VICTOR KHANYE

LOCAL MUNICIPALITY – PLAASLIKE MUNISIPALITEIT

ATTRACTION AND RETENTION POLICY

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1. INTRODUCTION

Recruiting and retaining potential staff is one of the important processes the Corporate Services department always wishes for his/her organisation to ensure that the organisation has right number of staff, right kind of staff, at the right time and place with the right skills doing what is economically important for the organisation.

Without staff, it will not be possible to provide the services the Municipality is meant to provide to the community members. As a result, this policy has been developed to guide the line managers and human resource components in attracting and retaining key staff.

2. DEFINITION

Staff retention is about finding the best of employee for the job and finding ways of keeping these employees within the Municipality. It involves a range of ideas and human resource practices that should all be seen as interlinked such as focuses both on attracting employees to join the organisation through focussing on recruitment strategies and keeping those who are already employed, especially those posses scarce skills that are difficult to get them from labour market and are more crucial to the organisation. It also motivating the staff, covers both the psychological aspects of the employee (their perception, their goals and their behaviours) and operational aspects attached to the job or tasks for which they were appointed. It requires a management approach that takes all factors (both inside and outside the organisation) into account.

3. PURPOSE

The work environments and the attitudes of the modern day employees have changed. Although most employees today are self-directed and willing to work hard, they want to do so on their own terms and expect development in the work environment.

Research has been made shows that many people no longer see loyalty in terms of the numbers of years spent with the employer, but rather in terms of the contributions, advancement and the value they add to the organisation during their period of employment. Since the employees are mobile in the labour market, employers are not expected to just ensure that they are looked after employees for life. Instead employers need to manage employee turnover to ensure as little disruption in the workplace as possible and thereafter staff retention needs to be seen as strategic human resource intervention in this regard.

This policy is designed to assist Line Managers and Human Resource components to take new organisational roles to ensure that all human resource processes contribute to the retention of scarce skills.

4. SORCE OF AUTHORITY

- Local Government: Municipal System Act 32 of 2000, as amended;
- The Scarce Skills Retention Strategy Framework for the Public Serve, 2002;
- The Employment Equity Act, 55 of 1998;
- Skills Development Act, 97 of 1998 as amended.
- Affirmative Action in South African
- Employee Wellness Programme Policy (VKLM)
- Leave Policy (VKLM)
- Overtime Policy (VKLM)
- Employment Practice Policy (VKLM)

5. PRINCIPLES

Although all employees are valuable, some employees have skills that are so vital importance to the Municipality without which service delivery will be seriously jeopardised.

Some workers have skills that are in high demand by competitors in other Municipalities, national and provincial departments or Private Sector. The interventions to retain such skills will be based on the individual's performance, and his or her specific job responsibilities.
Staff retention is directly influence by the quality of six components of the human resource management systems:

- Human resource planning, recruitment and selection
- Optimal human resource utilisation
- Human resource development
- Compensation and benefits
- Employee and labour relations
- Safety and Health

The better each of these is managed, the more likely staff will be attracted to the municipality and less they likely leave the municipality. Staff attraction and retention also has a strong focus on the psychology of employees and how motivated employees are. The more compatible the municipality goals to the employee's expectations and personal preferences, it is more likely that the employees will stay.

For example –

Employees must see their work as worthwhile and important,

They must see themselves as personally accountable for their performance outcomes and task execution, and
They must be given feedback about their performance and the quality of their work.

6. SCOPE OF APPLICABILITY

This policy is applicable to all employees of Victor Khanye Local Municipality regardless of salary level, race and gender and department.

7. RETENTION STRATEGIES

Not all staff turnover is bad. Sometimes, staff turnover allows for new ideas to come into the Municipality and for the development and promotion of employees who remain. However, the loss of some employees that have critical and scarce skills can hamper the service delivery hence it is so important to identify and prioritised such skills. To know which employees need to be prioritised, you need to classify the skills that are important to hold onto. Classifying skills is therefore a key step in ensuring a focused and cost-effective retention strategy. This is not meant to discriminate against some categories of employees, but rather to allow for a focussed approach towards retaining staff and skills.

71. Skills to be retained

The skills that you need to target with staff retention strategies are those needed to realise and meet:

• The service delivery needs of the municipality;
• The municipality's primary mandate.

    a) **Woman and people with disabilities (in terms of the Employment Equity Act, 55 of 1998):**

• Measures to control non - discrimination in the workplace should be implemented.
• Measures to control sexual harassment in the workplace should be implemented.
• An accessible survey should be conducted to establish whether all parts of the Municipality's buildings are accessible to those with disabilities.

b) Scarce Skills

The scarce skills are those skills that are needed to realise the Municipality's goals and objectives, but which are difficult to recruit and expensive to replace. These will not always be the same. At some times, a particular skill may be in short supply, while at others a different skill may be hard to find and expensive to replace.

These skills are identified by:

- Analysing staff turnover;
- Considering acquisition trends in a particular job category or geographical area;
- Understanding the Municipality's skills requirements and the compensation for such skills in the labour market.

c) Valued Skills

Valued skills are those skills which are not determined as scarce skills, that a valued employee posses and that employee contributes positively to the Municipality and whose loss would have a negative impact on the Municipality's ability to meet its goals. These skills are identified by looking at an employee's performance evaluations and the role they perform in the Municipality.

d) High – risk Skills

High-risk skills are the skills that employees have who may soon leave. These include employees who have indicated a need to leave the Municipality, those who are demotivated and may have reached a career ceiling.

The process of classifying the skills should be joint exercise between Human Resource components and the Line Managers.

7.2. Interventions to retain Staff

Interventions to retain staff are most effective:

- If they are aimed at a specific circumstance or skills group; and
- At the same time, the interventions are integrated and linked with as wide as Variety of human resource practices as possible.

a) Link staff retention with an effective recruitment and selection Processes

A lot of staff losses are caused by bad selection decisions, where the wrong person is appointed for the job. To prevent this, accurate job descriptions must be developed that clearly identify the core competencies required for successful performance. And, just as importantly, these must be used during the recruitment and selection process.

In some cases, it has also been shown to be good practice to "hire for attitude and train for skills". This is where a person is appointed because they have the right attitude to be able to do the job, even though they might not yet have all of the skills required (since these can be acquired through training).

b) Link staff retention with an effective induction process

Best practice studies show that the first few weeks of employment are important for establishing employee commitment to employment. It is therefore essential that line managers and human resource practitioners lay the foundation for future commitment by being the part of the induction process.

A good way of addressing this is to have a well-structured and dynamic induction programme that stretches from the employee's first day at work until they have been thoroughly introduced to their job. A useful tool in this regard is to develop a new employee guide that can be given to employees to read even they start work.

c) Integrate an employee development into retention strategy

Rather than sending new employees for long periods of training away from work, provide them with phased training that allows them to gradually acquire the required knowledge and skills. This increases confidence in the work and also builds the employee's trust in the employer.

Where appropriate, developmental initiates in respect of scarce skills should be accompanied by contractual binding to serve after completion of the relevant developmental activity

d) Align competencies with job requirements

Although this is not always easy to achieve, aligning the Municipality's needs with the employee's competencies results in positive organisational fit. As far as possible, employees should be used in jobs that are aligned with their personal preferences, interests and strengths.

e) Provide growth opportunities

Besides making sure that employees are able to perform in their current jobs, they need to be given opportunities to grow by acquiring competencies that improve their ability to work in other areas or at other levels.

f) Reward employees who are high performers and value creators within the Municipality

Reward for excellent work can be both monetary and non-monetary. Ideally, they should be immediate, linked to performance and individualised. For example, a letter addressed directly to an employee that recognises their outputs and good work is much more valuable than a standard letter, addressed to all staff, once a year.

g) Lead by example

Most employees are more committed to their managers, fellow employees and the culture that drives the Municipality than to the Municipality itself. After establishing your Municipality's values it is essential that managers are seen to be living up to them. A leader must lead upfront not rear.

h) Conduct exit interviews

As already mentioned, knowing why employees leave is important to understanding and countering staff turnover. Exit interviews are important tool for designing staff retention interventions.

i) Compensation

Although Municipalities have little flexibility in how much employees are paid, there are some measures you can make use of to find and keep employees with scarce skills as indicated above. In additions, jobs in scarce and high risk categories should be properly designed and evaluated to maximise the compensation you can offer to candidates and employees. Municipality must fully and correctly utilise the scarce skills allowances available for certain categories of staff like artisans in technical areas.

j) Performance management

One of the most important management tools in the Municipality is the implementation of Performance and Development Systems. Municipality must ensure that such systems are available in both Section 57 and non-section 57 employees and that utmost care is taken to ensure the fair, consistent and

transparent application of employee appraisal. Processes for awarding of pay progression and bonuses should be managed fairly to avoid unhappiness and grievances. Management capacity to deal with poor performers and staff development must also be improved.

k) Career- pathing

Although modern Municipalities no longer need to focus on long-term employment, employees still need to be made aware that opportunities exist for career growth and an increased level of responsibilities. These growth opportunities might not always be upwards though. For example, some employees may be satisfied with learning a new job that they are very interested in even though it will not mean a promotion or a higher salary to them. The establishment of a personal development plan for each employee is the joint responsibility of line managers and employees and should have to linked to their current competencies, performance management outcomes and the Municipality's needs. Line managers and employees should review these plans on a regular basis.

l) Situational factors

A poor work environment leads to employees being unhappy at work and make other job options attractive to them. In order to retain staff, management must create work environment which takes consideration of:

- Provision of strategic direction;
- Employee morale;
- Motivation;
- Employee Wellness;
- Leadership and communication;
- Positive work challenges; and
- Employee's empowerment

Other important factor for, in particular, retention of staff is the work organisation. If the work organisation is too rigid, employees tend to be restricted in terms of learning and development. Employee wellness is much important for the retention of staff in the Municipality. If the employees feel that they are valued and cared for, they will be more loyal and less prone to poaching from other employers. The employee's physical, psychological, social and spiritual needs are as important as their need for money and intellectual stimuli. Safety and security should not be underestimated as retention and attraction factors in the workplace. Top keep the workers health and happy is important for any employer.

7.3. Intervention for Certain Staff

In additions to the general interventions listed above, the following methods can be used for specific groups of employees:

a) Senior and middle management

Interventions for senior and middle management staff could include the introduction of **mentorship and coaching programmes**. Mentors and coaching play the role of career counsellors and sounding boards for managers.

Enhancement programmes for senior and middle managers (that continuously re-focuses and renews their skills) could also be considered. These programmes should be owned by the most senior line executive and managed by the human resource component. They could provide training on the key executive or senior management competencies that are required, and could allow for interventions designed for each specific manager.

b) Knowledge workers

'Knowledge workers' are employees who are specialist in their sphere of specialisation (such as information technology, social services, health and engineering). Because they have gained their expertise through formal education or experience over a long period of time, their knowledge and skills cannot be easily transferred to the Municipality or to other employees. Also, they tend to build up their own networks that are usually lost when they leave.

Retaining knowledge workers is difficult because the 'drivers' (factors) that make them stay or leave are more complex. Some ideas though can include the following-

- ✓ Increase their opportunities for development.
- ✓ Include intellectual property clauses in their employment contracts (to protect them from taking the knowledge they acquired in your Municipality to another employer).
- ✓ Have contracts that are linked to any increased investment from their development.
- ✓ For example, a contract might says that the organisation will provide an employee with three months training, provided that the employee agrees to stay with the organisation for one year thereafter.
- ✓ If they leave before the end of the year, they will have to pay back the costs of the course.
- ✓ Assist them to join their respective professional association and allow them to get external exposure.

c) Promising and talented employees

The employees are usually highly sought after by competitors. As result, special care must be taken to manage their work and careers, and accelerated development programmes (supported by dynamic mentorships systems) should be considered for them. These programmes should include –

- Special work and study arrangements and inclusion in Municipality incentive and service reward schemes,
- Job rotation and exposure to a variety of functions,
- Special assignments with greater responsibilities, and
- Partnership in project teams.

d) High performers

There are employees who excel at their work. Possible retention strategies for them could include:

- Special work arrangements and inclusion in Municipality incentive and service reward schemes,
- Increased study and development opportunities, and
- Flexible employment agreements.

e) Designated groups in terms of Employment Equity Act, 55 of 1998

The laws and policies around employment equity and affirmative action established designated groups of people that employers need to actively seek out and keep- for example blacks, women and people with disabilities. Because your competitors also need to meet employment equity targets, these employees will be in high demand and staff retention strategies need to focus on retaining them. Although any strategy will need to take their particular level and occupational group into account, there are some general ideas that can improve their positions at work and so reduce the "drivers" that might in future cause them to leave.

For example:

- Mentorship and coaching programmes may be developed.
- Efforts may be made to make it easy for disabled people to get access to their place of work, to bathrooms and other parts of the building.
- Flexible employment policies can be introduced to allow women to take care of their families responsibilities.
- Crèches or day-care centres can be set up.

7.4. INCENTIVES FOR RETENTION OF SKILLS

In terms of the Municipal Systems Act 32 of, 2000 as amended, Heads of Municipality's Administration are given the responsibility of ensuring that human resources are managed effectively and efficiently. Municipalities can deploy and use employees in ways that will improve their chances of keeping them.

In addition, the law and policies governing employment allows for changes to the normal practices when these are necessary to find or keep people with scarce skills.

In terms of HR best practice, the salary and/or salary level for a post (or an employee) can be set at a higher notch or level the usual if necessary to recruit or retain an employee with the required skills.

Within the Municipality, employees can be deployed to other posts horizontally if this addresses their career development expectations.

The Municipality must provide employees with ongoing access to training that should support their work performance and career development. Bursaries can also be granted to employees or prospective employees to improve their levels of education.

Employees can be granted special leave for developmental purposes (for example exam and vacation leave). This can be paid or unpaid leave depending on the Municipality taking into account the SALGBC agreements.

Obviously, paid leave is an even greater incentive.

7.5. DISINCENTIVES FOR RETENTION OF SKILLS

In additions to the positive things that can be done to attract and keep employees, the following rules make it difficult for employees to leave:

Employees that leave the Municipality before completing 12 months service will forfeit their service bonus.

An employee has to serve at least 12 months in a rank before qualifying for assessment for pay progression.

8. ROLES AND RESPONSIBILITIES

For Municipality to meet their mandates, Senior and Operational Line Managers need to be provided relevant, efficient and strategic human resource advice and interventions. While providing a personnel service was enough in the past, the human resource component now need to the key partner to the Line Managers. This highlights the for human resource practitioner and managers to be on the cutting edge of the new management thinking.

Theory and best practices suggest that it is essential for human resource component and Line Managers to work together on people management issues including staff retention management. Below are the roles that each should play

FUNCTION	THE ROLE OF THE HUMAN RESOURCE COMPONENT	HUMAN RESOURCE IN PARTNERSHIP WITH LINE MANAGERS	THE ROLE OF THE LINE MANAGER
Provide human resource administrative services	To establish an appropriate policies, procedures and systems for human resource management.	Line managers to input in the development of policies	To apply human resource policies, procedures and systems fairly and consistently to all employees.
Provide expect advice on human resource matters	To translate the Municipality's business strategy into a human resource strategy. Develop an effective Human Resource Plan To identify employees or categories of employees who might leave.	To identify positions and/or occupations where sudden departures would	To actively manage staff To implement the Human Resource Plan To motivate employees and create an enabling environment for employees to

		derail strategic objectives or have an immediate negative impact on operations	perform
	To analyse staff movement trends and identify high-risk employees or occupations for Line Managers		To provide training and other support to employees
Develop strategic interventions	To consistently analyse skills demand and supply trends in the labour market To perform constant skills audits within the	Design accelerated developmental programmes for talented employees. Identify core and scarce skills within the	To understand worker's preferences and what drives and motivates them To implement diversity management and
Monitoring and benchmarking	To analyse labour market trends To analyse internal staffing trends and give feedback to Line Managers on an ongoing basis		

9. MONITORING

This policy will be monitored on a monthly basis by the Human Resource component, which will report its findings to the management. The policy will be evaluated within a period of six months of it coming into effect, jointly by the Human Resource component and the senior management team.

10.   POLICY REVIEW

This policy will be reviewed and amended on an annual basis or each time any Act or Conditions of Service or other agreements deem it necessary, taking into cognizance the annual municipal strategic interventions.
All proposed amendments will serve before the Local Labour Forum for recommendations and the Council for approval.