



REMUNERATION POLICY

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY

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MUNICIPAL MANAGER


SPEAKER

Ms P Q Mogatle

Speaker.

JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY



RETENTION POLICY

2019/2020

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STAFF RETENTION AND PROCEDURE

1. PREAMBLE

In order to manage the effect of a normal staff turnover to ensure that it results in as little distraction as possible, staff retention has to be seen as a strategic function of the Corporate Service department as well as senior management.

This policy is aimed at directing the Corporate Service department as well as line managers of the John Taolo Gaetsewe District Municipality on how to manage staff in order staff retention.

2. OBJECTIVE

The purpose of this policy is to set out the employee retention policy for the JTGDM. It is generally agreed that the achievement of the institute strategic objectives is largely dependent on its ability to attract and retain high calibre individuals. This is particularly important with regard to defined critical occupations, strategically critical individuals and ensuring adequate succession.

3. SCOPE OF THE POLICY

This policy is applicable to all staff of the JTGDM. Policy is to be read in integration with other Human Resources Management policies such as:-

- i. Recruitment & Selection Policy
- ii. Training & Development Policy
- iii. Individual Performance Management (IPMS) Policy

4. PRINCIPLES

Attraction and retention rests on the following key principles:-

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4.1. Managing people well to ensure directed and motivated employees.

4.2 Paying people competitively and rewarding superior performance.

4.3 Developing people and retaining the best by providing perpetual learning and challenge.

4.4 Establishing a work-life culture and climate that is attractive and supportive.

Each of the four principles has to be weighed and balanced within a practical attraction and retention strategy.

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5. CRITERIA

It is the intention of the Municipality to make every reasonable effort to retain highly qualified and skilled employees. The following criteria will apply:

- 5.1 the employee should receive a bona-fide offer of employment from another employer. The offer should be in writing and include details of the employment offered to the employee;
- 5.2 the director recommending the retention should verify the offer and provide a concise written justification, along with a copy of the offer letter to the Municipal Manager;
- 5.3 the recommendation should include a new proposed salary level and be in line with budgetary constraints and any other ramifications/ implications the action could have on the department and the municipality in general;
- 5.4 any counter offers made to the employee which modifies their current employment contracts must be made via a new employment contract within the affordability means of the municipality and be accepted by the employee.

6. IMPLEMENTATION

6.1 The governance and management structure regarding retention initiatives is made

up of the following:-

6.1.1 Senior Management shall be responsible for the preparation of nominations, motivations and management of staff.

6.1.2 Human Resources Unit shall be responsible for receiving and reviewing the

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proposal on criteria used as per policy.

6.1.3 The Municipal Manager or his designee shall approve the proposal.

7. STAFF RETENTION CRITERIA AND PROCEDURE

7.1 It is the intention of the Municipality to make every reasonable effort to retain highly qualified and skilled employees. The following criteria will apply:-

- 7.1.1 The employee should receive a bona-fide offer of employment from another employer. The offer should be in writing and include details of the salary/remuneration offered to the employee;
- 7.1.2 the director recommending the retention should verify the offer and provide a concise written justification, along with a copy of the offer letter to the Municipal Manager.
- 7.1.3 Senior Managers in so far as it is within their departmental control, are responsible for ensuring that the Department does not lose competent, scarce and skilled employees particularly with regard to employees from designated groups.
- 7.1.4 The recommendation should include a new proposed salary level and be in line with budgetary constraints and any other ramifications/implications the action could have on the department and the municipality in general;
- 7.1.5 any counter offers made to the employee which modify their current employment contracts must be made via a new employment contract and accepted by the employee;

7.2 ROLES AND RESPONSIBILITIES

7.2.1 The Municipal Manager is responsible for determining and approving the awarding of salaries above the salary level for the retention of employees with skills or experience in a scarce field (where recruitment is difficult) and employees from designated groups.

7.2.2 Human Resource is responsible for ensuring that the criteria to determine the retention of staff are allowed.

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7.2.3 Line Managers in so far as it is within their control, are responsible for ensuring that the Department does not lose competent, scarce and skilled employees particularly with regard to employees from designated groups.

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8 STAFF RETENTION TECHNIQUES

8.1 The cost of staff turnover can be substantial. Not only are there the direct financial costs of replacing staff but also other repercussions such as the potential loss of key skills, knowledge and experience, disruption to operations and negative effect on workforce morale. High turnover represents a considerable burden both on human resource and line managers as they are constantly recruiting and training new staff.

8.2 In this light, the following additional retention techniques can be utilised:

Employment Equity

8.2.1 The Employment Equity Act, 1998, requires every employer to retain and develop people from the designated groups.

8.2.2 Decisions of this nature must be taken with due consideration to the Employment Equity Plan of the municipality.

Encourage performance

8.2.3 Employees are encouraged when they are given exciting jobs. This gives them the determination to do their job.

8.2.4 Avoid overloading your top performers with secondary tasks.

8.2.5 Reward employees who are performing well so that those that is under performing can be motivated.

8.2.6 Balance the performance level by pairing new employees or under performers with top performers.

Morale Building

8.2.7 Lead by example as a manager to achieve better results.

8.2.8 Give employees a chance to develop by trusting them with high profile

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responsibilities.

8.2.9 When an employee has performed well, show appreciation. If an employee goes unacknowledged, a message of their unimportance will be sent.

8.2.10 Attend to staff needs timeously.

Boost Employee's Self Esteem

8.2.11 A conducive environment should be provided where an employee can learn from his / her mistake.

8.2.12 Recognize a job well done.

8.2.13 Value employees who are performing well and make them feel valued.

Sense of Ownership

8.2.14 Less supervision is important. Employees do not like to be followed at each and every step they take because they may not feel trusted with the work they are doing.

8.2.15 Involve employees in decision-making processes. This will instil a sense of ownership in employees of what has been proposed and they will do their best to achieve high results.

8.2.16 Avoid de-motivating employees because once they are de-motivated it is difficult to motivate them again. Employees are de-motivated when they are doing routine job for many years without being trained, their efforts are not being recognised and are feeling unvalued. Introduce staff rotation to allow for exposure to learn new activities, especially in lower levels (unskilled & semi-skilled categories)

8.2.17 Allow employees to see a project through from start to finish.

Communication Ms P Q Mogatle

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8.2.18 As a manager, you must interact with all employees equally. Do not create the impression that there is favouritism within the department.

8.2.19 Listen to employee's ideas and concerns, take them seriously.

8.2.20 When in a meeting, give an employee your full attention. This makes an employee feel valued.

8.2.21 Encourage feedback and exchange ideas by meeting in an informal basis with the employee.

Staff Development and Training

8.2.22 Staff development and training embraces the formal and informal acquisition of knowledge, skills, attitudes, thinking and habits required of an employee to render quality service and secure him/her a rewarding career.

8.2.23 Practices that promote staff development include self-development, formal and informal training, career development, study aid, job rotation, job enrichment/enlargement and mentorship and coaching.

8.2.24 In a situation where the employee cannot be accommodated in a suitable post, his / her job should be reviewed with an intention of adding more responsibilities and re-evaluating the post to ensure the maximum utilization of the employee's potential.

Succession Planning

8.2.25 Succession planning is fostering activities like job rotation to expose staff to the workings of the department. Rotating to more than one job is known as multi-skilling.

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Multi-Skilling

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8.2.26 Multi-skilling is a process that organizes work in a manner that enables staff

to acquire and use a greater range of skills.

8.2.27 Multi-skilling must be linked to the skills requirements of the department and should form part of its strategic empowerment and employment equity plans.

Team Building

8.2.28 Team building sessions should be conducted often for all departments, where employees are provided opportunity to present their threads, weaknesses, strengths and frustrations.

9 SOURCE OF AUTHORITY

This policy needs to be understood within the context of the general public service, and specifically, the local government environment. If any conflict arises relating to the matters addressed in this policy and any relevant legislation, the affected legislation will prevail. The policy has the following legislation guidelines as its source of authority:-

- i. Basic Conditions of Employment Act
- ii. Labour Relations Act
- iii. Municipal Systems Act
- iv. Municipal Finance Management Act
- v. The Main Collective Agreement
- vi. Occupational Health and Safety Act

10 POLICY REVIEW

The retention policy will have an implementation period of one (1) year to assess its effectiveness and applicability, after which the final adjustments will be made. Then it will be reviewed annually and/or as and when required.

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