to have reached maturity

FIGURE 1
Generic benchmarking process



Source: Drew (1997)

within the UK, with over 60% of UK companies claiming some involvement. Zairi and Ahmed (as quoted by Auluck, 2002, p. 115) noted that benchmarking is reported to be the third most popular management technique worldwide and the fourth in the UK between 1992 and 1996. Watson (1993) is of the opinion that benchmarking has moved from being an art to a science.

The following benefits of benchmarking have been noted in the literature (Camp, 1989; Rodwell, Jeremy & Fastenau, 2000; Auluck, 2002; Carpinetti & de Melo, 2002):

1. It helps to develop an improvement mindset among staff.
2. It promotes an organisational dialogue about how things are and what needs to change; this gives people throughout the organisation an outlet for their experiences and thinking.
3. It facilitates an understanding of best practices and processes in the industry.
4. It helps to develop a better understanding of processes.
5. It challenges existing practices within the business, thus encouraging innovation and exchange of ideas.
6. It assists in setting goals based on facts.
7. It provides an educated viewpoint of what needs to be done rather than relying on whim and 'gut feel'.
8. It helps in defining better measures of productivity.
9. It improves companies' competitive position.
10. It has produced a high degree of job satisfaction, learning, excitement and networking among benchmarkers.

Benchmarking also speeds the change process by expediting the identification of necessary improvements and motivating companies to accept these improvements. Improvements can be in the form of simplified processes, shorter times and reduced costs (Carpinetti & de Melo, 2002). Employees generally gain a sense of professional growth from benchmarking with the realisation that they are taking on the best in their field. According to Auluck (2002, p. 116), the fact that benchmarking is not prescriptive and can be easily adapted to reflect the culture and language of any given organisation was reported as being one of its key strengths.

Hence, as noted by Carpinetti and Melo (2002, p. 246), there are many areas where benchmarking can be applied, ranging from manufacturing to non-manufacturing organisations including education, public sector administration and health care. In the manufacturing industry, benchmarking has focused on subjects such as product innovation, logistics, maintenance, HRM and quality assurance among others.

THE BENCHMARKING PROCESS

Benchmarking processes can be classified into five basic steps as in Figure 1 (Drew, 1997):

1. Identify the object of the study;
2. Select the superior performer (benchmarking partner);
3. Collect and analyse data;
4. Set performance goals for improvement and
5. Implement plans and monitor results.

In a study by Longbottom (2000), involving more than 200 British organisations, he found little evidence to show that organisations are identifying and prioritising projects based

on their corporate and strategic planning process. Rather, selection of projects for benchmarking is ad hoc, mostly arising from project/benchmarking champions, based on the need to update equipment or technology, or reacting to rising costs or falling profits. This approach may limit the impact of the benchmarking exercise. Hence, Carpinetti and de Melo (2002, p. 245) emphasise the importance of aligning benchmarking to strategic objectives and market demands, rather than taking a short term, operational view of improvements.

BENCHMARKING TYPES

There are four main types of formal benchmarking (Camp, 1989; Guimaraes & Langley, 1994; Carpinetti & de Melo, 2002):

- Internal benchmarking
- Competitive benchmarking
- Functional benchmarking
- Generic benchmarking

Internal Benchmarking

This is the easiest form of benchmarking to conduct. It involves benchmarking between businesses or functions within the same group of companies. In this way, best practice and initiatives are shared across the corporate business. Some advantages of internal benchmarking are: the information is readily available; attention can be focused on specific areas for improvement; constructive competition is possible and performance measures can be linked to internal appraisal and reward systems. Internal benchmarking also has several disadvantages: it ignores competition; encourages a narrow or internal perspective; may emphasise company trends, and may create a tendency to postpone major change.

Competitive Benchmarking

This is a comparison against the direct competitors within a company's market. It is often difficult, if not impossible in some industries, to obtain the data for this form of benchmarking as, by the very nature of being a competitor, the company is seen as a threat. Hence, it is usually done through third party consultants who assess a consortium of companies in the same industry and individual companies receive only summary information.

External benchmarking encourages a broad perspective and many times redefines old paradigms by providing previously unavailable, objective data. It can often detect market trends and create a sense of urgency that provides a legitimate basis for instituting essential change. External benchmarking can ensure that a company's goals are proactive and industry-leading instead of just being an improvement on last year's performance.

Functional benchmarking

This involves comparison of specific processes with "best in class" in different industries, often considered to be world class in their own right. Functional relates to comparing a particular business function in two or more organisations in the same industry.

Generic benchmarking

Generic benchmarking searches for the best practice irrespective of industry. It is similar with functional benchmarking but the aim is to compare with the best in class without regard to industry. Best-in-class benchmarking is important because it allows companies to identify desirable objectives. Camp (1989) stresses that great improvements are possible only when comparisons are made with industry leaders and best practices are well understood. Research is necessary to make sure that the company being benchmarked is really the best.

The most important part of any type of benchmarking is identifying the factors behind the benchmark's success and adapting and applying those factors to a person's own organisation.

Benchmarking services and tools

In the literature, there are many organisations that offer benchmarking services which facilitate the development of the benchmarking process (Carpinetti & de Melo, 2002). Examples are:

1. The Benchmarking Exchange, which enables members, among other things, to locate and communicate with potential benchmarking partners electronically, to research best-in-class companies, find out how they achieved best-in-class performance or to seek assistance and advice from others who are already benchmarked in the area that a company is about to benchmark.
2. Benchmarking Clearinghouse of the American Productivity and Quality Centre (AQPC).

There are a variety of frameworks and tools for carrying out benchmarking. The most widely used are briefly summarised as follows (Loffler, 2001; Auluck, 2002):

1. Quality Awards. In many OECD member countries, quality awards have become an important benchmarking instrument for public and especially private sector organisations. Quality awards pursue two main goals: one is to introduce elements of competition in areas of the public and private sectors that lack market competition; the other is to encourage organisational learning (Loffler, 2001). Examples are the Deming Prize in Japan, the Malcolm Baldrige National Quality Award in the USA; and the European Quality Award in Western Europe, with many individual nations establishing their own national awards. These practices have also spread to Canada, Australia and New Zealand (Loffler, 2001).
2. On the African continent, for example, The African Union (AU), the New Partnership for Africa's Development (NEPAD) and the 5th Pan Africa Conference of Ministers of Public Service launched their first annual All Africa Public Sector Innovation Awards in 2007. The purpose of the awards is to promote and encourage best practice in public sector innovation and service delivery (<http://www.nepad.org/2005/files/hsgic.php>).
3. Peer review which uses people who have practical experience of a particular area or situation to act as "friendly critics" to another organisation facing similar issues can be used to bring new insights into the organisation, help to identify priorities and facilitate the sharing of good practice. This has been used extensively in the UK.
4. Business Excellence Model, the brainchild of the European Foundation for Quality Management, launched a European Quality Award framework as a tool for reviewing and identifying an organisation's improvements. The Business Excellence Model provides a set of criteria against which any organisation can assess itself and use the framework to identify any "gaps" or for making award submissions. It can be used at various points in the organisation's development, such as at the beginning of an improvement programme to identify areas for improvement and

to establish priorities or periodically, yearly or every two years to provide comparative data and to steer improvement programmes.

5. Investors in People Standard, established in 1990 in the UK, sets up standards against which to measure good human resource practices in order to achieve business goals. The Standard is based on four key principles, namely, commitment, planning, action and evaluating. These principles are divided into 12 indicators and 33 evidence criteria against which organisations wishing to be recognised as an "Investor in People" can be measured (Investors in People Brochure).

BENCHMARKING OF HRM

Best practice in the case of HRM refers to high performance work practices such as recruitment, selection, performance management and training that may in turn have an impact on the institution's performance and, ultimately, on the competitive advantage of an organisation (Huselid, 1995; Schuler & MacMillan, 1984). The search for the best practice in HRM is driven by two major considerations. The first is the fact that labour costs are generally high everywhere and South Africa is not an exception. The second is that evidence highlighting the value of HRM to an organisation may help the human resource function to gain strategic status (Torrington & Hall, 1996).

A positive relationship has been found between certain key HRM practices and organisational performance (Arthur, 1994; Huselid, 1995; Huselid, Jackson & Schuler, 1997; Shadur, Rodwell, Simons, & Bamber, 1994). These studies have generally taken the form of examining the HRM practices proposed as possible best practices affecting performance (e.g. employee welfare schemes and performance pay) and their relationship with measures of firm performance (e.g. quality and efficiency).

A range of HRM practices often incorporated into these analyses includes the following: incentive plans, training and development, recruitment and selection, compensation, industrial relations and performance appraisals. These have been identified as high-performance work practices that can lead to lower employee turnover, greater productivity and better corporate financial performance (Huselid, 1995; Huselid & Becker, 1996). Other potential best practices are occupational health and safety (Nelson, 1994) and enterprise bargaining, reflecting management quality and Equal Employment Opportunities (EEO) and Affirmative Action (AA) policies as indicators of human resource utilisation. The ultimate benefit of strategic HRM to an organisation is its ability to facilitate HRM's contribution to the organisation in the acquisition and maintenance of a sustainable competitive advantage (Teo, 1998). One way to achieve improvements in competitiveness, which is the focus of this paper, is through benchmarking HRM best practices.

Yet, ascertaining HRM "best" practices has proved rather elusive. In a study titled "Benchmarking HRM and the benchmarking of benchmarking", Rodwell, Lam and Fastenau (2000) made the important point that benchmarking may only reveal industry practices that have been widely adopted by organisations but not does not necessarily identify those that make for competitive advantage. Their search for those "best" practices which differentiate between good and bad performing organisations eventually led them to a set of factors, which they classified as common/standard practices, borderline best practices and best practices.

The Rodwell, Lam and Fastenau (2000) paper is a significant contribution to benchmarking for two major reasons. Firstly, it is an attempt by academics to seek the "best" set of HRM practices which distinguishes poor from better performing

organisations. In this respect, their example is worth emulation, as the set of best practices is contingent on the nature of the industry and the environment investigated. Rodwell et al's (2000) study surveyed the finance industry in Australia where, they found, counter-intuitively, that a lack of written policies on health and safety was one of the major "best" practices. It is immediately apparent that the findings of this study are not only limited to the industry and the country studied, but also cannot be generalised to the finance industry of another country, say South Africa, where the issue of safety has taken on dramatic importance in that industry in the era of bombings of ATM cash points and cash-in-transit heists that are a daily occurrence in South Africa, with Crime Statistics reporting a 74% rise in cash-in-transit heists in June 2008 (allafrica.com/stories/200609280232.html, accessed in July 13, 2008).

Secondly, what are regarded as "common/standard" HRM practices in Australia may not be so regarded in other countries such as South Africa. According to Rodwell et al, these practices are common and necessary but do not make for enhanced organisational performance. Examples such as EEO/AA policies and customer satisfaction that are relevant to South Africa are not applicable in other countries, yet constitute very serious concerns here. Again, their findings are not applicable to a country like South Africa, where such issues are widely shared and, therefore, constitute very serious national concerns (Horwitz, Browning, Jain & Steenkamp, 2002).

The lesson of this illustration, therefore, is that the specific "best" practices found in one country or industry cannot simply be adopted by other countries or industries. Nevertheless, the broader message of their paper, namely, to be as inclusive as possible when considering HRM practices that may be "best" practices, would be transferable to other industries and nations.

Another lesson to be learnt from benchmarking is that even though benchmarking may lead to the establishment of new industry standards, it does not automatically produce competitive advantages for the replicating organisations. Organisations need to research their competitors' policies and practices to identify factors that produce their competitive advantage, but they can only achieve competitive advantage themselves by the development and innovation of new practices within their own organisations. In short, this development and innovation may be a key mechanism for an organisation benchmarking to become a learning organisation as well. It calls for an organisation to become an innovator in the management of their HR rather than just an imitator of the champion. This is the real challenge facing organisations trying to benchmark (Rodwell, Lam & Fastenau, 2000).

Furthermore, Harrington (1997) talked about the "fallacy of universal best practices" to drive home the point that what may be best practices for one organisation may be disastrous for another. Based on a review of one of the world's largest international management practice's databases (involving industries from Japan, Germany, USA and Canada), the author indicated that there were only five practices considered universal best practices, and even then there was only a very small chance (5%) that these approaches would benefit an organisation's performance, depending on whether it is a low-, medium- or a high- performing organisation. The major lesson is that "...there is no hypothetical universal best practice combination that is applicable to all organisations which strive to improve" (Harrington, 1997, p. 70).

Finally, researchers in the past (see, for example, Mendonca & Kanungo, 1996) have long warned against the indiscriminate and uncritical transfer to developing countries of techniques and practices based on Western thought and value systems on

the grounds that although the principles embodied in these practices have "pan-cultural applicability", the manner in which these practices are carried out are constrained by the socio-cultural environments of the host organisations. Hence, the state-of-the-art human resource management practices from the Western world need to be modified or their mode of implementation adapted to "fit" the cultural values and beliefs of developing countries. As for benchmarking itself, one of the key points to its adoption world wide is that the concept itself enjoys universal appeal. The fact that benchmarking is not prescriptive and can be easily adapted to reflect the culture and language of any given organisation was reported as being one of its key strengths (Auluck, 2002, p. 116). In summary, in the area of HRM, there is no short cut to finding out the "best" practices relevant to a particular industry and environment.

SUGGESTIONS FOR BENCHMARKING HRM IN THE PUBLIC SECTOR

Benchmarking presents managers of public sector institutions in South Africa with the challenge of venturing to compare their functions, not only internally among themselves, but also against other best-run government departments or best-run companies in South Africa. Admittedly, there are differences in the ethos and cultures of public and private sector organisations; nevertheless, the call for the public service to be more results oriented can only be met by understanding and learning from practices of their private sector counterparts and initiating creative and appropriate changes. Benchmarking is no longer the monopoly of the private sector. Public sector institutions in most of Western countries are using benchmarking to meet the enduring challenge to provide maximum value for money – i.e. highest quality at least cost (see, also Sedgwick, 1995; and Dorsch & Yasin, 1998).

As for HRM managers in public sector institutions in South Africa, benchmarking presents them with the challenge of moving out of their cocoons. Benchmarking presents HRM professionals in the public sector with a golden opportunity to improve their image and deliver on the Government hope that:

"Human resource management in the Public Service should become a model of excellence,.....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 Resource Management in the Public Service, 2000; italicised for emphasis)

This challenge is an enormous one, considering the desperate state of human resource management problems enumerated at the beginning of this paper. HRM functionaries must, therefore embark on a process of discovery and fundamental change, using the benchmarking process described above. The process itself is a litmus test of the extent to which HRM professionals have grown beyond technical skills and embraced the badly-needed strategic skills of designing and implementing a set of internally consistent policies and practices that ensure an institution's human capital contributes to the achievement of its business objectives. It is an area which definitely requires them to demonstrate their skills as change leaders, service providers, measurement experts, consultant and information journalists (Nel, 1997; Herbst, 1998).

Research results have clearly indicated that investments in human resources are a potential source of competitive advantage, with increase in overall HRM effectiveness leading to increase in the performance of the institutions concerned (Huselid, et. al., 1997). The practical implication of this is that improving HRM efficiency and effectiveness will hold off the threat of downsizing, increase job satisfaction and service

delivery. Benchmarking may be the technique which could bring about a true revolution in HRM in the public service. For this to happen, the following suggestions are made:

1. Human resource managers in the public service must improve their skills in strategic human resource, since the adoption of benchmarking should focus on strategic rather than operational objectives, if it is to succeed.
2. Academics in collaboration with public sector HR managers should search for the "best" combination of HRM practices in their respective sectors.
3. Meanwhile, there are benchmarking tools such as peer reviews, excellent models or even Investors in People, which could be adopted as ways of stimulating creative changes in the human resource arenas.
4. The Government of South Africa should follow the American, European, Canadian and Australian's examples of instituting national awards for best practices in public sector management in general or in HRM in particular.

It is hoped that HRM directors and managers in national, provincial and municipal councils would embrace the challenge of benchmarking in order to make the desired impact on service delivery, productivity and job satisfaction of their employees. This challenge is enormous, considering the desperate state of human resource management problems enumerated at the beginning of this paper. It is a process of a guided tour and fundamental change. The adoption of the benchmarking process is, in itself, a litmus test of the extent to which HRM managers have grown professionally by implementing a set of internally consistent policies and practices, ensuring that the institution's human capital contributes to the achieve of government's objectives.

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