

# EMAKHAZENI LOCAL MUNICIPALITY



## SKILLS RETENTION POLICY

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## 1. Introduction

A high rate of staff turnover can be detrimental in any organization. The financial costs involved in staff replacement, loss of critical skills/scarce skills and personnel who show great potential, having to recruit and train new personnel on a continuous basis can have negative financial implications, results in low morale for other staff members and may at some point cause delays or inability to render proper services to the public.

The municipality realizes that its success depends mostly in its human resources and as such, its efforts is aimed at retaining its employees through effective implementation of its Skills Retention Policy, especially those employees with critical/scarce skills and/or who shows potential in terms of their performance.

EMAKHAZENI Local Municipality aims to ensure that employees with valued/needed skills or experience in critical/scarce field where recruitment is difficult are kept within the service of the municipality by using various techniques.

Emakhazeni Local Municipality values its staff members and recognizes their vital contribution to its success. The Municipality spends time and money in recruiting, training and developing employees and therefore it is important that every effort should be made to retain employees with critical or scarce skills.

## 2. Definitions

For the purpose of this policy the following definition(s) apply:

**“Municipality”:** Emakhazeni Local Municipality

**“Municipal Manager”:** Any official appointed in terms of section 55 of the Municipal Systems Act (Act NO. 32 of 2000) and section 82 of the Municipal Structures Act (Act. No. 117 of 1998)

**“Senior Manager”:** Any official appointed in terms of section 56 of the Municipal Systems Act (Act NO. 32 of 2000) as a Manager directly accountable to the Municipal Manager

**“ Employees” :** Any person excluding an independent contractor, who works for the municipality and who receives, or is entitled to receive, any remuneration, and any other person who in any other manner assist in carrying out or conducting business for the employer.

### 3. Policy Objectives

The purpose of this policy is to ensure that;

- (i) the municipality effectively retains its employees through the skills retention strategy.
- (ii) competent staff members are attracted in the labour market and are retained.
- (iii) the municipality prevents the loss of critical/scarce skills and/or dedicated staff members which may results in the municipality not being able to deliver effectively and efficiently to the public.
- (iv) the municipality effectively identifies posts that should be classified as critical/scarce skills or those employees who have the potential to develop within the municipality.
- (v) staff members are capacitated through training interventions.
- (vi) guidelines to ensure succession planning are provided.

### 4. Scope of Application

This policy applies to all employees of Emakhazeni Local Municipality.

### 5. Governing Prescripts

#### 5.1 Legislation

- (I) Skills Development Act, Act no 97 of 1998
- (II) Employment Equity Act, Act no 55 of 1998
- (III) Human Resources Development Policy of the municipality
- (IV) Recruitment and Selection Policy of the municipality
- (V) Collective Agreements

## **6. Staff Retention Mechanism/Techniques**

### **6.1 Development and Training**

- 6.1.1 Skills audit should be undertaken to determine the skills gap in the municipality and to also determine which skills may be needed in the future.
- 6.1.2 A Workplace Skills Plan should be developed and submitted to Council for approval.
- 6.1.3 Training interventions should be implemented as per the Workplace Skills Plan approved by Council.
- 6.1.4 Employees who have higher qualifications or show potential for development should be given opportunities or preference in filling of vacant posts.
- 6.1.5 Career development, job enrichment, mentorship and coaching can be used as other techniques for staff development.
- 6.1.6 Training in Emakhazeni should be distributed evenly and fairly among Councillors, officials and the labour.

### **6.2 Succession Planning**

- 6.2.1 A skills database should be developed by the Human Resources section including every employee in the municipality.
- 6.2.2 The municipality should encourage a culture of multiskilling through job rotation amongst staff members to acquire a range of skills and this may also create a challenging work environment for employees.

### **6.3 Internal advertisement of posts**

- 6.3.1 Vacant positions that are below the Senior Management level should be advertised internally first as provided for in clause 5.3 of the Recruitment and Selection Policy of the municipality.

6.3.2 Candidates shortlisted internally shall be subjected to similar interview processes that external candidates would be subjected to.

6.3.3 Internal candidates that demonstrates potential in the functions/duties attached to certain posts should be given a chance to act in that position for a period not exceeding three months to monitor their performance in that position.

#### **6.4 External advertisement of posts**

6.4.1 Vacant positions that are below the Senior Management shall be advertised externally once all internal procedures have been exhausted.

6.4.2 All vacant posts of Senior Managers should be advertised externally.

#### **6.5 Morale Building**

6.5.1 Employees should be given a chance to be involved in the decision making processes in their respective departments.

6.5.2 A job well done should be recognized and appreciated through certificates and/or letters of recognition for performance.

6.5.3 A conducive work environment where employees are allowed and encouraged to learn from their mistakes should be created.

6.5.4 Encourage a culture of ownership and respect amongst all staff members irrespective of positions, religion, colour etc.

6.5.5 Encourage feedback and exchange of ideas with employees through informal meetings regarding the performance and the quality of work.

6.5.6 Employees should be provided with enough resources to meet the demands of their jobs. Provision of staff needs and wellness techniques should be done promptly.

6.5.7 Employees should be granted better working conditions that are characterized by fairness, equity and safe environment.

- 6.5.8 The municipality should avoid demotivating employees for it will be difficult for them to regain motivation.
- 6.5.9 Encourage employees to take their job description seriously, perform them positively and make them their accountabilities for performance outcomes.
- 6.5.10 Senior Managers and Supervisors should lead by example, for example, never enforce discipline whereas the discipline is uneven.

### **Service Providers**

- 6.5.11 The use of consultants or service providers must be limited where internal capacity exists.
- 6.5.12 When appointed, consultants should be encouraged to transfer skills to internal employees where necessary.

### **6.6 Scarce/Critical Skills**

- 6.6.1 The critical/scarce skills document approved by Council should be reviewed annually thorough assessment of the supply/demand in the labour market.
- 6.6.2 In cases where an employee who is deemed to be an asset in the municipality or possesses critical/scarce skills receives a higher offer in another institution, and which skills would prove to be difficult for the municipality to attract, the Municipal Manager can give a counter offer to that particular employee to retain his/her services.
- 6.6.3 In an event the municipality is unable to pay a competitive salary, permission shall be granted to an incumbent/candidate to perform work outside the municipality subject to Council approval to retain his/her services and conditions thereof.

### **6.7 Incentives for good performance**

- 6.7.1 Senior Managers in relevant departments are encouraged to monitor closely and recognize good performers in their departments.

6.7.2 Financial incentives or non monetary rewards shall be granted for good/excellent performance as determined by the Municipal Manager in recognition of good performance as advised by relevant Senior Managers.

## **7. Roles and Responsibility**

### **7.1 The Role of the Corporate Services**

The role of the Corporate Services is to:

- a) Oversee the administration and management of issues regarding conditions of services in relation to the skills retention policy.
- b) Monitor and evaluate the implementation of the policy.
- c) Amend and implement any changes to the provisions of this policy.

#### **7.1.1 The Role of the Human Resources**

The role of the Human Resource Manager is to:

- a) Advise top management on the implementation of conditions of service issues in relation to the staff retention policy.
- b) Implementation of policy provisions accordingly;

#### **7.1.2 The Role of the Line Managers**

The role of the Line Managers is to:

- a) All managers are responsible for ensuring that employees with critical/scarce skills are retained as per the provisions of the policy.

## **8. Monitoring, Evaluation and Reporting**

The Corporate Services Manager reports to the Municipal Manager and Council on quarterly basis on conditions of service including mechanisms or techniques applied to ensure staff retention, and on specific cases, when required to do so. If and when this policy or provision thereof is amended, the amended policy or provision thereof will supersede the previous one.



The effectiveness of the skills retention mechanisms outlined in this policy should be monitored and evaluated on a continuous basis as follows;

- (i) Analyzing the staff turnover trends
- (ii) Analyzing the exit interview reports

## **9. Implementation and Review**

This policy is effective once approved by Council and shall be reviewed annually and as and when a need arises.