Botswana, Lesotho, and Swaziland (BLS)
Study of Public Administration Management: Issues and Training Needs
(In Four Volumes) Volume III: Lesotho

April 21, 1986
Education and Manpower Development Division
Eastern and Southern Africa Region

FOR OFFICIAL USE ONLY

Document of the World Bank

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.
CURRENCY EQUIVALENT (1985)

US$1.00 = Maloti (M) 2.23
M 1.00 = US$0.46

GLOSSARY

AAT Association of Accounting Technicians
ACCA Association of Certified Chartered Accountants
BEDCO Basotho Enterprises Development Corporation
BLS Botswana Lesotho and Swaziland
BTC Business Training Centre
CAS Centre for Accountancy Studies
CIS Chartered Institute of Secretaries
CPA Certified Public Accountant
CPDO Central Planning and Development Office
CTI Commercial Training Institute
EEC European Economic Community
IEMS Institute of Extra Mural Studies
IDM Institute of Development Management
IPM Institute of Personnel Administration
LIA Lesotho Institute of Accountants
LIPA Lesotho Institute of Public Administration
LNDC Lesotho National Development Corporation
LOIC Lesotho Opportunities Industrialization Center
LTD Lesotho Telecommunications Corporation
MSU Management Services Unit
NMDS National Manpower Development Secretaries
NUS National University of Lesotho
ODA Overseas Development Assistance
RMA Rand Monetary Area
RSA Republic of South Africa
SACU Southern African Customs Union
SADCC Southern Africa Development Coordinating Conference
SIDA Swedish International Development Agency
USAID United States Agency for International Development

KINGDOM OF LESOTHO

FISCAL YEAR

April 1 - March 31

The Country = Lesotho
# TABLE OF CONTENTS

## PREFACE

## SUMMARY AND CONCLUSIONS

## INTRODUCTION

Socio-Economic Setting ................................................. 1
Future Development .................................................. 2
Objectives of Study .................................................. 2
Organization of Report ................................................ 3

## I. ORGANIZATION AND STRUCTURE OF CIVIL SERVICES

Introduction ...................................................................... 5
Grade Structure ............................................................. 5
Cadres in the Civil Service ............................................. 7

## II. PARASTATALS: MANAGEMENT AND TRAINING ISSUES

Introduction ...................................................................... 9
Lesotho Telecommunication Corporation (LTC) .................... 11
Lesotho Bank .................................................................. 12
Lesotho National Development Corporation (LNDC) .......... 12
Basotho Enterprises Development Corporation (BEDCO) ..... 13
Management Development in the Parastatals ...................... 14
Business Management Training ........................................ 15

## III. PUBLIC SECTOR MANAGEMENT: ISSUES IN THE LESOTHO CIVIL SERVICES

Introduction ...................................................................... 17
Section Organization ....................................................... 18
General Management Issues ........................................... 18
Financial Management Issues .......................................... 21
Recommendations .......................................................... 23

## IV. PERSONNEL MANAGEMENT AND POLICIES

Introduction ...................................................................... 26
Management of the Personnel Function ......................... 27

This report is based on missions to the BLS countries, in March 1985, by Mrs. N. Shields (Economist/Mission Leader), and Mr. H. Davies (Public Accountant, Consultant), and in July 1985, by Mrs. N. Shields (Economist/ Mission Leader), and Messrs. R. Lynn (Senior Management Specialist), L. Roberts (Management Training Specialist), and P. Langseth (Personnel Management Specialist). The report was discussed in the field in February 1986 in a mission composed of Mrs. N. Shields, (Mission Leader), Messrs. P. Langseth and R. Roberts.

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.
Pages

Issues Relating to the Office of Cabinet Personnel ........................................ 30
Recommendations .................................................. 33

V. TRAINING INSTITUTIONS

Introduction .................................................. 37
Commercial Training Institute (CTI) ........................................ 38
National University of Lesotho (NUL) ....................................... 38
Lesotho Institute of Public Administration .................................... 42
LIPA and IDM .................................................. 47
Recommendations .................................................. 48

VI. ACCOUNTANCY TRAINING IN LESOTHO

Background .................................................. 50
Accountancy Qualifications .................................................. 50
Center for Accounting Studies .................................................. 51
Accountancy Training at Pre-Technician Level ................................... 55
Projected Needs for Accountancy Training in Lesotho .................. 57
Recommendations .................................................. 57

VII. CURRENT DONOR INITIATIVES

57

VIII. AGENDA FOR CHANGE

Introduction .................................................. 59
Developing Senior Sponsorship for the Program ......................... 59
Immediate Tasks of the Review Group ...................................... 59
Details of Specific Components of the Change Program.. ........... 60

IX. ROLE OF EXTERNAL ASSISTANCE

63

ANNEXES

1 - The Government Establishment 1980-1984
2 - Examples of Senior and Middle Level Managerial Positions in
Lesotho Civil Service
3 - Organization Structure of Ministry of Health, Lesotho Civil
Service
4 - Distribution of Managerial Positions in Lesotho Civil Service
5 - Accountancy Cadre in Lesotho Civil Service
6 - Personnel Cadre in Lesotho Civil Service
7 - Employment Figures
8 - LIPA Courses in Personnel Management
9 - IDM Personnel Management Courses
10 - Detailed Implementation Steps
11 - An Improved Process for Managing Counterpart Development
12 - Proposed Structure for the Internal Management Consulting Group
13 - Proposed Staff Development Program for the Internal Management
Consulting Group
14 - M. B. Consulting (PTY) Ltd.
15 - Syllabus of the B. Com Accounting Program, National University of Lesotho
16 - Syllabus of the B. Com in Management, National University of Lesotho
17 - Current Enrollment to the Institute of Extra-Mural Studies (IEMS)
18 - LIPA's Programs During 1983-1984 and 1984-1985
19 - LIPA Diploma in Public Administration
20 - Proposed Structure of LIPA
21 - Details of CAS Staffing
22 - Current Entry Qualifications and Exemptions to CAS Courses
23 - Examination Syllabus of the Center of Accounting Studies
24 - Analysis of 1984 Students at CAS
25 - Syllabus of the B. Com Accounting Program
26 - Projected Needs for Accountants in Lesotho by 1991
27 - Organizational Chart of the Ministry of Public Service
PREFAE

Previous Bank involvement in the education sector in Lesotho has, for the most part, been in assisting the Government to provide basic education at the primary and secondary levels, and to a lesser extent, in vocational and teacher training and provision of technical assistance. Recently completed sector work has dealt with financing and cost recovery issues in higher education, but this is the first attempt at addressing some increasingly important management issues as they relate to the need for training in public administration, parastatals, and the private sector. Lesotho is at a development stage where it needs to build up its own capacity for administrative and management training as a means of increasing the efficiency of government operations. As the country attempts to move toward increasing economic self-reliance, the need for effective management of development policies and programs becomes even more important. In this respect, this report comes at a particularly propitious moment since the Government is now preparing its Fourth Five Year Development Plan, and could make use of the report's recommendations. The emphasis on upgrading accounting training is an important element of increasing management effectiveness in both public and private sectors. In all respects, the emphasis on regional cooperation is important since savings resulting from rationalization of training opportunities could directly benefit Lesotho in both financial and economic terms. This report was discussed in draft in February 1986 with representatives of all government ministries, departments and training institutions. Many of the useful suggestions made by them have been incorporated in this final version.
SUMMARY AND CONCLUSIONS

i. This study arose out of concern that lack of management skills is a constraint to the economic development of Lesotho. This concern emanates from the fact that in Lesotho as in many developing countries, the differences between managerial and administrative functions are generally blurred. Public servants are both policy makers and policy executors. Regardless of levels, public servants must possess a specific body of conceptual knowledge, skills and attitudes relevant to their roles and personnel policies must be designed to motivate them. The focus of this report is on training and management/administrative arrangements needed to influence the attitudes of middle and upper level public sector managers to improve their job performance. The report identifies practical action-oriented programs to effect improvements in current management and training practices, and also indicates suitable areas for external assistance.

II. ORGANIZATION AND STRUCTURE OF CIVIL SERVICES

ii. There are in Lesotho 15 ministries and about 4 executive departments, staffed with about 14,750 civil servants. The civil service is divided into 24 grades for the purpose of salaries and promotions. Managerial positions fall into grades 8 to 11 (junior managerial) and grades 12 to 19 (top management). There are 350 positions in grades 12-19. In addition to grades, some of the established posts are divided into separate occupational groups or cadres. Some of the cadres are centrally controlled, for example, the accountancy cadre. Others are controlled within each ministry, for instance the personnel cadre. There is a dearth of persons with training in personnel administration. The ratio of personnel officers to staff is on the average 1:97 but in the Ministry of Health for instance, the ratio is 1:355.

II. PARASTATALS, MANAGEMENT AND TRAINING ISSUES

iii. Parastatals play a very important role in Lesotho. There are about 20 such entities, of which 8 are the leaders in the field. Of these eight, four were analyzed in terms of managerial staff, and effectiveness of training programs within the organization. These were Lesotho Telecommunications Corporation (LTC), Lesotho Bank, Lesotho National Development Corporation (LNDC) and Basotho Enterprises Development Corporation (BEDCO). It would appear that although each has a fairly well developed approach to staff development, they all experience difficulties in identifying suitable management candidates because the pool of suitably qualified graduates is too small. Furthermore, existing training programs do not cover all of the specific needs of the parastatals. The Government
needs to consider establishing a working group of representatives of training institutes and parastatals to identify the specific training needs and to design programs to meet these needs. The most urgent need for Lesotho is to develop private sector entrepreneurial skills. The Ministry of Trade, Industry and Tourism needs to take initiative in this regard by performing the coordinating function, by assisting in identifying training needs and by working with existing training institutes like IDM and CAS to devise training programs to meet the identified needs.

III. PUBLIC SECTOR MANAGEMENT: ISSUES IN THE LESOTHO CIVIL SERVICES

iv. There is a strong and widespread awareness by the Lesotho Government of the problems and deficiencies in public administration and management and of the need for reform. There are deficiencies not only in the level of skills of individual managers, but in the various aspects of managerial structure. For instance:

(a) many of the Government's systems and procedures are outdated and cumbersome and need streamlining;

(b) roles and responsibilities for posts are not clearly defined and there is lack of clarity about roles and accountability of managers at different levels in the hierarchy;

(c) managers have difficulty in setting clear objectives and in delegating responsibility and decision making; as a result, they are overburdened and unable to concentrate on long term policies and issues;

(d) there is need for better flow of information downwards and for strengthening communication and coordination across Government;

(e) although recent efforts have been made to strengthen the role of the central planning function, and the planning cadre in individual sector ministries, the economic and information base for analytical work still needs strengthening;

(f) there is widespread lack of skills in managing work processes especially in defining objectives, monitoring, and controlling outputs and providing on-the-job-training;

(g) preparation and selection of managers: there is a tendency in the Civil Service to promote promising individuals too quickly into managerial responsibilities before they have developed the needed experience. Consequently, many line managers have no clear
conception of their managerial roles. In addition, since the existing grading structure discriminates against persons in technical posts, there is a tendency for such persons to transfer into the administrative cadre. This creates additional skill shortages.

v. In the area of Financial Management, the major sources of concern are: lack of effective system and budgetary procedure; shortcomings in accounting practices and financial control and; lack of financial planning at the national level. These problems are in part due to some lack of managerial discipline and also confusion as to where real accountability is located.

vi. Training, although essential, will not prove beneficial while the context in which managers operate remains unchanged. The two ongoing initiatives supported by technical assistance—Swedish International Development Agency (SIDA), in the area of general management, and Overseas Development Agency (ODA) in area of financial management—can help bring lasting change as long as they are part of a comprehensive and integrated program aimed at improving the overall management of the civil service. Specific actions that need to be taken are: clear identification of, and agreement on priority problems to be tackled; preparation of a comprehensive action program which will tackle a wide range of issues simultaneously (pars. 3.06-3.07). Alongside the training program, efforts should be made to address the attitude and discipline problems which inhibit the effective management of the Civil Service.

IV. PERSONNEL MANAGEMENT AND POLICIES

vii. Lesotho has given overall management responsibility over Civil Service personnel matters to a Cabinet level entity within the Prime Minister's Office as a means of raising its status within the Government. However, the Office of Cabinet Personnel has yet to live up to its potential. There are deficiencies at two levels. First, at the level of personnel management systems and processes; these are outdated and inconsistently applied regulations, a lack of systematic personnel data to assist human resource planning, a somewhat ad hoc use of expensive training facilities due to lack of clearly defined training needs tied to organization priorities; and problems in effective utilization of expatriates to develop skills among nationals. Secondly, at the cadre level, there is a lack of personnel skills needed to perform the function effectively and a need to develop a stronger internal consulting capacity to assist senior management in the process of reform (para. 4.02). Recommended actions include appointing a review committee to update and simplify important procedures and update existing information. Further recommendations include:
development of a personnel information system (para. 4.14), better management of in-service training and counterpart development (paras. 4.15-4.16), strengthening the internal management consulting capacity by seeking donor support to develop a new consulting group within the Prime Minister's Office (para. 4.19). Terms-of-reference and the organizational structure in this proposed group are provided in Annex 13.

V. TRAINING INSTITUTIONS

viii. There are four training centers providing managerial and administrative training in Lesotho. Although adequate capacity for training exists, the quality of training is inadequate and training efforts need to be rationalized. The Commercial Training Institute (CTI) offers sound basic business training. The University does not offer specific programs in managerial education but the Faculty of Social Science prepares students for the B. Com. degree, B.A in Public Administration, and the Diploma in Business studies. The cost effectiveness of the University has been evaluated in an IBRD report on Cost Effectiveness of Education in the Kingdom of Lesotho (Report No. 5088-LSO) and specific recommendations were made on how to contain cost. The quality of the output is low and this is a reflection of the low initial entry level. The Department of Business Studies is understaffed. The University needs to re-evaluate its programs and find ways of adapting them to the needs of Lesotho. The Lesotho Institute of Public Administration (LIPA) is the primary Government management training institute. It also offers diploma courses in Public Administration. LIPA enrols about 500 students a year in its various programs. It has difficulty attracting qualified staff because it is administered as a Civil Service agency. As a management training institute, LIPA competes for participants with the regional based Institute of Development Management (IDM). Programs of both institutes overlap. Ways of minimizing this duplication of effort were examined by a government-appointed ad hoc committee and recommendations by the committee are being studied by both institutes. Since IDM has comparative resource advantages, LIPA should concentrate on upgrading its programs for the public sector rather than on high level management training in the private sector. The staff of LIPA needs strengthening by technical assistance and by active collaboration with the management services unit. LIPA should aim at targeting its programs to the identified training needs within the public sector.

VI. ACCOUNTANCY TRAINING IN LESOTHO

ix. Lesotho Institute of Accountants (LIA) was established by an Act of Parliament in 1977. Its training arm is the Center of Accountancy Studies (CAS)—which is a private institute supported by the Irish Government and managed until recently by the firm of Stokes, Kennedy Crowley and Co. Current enrollment is 165 distributed as follows: Licensed 97, Registered 49; Public 19. CAS has been able to offer a high
standard of training in accountancy because the center has been supported by a professional accounting firm. This administrative arrangement has now changed and the Director and staff are being recruited directly in their individual capacity. At the pretechnician level, courses are offered at the Commercial Training Institute (CTI), the University and LIPA.

VII. CURRENT DONOR INITIATIVES

x. Several donors are currently active in the area of management. These are SIDA in senior management training, the Irish Government in accountancy training, ODA in the area of financial management and USAID in education administration. EEC, USAID and the Government of Netherlands are assisting LIPA with experts and fellowship award for its staff.

VIII. AGENDA FOR CHANGE

xi. This chapter describes an action program for strengthening the management of Lesotho Civil Service. The proposed program brings together the major recommendations in this study so that action can be taken on all the components in an integrated manner. The first step is to establish a framework which would provide senior management control over the program by strengthening the existing management consulting unit under the Inspector General, to advise and help facilitate the process of change and provide overall coordination to ensure that the different components of the action program are phased and reinforce one another. A Government Review Group should be appointed and should be composed of high level representatives of key parts of the Government under the chairmanship of a Senior Government Manager. The Review Group should: (a) carefully study the proposals in this report and determine areas of priority; (b) establish a number of task forces to carry out the responsibilities for the major components of the action program. The identified programs for which the task forces will be responsible are: (i) action program on general and financial management improvement; (ii) program to upgrade and coordinate training in business management; (iii) program to strengthen training institutions; (iv) program to strengthen personnel management in the Civil Service. The work on each area should be led by the Management Services Unit assisted by selected managers. Work on general and financial management improvement should begin by analyzing specific factors which lead to ineffective managerial performance (see para. 8.05). Once this analysis is done, the findings should be discussed and confirmed by a senior management seminar and a series of activities launched. One set of activities will depend upon sharpening the criteria for judging managerial effectiveness by
studying the characteristics of sample managers judged to be successful and unsuccessful. The sharpened criteria should be used to: (a) improve identification of future managers; (b) improve the evaluation of performance of current managers; (c) define the priorities for a redesigned in-service management training program. The analysis of systems and procedures should lead to a second set of activities to replace outmoded practices etc. The third set of activities will deal with the development of positive incentives to encourage effective management such as creation of improved career structures for ambitious technical staff who have little aptitude for management, and measures for phasing out managers who have clearly demonstrated repeated managerial ineffectiveness (para. 8.06). Based on the analysis and objectives of the three sets of activities, a simple evaluation should be instituted so that progress can be periodically assessed.

This study has made a series of recommendations involving the strengthening of the National University of Lesotho (paras. 5.05-5.19), LIPA (para. 5.20-5.33) and IDM. Many of these improvements will be the responsibilities of the institutions themselves. However, these actions should be reviewed and necessary support should be provided as described in para. 8.10. An important part of the suggested action program for strengthening management in the Lesotho Civil Service is the human resources management component. In order to strengthen the management of personnel function, a comprehensive program of change incorporating several interrelated activities is proposed. The overall summary of this action program is presented in paras. 8.11-8.13. The responsibility within each component of the change program should be to: (a) establish clear objectives; (b) design a detailed program based on the priorities defined by the Review Group; and (c) implement and monitor that program.

IX. PROPOSALS FOR EXTERNAL ASSISTANCE

It is recommended that the Government consider seeking external assistance to support the agenda for change laid out in Section VIII. This would involve technical assistance and fellowship support for: (a) the establishment of the management review group; (b) upgrading of training program for business management skills; (c) strengthening of a training institutes; and (d) support for action program to improve personnel management function in the Civil Service (para. 9.01 et sequitur).
INTRODUCTION

Socio-Economic Setting

1. Lesotho, a small landlocked country with a population of about 1.4 million persons and a per capita GNP of US$470, is surrounded by the Republic of South Africa (RSA), with which it has ideological differences, but with which it must coexist. It is mountainous and, other than abundant water and small deposits of diamonds, it possesses few natural resources of economic value. About 13 percent of its 30,400 sq km is suitable for crop farming, but only 0.4 percent is considered as having high potential. Agriculture is the leading sector of the economy, providing employment and livelihood for about 85 percent of the resident population. Development of a modern industrial sector is limited by the small size of the domestic market, the proximity of the highly industrialized South African economy which supplies Lesotho with most of the goods and services it requires, a shortage of skilled entrepreneurial, managerial and technical manpower, and the necessity of importing nearly all raw materials and intermediate goods. The economy is highly dependent on RSA where 90 percent of its imports originate, as do all its electricity, a large portion of its foreign investment and tourism. Over half of its male labor force is employed in the RSA and remittances of migrant workers constitute over 50 percent of the GNP. This dependence is reinforced by its membership of the Rand Monetary Area (RMA) and the Southern Africa Customs Union (SACU).

2. Over 70 percent of government revenues are derived from SACU receipts. Imports grew sharply, doubling the 1978 level by 1981 and have continued to grow slowly in volume and value since then. Despite moderate growth of remittances from miners, the current account deficit rose from US$24 million in 1979 to US$74 million in 1981. Much of the deficit was financed by short-term loans which led to a sharp rise in debt service payments. Recognizing the seriousness of the fiscal/balance of payment crisis, the government instituted an austerity program in 1982. It tightened financial controls, froze wages and employment in the civil service, and cut back the capital budget. Measures to boost domestic revenues—increase in sales and liquor taxes, levy of user charges for services to farmers—were introduced. As a result of these efforts, coupled with a timely increase in SACU receipts resulting from changes in the revenue allocation formula, both the fiscal situation and the balance of payments have been brought under control. The overall fiscal deficit was reduced to 2.4 percent of GNP in 1983/84. The balance of payment's current account deficit was reduced from US$74 million in 1981 to US$21 million in 1983 to US$8 million in 1984. However, real GDP (at factor cost) declined during 1981-1983, and although there was a slight upturn in 1984/85, the growth rate was only 1.5 percent.
Future Development

3. Lesotho's economic prospects for the remainder of 1980s are uncertain. It is anticipated that the fiscal situation will worsen in 1985/86 due to substantial wage and salary increments awarded to civil servants in January 1985, the decline in SACU receipts, the volatile exchange rate (Lesotho's currency, the Maloti, is fixed to the Rand) and the uncertain economic prospects of RSA. Although Lesotho's prospect for growth and development are limited by unfavorable external factors, as well as natural constraints, opportunities do exist for improving the economy. An immediate concern is sustaining the improvement in public sector finances and economic management. This will require strengthening the mechanisms for expenditure planning and control; and increasing revenues.

4. The absence of an effective development planning capability within the Government has led at times to decisions on major investment projects which are not entirely consistent with declared policy objectives. To remove development planning deficiencies, the Government is considering proposals for reorganizing and restructuring the planning machinery with the objectives of: (a) strengthening the ultimate decision-making process in the selection of development priorities and public investment programs; (b) introducing a more coherent vertical integration of the planning function and its professional staff; and (c) formulating precise and clearly articulated policy guidelines for selection of national and sectoral development priorities, and for identification, preparation, monitoring and evaluation of development projects and programs. The proposals include creating a planning cadre (or Economic Common Service) under Central Planning Development Office (CPDO); restructuring CPDO (including creation of a macro-economic analysis section); and establishing a National Planning Council to be chaired by the Prime Minister. The successful implementation of these proposals should substantially increase the potential for improved development planning in Lesotho, but will require qualified and able staff, and competent management.

Objectives of Study

5. The growing concern about management, as a constraint on development, has once again focused attention on the need to strengthen the institutional capacity of Lesotho to manage its economy. Administrative and management training are essential ingredients in the creation of a well managed government. The importance of administrative training of public servants was one aspect of human resource development which, at the early stages of independence, was given substantial financial and expert support by the U.K. This study addresses this concern. The focus of this study is on training and administrative arrangements designed to strengthen the
knowledge and skills, and influence the attitudes of middle and upper level public servants with a view to improving their job performance.

Increasingly with development, the differences between administrators and managers have narrowed because governments are undertaking and administering projects. Public servants are both policy makers and executors of policies. Consequently, irrespective of their levels, public servants must possess the conceptual knowledge, skills, and attitudes relevant to the performance of their duties and personnel policies must be designed to motivate them to perform their duties effectively.

6. Specifically, the objectives of this study are: to assess, on the basis of existing data, the management training needs of Lesotho, to evaluate the capacity of existing training institutions to provide the necessary training, and make recommendations (i) for improving administrative management of the institutions as a means of controlling costs; and (ii) for more efficient and effective use of resources to meet the training objectives; to evaluate the efficiency of existing personnel management systems and practice; to identify practical action-oriented approaches for achieving improved coordination of training efforts at the national level, as well as coordination of efforts within the region; and to identify suitable areas of external assistance.

Organization of Report

7. This volume is organized as follows:

Chapter I provides a description of the organization and structure of the Civil Service.

Chapter II examines the methods of management development in the four important parastatals as well as issues in business and managerial training.

Chapter III highlights some of the important issues in terms of effective management in the Civil Service, and recommends actions that should be taken to improve the calibre of management. This chapter also includes specific recommendations relating to the selection and evaluation of managers; the need for a basic practical in-service managerial training program as a prerequisite for taking up managerial appointments; the use of attachments as a way of preparing individuals for middle and higher level management positions; the strengthening of the planning cadre, and coordination among planning sections; clearer financial management accountability at various levels; improvement of
the selection and training of staff for the accountancy cadre, and actions needed to overcome current problems in computing activities.

Chapter IV describes the current personnel function and identifies needs for improvement. The chapter includes actions needed to improve the Office of Cabinet Personnel, to strengthen the consulting resources in management services to play a key role in supporting change; and to improve personnel processes and systems, such as human resource planning, personnel information, management of expatriates and in-service training.

Chapter V describes the role and products of the major training institutions in Lesotho—the University, the Institute of Development Management (IDM), the Lesotho Institute of Public Administration (LIPA). This chapter analyzes the needs to rationalize training efforts, to improve the coordination between LIPA and IDM and strengthen LIPA’s faculty and facilities. Included in this chapter are analysis of the key issues relating to the current performance of training institutions in Lesotho, including the problems in attracting and retaining high calibre human resources, the need to rationalize some overlap in training, the need to strengthen the practical nature of training to apply to Lesotho conditions, and the need to diversify programs to apply to all sectors—Civil Service, parastatals, and private sector—by close collaboration in syllabus development and training with managerial representatives from each sector. Specific recommendations are included for accomplishing these needs and for strengthening the appropriate role of each institution.

Chapter VI describes activities of the Center for Accountancy Studies and makes specific recommendations on the need for developing a training program for public accounting.

Chapter VII describes the contribution of other donors towards improved management training and development in Lesotho.

Chapter VIII lays out an Agenda for Change and lists priority areas for action.

Chapter XI comments on the role external assistance can play in helping to support the proposed Agenda for Change.
I. ORGANIZATION AND STRUCTURE OF CIVIL SERVICE

Introduction

1.01 The Lesotho Government is headed by a constitutional monarch with executive authority residing in a Prime Minister and Cabinet. There are 15 ministries covering the major sectors of Government, and a number of other functions (such as the Office of the Auditor General, and the Public Service Commission). The Civil Service has 14,750 established salaried positions (there are also some persons employed outside of the establishment, on weekly wage basis or as daily labor). The largest ministries in the Government are the Ministry of Agriculture (2,673), Ministry of Health (1,775), and the Ministry of Finance (891). The Prime Minister's Office, which contains a range of functions such as the Cabinet Office, Cabinet Personnel, Printing, District coordination, and the law office, follows fourth in size, with 812 established positions. These four together constitute 54 percent of the Civil Service establishment. Since 1980, the Civil Service has grown by 6.8 percent. However, over this period, some ministries have contracted in size (Trade, Industry and Tourism; Finance; Education, Sports & Culture; Prime Minister's Office; and Interior), while others have expanded (most significantly—Water, Energy & Mining, and Health) (see Annex 1).

1. Grade Structure

1.02 Staff within the Civil Service are divided into twenty-four grades, grade one representing the lowest and grade 24 the highest. In practice, only grades 1 to 17 are publicly used, and in most cases, grade 16—the grade of permanent secretaries and a few other senior officials—represents the top of the grade hierarchy. The bulk of the staff fall within the grade bands of 7 to 10. Managerial positions are divided broadly into two bands: senior and top management (grades 12 to 19); and junior and middle management (grades 8 to 11). There are also some persons (about 46) graded below 6, who have supervisory responsibility. Within these very broad ranges, there are approximately 1,695 managers of all levels in the Government, who constitute almost 15 percent the total establishment. However, the bulk of these are junior and middle managers (below grade 12) with senior and top managers (grades 12 to 17) totalling 350 (3 percent of the total establishment). Top and middle-level managers in the civil servants can be divided into two: (a) managerial/administrative category, persons falling into this category are permanent secretary, director, coordinator, project manager, superintendent (see Annex 2); (b) senior technical middle and upper management category: positions in this category include senior mechanical engineer.

1/ Following the January 20, 1986 military coup d'état, executive and legislative power is vested in the king acting on the advice of the military council and the council of ministers.
horticultural officer, principal nursing officer, chief youth organizer, senior trade development officer, chief physical planner. A large number of sections and units in Government are supervised by these technical managers.

1.03 The organizational structure of a representative ministry is presented below, although in practice each ministry has its own unique structure and number of units.

Organizational Structure of a Representative Ministry

- MINISTER
  - Principal Secretary
    - Director
    - Deputy Director
      - Senior Officer Unit/Section
      - Chief Technician Unit/Section
      - Central Administration
    - Deputy Principal Secretary
      - Principal Assistant Secretary
      - Senior Officer Unit/Section
      - Chief Technician Unit/Section
  - Director
    - Deputy Director
      - Senior Officer Unit/Section
      - Chief Technician Unit/Section
1.04 The organization chart of a representative ministry (Health) is shown as Annex 3. While many general managerial/administrative positions with similar titles enjoy the same grade levels, there are a number which are graded differently2/. The largest number of managers are found in the Ministry of Agriculture & Marketing, Ministry of Education, Prime Minister's Office, and Ministry of Health (See Annex 4). The overall ratio of staff:managers in the Civil Service is 6.7:1, however, there are wide variations among the ministries. The largest number of managers per staff members is found in the Ministry of Education (2.5 staff: 1 manager) and the smallest in the Ministry of Works (42.3 staff: 1 manager).

2. Cadres in the Civil Service

1.05 There are a number of specialized cadres in the Lesotho Civil Service which comprise the staff of specific functions, such as accountancy, personnel, administrative, secretarial. Each cadre has its own career development ladder and promotion criteria. Two such cadres are described below:

1.06 Accountancy Cadre: This cadre is partly managed and controlled by the Accountant General in the Ministry of Finance who has overall responsibility for the placement, promotion, training, and standards relating to members of the cadre. However, the salary budget for the accountancy cadre has recently been decentralized, and the schemes of service for the cadre are being currently reviewed, leading to uncertainty regarding its reporting relationship (para. 3.05 iv). Members of the accountancy cadre are employed in all ministries and government offices other than the Ministries of Trade, Industry and Tourism, and Foreign Affairs. There are currently 751 staff (7 percent of the total Civil Service establishment) who can be identified as belonging to the accountancy cadre. The largest number, 392 (or 52 percent) are located centrally in the Treasury, in the Ministry of Finance. The largest number of members of the accountancy cadre outside the Ministry of Finance, operate in the Ministry of Agriculture & Marketing, the Ministry of Water, Energy & Mining, and the Auditor General's Office (see Annex 5). The overall accountancy cadre occupy the following positions and grades:

2/ For example, most Principal Secretaries are grades 16; and deputies are graded 14. However, most director positions range from grade 16 in the Ministry of Health and of Finance, to grade 12 in the Ministry of Education.
Accountancy Cadre: Positions and Grades

<table>
<thead>
<tr>
<th>Positions</th>
<th>Grades</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accountant General</td>
<td></td>
</tr>
<tr>
<td>Budget Controller</td>
<td></td>
</tr>
<tr>
<td>Chief Financial Controller</td>
<td>16</td>
</tr>
<tr>
<td>Deputy Accountant General</td>
<td></td>
</tr>
<tr>
<td>Deputy Budget Controller</td>
<td></td>
</tr>
<tr>
<td>Deputy Chief Financial Controller</td>
<td>14</td>
</tr>
<tr>
<td>Chief Controller of Accounts</td>
<td>12</td>
</tr>
<tr>
<td>Financial Controller</td>
<td></td>
</tr>
<tr>
<td>Senior Controller of Accounts</td>
<td>11</td>
</tr>
<tr>
<td>Senior Internal Auditor</td>
<td></td>
</tr>
<tr>
<td>Controller of Accounts</td>
<td></td>
</tr>
<tr>
<td>Senior Finance Officer</td>
<td>10</td>
</tr>
<tr>
<td>Chief Accountant</td>
<td>9</td>
</tr>
<tr>
<td>Internal Auditor II</td>
<td>8-10</td>
</tr>
<tr>
<td>Senior Accountant</td>
<td>8</td>
</tr>
<tr>
<td>Accountant</td>
<td>6-7</td>
</tr>
<tr>
<td>Assistant Accountant</td>
<td>4-5</td>
</tr>
<tr>
<td>Accounts/Revenue/Tax Clerk</td>
<td>1-2/3</td>
</tr>
</tbody>
</table>

The top two grade levels are to be found in the Ministry of Finance only. In other ministries, the most senior member of the accountancy cadre is generally the Chief Controller of Accounts or Financial Controller at grade 12.

1.07 Personnel Cadre: The personnel cadre is effectively decentralized throughout the Government. The cadre currently consists of 118 positions, constituting about one percent of the Civil Service establishment. Of these, only 19 (about 16 percent) are located centrally in the Ministry of the Public Service. The range of positions within the personnel cadre is as follows:

<table>
<thead>
<tr>
<th>Title</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Personnel Officer</td>
<td>12</td>
</tr>
<tr>
<td>Principal Personnel Officer I</td>
<td>10</td>
</tr>
<tr>
<td>Principal Personnel Officer II</td>
<td>8</td>
</tr>
<tr>
<td>Senior Personnel Officer</td>
<td>7-8</td>
</tr>
<tr>
<td>Personnel Officer</td>
<td>6-8</td>
</tr>
<tr>
<td>Assistant Personnel Officer</td>
<td>4-6</td>
</tr>
</tbody>
</table>
Outside the Office of the Cabinet Secretary, Personnel, the most senior member of the personnel cadre is the Principal Personnel Officer (I or II) or in a few cases, a Senior Personnel Officer. As Annex 6 indicates, the largest number of members of the personnel cadre in the Civil Service operates in the Ministry of Agriculture and Marketing (25 or 21 percent). The Ministry of Education has 10 members of the personnel cadre (9 percent) and the Ministry of Transport & Communications has eight (or 7 percent). As can also be seen from Annex 6, the overall ratio of Personnel Cadre Officers to the established staff is 1:97, but this ratio varies considerably among ministries/government offices—from a personnel cadre:Staff ratio of 1:41 in the Ministry of Trade, Industry & Tourism, and the Ministry of Foreign Affairs, to a ratio of 1:355 in the Ministry of Health.

1.08 In addition to those officially part of the personnel cadre, there are a number of trainers, lecturers, and staff development officers in the Civil Service. This group totals about 62, of which 20 (30 percent) are located in the Office of the Cabinet Secretary, Personnel. The staff within this job category occupy the following positions:

<table>
<thead>
<tr>
<th>Title</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Localization and Training Officer</td>
<td>12</td>
</tr>
<tr>
<td>Chief Lecturer</td>
<td>12</td>
</tr>
<tr>
<td>Chief Staff Development Officer</td>
<td>12</td>
</tr>
<tr>
<td>Senior Staff Development Officer</td>
<td>10</td>
</tr>
<tr>
<td>Training Officer</td>
<td>8-10</td>
</tr>
<tr>
<td>Lecturer</td>
<td>9</td>
</tr>
<tr>
<td>Assistant Lecturer</td>
<td>7-8</td>
</tr>
<tr>
<td>Staff Development Officer</td>
<td>7-8</td>
</tr>
<tr>
<td>Assistant Training Officer</td>
<td>7, 2</td>
</tr>
</tbody>
</table>

II. PARASTATALS IN LESOTHO: MANAGEMENT AND TRAINING ISSUES

Introduction

2.01 The parastatals play an important role in the Lesotho's economy. There are approximately 20 organizations classified as parastatal, the most important are Lesotho Telecommunications Corporation (LTC), Lesotho Electricity Corporation, Lesotho Bank, Lesotho Agriculture and Development
Bank, Lesotho National Development Corporation (LNDC), Basotho Enterprises Development Corporation (BEDCO), Lesotho Freight Services, and Lesotho National Bus Corporation.

2.02 Employment figures for the parastatals were not available separately from private sector statistics. As of 1980, there were about 22,300 people employed in the private and parastatal sector, of which the largest number were in wholesale and retail trade, construction, and manufacturing. Many of these businesses are subsidiaries or enterprises supported by the Lesotho Bank, LNDC, or BEDCO. Of the total number of employees in the private and parastatal sector, about 54 percent are classified as "Professional/Technical" and 2 percent as "Other Professional". Expatriates form a majority (69 percent) of the "Professional/Technical category, and a substantial proportion (36 percent) of the "other Professional/Technical" category. Expatriates at these levels are especially predominant in the banking and insurance industries, construction, and manufacturing. However, non-citizens account for less than 4 percent of the total work force (see Annex 7 for further details).

2.03 The parastatals have government control through the representation of Ministers or Principal Secretaries on their boards, and their accounts are audited by the Office of the Auditor General. However, in their daily operation they are self-managing, and several operate without Government subvention. In 1978, the Boodoo Report recommended that the Cabinet establish a committee to control parastatals, and just over a year ago the Cabinet made a decision to set up a review of parastatal activities. But uncertainties about the leadership and constitution of the review committee have delayed action.

2.04 Until recently, salaries in the parastatals were far more attractive than those in the Civil Service, and as a result there was a drain of high calibre administrators and professional staff to the parastatals. Early in 1985, the Government took action to award salary increases in the Civil Service while holding salaries in the parastatals at current levels in an attempt to bring the salaries into line with one another. On the financial support side, the relationship between the parastatals and the Government is less clear. The Government does not have a committed financial support program for each parastatal and many of them operate on a self-financing basis to all intents and purposes. There is however, lack of clarity on the policy relating to the financial status of parastatals and this has caused confusion in the case of some donor activities. Steps have been taken to improve coordination and planning through a weekly development meeting chaired by the Cabinet Secretary, and attended by the Heads of parastatals and Representatives from key ministries. Although this study was not able to carry out an indepth review


of the parastatals, it examined the methods of management development in
four of the most important—the Lesotho Telecommunications Corporation
(LTC), Lesotho Bank, Lesotho National Development Corporation (LNDC), and
Basotho Enterprise and Development Corporation (BEDCO).

1. **Lesotho Telecommunications Corporation (LTC)**

2.05 **Staffing:** LTC employs approximately 600 employees and reports to
a board chaired by the Minister of Transport and Communications. The
organization is managed by seven senior managers (including heads of
division) and a number of supervisory and middle managers who run
sub-sectors. Currently, there are 23 expatriates in the organization, which
is a significant reduction from heavy dependence on expatriate assistance
in the past. Each line manager in the organization is responsible for
managing counterpart development, and their progress in developing
counterparts to replace expatriates is monitored through appraisal
reports. The current goal is to reduce the number of expatriates to
eleven.

2.06 **Training Program:** LTC's success in building up the number of
local managers is partly a result of a thorough training structure which is
aimed at developing both technical and managerial skills. This training
structure includes a combination of an extensive 16-week induction run by
the local training center, the use of examinations, field assignments, and
refresher courses; and additional specialized training applied at certain
points in the career structure. An important element in the effectiveness
of this training program is the use of two levels of external training. In
the early 70s, the BLS countries and Malawi established a joint
telecommunications project with funding from the European Economic
Community (EEC). Under this project two experts are located in Malawi, and
one each in each of the BLS countries. This project focuses specifically
on necessary technical skills as key to managerial and administrative
effectiveness. Preparatory training is carried out in each of the BLS
countries to develop basic skills, after which staff attend a multi-country
training center in Malawi, or proceed to advanced training in Nairobi. As
staff move towards supervisory and managerial responsibility, the training
section plans and funds specific managerial training programs. Some use is
made of existing training institutes (LIPA and IIM), but most of the
management training takes place externally, especially through attendance
of programs at ESAMI; and at the International Program for
Telecommunications Management in Sweden, where emphasis is placed on
productivity, resource utilization, and time-budget approaches to
management. Although the general experience of management in the
organization is that these external courses are appropriate to their needs,
there are some cases where the match between the program selected and
individual needs is poor, and occasions when individuals are reassigned to other non-training related jobs without making use of the skill acquired on return.

2.07 LTC employs graduates from the National University of Lesotho, with B. Com and BA (Admin.) degrees. However, there is an urgent need for the university to develop technical/engineering components to make the managerial education in these degrees relevant to the managerial-technical environment of the Corporation.

2. Lesotho Bank

2.08 Lesotho Bank was created after independence to provide investment support to Lesotho citizens. The Bank has evolved from the post office Savings Bank to become a major commercial funding institution in the country.

2.09 Training Program: Managerial and entrepreneurial skills are developed within the Lesotho Bank through a specific training program organized and administered by the Bank's own training staff. The program builds on an academic basis provided by the B.Com degree and selective use of IDM courses. This is followed by the funding of external post-graduate degree programs, and planned attachments to other development institutions, including the African Development Bank and the World Bank. Those selected for this form of management training are individuals with previous banking experience. Many of them have been lost to Government projects. The Lesotho Bank is regarded as an effective training ground for other enterprises, particularly in computer-related skills (Lesotho Bank has the largest computer configuration in the country).

3. Lesotho National Development Corporation (LNDC)

2.10 LNDC was established in 1967 to promote industrialization, job creation, and the transfer of technology. Its early emphasis was on developing handicrafts and some local technology, but over time, LNDC has gone into mining, tourism, manufacturing enterprises, and investment promotion to attract funds into Lesotho through tax and trade concessions. LNDC is dependent on Government subventions and funding assistance from the World Bank, African Development Bank, and the European Investment Bank.

2.11 Staffing and Staff Training: LNDC has a staff of 70 of which half in supervisory positions and six in senior management posts. Most of LNDC's staff are nationals, although there are still three expatriates in the New Industries Section, the Accounts and Operations sections. While the Corporation recruits much of its staff as B.Com graduates from the
university, LNDC also uses scholarships provided by the Swiss Government and the Anglo American Corporation to develop suitable graduates for placement on their staff. LNDC suffers some loss of trained staff who have been attracted to the Center for Accountancy Studies, for example, and there are concerns that the action by the Government on Civil Service/parastatals salaries could result in some LNDC staff moving into attractive Civil Service positions. One of the foremost challenges for the Corporation is the development of middle managers into senior management positions, because of the lack of suitably prepared candidates for greater responsibility. There are three vacancies for senior managers and a further five will be required over the next five years.

2.12 **Client Development:** LNDC's role is to fund and assist local companies. There are currently about 50 such organizations (with a further 26 projects in the pipe-line), covering management population of about 150, heavily dominated by expatriates. Part of the funding agreement is that expatriates will train local managers. Sometimes this takes place effectively, although localization has been especially difficult in projects concerned with industry and hotels; and there are problems in locating suitable counterparts with technical skills in areas such as mining, electronics, engineering, and textiles. There is also a lack of local skills in key areas essential to success in managing enterprises—including general management skills, project appraisal, and financial analysis. LNDC does not have the resources to provide systematic training for local entrepreneurs. However, as part of its project supervision activities, LNDC attempts to provide periodic training in topics such as financial management, based on line case studies which emerge from audits. Use is also made of outside training, some of which is provided by IDM, and trainers from the university have been used to provide coaching in areas such as communications skills. However, despite these efforts, it is clear that LNDC is able to make only a modest contribution to client training because of resource constraints.

4. **Basotho Enterprises Development Corporation (BEDCO)**

2.13 BEDCO complements the role played by LNDC in funding and sponsoring local enterprises. LNDC focuses on enterprises requiring an investment of R 100,000 and more, and BEDCO on those below that figure. BEDCO has recently recommended that BEDCO's financing functions should be transferred to a proposed new Commission and Industrial Development Bank, so that BEDCO can concentrate on its primary role of educating, training, and organizing traders. The average BEDCO investment (as at March 1985) was R 18,300. BEDCO's role is to attract and help local investors, and since demand exceeds BEDCO's capacity, the corporation is able to insist that the individual contributes 25 percent of the local investment.

---

5/ Report of the Small Business Conference held at the National University of Lesotho: "Lesotho Business" Vol 4, no. 1, Jan/Feb., 1985
invests; is a Lesotho citizen or will establish 51 percent Lesotho control; and can show evidence of operational skills, or has someone available with these skills. BEDCO has difficulty evaluating the managerial and entrepreneurial abilities required for success, hence the high failure rate of small businesses, attributable to poor business skills. BEDCO has started recently a program of building self-reliance, including leasing space at low rental to businesses.

2.14 Development of Managerial Skills: Within BEDCO, there are two groups concerned directly with helping to develop local entrepreneurial and small business management skills. The Entrepreneur Training Section offers training programs which focus strongly on learning from successful experience. Trainers also provide some direct consulting assistance. The Management Services Section offers consulting services to entrepreneurs, and carries out diagnostic studies and needs analyses. These studies form part of the content of BEDCO training programs. BEDCO also utilizes the services of the Institute of Extra Mural Studies (IEMS), IDM, RSA consultants (especially in certain technical areas), and income tax specialists from Government. Despite a well organized program, BEDCO's efforts are severely hampered by a lack of resources. Because BEDCO is working with individuals who have little background or understanding of management, there is a need to give a great deal of on-the-spot coaching and technical assistance activities. This need, at present, cannot be satisfied given BEDCO's current staffing levels. Funding assistance from Canada has now run out, and BEDCO relies entirely on government subvention and its own revenue. Some of BEDCO's own staff are also in need of training in management consulting skills in order to provide the required level of support. Local training in such skills is inadequate. To meet such needs, BEDCO has had to rely on external programs in the Philippines, Netherlands, India, and Tanzania.

5. Management Development in the Parastatals

2.15 Issues: The three parastatals referred to above appear to have fairly well planned approaches to the training and development of their own managerial staff. However, the limiting factor is the lack of effective local management training programs geared to their specific needs. One of the problems the parastatals face is identifying suitable managerial candidates for senior positions, and retaining them afterwards. This problem may worsen if the current government actions on Civil Service/parastatal salaries change the relative salary scale position of the parastatals vis-à-vis the Civil Service. Two key parastatals (LMDC and BEDCO) concerned with the vital role of developing local entrepreneurial skills, can do very little because of lack of staff resources and

6/ Except in the case of CAS which is contributing effectively at the professional level of accountancy training.
inadequacy of existing training programs. The current B. Com degree is too academic, and the pre-business workshop offered by LEMS while useful, is of very low quality. For further discussion of the university's programs (see Chapter V).

2.16 Recommendation: To develop more effective local training capacity within the parastatals, a working group, consisting of representatives from the parastatals, LIPA, IDM, and the university, should be established to survey and restructure the current programs. This working group may also study resource requirements of these institutions for program development. Specifically, IDM should consider establishing a formal research project in collaboration with the parastatal working group, to define its future training and consulting support role to the parastatals. The senior management from the parastatals should establish a cooperative committee to develop a managerial cadre across the parastatals so as to increase the pool of capable middle managers who can assume senior management responsibility. This committee may consider establishing some agreed standards for managerial selection; organizing some common management courses which can economize on the use of imported training expertise; influencing the training provided by local institutions (see Chapter VI); and formulating some rules and procedures to govern the movement of managerial staff among the parastatals.

6. Business Management Training

2.17 Introduction: Small business plays a vital role in the social and economic development of Lesotho. Local businesses have the potential of contributing directly to the strengthening of Lesotho's manufacturing and commercial infrastructure, and can play a more prominent role in job creation, market expansion, and import substitution given Lesotho's problems of unemployment, declining employment opportunities in RSA7/, and overpopulation. However, the failure rate of local small business is high, partly because of their inability to compete with branches of foreign firms in Lesotho, and partly because of poor management.

2.18 Existing Training Programs: There is a variety of sources for training of local business managers in Lesotho. The role of LMDG (which focuses on larger local enterprises) and BEDCO (which trains and assists small local entrepreneurs) has already been described (paras. 2.13-2.14). In addition, there are some other agencies which make an important contribution. These are: (a) The Business Training Center (BTC) jointly founded in 1974 by the Department of Commerce and Industry and the

---

7/ It is estimated that the employment of male citizens in South Africa will drop from a current 50.2% to about 18.3% by the turn of the century (paper delivered by the Director of the Business Training Center at the Small Business Development Conference, reported in "Lesotho Business", Jan/Feb. 1985.)
Institute of Extra-Mural Studies (IEMS) of the National University of Lesotho. BTC has held programs in Maseru and other districts (Mafeteng, Leribe, Mohales Hock, Butha-Butha, Quthing and Mokhotlong, etc). The center's resources permit only one or two programs a year. However, BTC has put over 6,000 local traders through short intensive business management programs, and has contributed to the establishment of a number of small retail and wholesale concerns; (b) Business Extension Service of the Ministry of Trade, Industry and Tourism. The Lesotho Opportunities Industrialisation Centre (LOIC) provides direct training and assistance to local businessmen, IEMS also runs a short pre-business preparatory workshop for prospective entrepreneurs.

2.19 Issues: Surveys by LNDC, BEDCO and others into the practices of small enterprises in Lesotho attribute the high failure rate to: insufficient capital, limited credit facilities, lack of business acumen, over-dependence on funding agencies, lack of technical skills, and poor management practices. Particular skills lacking include: accounting practices, control of expenditure, stock control, and profit and loss analysis. A priority area for training is in basic commercial management methods. Since participation in such training is generally voluntary, the training needs to: (a) appeal to a range of heterogeneous needs; (b) be focused on specific problem solving; and (c) teach practical skills that will have a direct impact on the efficiency and success of the enterprise. The venue should be close to the work-place and preferably based on modules using problems and case studies drawn directly from actual experience, and providing follow-up consulting, on-the-job assistance. Although there is a variety of small business management training programs in Lesotho, such programs are uncoordinated. The B. Com program and the courses organized by IDM are very theoretical and therefore unsuitable for even those businessmen with the requisite educational background.

2.20 Recommendations: To upgrade the quality of training in business management skills, rationalize current training efforts, and make more resources available, the Government should establish a program within the Ministry of Trade, Industry, and Tourism to:

(a) provide an umbrella for all training and consulting efforts aimed at developing business management skills;

(b) reduce overlap, coordinate efforts, and encourage joint ventures;

(c) define gaps that exist in current training;

(d) develop additional elements to close these gaps especially in areas such as practical programs for potential businessmen with university entrance qualifications as an alternative to the current B. Com program and the provision of more direct consulting and extension services.

2.21 Implementation of the above recommendation would strengthen existing programs. The program should be managed by a unit drawn from a group of active and interested parties—Lesotho Bank, LNDC, BEDCO, BTC, the Ministry's Business Extension Service, the IEMS, and the Lesotho Chamber of Commerce. Participation of successful local enterprises and companies that have in the past shown an interest and concern for the development of business effectiveness in Lesotho and have had success in training locally recruited staff in management skills would be essential. In addition, the Center for Accountancy studies (CAS) should be asked to help design instructional materials and training guides in basic accounting procedures suitable for use in small business skills development. IDM should be approached to give support to this program which could take the form of needs assessment, evaluation of the impact of current training, measures to bring together the various agencies into a cooperative venture, and the design of specific components in areas in which IDM has a comparative advantage. In providing this type of assistance, IDM would be taking a leading role in facilitating and institutionalizing this program. The program should also review the adequacy of resources at LNDC, and BEDCO to meet current and future needs.

III. PUBLIC SECTOR MANAGEMENT ISSUES IN THE LESOTHO CIVIL SERVICE

Introduction

3.01 There is clearly a strong and widespread recognition in the Lesotho Government, of the problems and deficiencies in public administration and management within the Civil Service, and the need for reform. This recognition provides a positive foundation for the large-scale and intensive effort that would be required to transform managerial processes and to update systems to meet rapidly changing circumstances. There is already evidence of the will and determination in the government to bring about public administration reform—a number of recent initiatives have been taken to identify problems, coordinate planning activities, and initiate improvements in managerial training. Among these valuable initiatives were two recent Workshops for Principal

9/ For example BEDCO has an immediate need for the additional trainers/consultants, one in managerial areas, the other in technical areas (industrial engineering). These positions could be filled through technical assistance and with experts who are trainers.
Secretaries\textsuperscript{10} which focused on a series of key reforms needed in public sector management. There is also an awareness of the importance of establishing modern managerial techniques adapted to the needs of the Lesotho Government and the need to introduce human resource management reform (see Chapter 4) and to replace many of the outdated traditional methods which the Civil Service inherited from the colonial administration. While the recognition of the need for improvement and the commitment to reform are essential ingredients for success, the complexity of this task should not be underestimated. Change will be needed on a number of fronts simultaneously. Training will have limited impact as long as the incentives to manage effectively remain weak. Likewise, changes will be needed in systems and procedures to support managers in their use of newly acquired skills and techniques. In addition, this program of improvement will have to take place within a context of political and economic uncertainties which place enormous pressures on senior government managers, and erode confidence and commitment among those whom they manage.

Section Organization

3.02 This part of the report is divided into three sections: The first section deals with some of the most important general managerial problems identified for improvement in areas, such as the preparation and selection of managers; objective setting and delegation; roles and responsibilities of civil service managers at different levels in the hierarchy; communication and coordination; planning, systems, and procedures; and discipline and commitment among the civil service work-force. The second section covers problems in the specific area of financial management, including budgetary procedures, accounting practices and financial control; financial planning at the national level, and accountability for financial control, including the development and management of the accountancy cadre. The third section consists of recommendations for a comprehensive program of managerial reform and suggestions on a framework to integrate a number of the identified components and initiatives.

1. General Management Issues

3.03 The following is a summary of some of the most important problems identified in the areas of general management and public administration:

(a) Preparation and selection of managers: There has been a tendency in the Civil Service to promote talented individuals too quickly into managerial responsibility, before they have had the opportunity to develop the experience and management skills to carry this responsibility. Previous systems of in-service training which required individuals to meet test standards have dropped away, and managerial selection is now a result

\textsuperscript{10} June 6-8, 1984 at Roma; January 29-31, 1985 at Mohales' Hoek.
largely of a combination of acquired academic qualifications, and time spent and accomplishment in technical positions. The result is that there are managers at each level in the Civil Service who are poorly prepared for their roles, and in some cases individuals who are unsuited to carry management responsibility;

(b) Career Incentives: The grading structure within the Civil Service provides limited progression for people in technical positions. Therefore, ambitious and talented individuals use their training achievements to push for promotion into administrative and managerial posts. As a result, many technical and functional cadres (especially the accountancy cadre) are deprived of many of their most effective professional staff. Expectations of promotion, especially following training abroad, create problems for attempts to institute a rational system of career development. Furthermore, Lesotho loses high calibre staff for more highly paid jobs in the parastatals and private sector, or to positions in the RSA "homelands", where salaries remain higher despite a recent salary increase in the Civil Service. Much of the potential benefits of overseas training are therefore lost to the Civil Service and in some cases to the country overall.

(c) Objective Setting and Delegation: There is a need for individual ministries to establish clearer objectives, tied directly to budgets and resources, and planning and policy priorities. In addition, there is frequently inadequate delegation from senior levels in the Civil Service. There is some reluctance to entrust tasks to staff who are not adequately qualified and who tend to avoid making decisions or taking responsibility. In addition, too many routine decisions are passed up the hierarchy to senior management, even in some cases to the Cabinet level. As a result, senior managers, especially at the Principal Secretary level, are overburdened by administrative tasks that should be carried out at lower levels, and have inadequate time to plan and deal with policy issues. This lack of delegation often results in delays in reaching decisions on important issues, and is partly related to lack of managerial skill. When there is delegation, it is not always accompanied by explicit directions or explanations as to the underlying objectives of the task. Inadequate briefings lead to perfunctory responses.

(d) Roles and Responsibilities: Problems in delegation also result from confusion about the roles and accountabilities of managers at different levels in the hierarchy. A vivid example of this confusion dominated the 1984 Principal Secretaries' Workshop, at which the participants pointed out that the current legal framework which defines their responsibilities (Section 14 (1) of the Public Service Order 1970) describes them as exercising "supervision" over their ministries, while in reality, ministers exercise "control and direction". Yet in practice
Principal Secretaries are held accountable for the performance and output of their ministries. The workshop recommended a government review as to whether Principal Secretaries are to be "managers with full administrative accountability", or merely "supervisory assistants to their ministers". Confusion about levels of accountability at the Principal Secretary level leads to inevitable role confusion at lower levels in the hierarchy, and duplication or neglect of key tasks.

(e) **Communication and Coordination:** Staff at lower levels frequently operate with a lack of knowledge about current government thinking and actions. Staff at lower levels are not generally informed about policy, the nature and outcome of initiatives and activities at higher levels. Communications and coordination across the Government appear lacking. While the recent Principal Secretaries' Workshops again provided a valuable contribution, there may be a need to institutionalize improved methods of coordination in every-day activities. This need is especially strong at the senior management level, where coordination is essential to ensure that the activities of ministries in areas of common interest dovetail effectively.

(f) **Planning:** Central planning is often hampered by poor planning input from individual ministries. Initiatives have taken place recently to involve the different functions of government in efforts to improve planning. These include proposals to strengthen the role of the central planning function and the creation of a planning cadre in individual ministries. The proposal to create a planning cadre has been approved and the cadre will be administered by the Central Planning Development Office (CPDO). Individual planners will be 'seconded' to sector ministries. This will require adding skills in areas such as economic and sector analysis, microeconomics, project appraisal, and administration of development projects. Also vital is the improvement of the economic information base, and the analysis upon which decisions are reached. Currently many of those responsible for planning are burdened with routine administrative duties which prevent them from giving the required attention to planning and analysis tasks. There is also considerable dependence on expatriates in planning functions, and there is often too little training or preparation of counterparts to assume expatriates' planning responsibilities. Two specific areas of planning which require attention are: (i) the inclusion of the parastatals and private sector in overall manpower planning, to help develop a national perspective; and (ii) improvement in the coordination of donor aid activities, especially those which contribute to common areas of development.

(g) **Systems and Procedures:** Many government internal systems and procedures are cumbersome relics of the colonial administration, no longer appropriate to the smooth operation of a modern civil service. Systems and procedures often involve managers and staff in time-consuming tasks to accomplish simple results, and in some cases there is a serious
delay in obtaining reports or information necessary for efficient management.

(h) **Discipline and Commitment:** The task of managing in the Civil Service is hampered by what is seen as a widespread lack of discipline and commitment at staff levels. The 1984 Principal Secretaries' Workshop also focused on problems of discipline which are attributed to failure to apply rules and disciplinary measures consistently, timidity among managers, lack of discipline at supervisory levels, and a widespread lack of respect for authority among staff.

(i) **Misplacement of Manpower:** There are examples of individuals with specific technical training placed in sectoral ministries which do not make full use of their technical skills, and in fact require a different set of technical skills. There is a clear need to improve the skills specifications of positions, the profiles of individual skills, and the procedure of matching these skills to positions.

3.04 **Summary of General Management Issues:** As emphasized in the introduction to this section, managerial problems exist not only at the level of the skills of individual managers, but in the fabric of the managerial structure,—the systems and procedures, the clarity of goals, the problems of delegation, and the enforcement of discipline. Selection of some managers is more a product of the ambition of the individual than the outcome of an objective assessment of skills and commitment to managerial responsibility. In addition, an unknown proportion of excellent managers and functional heads is lost to competitors who can offer higher salaries. Although Civil Service salaries have been improved recently, the effect of the increases on retention of capable managers is not certain.

2. **Financial Management Issues**

3.05 The most pressing among managerial problems in Lesotho are those relating to financial management and control. A summary of the issues are presented below:

(i) **Budgetary Procedures:** The Principal Secretaries' Workshop (para. 3.09) expressed the view that budgeting is often a reflection of past performance rather than future needs. As a result, the connection between recurrent and capital budgets is often missing. Frequently, budgetary policy is not formulated until draft estimates are submitted, resulting in subsequent cuts in the ministries' estimates. The budget format is felt to be too rigid, giving rise to overexpenditures. The budget manual procedures for controlling the level of expenditures which were last revised in 1974 need updating;

11/ Report on Permanent Secretaries' Workshop, the National University of Lesotho, Roma 6-8 June, 1984.
(ii) Accounting Practices and Financial Control: At the level of daily management, there are shortcomings in accounting practices, which lead to delays in making payments (due in part to an over-centralized and cumbersome disbursement system), errors being overlooked, cases of fraud and embezzlement, and delays in closing financial books. Auditing often takes place too late to correct performance, and the examination of financial management activities focuses too much on expenditure figures, and not sufficiently on assessing budgetary performance against goals and achievements. There is a strongly felt need to update financial regulations, which are complex, sometimes contradictory, and out of date (last revised in 1973). At this stage, it is equally important that those existing regulations which provide for essential financial controls be more fully enforced than is the case at present. There is also a need to improve inventory and stores control, including property management, to reduce losses;

(iii) Financial Planning at the National Level: Overall financial planning and control is hampered by delays in receiving information and unreliability of some of that information. This creates problems centrally in making sound financial forecasts, projections, and decisions. Central financial management and accounting is additionally hampered by serious problems that the government has experienced with the financial computer system, due in part to an apparent failure to test the system adequately before replacing manual processes, and possibly due to inadequate matching of hardware and software. This has led to delays in completing the national accounts.12/

(iv) Accountability for Financial Control: The current problems in financial management are in part due to lack of managerial discipline and attention, and also some confusion as to where real accountability is located. The Accountant General has overall charge of the accountancy cadre and members are on attachment to individual ministries; although the staff budgets have been decentralized. However, some individual ministries still feel that the situation is somewhat confused. An additional problem the Government experiences is the loss of many talented accountancy staff into administrative positions, so that there is currently a shortage of well trained and experienced individuals in key accounting positions. Selection of staff into the accountancy cadre has been based on inadequate criteria, length of service often being the most telling factor. It is understood that the Cabinet Personnel Office is currently reviewing the schemes of service, and it is to be hoped that revisions will upgrade selection standards and encourage better on-the-job training. As indicated in Chapter 5 below, there is also a need to introduce more public

12/ Delays since 1978 were made good in 1983, after what was described as a painful exercise, with the aid of an Irish technical assistance team working in the Treasury.
administration accounting options into the syllabus of the Center for Accountancy Studies, and to improve the accountancy training programs at the Lesotho Institute of Public Administration by introducing more case studies based on problems experienced in the Civil Service.

3. **Recommendations**

3.06 Because of the Government's recognition of and concern about improving general management and financial management practices, there are a number of current initiatives, among them a project agreed between the Lesotho Government and the Swedish International Development Authority (SIDA) to provide training for top management in the Civil Service\(^{13}\) including Principal Secretaries, Deputy Principal Secretaries, District Coordinators, and Heads of Department. These, and other initiatives, are clear signs of determination to improve management practices. However, it is also clear that fundamental and lasting change will need more than valuable but isolated actions, but rather a comprehensive and integrated program of change in which these initiatives will be reinforced by a series of other measures planned to dovetail with one another. It is therefore recommended that the Government consider the establishment of a program of reform under the leadership of a senior official to: (a) bring together and prioritize the areas for managerial improvement, including those already identified by the Permanent Secretaries' Workshop, the SIDA needs analysis\(^{14}\), and other recent reports and studies; (b) design a comprehensive action program which will tackle a wide range of issues simultaneously--the preparation, identification and selection of managers; career development paths for managers; incentives and rewards to retain effective managers; in-service managerial training\(^{15}\); the use of attachments and secondments in organizations outside Lesotho to provide valuable experience; clarification of managerial roles and responsibilities; (c) review and streamlining of managerial systems and procedures; (d) improvement of objective setting and evaluation of individual and unit performance; and above all (e) identification of and attention to the specific forces and pressures which lead to ineffective managerial performance in everyday practice. This recommendation would require commitment at the highest level, the mobilisation of significant resources and careful planning, a lead role played by the Management Services Unit and possible technical assistance and consulting help. However, although this program would be a major initiative for the government, it is the conclusion of this study that the managerial problems in the Lesotho Civil Service have reached proportions which will be remedied only by a broad-ranging and integrated

\(^{13}\) Resulting from the recommendations of the Principal Secretaries' Workshop at Mohales' Hoek, January 29-31, 1985.

\(^{14}\) Resulting from the recommendations of the Principal Secretaries' Workshop at Mohales' Hoek, January 29-31, 1985.

\(^{15}\) Including the upgrading of programs offered by Lesotho training institutions and improved use of overseas training.
change program guided by the highest leadership in the government. Because of the importance of this recommendation, the Agenda for Change (Chapter VIII) provides additional details as to how a program of this nature may be mounted.

3.07 At a more specific level, there are a number of recommendations that are felt to be urgent in themselves, but which can be components in the broad program of institutional reform described above:

(a) Selection and Evaluation of Managers: It is important that attention be given to refining and testing the criteria upon which managerial selection is made, and to improve the methods of assessing the suitability of individuals for managerial responsibility. While ambition, academic qualifications, and length of service may all be important components, they do not in themselves assure success in management positions. Additionally, selection criteria should be used as standards for evaluating managerial performance, and poor performers should be given prompt feedback and coaching, with arrangements for removal from position if this does not result in performance improvement after a reasonable period of time. The current frequently over-quick promotion of talented technical or professional staff should be replaced by the early identification of individuals with managerial potential, and a carefully planned and managed program of training, exposing future management candidates to a range of essential functions in government so that they can develop broad experience. Consideration should also be given to creating more incentives for professional and technical staff to remain in their functional streams rather than pushing to acquire status through entering the administrative and managerial streams. This may require a review of the existing careers and grading structures for several cadres in government.

(b) Managerial Training: While the training program being planned for senior managers would make a valuable contribution, it is also felt that there are many managers in the civil service who have been inadequately prepared for management responsibility. They, and future managers require a basic level of education and training in the fundamentals of managerial practice so that they can deal with everyday managerial tasks more effectively, and can respond to the more sophisticated training being encouraged. This basic training should focus on areas such as: the managerial role in the civil service; management of human, financial, material and information resources; setting objectives and strategies; career development, motivation, training, and counseling of staff; supervision and control of work and evaluation of unit results; financial management systems and procedures; the nature of accountability, delegation, communication, and decision making in Civil Service managerial
positions. All of this training should be geared closely to Civil Service procedures, conditions and problems. A scrutiny of the programs currently offered by LIPA (Chapter 5) indicates that training of this nature is not currently provided as a comprehensive, planned preparation for managerial responsibility. It is therefore recommended that LIPA with the help of IDM, and with appropriate technical assistance, establish a project to design and deliver a basic program of management training to be offered both as a preparatory program for future managers, and a refresher program for existing managers who have not received an adequate training in management practices. While this program may be presented in a new form, it may well draw upon the best components of current courses that address some of the areas listed above. The successful completion of this program tied to a clearly defined policy of career progression should be regarded as a prerequisite for entry into management positions, regardless of the individual’s level of academic qualification. It would be highly desirable that the outcome of this program be measured and evaluated regularly.

(c) Objectives, Roles, and Procedures: It is recommended that special attention be given to clarifying the roles and objectives of individual ministries (a priority for the new Ministry of the Public Service) and to streamline and update procedures in the Civil Service (a key task for the Management Services Unit).

(d) Managerial Attachment: It is recommended that the Government study the successful practice of some parastatals in using attachments to carefully selected organizations outside of the country, as a means of management development, and consider ways in which these arrangements might be adapted to the Civil Service to prepare middle managers for senior positions. Attachments can be especially useful when applied to those managerial positions that have an important technical or functional component, as well as those which are responsible for large-scale project planning and management.

(e) Planning: In line with the Government’s current actions to develop a planning cadre, it is recommended that the program include both the selective recruitment of skilled advisors, and specific training for the planning officers in economic and analytical skills. Encouragement should be given to further coordination among planning units in Ministries, especially those with shared resources. Particular emphasis should be

16/ Many of LIPA’s and IDM’s programs offer specific components which may be similar to those listed above, but they do not constitute an integrated practical program focused specifically on civil service conditions. Likewise the recommended program should be offered in short modules interspersed with periods of experience and on-the-job assignments, supplementing the full-time Diploma in Public Administration offered by LIPA to prepare non-graduates for a civil service career.
given to improving the manpower planning capability. Donor assistance may be required in the collection and upgrading of base line data.

(f) **Financial Management:** To improve the quality of financial management and accounting activities in the government, it is recommended that the accountability of Principal Secretaries be clearly delineated for effective practices in record-keeping, reporting, budget-control, and financial reviews. These accountabilities should be accompanied by a set of standards in terms of timeliness and accuracy. The Principal Secretaries should subsequently establish clear statements of accountability for specific tasks and duties, both for supervisors who report to them, and for members of the accountancy cadre within their Ministries. This should be overseen and coordinated by the Accountant General to ensure that the statements will adequately fulfill the financial regulations and general accounting procedures. Performance against these statements of accountability should be carefully monitored, and speedy action taken in cases of default. Clarification should also be given to responsibility for the development of the accountancy cadre, and higher standards and better selection procedures instituted for recruitment into the cadre. The career prospects for individuals in the cadre should be improved to retain effective staff, and in-service training improved to upgrade key skills and supplement external education. Recommendations relating to outside training in public administration accountancy, are given in Chapter VI. A revision of the Finance Act to strengthen the financial controller function, may help improve financial controls.

(g) **Computing Activities:** It is recommended that the Electronic Data Processing Committee be reinstated to control the acquisition of and prevent the proliferation of computers, and to ensure their compatibility across the Government. The Committee should also review the current status of computing in the central financial management function, and recommend remedial actions needed, so as to maintain the currency of the public accounts.

IV. **PERSONNEL MANAGEMENT AND POLICIES**

**Introduction**

4.01 Lesotho has given overall management responsibility over personnel matters to a Cabinet-level entity within the Prime Minister's Office—as a means of raising its status in the Civil Service and making it an integral part of the public policy formulation. However, despite its location, the Office of Cabinet Personnel has yet to live up to its potential, and play
an important role in helping to upgrade performance in the Civil Service. Currently, line managers responsible for day-to-day management of the staff are limited by rules governing selection, payment, promotion, and discipline. The Office of Cabinet Personnel and the public Service Commission play relatively passive roles, administering outdated rules rather than developing and implementing policies for improving personnel management. This chapter proposes that the Office of Cabinet Personnel should take a more active role in improving human resource management in the Civil Service, including improvements in the quality and use of personnel information, revision of the grading structure, and improvements in the planning and delivery of in-service training, training abroad, and the training of counterparts. To accomplish these reforms, the personnel cadre would need to be strengthened through training, and through upgrading of their status as professionals by formation of an association of personnel officers which will set standards for the profession.

1. Management of the Personnel Function in the Civil Service

4.02 The Prime Minister, through the Public Service Commission, has the constitutional responsibility to set the policy standards and process which govern recruitment and selection of public servants. The Public Service Commission consists of four members appointed directly by the Prime Minister. The Office of Cabinet Personnel links the ministries with the Public Service Commission its organizational chart is presented below.

Organizational Chart - Cabinet Personnel

---

1/ See Annex 1 for further details. And Annex 27 for the structure after the reorganization in February 1986.
The functions of the Public Service Commission fall into two distinct categories. The first consists of activities related to appointments, dismissals, and disciplines. The second consists of general matters such as conditions of service and their interpretation, the maintenance of staff list, and legislations relating to Civil Service employment. Acting on behalf of the Prime Minister, the Public Service Commission is the ultimate authority in all these matters. Proposals are sent by the Office of Cabinet Personnel to the Secretary of the Commission who prepares an agenda for its weekly meeting. Recommendations by the Commission are sent to the Principal Secretary (personnel) who in turn forwards it to the Prime Minister for final approval. Once approval is received, Cabinet Personnel is responsible for implementing the decisions. Reporting to the Principal Secretary is a Deputy Principal Secretary responsible for four senior officers supervising the four units—local recruitment, expatriate recruitment, localization and training, and management services—under the Office of Cabinet Personnel. The function of these units are described below:

(a) The Local Recruitment Office, managed by the chief personnel officer, is responsible for administering and endorsing the recruitment and promotion decisions of the Public Service Commission. Functions performed are: (i) recruitment of local personnel; (ii) general welfare of all civil servants; and (iii) handling disciplinary problems. The Public Service Commission interviews candidates and recommends appointments for the approval of the Prime Minister's Office, and implementation by Cabinet Personnel. The Office of Cabinet Personnel reviews transfers and promotion recommendations submitted for approval to the Public Service Commission. The Expatriate Recruitment Section is responsible for (i) determining policy for international recruitment; (ii) recruiting expatriate personnel to undertake project activities and train local counterparts; (iii) localizing positions held by expatriates; (iv) assigning counterparts; (v) evaluating expatriate recruitment activities against localization objectives, and extending the time scale for accomplishing objectives where there are constraints. Final approval for appointment is the responsibility of the Public Service Commission.

(b) The Localization and Training Group is responsible for staff development, authorizing study leaves, announcing training courses' nominating personnel to training courses, advising ministries on the implementation of regulations and authorizing leave for training.

(c) The Management Services Unit (MSU), managed by a Director, is responsible for (i) establishment control; (ii) advising ministries on forms design; (iii) creating, upgrading and downgrading positions; (iv) preparing organization charts; (v) approving office furniture and
equipment; (vi) reviewing and preparing the annual establishment register; and (vii) approving all travel arrangements. Ministries are required to submit requests for positions to Cabinet Personnel for review. Creation of new positions in grades 1 to 12 requires approval of the establishment committee, made up of representatives from management services, local recruitment unit, expatriate recruitment unit concerned, ministries, and the Ministry of Finance. New positions from grades 12 to 16 are approved by the office of the Prime Minister on recommendation of the management services group. While this group carries out personnel related function, it has recently been moved under the Public Service Inspectorate (See Annex 12).

4.03 The National Manpower Development Secretariat (NMDS) is a separate office reporting directly to the Principal Secretary, Ministry of Planning, Employment and Economic Affairs and responsible for: (i) implementation of all the decisions relating to manpower training and development; (ii) short and long-term manpower training and development plans; (iii) administration of in-service training; (iv) negotiation for overseas fellowships; (v) monitoring the overall Civil Service localization plan; and (vi) ensuring full utilization of trained manpower. Its staffing position is as follows:

<table>
<thead>
<tr>
<th>Positions</th>
<th>Current Staff on Board</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Professional</td>
</tr>
<tr>
<td></td>
<td>Positions</td>
</tr>
<tr>
<td></td>
<td>Vacant</td>
</tr>
<tr>
<td>1 Director</td>
<td>1</td>
</tr>
<tr>
<td>1 Deputy Dir.</td>
<td>1</td>
</tr>
<tr>
<td>1 Senior Adm. Secr.</td>
<td>1</td>
</tr>
<tr>
<td>1 Manpower Dev. Office</td>
<td>1</td>
</tr>
<tr>
<td>5 Asst. Adm. Sec.</td>
<td>1</td>
</tr>
<tr>
<td>3 Senior Execut. Off.</td>
<td>1</td>
</tr>
<tr>
<td>1 Personal Sec.</td>
<td>1</td>
</tr>
<tr>
<td>3 Executive Officers</td>
<td>1</td>
</tr>
<tr>
<td>1 Shorthand typist</td>
<td>1</td>
</tr>
<tr>
<td>1 Chief Dev. Off.</td>
<td>1</td>
</tr>
<tr>
<td>1 Sen. Staff Dev. Off.</td>
<td>1</td>
</tr>
<tr>
<td>1 Sen. Adm. Secr.</td>
<td>1</td>
</tr>
<tr>
<td>1 Staff Dev. Office</td>
<td>1</td>
</tr>
<tr>
<td>Total Positions</td>
<td>6</td>
</tr>
</tbody>
</table>

Staffing of the National Manpower Development Secretariat (As of February 1986)
It appears as if there is some overlap in function between the Localisation and Training Group and the NMDS, and there may be a need to review the terms of reference of each group and their relationship to one another.

2. Issues Relating to the Office of Cabinet Personnel

4.04 The Office of Cabinet Personnel lacks experienced and trained personnel officers. This restricts its capacity to perform its monitoring and evaluation functions. Both records on existing staff and administrative regulations need updating. The office has yet to develop adequate staff development and training plans for its own staff, or for other cadres in the Civil Service. Two recent studies on the personnel function found that processing of personnel matters takes an inordinately long time: much of the personnel function's administrative work and its submissions to the Public Service Commission are of low quality and there is lack of consistency in handling personnel problems in different parts of the Civil Service. On the positive side, steps have recently been taken to update the public service regulations, although this will help only if each personnel officer understands the rules and regulations, and applies them consistently.

4.05 Human Resource Planning: Human resource planning in the Lesotho civil service is still at a rudimentary stage. There are no regular procedures for identifying long term human resource needs (skills, experience and knowledge necessary to fill future positions). Information on existing staff—educational background, occupational category, nationality, length of service, retirement dates—is not readily available. Neither are aggregate analyses available for use by the personnel cadre, central planners, nor managers within ministries and departments. At the basic level, there are four types of simple analyses required for human resource planning purposes: (i) a staff list, which lists numbers of staff as of any given date; (ii) an analysis of staff by grade level, which permits the monitoring of grade ratios, and distribution patterns; (iii) an employment type summary showing distribution by permanent, probational, temporary, and other categories; and (iv) an analysis of cumulative trends, probably on an annual basis. With a staff as large as the Civil Service, ease of data retrieval and analysis are important to managers, personnel officers, and human resource planners. Standardization and computerization of personnel data will be a critical

17/ (a) Lennart Sjoberg. SIDA Work Plan for a Study of the Recruitment Section and Allied Resources for Personnel Administration. April, 1985

(b) Carl Newton. Cabinet Personnel Organization Team. 02/10-1981
building block for improving human resource management in general, and for establishing a human resource planning and budgeting function.

4.06 **Skills Shortages in the Personnel Cadre:** Among the personnel cadre, there is a lack of skills in a number of crucial aspects of personnel work: human resource planning and administration, career development planning, training needs analysis, programming and administration of in-service training, techniques of organizational analysis and development. Training in many of these areas already exist in the region. There are at present two institutions offering professional training for personnel officers—LIPA and IDM—LIPA offers three levels of programs, which cover much of the range of the personnel cadre from assistant level positions up to senior and principal personnel officers (see Annex 8 for details of these courses). These programs are available to the private and public sectors. However, the majority of the participants are from the Civil Service, and to some extent, from the parastatals. IDM courses are more advanced and include a wide variety of programs in basic personnel management techniques.

4.07 Although it is unclear how many personnel specialists work across the private and public sectors in Lesotho, there are almost 120 in the Civil Service, excluding others such as executive officers who carry out personnel responsibilities. Although local training is available, and despite the use of some external training programs, and some internal programs run by some larger parastatals organization, very little use is made of existing facilities in professional training by the personnel cadre. In addition, within the Civil Service, the personnel cadre does not enjoy an especially high status. Since the career ladder stops at grade level 10 with a salary of about M 8000, the profession is unlikely to attract highly trained individuals.

---

18/ This type of computerized system has recently been recommended by a USAID funded short-term consultant attached to the O & M division of the Cabinet Personnel.

19/ A four week basic personnel management course covering fundamental principles: a two week intermediate personnel management course covering these principles in more depth: and a two week advanced personnel management course which focuses on special topics such as job analysis, labor relations, and training and development. In 1983, LIPA ran the advanced personnel management course only, with eight participants. In 1984, the intermediate personnel course was run with nine participants, and the advanced course with ten participants.

20/ IDM offers a 16 week certificate in personnel management which is an intensive skills training programs in basic personnel techniques and responsibilities. Since 1980, 29 participants from Lesotho have attended this program. In addition, IDM offers six other short programs in areas such as manpower planning, preparing job descriptions, and recruitment interviewing. Only 18 Basotho personnel specialists have attended these programs since 1980 (See Annex 9 for details)
4.08 **Management of In-Service Training:** In-service training can make an important contribution to improving performance if it is closely related to identified needs. At present, the Civil Service does not have an objective and systematic approach to identifying training needs, and in-service training is not yet being used as an effective development tool. Little individual training needs analysis or systematic individual career development takes place. Many managers do not accept responsibility for identifying individual training needs, and many of the existing personnel and training officer: have very limited skills. The need to show that a certain amount of money has been spent, or certain number of staff trained often take precedent over attention to selection criteria. Training programs are seldom linked to an analysis of future skills requirements, nor do staff appraisal reports provide an accurate basis for identifying types of training required. There is not a clear policy or day-to-day criteria to guide decision-making on in-service training. The approach is somewhat subjective and ad hoc and may therefore lack relevance to priority training needs of the Civil Service. Since the Civil Service has limited resources for training, careful planning is required to derive maximum benefit from any expenditure. A rational training plan requires a definition of current and future performance requirements, an assessment of current and anticipated performance levels, and an analysis of the gap that exists between levels and requirements. Once these needs have been prioritized, available training options should be carefully evaluated so that the selection option represents the most appropriate and cost-effective delivery technique.

4.09 **Management of Counterpart Development Through Expatriates:** Localization of public service positions is an important government priority. However, the exact number of expatriates working within the Civil Service is not readily available, nor is the number of expatriates working with a counterpart. A number of factors contribute to the unsatisfactory use of expatriates to develop counterparts in the Civil Service, a lack of systematic definition of the expatriate's training responsibility, poor matching of expatriates and counterparts, poor selection of counterparts who lack the essential skills and need basic training, lack of specific duties assigned to the counterpart so that the expatriate ends up doing the job himself, and inadequate monitoring of expatriate performance as trainers. Consequently, although expatriates as part of their contractual obligation, are required to train counterparts, this function is too often treated as a residual function to be performed if time permits. Secondly, the responsibilities and functions of expatriates are such that there is no time allowed for counterpart training. In most cases, the terms-of-reference and contract arrangements with expatriates make no explicit provision for this training activity, and in many cases counterparts are not provided by Government because none is
available. Even where an expatriate-counterpart relationship is established, high turnover and frequent reassignments often prevent the localization of positions, since counterparts are sometimes rotated out before the expatriate has transferred the necessary skills, knowledge, and experience. Neither the donor agencies nor Cabinet Personnel have systematically analysed the use of expatriates as trainers of counterparts, to assess the current effectiveness of such arrangements or to provide guidance for future assignments.

4.10 **The Internal Management Consulting Capability:** The public sector, including some of the parastatals, strongly needs management consulting support to improve the quality of its management and management systems. The Management Services Unit in Cabinet Personnel, which in principle could play such a role, currently operates as an administrative control function rather than performing traditional management consulting function. However, to support critical reform efforts described in the recommendations in Chapter III, the Government needs a professional, high-calibre management consulting capability, to advise senior management on the priority changes, to help design the details of change programs, and to support and monitor their implementation.

4.11 **Summary of Issues:** In summary, the analysis indicates deficiencies at two levels. Firstly, at the level of personnel management systems and processes, there are outdated and inconsistently applied regulations, a lack of systematic personnel data to assist human resource planning; a somewhat ad-hoc use of expensive training facilities due to a lack of clearly defined training needs tied to organization priorities; and problems in effectively utilizing expatriates to develop skills among counterparts. Secondly, at the level of the cadre itself, there is a lack of personnel skills needed to perform the function effectively, and the need to develop a stronger internal consulting capacity to assist senior management in the process of reform.

3. **Recommendations**

4.12 **Personnel Procedures and Human Resource Planning:** The Government should consider establishing a review team within the Office of Cabinet Personnel to examine the personnel functions of that office and to recommend improvements in current systems and procedures. These improvements should include: (i) updating and simplifying important procedures; (ii) upgrading existing information systems (manual data entry, storage and retrieval), and data categories (demographic, position-related, etc. (See Annex 10 for more details) supplemented with additional staffing information (skills needed and skills available) to identify current manpower surplus; (iii) developing systems to predict short and longer
term manpower demands within individual Ministries and Departments, and across the Civil Service; (iv) developing a process for bringing together projections of manpower supply and demand to form detailed manpower plans, and action priorities for recruitment, staff development, reassignment, promotion, and termination; (v) improving the coordination of appointments made across the civil service, so as to keep within planned levels, or to respond to agreed new priorities; and (vi) providing regular reports and projections to inform Departments and ministries of their performance against their manpower plans. Detailed staffing requirements are presented in Chapter VIII (Agenda for Change).

4.13 Development of a Personnel Information System: It is recommended that at a later date a government-wide computerized personnel information system be implemented. In order to develop such a system, a project team should be established under an externally funded human resource planning expert to design, pilot test, and implement the system. In addition to the funded specialist, the team should include a counterpart to understudy the specialist, a representative from the proposed reconstituted management consulting group, a representative from the personnel cadre, and a line manager. The project should go through a number of phases including a pilot design and evaluation of the system in a selected ministry building upon the proposals developed by Mr. Clewlew for the Office of Cabinet Personnel\textsuperscript{21}, and involving the participation of a steering committee of management representatives from other ministries. Further details of this project are shown in Annex 10.

4.14 Management of In-Service Training: To improve the management of in-service training, it is recommended that an overall policy on in-service training be developed and a set of sample guidelines be given to managers and personnel staff in the different ministries explaining the policy, and providing guidance on: (i) how to carry out training needs analysis; (ii) the criteria to use for selecting training programs; (iii) the elements necessary for an effective training plan; and (iv) the methods to use to evaluate training. Within clear policy guidelines, each ministry and department should develop its own in-service training policy and plan, based on its specific medium- and long-term human resource needs. The individual training policies should identify the criteria to be used to prioritize different areas of training, the factors to be considered in selecting candidates for training, and the expectations and standards for the contribution that training should make. To ensure that the process is successfully implemented, the overall guidelines should be prepared by Cabinet Personnel in close cooperation with the ministries. The individual policies and plans for each Ministry should be carefully evaluated by the Localization and Training Section for overall consistency and thoroughness. In order to give the management within each ministry the

\textsuperscript{21} A Resource Analysis of Position Distribution, Office of Management Services, October, 1984.
incentive and accountability for these activities, each ministry should be held responsible for the effective management of its own training budget. Performance should be judged not purely on whether the budgets are spent and courses attended, but on the contribution that such training activity has made to the provision of essentially needed skills. Greater emphasis should be given to utilizing local workshops, existing in-country training resources, and developing new in-country programs, in addition to the use of overseas training. The Government should accept the joint IDM-LIPA proposal that a study take place on the use, utility, and after effects of overseas training.

4.15 Improved Management of Counterpart Development by Expatriates:
If the Localization and Training Unit in Cabinet Personnel is to take a more systematic approach towards the Management of counterpart-expatriate arrangements, it will require a specific allocation of time and budget. The Government should therefore appoint an officer within the Cabinet Personnel, to take overall responsibility for the management of counterpart development. This officer should: (i) develop the skills specifications for expatriates to ensure that they are qualified successful trainers; (ii) participate in selection of expatriates to ensure that these requirements are fulfilled and that they are defined as part of the job description with agreed performance indicators; (iii) develop a roster of all expatriates and their counterparts. With training plans and agreed performance indicators, the responsible officer should design a process for expatriate performance evaluation (with special emphasis on the training of counterparts); and periodically, monitor the training of counterparts. Whenever an expatriate is recruited, the selection should ensure that the individual has the necessary training skills, and is given clear terms of reference specifying his role as a trainer and the basis for evaluating his performance in this role. The training responsibilities of the expatriate should also be taken into account in fixing his work assignments so that he is given adequate time to instruct, coach, and supervise the counterpart. (Further details of an improved process for managing counterpart development are outlined in Annex 11).

4.16 To increase the availability of qualified counterparts to work alongside expatriates carrying out key responsibilities, the localization and training unit of the NMDS should identify 10 critical positions currently held by expatriates without a qualified counterpart. This list should be submitted for approval to the Public Service Commission. Job and person specifications should be developed for these 10 positions, and when advertised, they should emphasize that successful candidates will be bonded in the position for a given number of years and would follow a special staff development plan. The progress of these counterparts should be especially carefully monitored as described earlier. The Government should
consider requesting donor assistance for the funding of the identified expatriate positions so as to free resources for the location and placement of well qualified counterparts. These positions should be viewed as special developmental assignments for subsequent higher levels of responsibility.

4.17 Establishment of a Professional Association to Upgrade the Personnel Cadre: To give the Personnel Cadre a higher professional status, and to provide a framework within which special training can be planned, the Cabinet Personnel should consider promoting the establishment of an Association of Personnel Officers to cover the public, and private sector and parastatals. The association should be managed by a Governing Board with representatives from each sector. The Governing Board should have a high level advisor with a local counterpart assigned to him. The advisory function could be identified for donor funding for two years. Responsibilities of this advisor would include: helping to establish the Association and specifying its functions, procedures and priorities; establishing a series of sub-committees and assisting in the management of sub-committee projects. Sub-committees could be established in the following areas: (i) professional Standard Sub-committee, to define entry levels into the personnel cadre, to review and upgrade the schemes of service for the personnel cadre, and to consider the establishment of a certification process; (ii) Regional Cooperation Sub-committee to identify common objectives, and potentially shared resources in the BLS and SADCC region; (iii) Education Sub-committee to bring together the different programs of training for personnel specialists into one coordinate program at various levels: orientation, skills development, advanced, and special topics. As the program is established, an examination structure can be set up with external moderation. The Committee should ensure the relevance of the training and qualifications to specifically Lesotho-based needs. The Committee should also arrange annual or semi-annual conferences for the association drawing in top speakers from outside the country. Monthly member meetings and workshops should be organized to look into issues of current practical concern; (iv) An affiliation Sub-Committee should be established to develop external validation for the association's qualification and examination. At an early stage this sub-committee should liaise with the Institute of Personnel Management of IPM (UK) in an attempt to obtain IPM acceptance of the Lesotho Education program, which over time would need to be integrated into a university program.

4.18 Strengthening of the Internal Management Consulting Capacity: The Government should strengthen the internal management consulting function by upgrading the MSU. The Unit should work under a broad mandate for: assisting managers in the Civil Service to resolve their operating problems, and to improve organizational efficiency and effectiveness. The
group would also have special responsibility to assist the Government Secretary in major programs of improvement such as those described in the Agenda for Change in (Chapter VIII). It is recommended that MSU be formed into four teams (see Annex 12) under a senior management consultant who will be responsible for managing a training development program for the staff in his team. This program should include on-the-job training, external degree programs, special topic seminars, and the use of attachments in consulting organizations. (Annex 13 provides an outline for a recommended development program).

V. TRAINING INSTITUTIONS

Introduction

5.01 Training in Lesotho in managerial, accounting, and business-related subjects is carried out in a number of ways. Orientation and on-the-job training is the mode of training in much of the Civil Service, many parastatals and private sector organizations. The quality of this type of training is highly variable, and dependent on the motivation and skill of individual managers. Some organizations, especially the parastatals, have their own training staff and facilities and offer day-release, function-related training. Some of this training is provided with help of donor-funded technical assistance. Departments in the Civil service and many parastatals selectively use external training programs and degree courses, generally with the help of donor fellowships. Finally there are a number of training institutions in Lesotho which offer a range of training in specific areas. In this section, those institutions which make the most important contribution to managerial, accounting, and business-related skills development are evaluated. These are: the Lesotho Institute of Public Administration (LIPA), the Institute of Development Management (IDM), the National University of Lesotho (NUL) (including the institute of Extra-Mural Studies) (IEMS), and the Commercial Training Institute (CTI). The role and contribution of the Center for Accountancy Studies (CAS) is described in Section 5 and the role of IDM is dealt in detail in the Main Report (Volume I) of this report. The major training programs of some of the parastatals (LNDC and BEDCO) have been discussed in Chapter 2. Finally, a number of private organizations based in RSA provide managerial training and consulting services in Lesotho, mainly but not exclusively to the private sector. Annex 14 gives details of one of the most prominent and successful private consulting firms which is Lesotho-based, owned, and managed (M.B. Consulting (Pty) Ltd).
1. **Commercial Training Institute (CTI)**

5.02 CTI provides basic commercial training for school leavers before entering employment, and some others who lack simple business-related skills. Participants in CTI programs enter all three sectors of the economy—the Civil Service, parastatals, and private enterprises. CTI offers two main training programs with a strong vocational orientation—a diploma in business studies and a diploma in secretarial studies. The diploma in business studies is a two year full-time course. The syllabus includes commercial mathematics, bookkeeping, elements of costing, accountancy, English, office procedures, commercial correspondence, law, and typing. Students can use the program in accountancy to prepare for the diploma level, and in fact the training has reached a standard where CTI is providing one of the few local programs which CAS accepts as entry to the licensed level course of training. Curriculum and examinations are monitored by a committee drawn from CAS and the university.

5.03 CTI accepts 60 new students each year, and has an annual enrollment of 120. Two thirds of the students who enter the program complete it successfully. These students are evenly divided among the business studies program and the secretarial studies program. There are four classrooms for each of the four classes run. CTI has eleven teaching staff, five with bachelor degrees, and all with relevant teaching qualifications (technical teachers certificate, certificate in technical education, or certificate in commercial education). CTI receives no government subvention, so its revenues are provided by enrollment fees, and support is also received from the German Government. Its overall expenditure is M 128,159 or an average of M 1,068 per student. This expenditure consists of 82 percent on salaries, and 18 percent on administration. CTI appears to be a well organized and effective basic vocational training institution. Its programs are related to local conditions and its business studies program includes visits to selected Lesotho organizations. A manual of bookkeeping practices for use in Lesotho is under preparation.

2. **The National University of Lesotho (NUL)**

5.04 NUL is situated at Roma, on the site of the former Pius XII College, whose roots go back to 1945, and which prepared students for the external degrees of the Rhodes University of South Africa. In 1964, the college was replaced by the University of Basutoland, Bechuanaland and Swaziland; and after independence in 1966, it became the University of Botswana, Lesotho and Swaziland, with branches in Botswana and Swaziland. The separate National University of Lesotho (NUL) was established in October 1975.
5.05 NUL offers a series of certificate, diploma, and bachelor degree programs, and also lists some Master and Doctor of Philosophy post graduate degrees, although admission to these is described as "for the time being severely restricted, and dependent upon staffing and research facilities being available for the particular research project contemplated". Four post graduate degrees were awarded in 1983. The NUL programs most directly related to the development of management skills, are:

(a) **Certificate in Business Studies:** A two-year part-time program designed to train people for employment in business and providing basic skills and knowledge in small-scale entrepreneurship. It is also a preparatory program for entry into the Diploma in Business Studies or the B. Com. The certificate provides training in communication skills, quantitative methods and statistics, accounting operations, commerce, business economics, and business law.

(b) **Diploma in Business Studies:** A two-year part-time program designed to prepare those already in business for supervisory responsibility, and to provide skills and knowledge in large-scale entrepreneurship. The diploma provides training in accounting systems, development economics, marketing management, personnel management, legal instruments, financial management, and production management.

(c) **B. Com in Accounting:** A four-year degree designed to prepare graduates for the accounting profession and for managerial positions requiring an accounting specialization. The syllabus emphasizes financial accounting, management accounting, and courses in economics, taxation and statistics (full details are given in Annex 15).

(d) **B. Com in Management:** A four-year degree designed to prepare graduates for managerial roles in business. The syllabus emphasizes a range of managerial topics (management of human resources, marketing management, operations management, etc.) and also includes courses in financial accounting, business administration and economics (full details are given in Annex 16).

(e) **B.A. in Public Administration:** A four-year degree program preparing graduates for entry into the Civil Service and parastatals, and with courses in political science, comparative political systems, comparative public administration, organizational theory, public enterprises, and local government. The degree requirements include an attachment to a company or government department.
5.06 In 1983, the university awarded 61 certificates in Business Studies, 39 diplomas in Business Studies, and 27 B. Com degrees. It is estimated that more than 70 percent of B. Com graduates join the accountancy cadre within the Civil Service. Currently (May 1985), there are 30 students in the first year of the B. Com, 60 in the second year, 40 in the third year, and 57 in the fourth year. The ratio of B. Com (accountancy) and B. Com (management) is 13:7.

5.07 The Institute of Extra-Mural Studies (IEMS) which is part of the university, runs part-time classes in the Certificate and Diploma in Business Studies (see Annex 17 for current enrollment), through their Business Studies Division and in collaboration with the Ministry of Trade & Commerce offers training for local businessmen through their business training center. The business training program includes a five-day pre-business workshop aimed at helping those who are planning to start a business in Lesotho, obtain knowledge of business conditions, the legal framework, and available assistance. IEMS also offers a short course in small-business entrepreneurial skills.

5.08 Recurrent Expenditures and Revenues: The recurrent expenditure of the Ministry of Education has averaged about 20 percent of the total government recurrent expenditure in recent years. The identified share of NUL of this expenditure is about 22 percent. This, however, understates the Government's contribution to higher education, since students loans, the repayment of which is unlikely and which are outside the MOE's budget, add another 3 percent to the Government's financing of NUL. In FY1983, a total of about M5.1 million was appropriated for the university as well as an additional M1.1 million in funds paid to students through a loan scheme administered by the National Manpower Development Secretariat (NMDS) which is equivalent to 25 percent of the education budget. About 85 percent of the Basotho students in the university receive annual loans of about M1,800 per year for a total of M1.4 million. Of this amount, M350 per year is paid directly to the NUL to cover the partial costs of tuition and boarding. The remaining M1,450 is paid directly to the students to cover their living costs. The practice of direct payment is recent, since previously most of these funds were paid directly to NUL to cover the cost of refectory. Meals are now paid by students on a cash basis. Those who are not eligible for loans must pay M350 per year to the university for tuition and boarding.

5.09 The direct recurrent costs of NUL's academic departments were M2.3 million in FY83, while the overheads of the university were almost twice this at M4.2 million. If costs of student loans were added, the total per student cost would be about M6,411 or US$5,898. While these costs are high, it is generally true that universities with small
enrollment do have costs per student which are well above the average; these costs are comparable to those of other countries in Eastern and Southern Africa. For example, unit costs of higher education are estimated at US$3,299 for Swaziland, US$6,912 for Botswana and US$3,419 for Malawi. The cost effectiveness of the university has been the subject of a recently published World Bank's sector study\textsuperscript{22/}. The report commented on the high proportion of the recurrent expenditure devoted to administration (13 percent of total) and suggested that ways be found to reduce this proportion. The report made various recommendations on ways of reducing costs and making the university more effective. Suggestions include combining a number of smaller departments into larger departments, phasing out single majors in statistics and other subjects, increasing the student:staff ratio. It is hoped that the Government would consider implementing promptly these recommendations of the report.

5.10 Current Issues: The university attempts to maintain standards through external examiners and links to outside universities\textsuperscript{23/}. However, the university finds it difficult to maintain standards due to the low entry level of many of its students. Although GCE A level is the desired university entrance qualification, most of its students have only O level. In addition, there is high turnover of staff, mainly to the private sector and universities in the RSA "homelands." The quality of the B Com degree is seen by many managers of the graduates as being low. However, the university is responding to outside pressures and is working to raise standards. This is vital since the university is the major source of future managers for the public and private sectors. A major criticism of the university programs is that some graduates have little sense of creativity—a quality necessary for success in business. However, this is not the fault of the university alone; it is also a reflection of the nature of the secondary education system. Although the university uses part-time lecturers—drawn from the Government and the parastatals and has a one-time arrangement for attachment of a staff member of the Business Administration Department to LNDC), there is no systematic arrangement to attach experienced managers to the Department to draw upon their experience. The university has taken some useful initiatives with regard to training of small businessmen. They have had discussions with BEDCO, but assistance in this regard has been constrained by lack of staff. There is a move to include in the program review Board of the B. Com, representatives from the university, the parastatals and CAS.

\textsuperscript{22/} Cost Effectiveness of Education in the Kingdom of Lesotho. IBRD Report No. 5088-LSO, June 1984

\textsuperscript{23/} In the Department of Business Administration, external assessors include the president of the Chartered Association of Certified Accountants, the professor of accounting from the London school of Economics, and an external examiner from the Heriot Watt University in Scotland. In the department and Administrative Studies, which offer the BA in Public Administration, external moderation is provided by a professor at the University of Nairobi.
5.11 Staff shortage is a key problem faced by the department of business administration. Currently, there are five lecturers in post and two on study leave\textsuperscript{24}. Two other lecturers are planning to go on study leave. Their positions would be filled on a contract basis. The department competes for resources with other departments in the university and its requests are not always granted by the university council. The weakest programs in terms of staff are the accountancy programs. In view of this, the move to start an MBA program should be postponed until the necessary staff strengthening takes place.

5.12 Recommendation: There is no doubt that the university is making a valuable contribution to human resource development; however, its existing program needs to be more practically oriented, and to include options which would meet the needs of the different sectors—public, parastatal, private. Users of university programs are willing to collaborate in helping to strengthen and diversify these programs, and the benefit to be derived from such collaboration will be invaluable. Therefore, the Government should encourage a more structured review of the university programs by a group consisting of selected managers in the private sector, parastatals, and the Civil Service with the aim of establishing some clear priorities for changes or additions in syllabus, materials, and teaching methods. The review group should meet with university faculty members and produce a proposal for consideration by the university for a program of improvement in management-related degrees. It is further recommended that the university work closely with IDM to develop increasingly practical and problem-centered approaches to management training in Lesotho. This could include joint design and teaching of programs especially for the private sector and parastatals. The B. Com program could benefit from continuing close collaboration with CAS\textsuperscript{25}. The B. Com program should be strengthened by the inclusion of more experienced private sector and parastatal managers in the panel of external lecturers, by use of local case studies derived from research as part of its teaching materials, and by more systematic use of staff/student attachments to private and public sector enterprises.

3. Lesotho Institute of Public Administration (LIPA)

5.13 LIPA's Objectives: LIPA, established in 1976, describes itself as "an In-Service Management Training and Development Agency for the Public and Private Sectors of Lesotho". Its objectives are to:

\textsuperscript{24} Two of these expatriate staff from Uganda and Tanzania are on two year contracts.

\textsuperscript{25} CAS and the university have had opening discussions which hopefully over time could lead to a strengthening of the B. Com syllabus and lend to additional exemptions in the CAS program.
develop managers and administrators to work as designers, contractors, entrepreneurs, and change agents to help realize national development goals;

- develop the skills, attitudes, and values needed to formulate and implement national development policies and programs; and;

- assist individual development and career planning.

Its functions include training, research and consultancy.

5.14 **Status and Reporting Structure:** LIPA is managed by Cabinet Personnel who controls its budget, and although it has some autonomy over its financial management, it does not have the formal status of a parastatal. It functions within the Civil Service grade structure, although there are currently proposals either to increase the salary entry level for LIPA faculty or to use the entry level of grade 8 as a trainee level for newly recruited staff.

5.15 **LIPA's Training Programs, Staffing Facilities and Costs:** Over the last two years, LIPA has offered some 30 different course titles, and has enrolled about 456 students in 1983/84, and 497 students in 1984/85. These programs (listed in Annex 18) are run by four divisions within LIPA:

(i) The **Management Division** runs a series of short programs (generally one week) in areas such as management practices; personnel management, performance appraisal. It also offers a two-week program on the basics of administration, and an induction program for recent university graduates to help them orient themselves to public service and to make a choice of ministries in which to work. The catalog also includes programs in organization and methods, and decentralization for national development, for which no participants were listed in the last two years. The latter program (of all those listed) appears to be the one aimed at the most senior course service level catered to by LIPA, deputy permanent secretaries, district coordinators and administrative secretaries, and heads of department.

(ii) The **Finance Division** concentrates mainly on accountancy training (1-4-week courses) at the sub-technician and
technician level, and also runs a three-stage series of programs for storekeeper.

(iii) The Executive Division offers short (1-4-week) programs for clerical and executive officer level staff in areas such as supervision, office and clerical procedures, records management, and public relations. They also offer a general induction for non-university entrants into the Civil Service.

(iv) The Marketing, Research and Consultancy Division offers a variety of short (1-week) programs in specific skills such as report writing, decision making and committee techniques. The Division also offers the most extensive education program presently run by LIPA as well as the diploma in Public Administration.

5.16 Diploma in Public Administration: This program is directed at Government, parastatal and private sector managers or administrators who have had two years experience in their present position. The aims of the program are to: (i) broaden the background in operations and policy making; (ii) increase intellectual and practical capabilities; and (iii) develop a range of administrative and managerial skills. The diploma is currently the only LIPA program externally validated. The validation is through the National University of Lesotho and indirectly through the Free University of Amsterdam from whom technical assistance staff were seconded to help develop the diploma. In the first year of the diploma, only 20 of the 35 students passed. In this, the second year, candidates were given entry tests in English, Social Sciences, and Numeracy, and the intake was accordingly reduced to 25. The syllabus of the diploma is shown as Annex 19.

26/ Their catalog also includes a National Workshop on Government Budgeting and Financial Management, and a Stage 4 accounts course for senior accountants for which no participants were listed in the last two years. These programs are the ones aimed at the more senior level in the Civil Service. The Financial Management Workshop was attended by senior and middle-level accounting, auditing, budgeting and financial officers; the Stage 4 course aims to develop managerial skills among senior accountants, auditors, principal examiners, senior examiners, controllers of accounts, and commercial managers.

27/ The program includes a number of basic courses in areas such as statistics, organizational theory, human resource management; and applied courses in areas such as financial management, project management, management of rural development. There is an elective on public enterprises for students from the parastatals (further details of the program are shown in Annex 19).
5.17  **Staffing:** LIPA's staff are organized into three training divisions (management, finance and executive), and a research, consultancy and marketing section. The training staff consist of three senior lecturers, five lecturers, and five assistant lecturers, as well as three consultants who play a crucial role within LIPA's teaching faculty. All of the training staff have bachelor degrees and one has a Masters degree. Most of the staff are graduates of the University of Lesotho. One of the consultants has a PhD, and another a Masters Degree. The staff of LIPA are selected by the Civil Service, with LIPA playing little or no role in their screening. LIPA has recently produced a plan for its staff upgrading, which involves the addition of three principal lecturers, two senior lecturers and two assistant lecturers (over and above the filling of existing vacancies). The aim is also to recruit lecturers with more specific skills and disciplines. Annex 20 contains the new staffing plan.

5.18  **Facilities:** LIPA currently has one large lecture room, seating about 50, and three lecture rooms seating about 30. Its library has about 2,500 books dealing with public administration, and can seat about 15. It has a rented photocopier. LIPA has no dormitory accommodation, conference facilities, breakout/tutorial rooms, computer equipment, video equipment, catering facilities, or student transport. Recently, LIPA has made an initial approach to the EEC and USAID with proposals for an expansion of its facilities which include a lecture theatre, tutorial rooms, classrooms, dormitories, and a refectory (estimated at US$2 million). At one time, there may have been a possibility of a collaborative expansion of LIPA and IDM facilities, but it now appears as if the two institutions will expand independently (EEC is currently considering IDM's expansion proposals). However, LIPA's refectory facilities will serve other training institutions in the area. The EEC has already agreed to help LIPA upgrade its equipment and teaching aids.

5.19  **Recurrent Expenditures:** LIPA is fully funded by the Government. As other agencies in Lesotho, LIPA has experienced reduced budgets recently. In 1983/84, its budget was M 225,000 as compared to M 233,000 in 1982/83. Its 1984/85 budget was not higher than its 1983/84 budget. The cost per participant in 1983/84 was approximately M 282. If one assumes one-half the participants take one week programs and the rest are equally distributed in the larger programs, the approximate cost per participant week is M 205. Without more comparative data, it is difficult to assess the cost effectiveness of these programs. According to the Director, there is a rapid turnover in the staff of LIPA, as the parastatals and the private sector hire them away once they gain some experience at the Institute. Therefore, it is necessary to review the status of the staff and possibly identify a separate classification for them in order that their salaries and benefits can be comparable with parastatals. Otherwise,
the rapid turnover of staff will quickly dilute the stability and quality of the instruction at LIPA. Recently some initiatives have taken place to encourage such a review.

5.20 **Analysis of LIPA's Current Position:** After a period of low morale and staffing problems, LIPA has in more recent times begun to settle down and build a sound infrastructure. Its major difficulties are the inexperience of its staff and its lack of necessary teaching support facilities. It cannot attract high level managers to its courses because of the modest calibre of its teaching staff. This problem is exacerbated by somewhat inadequate screening of participants, resulting in a wide spectrum ranging from junior to more senior managers on a program. This is partly due to a lack of clarity regarding Civil Service career objectives which makes it difficult for LIPA to devise training programs appropriate to the needs at different levels. Managers in the parastatals with whom LIPA programs were discussed, indicated that while LIPA's programs may be suited for low and mid-level Civil Service managers, they have restricted appeal to parastatal managers, although some still attend LIPA programs. LIPA has worked to widen its previously somewhat narrow syllabus in order to appeal to the private sector but the lack of business experience among its teaching staff continues to restrict its appeal. Its medium term objective is to focus its training primarily on the Civil Service. Its inability so far to establish an effective consultancy and research arm has limited its effort to develop programs with practical problem-solving focus.

5.21 In recent times, LIPA has managed to attract a large quantity of donor support in terms of developing its own staff capacities: EEC is providing short-term consultants to help run short modules in the financing and accounting division; ODA will give two experts later this year for the accounting program; and LIPA is currently advertising for an expert in local government administration, a management consultant to replace an EEC-funded consultant who is leaving, and a specialist in organization and methods. In addition, ODA has provided two fellowships (in librarianship and marketing); USAID will provide three post graduate fellowships later this year; the EEC will provide four post graduate fellowships in 1987; and the Netherlands a fellowship in late 1986. Additionally, LIPA staff have been on attachment to Management Institutes such as ESAMI. Over and above this assistance, LIPA is seeking additional fellowships for advanced training beyond the MA, and donor assistance with practical attachments to outside organizations. Finally, LIPA suffers from problems that are experienced by many other national institutes of public administration that are managed directly as part of the Civil Service. As indicated above, the salary and career structures are major obstacles in terms of a long-term upgrading of staff, and LIPA has little influence over staff appointments.
Its proposals have to go through a cumbersome process of administrative review which limits LIPA's access to and influence of senior management. It is understood that LIPA has submitted proposals to the government for increased autonomy, and these proposals are currently being considered.

3. LIPA and IDM

Despite its limited resources and history of staff difficulties, LIPA has begun to make progress and the Government's aim is that it should develop into the Premier National Management Training Institutions. This raises the issue of the role and future of IDM in Lesotho. As indicated in the main report, Lesotho participation in IDM has declined, and activities of both institutions overlap and both compete for students. An ad hoc committee was established in late 1984 to review the "Coordination and Streamlining of Management Training of Civil Servants" by the Lesotho Institute of Public Administration and the Institute of Development Management. A report, which both institutions approved, was subsequently produced and is under review by the Cabinet Personnel Office. The main findings of the report are:

(a) IDM offers about three times more training weeks than LIPA overall, and at least twice as many weeks in the areas in which the institutions offer programs covering similar aspects of management.

(b) IDM lecturers and consultants are more productive in terms of the number of programs offered than LIPA counterparts;

(c) Both LIPA and IDM devote the bulk of their instruction time on courses not offered by the other institution; and

(d) In the area of courses devoted to similar managerial topics, LIPA programs are patronized mainly by civil servants whereas IDM programs are attended by (a majority of) civil servants and some private sector and parastatal managers. So the area of possible competition/overlap concerns the participation of junior and mid-level civil service staff. However, programs in this area offered by LIPA are shorter and more elementary, and choice of programs is governed additionally by timing, and location (because many IDM programs are run in Botswana and Swaziland).

5.23 The report concluded therefore that while there appears to be overlap in content areas, in practice the "primary relation between LIPA and the IDM is not antagonistic." Its recommendations are that:
(a) LIPA and IDM should jointly offer courses where there is local demand;
(b) a list be compiled of Basotho managers willing and suitable to train on programs in return for an honorarium;
(c) Cabinet Personnel provide a list of expatriates with management experience suitable to work as guest trainers;
(d) LIPA Consultants and IDM Academic Board review course plans to uphold standards;
(e) LIPA consultants study the use of management training programs abroad to determine what can be done to encourage use of local training programs; and
(f) approval be given to IDM plans to expand their local facilities so that these can be used by LIPA and IDM.

This report is an encouraging sign of cooperation between the two institutions in an attempt to rationalize resources. The joint teaching has already commenced in an "Introduction to Management" program organized for the Central Bank of Lesotho.

4. Recommendations

5.24 The future evolution of LIPA as a national management training institution should be regarded as a long-term objective. It is clear that with its regional resources and experience, IDM has many comparative advantages which LIPA cannot match in the short-term emulate. The IDM programs appeal to managers beyond the Civil Service, cover many areas not covered by LIPA programs, and deal with topics at a more substantive level. The medium term objective should be to encourage the close collaboration between the two institutions, as recommended in their own report, while allowing each to retain its separate identity and area of focus. As recommended in the main report (Volume I), IDM should in fact increase its activities in Lesotho and attempt to appeal to higher level managers as well as designing more programs to meet specific national needs. LIPA should establish as its primary objective, the upgrading of its programs for the public sector attempting to make their programs more problem-centered and practical, as well as appealing over time to higher level Civil Service managers. LIPA and IDM should establish an ongoing review committee to demarcate boundaries and develop common programs where necessary. IDM should also actively accept an institution development role in helping LIPA to upgrade the quality of its training.
5.25 The key to LIPA's further development lies in the development of its staff. This should be tackled on two fronts: (i) A proposal for restructuring the salary and grades of LIPA's teaching staff was recently rejected in favor of a proposal to increase the entry level. However, this issue should be kept under review and if the high turnover of staff persists, other measures such as a special teaching allowance on top of existing grades, or the widening of benefits, should be considered; (ii) Existing LIPA staff should engage in an active individual development program, including training alongside IDM staff, attending appropriate skill upgrading programs, continued secondments to high quality African and other management training institutions, and consulting assignments to gain practical experience. Although LIPA has already attracted considerable donor assistance in its development program, it still requires long-term assistance in upgrading the educational background and practical experience of its staff. LIPA will need to give priority to the development of its teaching capacity in the accountancy field to play the role recommended in Chapter VI. Finally, LIPA needs to ensure that the various components of donor assistance for its staff development are carefully integrated and related to its own long-term institutional development objectives and priorities.

5.26 LIPA also needs to raise its visibility and credibility among more senior public sector managers. This can best be done by an outreach program which combines consultancy assignments within the civil service to develop a practical perspective and demonstrate competence within the workplace; active collaboration with the Management Services Unit, including the use of MSU staff on LIPA courses, and LIPA staff assignments within MSU28; and the active use (as proposed in the IDM/LIPA report) of public sector managers on LIPA programs. LIPA should carry out an in-depth analysis of training needs among government managers, and establish improved liaison with personnel staff in the Civil Service who recommend programs for managers. It is also important that LIPA establishes a method of evaluating the impact of their programs. It needs to find ways of making their programs attractive not only in terms of the substantive content, but also in terms of the credentials offered by successful completion, through the use of examinations, certificates, and accreditation by other institutions.

5.27 Finally, the Government should consider granting limited autonomy to LIPA in terms of: (a) a revised salary and career structure; (b) greater control over the recruitment of its staff; (c) an accountancy system more appropriate for a training institution; (d) more flexible schemes of service to provide for developmental activities such as sabbaticals; (e) a reporting relationship directly to senior government management.

28/ This will need administrative coordination within the Government to ensure that MSU staff are made available when requested.
VI. ACCOUNTANCY TRAINING IN LESOTHO

Background

6.01 The Accountancy Act of 1977 established the Lesotho Institute of Accountants (LIA) to regulate and promote the practice of accountancy in Lesotho, to determine the qualifications required to join the program, and to provide training and examinations to produce the qualifications. The Act prohibits people practicing as accountants unless they have passed the institute examinations and acquired the experience necessary to register as a member of LIA. The Institute promotes the accountancy profession in three activities: a Professional Development Committee which organizes seminars to educate members on important accountancy subjects; a Technical Advisory Committee to help regulate the profession through compulsory national accounting and auditing standards, and to give technical assistance to members; and an International Relations Committee which builds relationships with institutes in other countries, and attempts to obtain recognition outside Lesotho of the institute's qualifications.

1. Accountancy Qualifications

6.02 The Accountancy Act has established three levels of accountancy qualifications:

   (a) **Licensed Accountant**: a technical level qualification allowing an individual to work as a senior bookkeeper, audit assistant, or assistant to a chief accountant;

   (b) **Registered Accountant**: an intermediate level qualification in preparation for full professional stature, allowing an individual to carry out professional level work for individuals, partnerships, and small to medium-sized firms; or to operate as assistant chief accountant in large organizations, chief accountant (financial controller) in medium-sized organizations, or as a senior accounting official in government; and

   (c) **Public Accountant**: a full professional status, equivalent to chartered accountant in Europe or CPA in the USA, allowing an individual to work as a senior accountant, supervising the audit of any financial organization. It is proposed to restyle "Public Accountant" as "Chartered Accountant".
2. The Center for Accountancy Studies (CAS)

6.03 The CAS was founded in 1979 as a result of an agreement between Lesotho and the Government of Ireland, which provides the center financial support. The Irish chartered accountancy firm of Stokes, Kennedy, Crowley & Co., which carried out the study leading to the formation of the center, has until recently, provided the center's management. Its role is to provide the professional training needed to qualify for the institute's examinations, so, although it has an independent status in effect, CAS is the teaching arm of LIA.

6.04 Staffing of CAS: CAS is staffed by six full-time lecturing staff, one of whom acts as the director. Four of the full-time lecturers are expatriates, and a second local appointment has recently been made. The local lecturers are being given practical attachments to ensure that they develop experience of problems in accountancy work. The expatriates are A.C.A. (Ireland) or A.C.C.A. qualified. The staffing has also included nine part-time external lecturers from the university, local firms of accountants, government, and a leading parastatal (Annex 21 provides more detail).

6.05 Structure of Exemptions and Examination Levels: The chart on next page gives an overview of the structure of exemptions given by the institute and examination levels in CAS's program. Details of exemptions are given in Annex 22 and more schematically in the chart on page 52.

6.06 Pre-entry Preparation Programs: There are three preparation programs that enable students with technical/degree level qualifications to enter CAS's examination structure:

(a) Commencement Program, used mainly for diploma holders, is a screening and assessment program lasting for three weeks full-time. The program focuses on basic bookkeeping, basic numeracy, and communications. In addition to some coaching, the program helps to evaluate the capacity of prospective students to adapt successfully to CAS's methods of intensive training. In addition, there is an assessment test of candidates' knowledge. Recently, about 27 out of 44 candidates passed the examinations. Students who fail are given a chance to re-sit the examination;

(b) Bridging Course is run by CTI with some input and assistance from CAS to help prepare CTI students for admission to CAS's programs. This two-week full-time course covers basic materials (specifically financial accounting) not included in the CTI diploma;

29 From October 1985, the Irish Government has directly appointed the director and staff members, although two staff members from Stokes, Kennedy, Crowley and Co. have remained as lecturers helping to provide transition to the new managerial arrangements.
(c) Conversion Course is a transition course for B.Com students. This one-week full-time course is basically a recap of material covered in the Licensed Level Year 1.

6.07 Course and Examination Content: The final level (Public Accountant) examination aims to meet international standards (e.g. equivalent of the CPA (USA) or ACCA (UK). The syllabus and examinations therefore include the subjects at each level that are generally found in the examination syllabus of other accountancy institutes (see Annex 23).

6.08 Examination Setting and Moderation: CAS has established a structure of external moderation to ensure that the standards of their examinations and qualifications remain objective:

(a) Year 1 examinations or the licensed and registered levels, are administered by the LIA and moderated by the National University of Lesotho;

(b) Year 2 examinations for the licensed and registered levels, are administered by the LIA and externally set, moderated, and marked, by two separate panels made up of academics and practitioners from the Republic of South Africa, Botswana, and Lesotho; and

(c) The public accountant examinations are set by examiners selected by LIA, and the examinations are moderated by the Nigerian Institute of Chartered Accountants.

6.09 Teaching Methods: CAS offers tuition which combines full-time block release together with weekend and evening classes. Each year students attend three two-week block release programs, plus three weekend classes. Evening classes average two per week. Students are also taken on field trips to organizations operating in Lesotho to familiarize them with manufacturing operations, and accounting and computer systems. Teaching staff monitor student progress by continuous assessment through homework and class assignments and block release tests. Students and their employers receive quarterly reports on attendance and performance. This process helps identify problems at an early stage so that corrective action can be taken. Students are also visited at work so that teaching staff can learn about their work-related problems and practical learning needs. Students who live outside the Masera District can receive their evening tuition by correspondence, supplemented by attendance on block release courses.
6.10 **Participation Numbers**: Over the last six years, the number of students at CAS has increased from 18 in 1980 to 176 in 1986. In 1984, about 44 percent of the enrolled students were employed in parastatal organizations, about 17 percent in the private sector, and about 23 percent in the Government (including the Auditor General's Office). The remainder were in public practice, financial institutions, and other types of employment (see Annex 24). About 65 percent of the students were male and 35 percent female. Some 61 percent were non-graduate entrants and 39 percent graduate entrants. The distribution of enrollment by level is given below.

<table>
<thead>
<tr>
<th>Enrollment in CAS Programs 1984–1985</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Licensed (and Transitional)</td>
</tr>
<tr>
<td>Registered</td>
</tr>
<tr>
<td>Public</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

6.11 **Current Assessment of CAS**: CAS has reached a degree of success which is quite notable in the BLS countries. By the end of its sixth year, CAS is likely to have produced more than 12 fully qualified accountants, more than the three countries have been able to achieve through a process of overseas programs, secondments, and correspondence courses. CAS's success is due to a combination of factors: (a) well qualified staff with in-depth professional experiences; (b) high standards supported by full-externalized examinations; (c) the use of course materials prepared for local needs and situations; (d) an approach which combines actual work experience in the student's own environment, with training and continual monitoring and encouragement; and (e) the history of direct managerial support from a professional firm of accountants to ensure that education is linked to practice.

6.12 While CAS caters from students from all sectors of the Lesotho economy, there are however no public sector special options within the syllabus despite the fact that currently about 23 percent of their students come from Government. Because CAS is a product of the initiative of the accountancy profession in Lesotho, the main emphasis is placed largely on the audit and taxation problems of private sector business. The syllabus
does include courses in government auditing, and public sector perspectives in the taxation. However, there is clearly a need to provide a more systematic set of options for public sector students and to upgrade the accountancy training for the Civil Service offered by LIPA.

6.13 The success of CAS in providing financial management training for the commercial sector supports the idea that CAS should play an important role in helping to raise the quality of management training in general for the commercial sector. It is recommended that both LIPA and IDM include CAS in a review of this area of training to determine whether CAS can play an on-going advisory and possibly more substantive role.

6.14 When the Irish Government originally agreed to fund CAS, it committed itself to a project lasting at least 10 years (which would normally expire in 1989). However, in October the Irish Government decided to alter the management arrangement. Instead of the project being managed through a firm of Chartered Accountants, the Irish Government is recruiting the director and teaching staff directly on a secondment basis from Ireland as a gradual transition to localization. Although the Irish Government has not made an official commitment to future financing beyond the project period, it is understood that they will continue their support of the Center for an extended period.

3. Accountancy Training at Pre-Technician Level

6.15 Pre-technician level accountancy training in Lesotho is provided by a number of institutions:

(a) **Commercial Training Institute (CTI)**—provides a two-year full-time Diploma in Business Studies including bookkeeping and accountancy. This program is aimed at routine bookkeepers; however, the program has been well developed, and as has been shown above, is accepted by CAS as an entry to the Licensed Level with 1-1/2 subject exemptions. The examination results are assessed by the National University of Lesotho. CAS also assists CTI in their bridging course for diploma holders wishing to enter the CAS program;

(b) **Lesotho Institute of Public Administration**—provides the following basic short accountancy programs aimed specifically at the public sector:

---

30/ An earlier proposal that LIPA offer a diploma in public administration accountancy, to be recognized by CAS, never materialized.

31/ Stokes, Kennedy, Crowley and Co.
Accounts Induction (Stage One) for new recruits

Accounts Course for Assistant Accountants (Stage Two) after six months or more

Accounts Course for Accountants (Stage Three) providing more depth in accountancy management procedures

Accountants Course for Senior Accountants (Stage Four) aimed at members of the accountancy cadre who are in supervisory positions.

In addition, the Diploma in Public Administration, includes a compulsory course in the Management of Financial and Material Resources which is accepted by CAS as entry to the Licensed Level, after completion of their Commencement Program. While the LIPA courses provide useful, very basic skills training, they do not fill the need for more advanced accountancy training with a public sector emphasis.

(c) Institute of Development Management (IDM) - offers two basic Accounting I and Accounting II courses, followed by their Certificate in Finance Management (CFM) in two parts each of 9 weeks, aimed at the AAT examination. There are also two intensive AAT level II and III examination preparation programs. To date, CAS accept the CFM only where adequate AAT passes have been obtained, before allowing entry at the Licensed Level. IDM also offers an intensive Internal Auditing Course.

(d) National University of Lesotho - The Faculty of Social Sciences makes the following contributions to Accountancy training in Lesotho:

- B. COM in Accounting designed to prepare graduates for the Accounting profession. (See Annex 25 for the syllabus).

- BA in Accounting and a second major subject for those who wish to study accounting as a teaching subject.

The B. Com is the major local graduate entry into the CAS examination structure intended to provide exemption from Year 1 of the Licensed level. CAS is in close contact with the university about the evolution of the B. Com program and may over time provide more exemptions.
4. **Projected Needs for Accountancy Training in Lesotho**

6.16 A projection of the needs for trained accountants at various levels by 1991, was recently carried out by CAS. They indicate a need for 58 at the public accountant level, 104 at the registered accountant level, and 332 at the licensed accountant level (see Annex 26 for more details). If these figures are projected based on population size, there is an estimated need for 1500 at the pre-technician/bookkeeping level.

5. **Recommendations**

6.17 Because of the important contribution of CAS, it is recommended that the Government continue to take a direct interest in CAS, and find ways of utilizing CAS' expertise in an advisory capacity to help upgrade and maintain the quality of accountancy training in Lesotho. CAS is focusing primarily on the private sector (with some public sector options for Civil Service students) and LIPA focuses on Civil Service accountancy training. It is true that most Civil Service accountancy needs exist at the pre-technician and technician level. However, as discussed elsewhere in this report, there is an urgent need to upgrade accountancy skills in the Civil Service at both the technician level and beyond. It is very important therefore that CAS and LIPA jointly plan an approach to upgrading accountancy skills both among managers and the accountancy cadre in the Civil Service. This plan should be worked out jointly with the Accountant General and Auditor General. It should probably include proposals to strengthen LIPA's programs and the inclusion of additional public sector components in CAS's programs. Even more important are measures to upgrade the skills of experienced government managers. Finally, encouragement should be given to the initiatives which CAS has helped stimulate towards a regional approach to accountancy training by actively supporting the proposed institutes in Swaziland and Botswana. This recommendation is discussed in more detail in the main report.

VII. **CURRENT DONOR INITIATIVES**

7.01 Because of the Government's recognition of and concern about improving general management and financial management practices, there are a number of current initiatives taking place. These are:

1. **General Management**: A project has been agreed upon between the Lesotho Government and the Swedish International Development Authority to provide training for top management in the Civil Service, including permanent secretaries, deputy permanent secretaries, district coordinators,
This project has currently completed its needs assessment stage, and is about to organize a training program for senior managers in the area of policy and decision making, financial management, project and budget preparation, and planning and development, as well as general management skills. The management services unit within the Office of Cabinet Personnel has also benefitted from short-term attachment of a UK expert on organization and methods as well as USAID funded short-term consultant on personnel information system.

(ii) Financial Management: Another current initiative is ODA assistance in financial management—the provision of financial controllers in three ministries, and a planned project to deal with the problem in the computer system.

(iii) Accountancy Training: The Center for Accountancy Studies (CAS) was founded in 1979 as a result of an agreement between Lesotho and the Irish Government to provide financial support to the Lesotho Institute of Accountants. The Irish chartered accountancy firm of Stokes, Kennedy and Crowley which carried out the initial study leading to the formation of CAS, subsequently developed and which recently managed the centre. CAS is fully funded by Irish Government which now appoints the director and staff directly, generally on a secondment basis.

(iv) Education Management and Administration: USAID has recently signed an agreement with the Lesotho Government to assist in the staff development and training of education administrators in the Ministry of Education over the next five years. This project includes funds for both external and internal training of headmasters and school administrators.

(v) LIPA: EEC is providing LIPA with a short-term expert and awarding four post-graduate fellowships for its staff. ODA is also assisting with two experts. USAID has provision for three post-graduate fellowships tenable in USA, and Netherlands is granting one post-graduate fellowship.

These initiatives are clear signs of the determination of the Government to improve management practices.
VIII. Agenda for Change

Introduction

8.01 This chapter describes an action program for strengthening management in the Lesotho Civil Service. The proposed program brings together the major recommendations in this study so that action can be taken on all of the components in an integrated manner.

1. Developing Senior Sponsorship for the Program

8.02 The first step is to establish a framework which would provide senior management control over the program, a strengthened consulting resource group to facilitate the process of change, and provide overall coordination to ensure that the different components are properly phased and reinforce one another. It is recommended that a senior government manager be selected to act as chairman of a Government Review Group which will be responsible for overseeing the change program. This Review Group should contain high level representatives of key parts of the Government. The Review Group should be assisted by a resource team consisting of consultants from a strengthened MSU (See Chapter III) as well as selected consultants from IDM and LIPA.

2. Immediate Tasks of the Review Group

8.03 The Review Group should attend to the following tasks:

(a) Reviewing the proposals contained in this report, and in other reports, and analyses available to the Group, to determine the areas for priority action;

(b) Holding a conference of Principal Secretaries from all parts of the Government to announce the change program and its priorities, and build commitment to the change; and

(c) Delegating to the MSU specific responsibility for the major components of the action program—general and financial management improvement, development of management training institutions, improvement in personnel management procedures and methods, and any other priority areas identified by the Review Group. The responsibility of the MSU will be to establish some clear objectives, design a detailed program based on the priorities defined by the Review Group, and to implement and monitor that program. The Review Group should ensure that MSU receive cooperation from the various parts of government in carrying out the reform program.
Especially important will be the attachment of experienced managers to the MSU team where their experience and skills are needed in the reform process.

3. Details of Specific Components of the Change Program

The following sections will provide further details on the various components of the change program:

8.04 General & Financial Management Improvements: This should be seen as a multi-component program with each element reinforcing other elements. However, there is likely to be a critical path of priorities, and some aspects of the program may need to be carried out more urgently. While other aspects can be phased in over time. The work of the MSU with help from a group of experienced senior managers should begin with an analysis of the specific factors responsible for ineffective managerial performance in everyday practice. This analysis should not be an extensive academic exercise, but should rather bring together the insights already gained in previous studies, and be supplemented by confidential interviews with a select group of managers at different levels in the civil service. The analysis should cover among other aspects - the most pressing skills deficiencies, errors made in managerial selection: procedures which hamper managerial effectiveness; factors which inhibit managerial risk-taking, decision-making, and change from traditional but out-moded practices; and ambiguity about managerial responsibility at different levels.

8.05 Once this analysis has been completed (which should be done within a short, set period of time), MSU should present the findings to a seminar of Principal Secretaries and other levels of management. This seminar should also be used as the occasion for clarifying the roles and responsibilities of managers at different levels, especially in areas of financial management. Based on the findings confirmed at the seminar, a series of specific projects should be launched. One set of activities will depend upon sharpening the criteria for judging managerial effectiveness by studying the distinguishing characteristics between a sample group of managers judged to be successful and unsuccessful. These sharpened criteria should be used to: (i) improve the identification of future managers through the active assessment of skills in on-the-job assignments carrying managerial responsibility: (ii) improve the selection criteria and methods for choosing future managers; (iii) improve the evaluation of the performance of current managers; (iv) define the priorities for a redesigned in-service management training program designed with the help of LIPA and IDM. The analysis of procedures and systems should lead to a second set of activities to replace out-moded practices, streamline cumbersome methods, establish clear lines of accountability for the
management of information and the accomplishment of important routines; and review the potential in the medium-term for increased use of computers to automate redesigned systems.

8.06 The third set of activities will concern the development of positive incentives to encourage effective management. On the practical side, the creation of improved career structures for ambitious technical staff who have little aptitude for management will help ensure that only those with a strong will to manage take up positions of managerial responsibility. Also needed will be measures for phasing out managers who have clearly demonstrated repeated managerial ineffectiveness. For those who remain, positive incentives are likely to be a combination of clear repeated statements from senior government management as to what constitutes desirable management behavior (accompanied by examples from the top), the use of rewards and promotions to reinforce successful managers, and systematic efforts to remove the most obvious disincentives. Managers should be regularly surveyed to obtain a view of their attitudes towards their jobs, and the environment in which they exercise their responsibilities.

8.07 Finally, based on the original analysis and the objectives of the three sets of activities, a simple program of evaluation should be instituted so that progress (and obstacles to progress) can be periodically assessed, and the results fed back to follow-up meetings of managers so that modifications can be introduced into the Action Program.

8.09 Actions to Upgrade and Coordinate Training in Business Management and Entrepreneurial Skills: As described in (2.19), representatives of the various agencies responsible for providing training in business management and entrepreneurial skills should be brought together under a chairman from the Ministry of Trade, Industry & Tourism to organize a national approach to this training, including the following tasks:

- agree on clear objectives for the national program;
- define criteria against which to determine the impact of current and future activities;
- take an inventory of current activities and available resources;
- evaluate the strengths and deficiencies of current activities, identify overlaps, ineffective dispersion of resources, and gaps;
- design a program which will improve current activities, nationalize the use of resources, and fill in identified gaps; and
- identify additional resources and assistance needed, including help from donors.

IDM should provide specific research and consulting support for the Group.
8.10 **Actions to Strengthen Training Institutions:** This study has made a series of recommendations involving the strengthening of the National University of Lesotho (see paras. 5.05-5.19), the Lesotho Institute for Public Administration (see paras. 5.20-5.33), and the Institute for Development Management (see main report). Many of these improvements will be the responsibilities of the institutions themselves. However, an overall coordinating group should be established to review these actions and provide support where necessary. Because these institutions serve the Civil Service, parastatals, and the private sector, representatives from each of these sectors should participate in this coordinating group under appropriate government chairmanship. In addition to its general review and support function, the coordinating group should be responsible for:

- assessing whether the overall national management training needs, and the needs within each sector are being met, and where they are not, recommending the addition of essential components;

- reviewing the overlap that may exist in the activities of the various training institutions and formulating proposals for the clarification of respective roles and the more rational use of scarce resources;

- studying the quality, practicality and suitability of training provided by the various institutions to Lesotho needs and conditions, and guiding the institutions in making improvements;

- encouraging the practice of improved individual training needs analyses and the rational and economic selection of programs to meet identified needs;

- reviewing the experience of overseas training, its relevance and benefits, and establishing guidelines for its more effective use;

- stimulating the involvement of experienced managers from all sectors as trainers in the programs run by the various institutions;

- stimulating the involvement of outside resources, including the twinning of local institutions with other schools of management, and invitations to authorities in management training to participate in conferences and other programs in Lesotho; and

- recommending improved approaches to coordinating the aid and activities of donors in the area of management education and training.
8.11 Actions to Strengthen Personnel Management in the Civil Service: An important part of the suggested action program for strengthening management in the Lesotho Civil Service is the Human Resource Management component. In order to strengthen the management of the personnel function, a comprehensive program of change incorporating several inter-related activities has been proposed, including:

(a) In-service training: (i) a plan and process to assist each ministry to develop a comprehensive in-service training policy and a supporting action plan. (ii) the development of guidelines for Human Resource Development;

(b) Association of Personnel Managers: the establishment of an Association of Personnel Managers;

(c) Human Resource Planning: the establishment of a project team to develop systems and procedures for improved human resource planning and budgeting functions;

(d) Design and develop a computerized Personnel Management Information System: project team and a steering committee to review existing personnel information and implement a government wide computerized system;

(e) Improve Grading System: this project has already been identified and funded;

(f) Improved Management of Expatriates: (i) development of a more systematic approach to the management of counterpart and expatriate arrangements. (ii) Development and monitoring of a roster of all expatriates with counterparts, training plans, and procedures for performance evaluation. (iii) Identification of ten critical positions currently filled with expatriates without counterparts; identification of counterparts for those positions and the production of individual development plans for each counterpart.

IX. ROLE OF EXTERNAL ASSISTANCE

9.01 It is recommended that the Government seek external assistance to support the Agenda for Change described in the previous chapter. Details of this assistance are described under each component in the recommended Agenda.
9.02 Action Program to Assist in the Establishment of the Senior Management Review Group

(a) The Strengthening of the Consulting Capacity of the Management Services Unit

- technical assistance for:
  one chief consultant (grade 14) for four years;
  four senior management consultant positions (grade 12) for four years;

- provision of five fellowships of 12 months each over three years to develop local counterparts to take over from the externally funded resources at the end of four years;

- provision of in-service staff development totalling 30 months.

(b) Conference of Principal Secretaries: to announce action program and secure commitment:

- four weeks of technical assistance provided by an organization such as EDI is providing to IDM to help in the facilitation of this conference.

9.03 Action Program on General and Financial Management Improvement: the resources needed to support this action program are provided by the strengthened MSU as described in 8.03 (c).

9.04 Action Program to Upgrade and Coordinate Training in Business Management and Entrepreneurial Skills:

- technical assistance funding for one specialist in small business management training to be located at IDM for two years;

- technical assistance funding for two skilled consultants to be located at BEDCO to train local counterparts for a two year period; and

- additional phased assistance to be determined by the review carried out by the representative group working under the Ministry of Trade, Industry and Tourism.
9.05 **Action Program to Strengthen Training Institutions:**

- technical assistance funding for two years for one advisor skilled in management training and the development of educational institutions, to be placed at IDM, responsible for assistance to the Training Institutions Coordinating Group, to help in the institutional development of LIPA, and to align IDM's services to specific Lesotho needs;

- two staff weeks of technical assistance to IDM by an institution such as EDI to help in the development of their training strategy for Lesotho;

- possible joint funding with, or alternative funding for the Irish Government's support of the Center for Accountancy Studies (the need and extent to be assessed); and

- additional phased assistance determined by the review carried out by the Training Institutions Coordinating Group.

9.06 **Action Program to Improve Personnel Management in the Civil Service:**

(a) **Definition of Priorities**

- four staff weeks of technical assistance to define priorities in area of personnel management.

(b) **Strengthening the Ministry of Public Service (Personnel)**

- two externally funded Personnel Management Experts for four years;

- two fellowships of 12 months over the next four years for development of local staff in the Ministry of Public Service;

- funding of six months in-service staff development (local seminars, workshops).
(c) **Strengthening the Personnel Cadre Outside Central Personnel**

- two externally funded personnel management experts for four years;
- funding of six months of in-service staff development (local seminars, workshops).

(d) **Establishing an Association of Personnel Managers in Lesotho**

- one externally funded advisor for two years;
- two years of administrative support for the operation of the association.

(e) **Improving Human Resource Planning**

- establishment of a human resource planning function: one externally funded human resource planning specialist for two years;
- development of a computerized personnel management information system: one externally funded project manager (personnel management system specialist) for four years; four staff-years of support staff; computer hardware and software for all necessary ministries and department; and funding of training for operators and users, (personnel cadre, managers and support staff).

(f) **Improving Personnel Practices and Procedures**

- improved management of expatriates and counterpart relationship by funding of training and development of selected counterparts (fellowships, attachments, seminars): total of 80 months over four years.
### Annex 1

**The Government Establishment 1980 – 1984**

<table>
<thead>
<tr>
<th>Ministry/Department</th>
<th>Authorized Establishment 1980/1</th>
<th>Authorized Establishment 1984/5</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Marketing</td>
<td>2615</td>
<td>2673</td>
<td>+ 2.2</td>
</tr>
<tr>
<td>Health</td>
<td>1315</td>
<td>1775</td>
<td>+ 35.0</td>
</tr>
<tr>
<td>Education, Sports &amp; Culture</td>
<td>704</td>
<td>631</td>
<td>- 10.4</td>
</tr>
<tr>
<td>Finance</td>
<td>1056</td>
<td>891</td>
<td>- 15.6</td>
</tr>
<tr>
<td>Trade &amp; Industry (Commerce &amp; Industry - 1980)</td>
<td>183</td>
<td>124</td>
<td>- 32.2</td>
</tr>
<tr>
<td>Planning, Employment, &amp; Economic Analysis</td>
<td>--</td>
<td>479</td>
<td></td>
</tr>
<tr>
<td>(Planning &amp; Statistics)</td>
<td>286</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Justice &amp; Prisons</td>
<td>842</td>
<td>889</td>
<td>+ 5.6</td>
</tr>
<tr>
<td>Interior</td>
<td>602</td>
<td>590</td>
<td>- 2.0</td>
</tr>
<tr>
<td>Prime Minister's Office</td>
<td>875</td>
<td>812</td>
<td>- 7.2</td>
</tr>
<tr>
<td>Information &amp; Broadcasting</td>
<td>164</td>
<td>177</td>
<td>+ 7.9</td>
</tr>
<tr>
<td>Foreign Affairs</td>
<td>124</td>
<td>124</td>
<td>--</td>
</tr>
<tr>
<td>Works</td>
<td>614</td>
<td>677</td>
<td>+ 10.3</td>
</tr>
<tr>
<td>Transport &amp; Communications</td>
<td>569</td>
<td>661</td>
<td>+ 10.9</td>
</tr>
<tr>
<td>Cooperatives &amp; Rural Development</td>
<td>406</td>
<td>434</td>
<td>+ 6.5</td>
</tr>
<tr>
<td>Water, Energy &amp; Mining</td>
<td>272</td>
<td>407</td>
<td>+ 49.1</td>
</tr>
<tr>
<td>Auditor General</td>
<td>48</td>
<td>53</td>
<td>+ 10.4</td>
</tr>
<tr>
<td>His Majesty's Office</td>
<td>54</td>
<td>60</td>
<td>+ 11.1</td>
</tr>
<tr>
<td>Public Service Commission</td>
<td>18</td>
<td>18</td>
<td>--</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>10747</strong></td>
<td><strong>11475</strong></td>
<td><strong>+ 6.8</strong></td>
</tr>
</tbody>
</table>

* Source: Establishment Lists, 1980/1 and 1984/5.*
## Examples of Senior and Middle Level Managerial Positions in Lesotho Civil Service

<table>
<thead>
<tr>
<th>GRADE LEVEL</th>
<th>AGRICULTURE &amp; MARKETING</th>
<th>HEALTH</th>
<th>EDUCATION</th>
<th>FINANCE</th>
<th>TRADE, INDUSTRY &amp; TOURISM</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td>Permanent Secretary</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Principal Secretary</td>
<td>Principal Secretary</td>
<td>Principal Secretary</td>
<td>Director Budget Controller Chief Finance Controller Accountant General</td>
<td>Principal Secretary</td>
</tr>
<tr>
<td></td>
<td>Director (3)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Program Director</td>
<td>Senior Registrar (2)</td>
<td></td>
<td></td>
<td>Commission (2)</td>
</tr>
<tr>
<td>14</td>
<td>Deputy Principal Secretary (2)</td>
<td>Deputy Principal Secretary</td>
<td>Deputy Principal Secretary</td>
<td>Deputy Principal Secretary Deputy Budget Controller Deputy Chief Financial Controller Deputy Accountant General Commissioner Manager</td>
<td>Deputy Principal Secretary Commissioner</td>
</tr>
<tr>
<td></td>
<td>Director (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Director (2) Principal Deputy Program Director</td>
<td>Registrar (10)</td>
<td>Director (2) Secretary</td>
<td>Deputy Commissioner (2) Deputy Director Chief Controller of Stores</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Manager (2) Deputy Director Vice Principal Director of Studies Senior Regional Workshop Manager</td>
<td>Principal Assistant Secretary Hospital Administrator Chief Inspector of Health</td>
<td>Director (2) Coordinator Deputy Director (2) Principal (2)</td>
<td>Principal Assistant Secretary Secretary (2)</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Manager Deputy Director</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Deputy Director (2) Manager Program Manager</td>
<td>Project Manager</td>
<td>Deputy Director</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Senior Farm Manager (2)</td>
<td></td>
<td>Superintendent</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Drawn from the Establishment Register 1984/85:
  (Some positions are placed over three grades. In this table they are located at the median grade).
<table>
<thead>
<tr>
<th>GRADE LEVEL</th>
<th>MINISTRY/DEPARTMENT</th>
<th>MINISTRY OF PUBLIC SERVICE</th>
<th>INFORMATION &amp; BROADCASTING</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td></td>
<td>Deputy Senior Principal Secretary</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Principal Secretary (2) Principal Secretary Director</td>
<td>Principal Secretary (3)</td>
<td>Principal Secretary Manager Chief Food Administrator</td>
</tr>
<tr>
<td>15</td>
<td>Director</td>
<td>Deputy Principal Secretary</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Deputy Director Labor Commissioner (2) Deputy Principal Secretary Deputy Commissioner (2) Town Clerk (2) Deputy Director</td>
<td>Deputy Principal Secretary</td>
<td>Deputy Principal Secretary Director (2)</td>
</tr>
<tr>
<td>13</td>
<td>Deputy Director</td>
<td>Director</td>
<td>Deputy Director Government Printer</td>
</tr>
<tr>
<td>12</td>
<td>Principal Assistant Secretary Deputy Director Principal Assistant Secretary Registrar of the High Court</td>
<td>Principal Assistant Secretary</td>
<td>Deputy Director Director</td>
</tr>
<tr>
<td>11</td>
<td>Deputy Director</td>
<td>Deputy Registrar General Senior Plant Superintendent</td>
<td>Deputy Registrar General Commercial Manager Editor Controller of Programs</td>
</tr>
<tr>
<td>10</td>
<td>Deputy Labor Commissioner Assistant Registrar of the High Court (2) Senior Superintendent</td>
<td>Assistant Registrar General Deputy Director Deputy Commissioner (2)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>Superintendent</td>
<td>Assistant Plant Superintendent</td>
</tr>
</tbody>
</table>

* Drawn from the Establishment Register 1984/85; (Some positions are placed over three grades, in this table they are located at the median grade).
### Examples of Senior and Middle Level Managerial Positions in Lesotho Civil Service

<table>
<thead>
<tr>
<th>GRADE LEVEL</th>
<th>FOREIGN AFFAIRS</th>
<th>WORKS</th>
<th>TRANSPORT AND COMMUNICATIONS</th>
<th>COOPERATIVES &amp; RURAL DEVELOPMENT</th>
<th>WATER, ENERGY &amp; MINING</th>
<th>AUDITOR GENERAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>17</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Principal Secretary</td>
<td>16</td>
<td>Principal Secretary</td>
<td>Principal Secretary</td>
<td>Principal Secretary</td>
<td>Chief Controller of Audits</td>
</tr>
<tr>
<td></td>
<td>Chief of Protocol</td>
<td>16</td>
<td></td>
<td>Principal Secretary</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ambassador (7)</td>
<td></td>
<td></td>
<td>General Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>High Commissioner (5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Controller of Works</td>
<td></td>
<td>Controller of Works</td>
<td>Controller of Works</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Deputy Principal Secretary</td>
<td>14</td>
<td>Deputy Principal Secretary</td>
<td>Deputy Principal Secretary</td>
<td>Deputy Principal Secretary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deputy Chief of Protocol</td>
<td></td>
<td>Secretary</td>
<td>Secretary</td>
<td>Secretary</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director (4)</td>
<td></td>
<td></td>
<td>Director (3)</td>
<td>Project Director</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td></td>
<td></td>
<td></td>
<td>Commissioner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Principal Assistant Secretary</td>
<td>12</td>
<td>Finance Manager</td>
<td>Deputy Director</td>
<td>Rural Development Coordinator</td>
<td>Senior Auditor</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Coordinator</td>
<td>Director</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>First Secretary (9)</td>
<td>10</td>
<td>Transport Manager</td>
<td>Deputy Finance Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Manager</td>
<td>Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
<td></td>
<td></td>
<td>Senior Post Master</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Drawn from the Establishment Register 1984/89: (Some positions are placed over three grades. In this table they are located at the median grade).*
<table>
<thead>
<tr>
<th>GRADE</th>
<th>Agriculture and Marketing</th>
<th>Education and Sports</th>
<th>Health</th>
<th>Trade and Industry</th>
<th>Planning and Economic Analysis</th>
<th>Prime Minister's Office</th>
<th>Information and Broadcasting</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>T1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>T2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>T3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>T4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>T5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>T6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>T7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Below 6</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>46</td>
<td>54</td>
<td>16</td>
<td>28</td>
<td>6</td>
<td>23</td>
</tr>
</tbody>
</table>

Note: The table represents the distribution of ministerial positions in Kenya's civil service.
<table>
<thead>
<tr>
<th>Position</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts/Revenue Tax Clerk</td>
<td>1/2</td>
</tr>
<tr>
<td>Assistant Accountant</td>
<td>2/18</td>
</tr>
<tr>
<td>Accountant</td>
<td>4-5</td>
</tr>
<tr>
<td>Internal Auditor I</td>
<td>8/9-10</td>
</tr>
<tr>
<td>Senior Accountant</td>
<td>6-7</td>
</tr>
<tr>
<td>Chief Accountant</td>
<td>9</td>
</tr>
<tr>
<td>Deputy/Chief Financial Officer</td>
<td>10</td>
</tr>
<tr>
<td>Controller of Accounts</td>
<td>11</td>
</tr>
<tr>
<td>Senior Internal Auditor</td>
<td>12</td>
</tr>
<tr>
<td>Controller (Finance)</td>
<td>14</td>
</tr>
<tr>
<td>Deputy Controller (Finance)</td>
<td>16</td>
</tr>
<tr>
<td>Accountant General</td>
<td>3</td>
</tr>
</tbody>
</table>

Positions and Grades:
- Grade 1: Accounts/Revenue Tax Clerk
- Grade 2: Assistant Accountant, Accountant, Internal Auditor I, Senior Accountant
- Grade 3: Chief Accountant, Deputy/Chief Financial Officer, Controller of Accounts, Senior Internal Auditor
- Grade 4: Controller (Finance), Accountant General
## Personnel Cadre in the Lesotho Civil Service

<table>
<thead>
<tr>
<th>Ministry of:</th>
<th>Chief Personnel Officer (Grade 12)</th>
<th>Principal Personnel Officer I (Grade 10)</th>
<th>Principal Personnel Officer II (Grade 9)</th>
<th>Senior Personnel Officer (Grade 7-8)</th>
<th>Personnel Officer (Grade 6-7)</th>
<th>Assistant Personnel Officer (Grade 4-6)</th>
<th>Total Personnel Staff</th>
<th>Ratio of Number of Staff to Personnel Specialist</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; Marketing</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>7</td>
<td>12</td>
<td>25</td>
<td>104.9</td>
</tr>
<tr>
<td>Health</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>5</td>
<td>355.0</td>
</tr>
<tr>
<td>Education, Sports &amp; Culture</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>10</td>
<td>63.1</td>
</tr>
<tr>
<td>Finance</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>7</td>
<td>127.3</td>
</tr>
<tr>
<td>Trade, Industry, and Tourism</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>2</td>
<td>--</td>
<td>3</td>
<td>41.3</td>
</tr>
<tr>
<td>Planning, Employment and Economic Analysis</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>2</td>
<td>1</td>
<td>--</td>
<td>3</td>
<td>159.7</td>
</tr>
<tr>
<td>Justice &amp; Prisons</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>3</td>
<td>3</td>
<td>7</td>
<td>127.0</td>
</tr>
<tr>
<td>Interior</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>--</td>
<td>2</td>
<td>4</td>
<td>147.5</td>
</tr>
<tr>
<td>Prime Minister's Office</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>7</td>
<td>2</td>
<td>19</td>
<td>42.7</td>
</tr>
<tr>
<td>Information &amp; Broadcasting</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>59.0</td>
</tr>
<tr>
<td>Foreign Affairs</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>41.3</td>
</tr>
<tr>
<td>Works</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>8</td>
<td>84.6</td>
</tr>
<tr>
<td>Transport &amp; Communications</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>3</td>
<td>5</td>
<td>9</td>
<td>73.4</td>
</tr>
<tr>
<td>Co-operatives &amp; Rural Development</td>
<td>--</td>
<td>1</td>
<td>--</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td>72.2</td>
</tr>
<tr>
<td>Water Energy &amp; Mining</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>5</td>
<td>81.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1</td>
<td>2</td>
<td>11</td>
<td>19</td>
<td>41</td>
<td>*30</td>
<td>110</td>
<td>97.2</td>
</tr>
</tbody>
</table>

*Includes 1 with the National Assembly.

**Source:** Lesotho - The Establishment List 1984/85.
### Analysis of Employment in the Private Sector and Parastatals in Lesotho 1/  

<table>
<thead>
<tr>
<th>Sector</th>
<th>Manufacturing</th>
<th>Electricity Utility</th>
<th>Construction</th>
<th>Wholesale and Retail</th>
<th>Tourism</th>
<th>Transport</th>
<th>Business, Banking and Insurance</th>
<th>Other Services Except Non-Profit &amp; Health</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C 2/</td>
<td>NC 3/</td>
<td>C</td>
<td>NC</td>
<td>C</td>
<td>NC</td>
<td>C</td>
<td>NC</td>
<td>C</td>
</tr>
<tr>
<td>Professional and Technical</td>
<td>- -</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>21</td>
<td>2</td>
<td>- -</td>
<td>- -</td>
<td>4</td>
</tr>
<tr>
<td>Other Professional</td>
<td>71</td>
<td>29</td>
<td>6</td>
<td>5</td>
<td>60</td>
<td>33</td>
<td>1</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Sub Professional and Technical</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>5</td>
<td>19</td>
<td>5</td>
<td>--</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td>Other Sub-Professional</td>
<td>- -</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Skilled Office &amp; Manual</td>
<td>200</td>
<td>45</td>
<td>134</td>
<td>1</td>
<td>221</td>
<td>107</td>
<td>1023</td>
<td>84</td>
<td>101</td>
</tr>
<tr>
<td>Semi-Skilled Office &amp; Manual</td>
<td>1180</td>
<td>--</td>
<td>67</td>
<td>--</td>
<td>1552</td>
<td>30</td>
<td>4838</td>
<td>56</td>
<td>455</td>
</tr>
<tr>
<td>Unskilled</td>
<td>2280</td>
<td>--</td>
<td>263</td>
<td>--</td>
<td>2542</td>
<td>--</td>
<td>2950</td>
<td>--</td>
<td>807</td>
</tr>
<tr>
<td>Total</td>
<td>3851</td>
<td>75</td>
<td>475</td>
<td>16</td>
<td>4397</td>
<td>196</td>
<td>2042</td>
<td>129</td>
<td>869</td>
</tr>
</tbody>
</table>

2/ Citizen
3/ Non-Citizen
LIPA COURSES IN PERSONNEL MANAGEMENT

BASIC PERSONNEL MANAGEMENT COURSE:

Aim: To expose participants to the basic concepts and practices of personnel management

Participants: Executive Officers and Assistant Personnel Officers in the Government, parastatals and private sector.

Course Content:

- The role of personnel management
- Civil Service personnel procedures
- Leadership
- Work planning and allocation
- Manpower planning
- Recruitment and Selection
- Interviewing techniques
- Morale and discipline
- Analyzing performance problems
- Performance appraisal
- Decision-making
- Counselling

Duration: 4 weeks
CERTIFICATE IN PERSONNEL MANAGEMENT

This is a certificate programme for Personnel Managers and Personnel Officers in government, parastatal or private organizations. The programme is designed to give intensive skill training in personnel management. It is expected that candidates will continue to carry out personnel specialist activities upon completion of the course. Successful candidates completing the course study and the project will be awarded a certificate in personnel management. All participants will be examined in the following subjects:

- Management techniques
- Philosophy and functions of personnel management
- Job analysis
- Recruitment and selection
- Job evaluation
- Wage and salary administration
- Appraisal systems
- Discipline
- Labour relations and collective bargaining
- Safety programmes
- Employee welfare and benefits
- Manpower and career planning
- Training and development
- Personnel research
- Organization of the personnel unit.

Candidates should have passed "O" level or equivalent and at present be employed as a personnel specialist.

The programme will consist of two in-class segments of eight weeks each. These segments will be separated by several months in which participants return to their regular jobs. During this time they will also be required to carry out a project related to a specific aspect of personnel management.
IMPROVED PERSONNEL INFORMATION SYSTEM

Recommended steps in the project involve:  

Step 1 - A review of improvements and changes needed in current personnel information. This study should examine the accuracy, currency, and accessibility of present hard-copy record system, to determine whether these records are a basis for a modified personnel information system; the adequacy of systems and procedures for maintaining and updating these records; and the need for training in current systems.  

Step 2 - Identification of new data elements, in addition to existing personnel information, that need to be collected; and the development of method of collection.  

Step 3 - Review of the computerized manpower planning system developed by Mr. Clewlow to assess whether the system configuration and procedures can be applied on a government-wide system, and at what resource cost.  

Step 4 - Design of the system for approval by the Government Secretary.  

Step 5 - Development of a detailed implementation plan, starting with a pilot ministry.  

Step 6 - Identification of resources needed to implement the system.  

Step 7 - Implementation of the system in a pilot ministry. To support the implementation in the pilot ministry, it is recommended that one of the TA funded personnel management experts be placed in the ministry selected for the pilot. This person will be responsible for assisting the team, building up the data entry and data analysis procedures, developing the necessary skills in the ministry, and linking the personnel information system to other personnel functions performed in the ministry.  

Step 8 - Review of the pilot test and design of necessary improvements.  

Step 9 - Implementation of the personnel information system in three more
ministries, with evaluation and modification. **Step 10** - Government-wide implementation of personnel information system. **Step 11** - Ongoing review and the improvement of government-wide system. **Resources** - These resources needed for this project are likely to include: (a) an experienced human resource planning specialist for 3 years, (b) 2 Basotho counterparts for 3 years, (c) 2 staff years of an experienced computer specialist, (d) 3 years of a project secretary, (e) administrative support, (f) the necessary resources for LIPA orientation and training, (g) a steering committee of management representatives, Management Services Unit, Cabinet Personnel, and (h) the necessary hardware for all ministries and departments.
ANNEX 11

STEPS IN IMPROVED MANAGEMENT OF COUNTERPART DEVELOPMENT

1. The selection of the expatriate should take into account the individual's skills as a trainer, and the job assignment should include a description of the expatriate's training responsibilities, and standards against which performance will be evaluated.

2. The counterpart selected should spend 2-3 months with the expatriate to determine his/her professional strengths and preferences in relation to the job. After three months a decision should be made as to whether the counterpart is qualified and/or interested in the post.

3. If needed, the counterpart should be sent for the necessary academic or specialized training.

4. Upon return, the counterpart should spend 6 months to a year working in the assignment while receiving on-the-job training from the expatriate. Progress should be carefully monitored so that the period can be extended if needed.

5. At the end of the on-the-job training period, the relationship should be reversed, the expatriate should become an advisor to the counterpart who takes over full responsibility for the job.
PROPOSED STRUCTURE OF UPGRADED MANAGEMENT SERVICES UNIT

GOVERNMENT SECRETARY

CABINET INSPECTORATE

DIRECTOR

TEAM 1
- Sr. Management Consultant
- Management Consultant
- Management Analyst
- Support Staff

TEAM 2
- Sr. Management Consultant
- Management Consultant
- Management Analyst
- Support Staff

TEAM 3
- Sr. Management Consultant
- Management Consultant
- Management Analyst
- Support Staff

TEAM 4
- Sr. Management Consultant
- Management Consultant
- Management Analyst
- Support Staff
Recommended Staff Development Program to Strengthen the Management Services Unit

(a) Recruits to the Management Analyst level should be given an appreciation of management consulting through on-the-job training as part of a management consulting team for the first 12 months after joining the Management Services Unit.

(b) The months of the second year should be spent in a short program on practical management consulting techniques and/or tools. Staff at the Management Analyst level should be capable of handling their own well defined assignments with some supervision, and participate as team-members on more complex projects.

(c) After 3 years in this grade, qualified Management Analysts can be earmarked for relevant post-graduate diplomas out of the country of a duration of 9-12 months. The course content of such programs should be practical and selected to support the critical skills needed to improve the efficiency and effectiveness of the management of the civil service.

1/ Staff joining the group should have a B.A. or equivalent and 2-3 years of working experience from the Civil Service.
(d) The Management Consultant grade is the full operational level. At this level, the training program should be geared towards specialization in areas needed to facilitate management improvement. Postgraduate training leading to Master's degrees (in selected areas such as organizational development and change management) could be identified for donor support.

(e) Apart from long-term studies, attention should also be paid to short-specialized courses and/or workshops on techniques, tools, and approaches in the management consulting field. As a career guideline, staff who have been at the Management Consulting level for at least 4 years should be eligible for promotion to Senior Management Consultant.

(f) To broaden the outlook and knowledge of Senior Management Consultants, consideration should be given to medium-term attachments in internal management consultant groups in agencies such as Part I Governments, U.N. agencies, other international Aid Institutions or in professional consultancy organizations. These attachments could involve the staff in actual consulting assignments for periods ranging from 6-12 months. Another measure would be regional workshops with internal management consultants from other African countries, exchanging approaches, tools, and general experience. The financing of such attachments, workshops and general staff development could be arranged through technical assistance agreements.
M.B. Consulting (PTY) Ltd.

M.B. Consulting (PTY) Ltd. is a Lesotho based and owned training and consulting organization founded and run by a former Managing Director of the Lesotho National Development Corporation, and former Director of the Lesotho government's Central Planning and Development Office. The role of M.B. Consulting is to provide managerial consulting and support in a wide range of areas — project preparation and management, advice on the management of development corporations, assistance in investment promotion, market surveys and feasibility studies, and special assistance to firms setting up in Lesotho on local conditions and regulations. A special section of M.B. Consulting collaborates with a leading local chartered accountancy firm in providing on-the-job training in accountancy and bookkeeping, and providing a range of accountancy and management services support functions. While many of M.B. Consulting's activities take place in Lesotho, the organization offers their services through the Eastern and Southern Africa Region. In Lesotho they provide services to a number of large private sector organizations, the Lesotho National Development Corporation, the Highland Water Scheme, the National University of Lesotho, and the Thaba Tseka and Renewable Technology Projects. Outside of Lesotho, M.B. Consulting's clients include SADCC, the National Industry Development Corporation of Swaziland, the International Fund for Agricultural Development, a West German Transportation Consultancy, a Finnish agriculture machinery manufacturer, a British pharmaceutical company, and Deutsche Welthunger Hilfe (DW) — a German AID agency. M.B. Consulting play a valuable role in helping Lesotho businessmen negotiate development, financial assistance, and deal with planning and regulations.
SYLLABUS OF THE B.COM ACCOUNTING PROGRAM

National University of Lesotho

Year I  Common First Year in Faculty of Social Sciences & the Humanities

Year II  Financial Accounting I
        Principles of Economics or Basic Economics
        Descriptive Statistics and Elementary Probability
        Elementary Statistical Inference
        Business Administration I

         Plus Electives

Year III  Financial Accounting II
         Management Accounting I
         Law of Contract or Quantitative Methods

         Plus Electives

Year IV  Financial Accounting III
         Management Accounting II
         Taxation
         Finance

         Plus Electives
SYLLABUS OF THE B.COM IN MANAGEMENT, NATIONAL UNIVERSITY OF LESOTHO

Year I
Common First Year in the Faculty of Social Sciences and the Humanities

Year II
Financial Accounting I
Principles of Economics, or Basic Economics
Descriptive Statistics and Elementary Probability
Elementary Statistics Inference
Business Administration I

Plus electives

Year III
Financial Accounting II
Business Administration II
Law
Quantitative Methods
Business Administration Project

Plus electives

Year IV
Management Accounting
Business Policy
Office Administration
Management of Human Resources
Marketing Management
Operations Management, or Financial Management

Plus electives
<table>
<thead>
<tr>
<th>Year</th>
<th>Program</th>
<th>Year One</th>
<th>Year Two</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983/4</td>
<td>Certificate in Business Studies</td>
<td>76</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>Diploma in Business Studies</td>
<td>44</td>
<td>31</td>
</tr>
<tr>
<td>1984/5</td>
<td>Certificate in Business Studies</td>
<td>99</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>Diploma in Business Studies</td>
<td>30</td>
<td>37</td>
</tr>
</tbody>
</table>
LIPA Programs Run During 1983/4 and 1984/5

<table>
<thead>
<tr>
<th>DIVISION</th>
<th>COURSE TITLE</th>
<th>DURATION (Weeks)</th>
<th>PARTICIPANT NUMBERS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1983/84</td>
<td>1984/5</td>
</tr>
<tr>
<td>MANAGEMENT</td>
<td>Basics of Administration</td>
<td>2</td>
<td>38</td>
</tr>
<tr>
<td></td>
<td>Management Practices</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Performance Appraisal</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Intermediate Personnel Mgmt.</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Advanced Personnel Mgmt.</td>
<td>2/3</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Identification of Training Needs</td>
<td>2 days</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>On-the-Job Training</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Graduate Induction</td>
<td>1</td>
<td>35</td>
</tr>
<tr>
<td>FINANCE</td>
<td>Accounts Induction (Stage 1)</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Accounts (Stage 2)</td>
<td>3</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Accounts (Stage 3)</td>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Assistant Accountants Course</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Basic Storekeeping (Stage 1)</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Asst. Storekeeping (Stage 2)</td>
<td>2</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Storekeeping (Stage 3)</td>
<td>4</td>
<td>20</td>
</tr>
<tr>
<td>EXECUTIVE</td>
<td>Basics of Supervision</td>
<td>2</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Basic Office Procedures</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Basic Clerical Course</td>
<td>1</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Advanced Clerical Course</td>
<td>2</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Records Management</td>
<td>4</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Materials Management</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Public Relations</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>District-Based Executive Officer Course</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>General Induction</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>MARKETING</td>
<td>Report Writing</td>
<td>1</td>
<td>15</td>
</tr>
<tr>
<td>RESEARCH &amp;</td>
<td>Meetings &amp; Committees</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>CONSULTANCY</td>
<td>Communication Skills</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Decision Making</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Diploma in Public Admin.</td>
<td>52</td>
<td>35</td>
</tr>
</tbody>
</table>

ANNEX 18
LIPA Diploma in Public Administration

Target Group: Government, Parastatal, and Private Sector Managers/Administrators with 2-5 years experience.

Entry Requirements: Minimum of Cambridge School Certificate and/or Junior Certificate, or equivalent.

Aim of Diploma:
- Broaden the background of participants in fields relevant to public, or private organization operations and policy making;
- Increase participants' intellectual and practical capabilities to apply such knowledge; and
- Develop administrative and managerial skills by learning and exercising current problem solving techniques.

Curriculum:

Core Courses:
- Social & Political Structure of Lesotho
- Organizational Theory & Practice
- Management Techniques & Human Resources Management
- Statistics
- Economics
- Administrative & Management of Rural Development.

Compulsory Courses:
- Management of Financial & Material Resources
- Managerial & Action Research Methods

Creative Courses (select two):
- Administrative Management & Services
- Political, Governmental & Legal Foundation of Development
- Program Management, Project Planning, and Evaluation Methods & Techniques
- Public Enterprises.

Program Structure: One Year:
- Three months full time study
- Eight months part time study
- One month field program, revisions, examinations.
LEGEND: INSTITUTE OF PUBLIC ADMINISTRATION (LIPA): Proposed Staffing

PERSONAL SECRETARIES
2

DIORCTOR

DEPUTY DIRECTOR

CONSULTANTS/ADVISERS

FINANCE & ACCOUNTS

MANAGEMENT AND ADMINISTRATION

LOCAL ADMINISTRATION

RESEARCH AND EVALUATION

LIBRARY AND DOCUMENTATION

PROGRAMME/ADMINISTRATION COORDINATION

NFE SKILLS & TECHNIQUES

PRINCIPAL LECTURER
1. Senior Lecturer
2. Senior Lecturer (Accounting)
3. Lecturers x 3 (Economics and Financial Management Accounting)
4. Asst. Lecturers x 3

=9

PRINCIPAL LECTURER
1. Senior Lecturer
2. Senior Lecturer (Management and Services)
4. Asst. Lecturers x 3

=6

PRINCIPAL LECTURER
1. Lecturers x 2 (L & U Agric. & Economics)
3. Asst. x 2

=6

PRINCIPAL RESEARCHER
1. Senior Research Officer
2. Research Officer
3. Asst. Research

=4

LIBRARIAN - DOCUMENTALIST
1. Librarian
2. Library Asst.

=4

REGISTRAR/ADMINISTRATOR
1. Registry Supervisor
2. Visual Training Officer
3. Accountant
4. Storekeeper
5. Asst. Storekeeper
6. Accounts Clerk
7. Senior Copy Typist
8. Copy Typist
9. Office Assistants x 4
10. Clerical Asst. x 4
11. Security Officer x 1
12. Gardeners x 2

=19

PRINCIPAL NFE TRAINER
1. Senior NFE Trainer x 2
2. NFE Trainer x 2
3. Asst. Trainers x 2

=7

HEADS OF DIVISIONS

TOTAL STAFF = 61

ANNEX 20

29/4/86
March 1986
A. QUALIFICATIONS OF FULL-TIME LECTURERS

Expatriates
2. A.C.A. (Ireland), B.B.S., P.A.(L)*
3. A.C.A. (Ireland), B.COMM., P.A.(L)*
4. A.C.A. (Ireland), B.COMM., P.A.(L)*
5. A.C.C.A., B.COMM., P.A.(L)*

Local
6. B.COMM. (Canada), L.A.(L)*

B. PREVIOUS EXTERNAL PART-TIME LECTURERS

1. From the National University of Lesotho
   - Professor, Department of Economics
   - Dean, Faculty of Law
   - Lecturer, Department of Mathematics

2. From Local Accountancy Firms
   - Audit Manager, Peak, Mannick, Mitchell & Co.
   - Partner, Stokes Kennedy Crowley & Co.

3. From Government
   - Deputy Accountant General
   - Consultant to the Treasury

4. From the Parastatals
   - Director of New Industries Division, Lesotho National Development Corporation
   - Advisor, Operations Division, Lesotho National Development Corporation.

* P.A.(L) = Public Accountant (Lesotho)
* L.A.(L) = Licensed Accountant (Lesotho)
CURRENT ENTRY QUALIFICATIONS & EXEMPTIONS TO CAS COURSES

CAS constantly renews the qualifications of various Institutes to determine whether they provide adequate entry qualifications or exemptions for the Licensed level (first level) of CAS examinations. Currently the status of entry qualifications and exemptions is as follows:

a. **University Graduates:** approved bachelor degrees (or higher) allow registration for the Licensed level. B.COMM graduates from the National University of Lesotho are exempted from the first year program, after attending a conversion program.

b. **Cambridge Overseas School Certificate Graduates** are admitted if they:
   - Have a diploma or certificate in business studies, or if over 25 have adequate business experience, AND
   - Pass CAS Commencement Program (three weeks).

c. **Commercial Training Institute: Diploma in Business Studies Graduates** who pass the CAS Commencement Program, receive 1 1/2 subject exemptions in the first year program.

d. **Lesotho Institute of Public Administration: Graduates in Diploma in Public Administration** are admitted to the first year program on completing the CAS Commencement Program.

e. **Institute of Development Management: Graduates in Certificate of Financial Management** are admitted only after further examination passes in AAT (II).
Examination Syllabus of the Center for Accounting Studies

Licensed Accountant Level

Year 1
- Financial Accounting I
- Business Law
- Business Mathematics
- Introduction to Economics
- Business Organization

Year 2
- Financial Accounting II
- Management Accounting I
- Taxation
- Auditing I

Registered Accountant Level

Year 1
- Financial Accounting III
- Management Accounting II
- Statistics
- Business Management
- Introduction to Data Processing

Year 2
- Financial Accounting IV
- Management Accounting III
- Financial Management I
- Auditing II

Public Accountant Level

- Financial Accounting V
- Management Accounting and Management Information Systems
- Financial Management II
- Auditing III.
<table>
<thead>
<tr>
<th>Students From</th>
<th>Number</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parastatals</td>
<td>53</td>
<td>44%</td>
</tr>
<tr>
<td>Public Sector</td>
<td>21</td>
<td>17%</td>
</tr>
<tr>
<td>Auditor General's Office</td>
<td>7</td>
<td>6%</td>
</tr>
<tr>
<td>Private Sector</td>
<td>22</td>
<td>17%</td>
</tr>
<tr>
<td>Financial Institutions</td>
<td>5</td>
<td>4%</td>
</tr>
<tr>
<td>Public Practice</td>
<td>4</td>
<td>3%</td>
</tr>
<tr>
<td>Other</td>
<td>12</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>126</td>
<td>100%</td>
</tr>
</tbody>
</table>
SYLLABUS OF THE B.COM ACCOUNTING PROGRAM

National University of Lesotho

Year I  Common First Year in Faculty of Social Sciences & the Humanities

Year II  Financial Accounting I
  Principles of Economics or basic Economics
  Descriptive Statistics and Elementary Probability
  Elementary Statistical Inference
  Business Administration I

  Plus Electives

Year III  Financial Accounting II
  Management Accounting I
  law of Contract or Quantitative Methods

  Plus Electives

Year IV  Financial Accounting III
  Management Accounting II
  Taxation
  Finance

  Plus Electives
### Projected Needs for Accountants in Lesotho by 1991

<table>
<thead>
<tr>
<th>Category</th>
<th>Public Accountants</th>
<th>Registered Accountants</th>
<th>Licensed Accountants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practicing Offices</td>
<td>13</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>Government/University</td>
<td>13</td>
<td>21</td>
<td>46</td>
</tr>
<tr>
<td>Parastatals</td>
<td>14</td>
<td>16</td>
<td>37</td>
</tr>
<tr>
<td>Private Sector</td>
<td>11</td>
<td>38</td>
<td>155</td>
</tr>
<tr>
<td>Hotels/Banks</td>
<td>2</td>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td>Areas outside Masem</td>
<td>5</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>58</td>
<td>104</td>
<td>332</td>
</tr>
</tbody>
</table>

Total: 58 104 332
ORGANISATIONAL CHART - MINISTRY OF THE PUBLIC SERVICE

MINISTER
  ------------------------
  PERSONAL AIDE (1)
  ------------------------
  PRINCIPAL SECRETARY
  ------------------------
  PERSONAL SECRETARY (1)
  SHORTHAND TYPIST (1)
  ------------------------
  DEPUTY PRINCIPAL SECRETARY (1)
  ------------------------
  PERSONAL SECRETARY (1)
  ------------------------
  CHIEF PERSONNEL OFFICER (1)
  ------------------------
  SHORTHAND TYPIST (1)
  ------------------------
  LOCAL RECRUITMENT
  REGISTRY RECORDS AND SECRETARIAL SERVICES
  HOUSING
  LOCALISATION AND TRAINING

1/ As of February, 1986