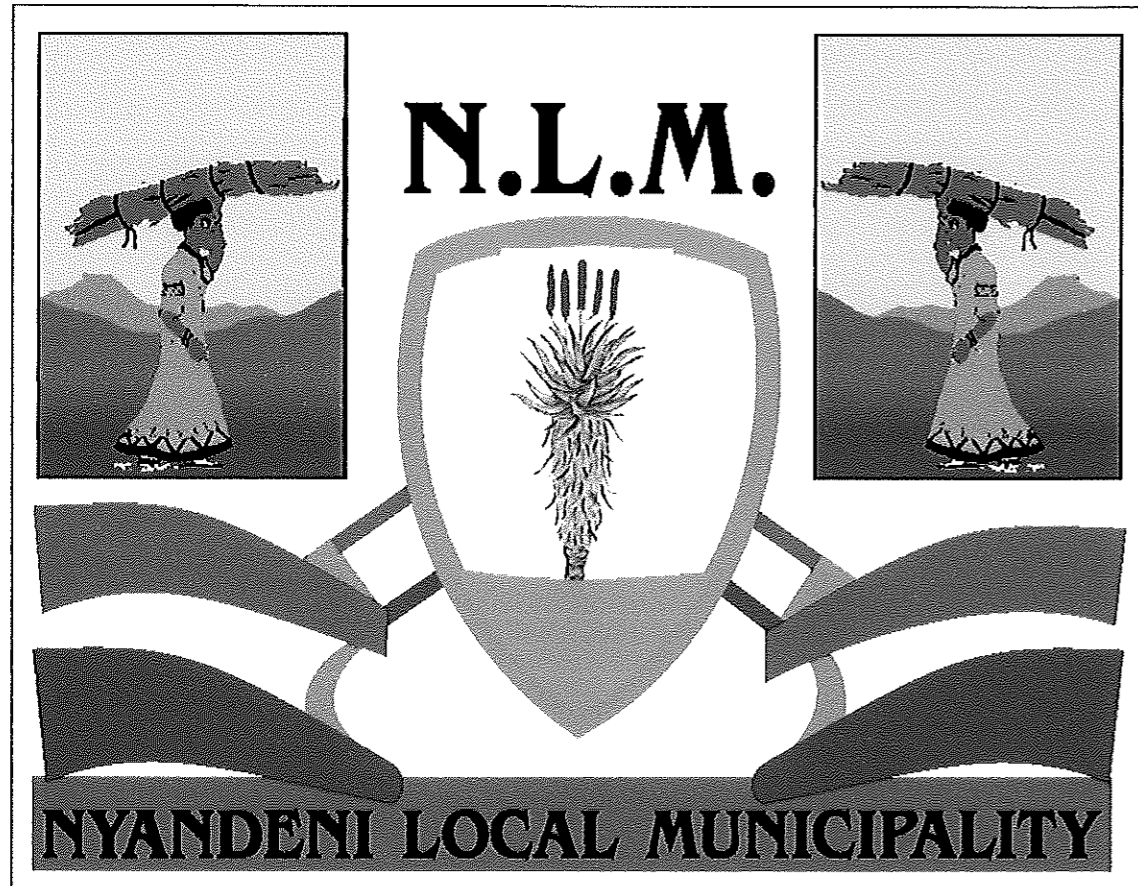


# EMPLOYEE RETENTION STRATEGY

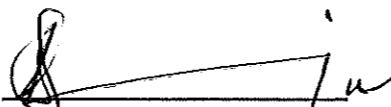


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DATE: 29 July 2013

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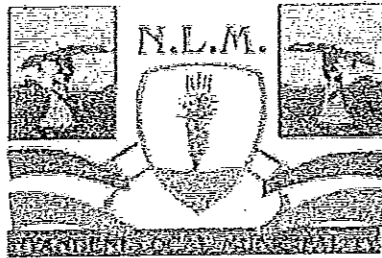
# NYANDENI LOCAL MUNICIPALITY

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## NYANDENI LOCAL MUNICIPALITY

### EMPLOYEE RETENTION STRATEGY

#### 1. PURPOSE

A high rate of labour turn-over is indicative of employee dissatisfaction with his/her job, working conditions or environment. The Municipality endeavors to develop and implement a retention strategy that will ensure that it attracts and retains qualified and skilled personnel. Attraction and retention of staff is a strategic issue which requires an analysis of factors that influence recruitment, selection and placement.

The implementation of the retention strategy will be rolled out in phases and will form part of the overall strategic plan of the Municipality. Periodically, the retention strategy will be reviewed to keep it on par with the dynamics of the labour market.

#### 2. OBJECTIVES

The Municipality strives to ensure attraction and retention of a cadre of personnel with the necessary competence to enable the Municipality to deliver efficient and effective services to improve the quality of life for its communities.

#### 3. BACKGROUND

Nyandeni Local Municipality is one of the remote rural Municipalities with a high rate of unemployment and a shortage of skills in particular the technical skills such as those in the Engineering fields. The local communities depend on the Municipality for delivery of services /programmes designed to improve their quality of life.

In order to respond to the various needs of the communities, every year the Municipality develops an Integrated Development Plan which is informed by needs which have been identified and prioritized by the communities themselves in conjunction with the Municipality.

For implementation of the Plan and delivery of services, qualified and skilled human resources are needed. The Human Resource Department is charged with the responsibility of providing

competent personnel to deliver services efficiently and effectively. Such efficient and effective delivery of services would give effect to the Municipality's IDP's and strategic objectives not only as a document but as a tool to bring to reality the wishes of the communities.

The institution is facing challenges in relation to retaining its employees. The geographic location of the Municipality coupled with the S.A Bargaining Council Salary Grading ( Grade - 03) of the Municipality to mention just a few, militate against attraction and retention of staff. The Municipality acknowledges that human resources are its most valuable asset by which it can achieve its objectives. The retention strategy is developed as a tool to guide the Municipality on ways and means to address the challenges which lead to a high rate of labour turn-over.

#### RECRUITMENT & SELECTION

The purpose of recruitment is to identify and provide, in a cost effective manner, a pool of qualified and skilled applicants with a potential to perform a particular job/function. Successful selection starts with conscious human resource planning that considers the institution's objectives for efficient and effective service delivery.

The organizational structure provides positions designated as contract Section 57 Managers, and categories of permanent positions. The permanent positions progress from entry level upwards. It is a reality that due to the high rate of unemployment, qualified persons apply for jobs such as General Workers, Cleaners and other positions below their level of qualifications.

In the interest of retention of staff and upward mobility, all entry level positions which do not require technical or management skills would first be advertised internally. If no suitable candidate could be found, then external advertising would be embarked upon.

#### ORIENTATION & INDUCTION OF NEW EMPLOYEES

Orientation and induction of newly appointed employees is an important indicator for acceptance and welcoming by an institution/ organization. It involves introducing the new employees into the organization, its culture and value systems and facilitates the process of their bonding with the new environment.

The HR department has a responsibility to advise the Manager of a department as to when to expect a newly appointed employee to assume duties. This would serve to make sure that an office with the necessary work facilities is made ready. It is professional for the Manager of a department to ensure welcoming of the new employee before handing her/ him over to the Supervisor to introduce other members of the department. It is the responsibility of the Supervisor to introduce the new employee to the working systems as they may be different from those used where the employee comes from.

#### DISSEMINATION AND SHARING OF INFORMATION

An informed work-force is better armed to take decisions affecting the future of the institution and that of its employees. The Manager responsible for human resources must ensure that information dissemination and sharing sessions are held with employees. These include SALGBC

Agreements, SALGA Circulars, Grievance and Disciplinary Procedures, Code of conduct, Human Resource Policies & Procedures and any other information that has a bearing on employee conditions of service.

To inculcate a sense of belonging and to inform the work plans, employees need to be updated periodically about the Municipality's objectives and the strategies planned to achieve them.

#### PROMOTION

The purpose of promoting employees is:

- to enhance career advancement of employees and sustain productivity;
- to minimize the effects of job-hopping by creating a work environment in which employees are aware that there are career prospects for advancement.

An employee may only be promoted if a vacant position at a higher grading exists and has been designated as a promotion position. A promotion policy would be developed and such designated posts would be approved by Council.

An employee may only be promoted if she/ he qualified for the position in question.

#### CAREER PLANNING

Having an effective career planning process in place would help the Municipality to face up to the challenge of skills attraction and retention. The ability of the Municipality to offer career opportunities for growth and development are critical success factors in attracting and retaining skilled personnel.

The Corporate services department would need to develop a career planning policy to accommodate the aspirations of staff.

#### EMPLOYEE BENEFITS

Conducting surveys on salaries and benefits offered within the same employment sector helps the employer to close any gaps that may exist so as to retain its employees.

Employee benefits are linked to employment and are intended to improve the quality of work-life for an institution's employees. Benefits such as medical aids, pension/ provident funds, group schemes, residential, S&T allowances serve to augment the low salaries of employees. On the other hand benefits such as vehicle, telephone, camping allowances serve as working tools for qualifying categories of employees and are a motivating factor.

#### PERFORMANCE RECOGNITION AND AWARDS

Employees need to believe that good performance will be recognized and rewarded.

Awarding employees for outstanding performance increases the institution's competitive edge in the labour market in attracting and retaining skill.

Long service awards, performance awards and any other form of awards would show appreciation of employees' commitment to stay and work for the Municipality. To implement this, the Municipality would need to develop an award system.

#### EMPLOYEE ASSISTANCE PROGRAMME/ WELLNESS PROGRAMME

The Employee Assistance Programme is a work-based programme designed to assist in the identification and resolution of productivity problems associated with employees impaired by personal concerns including, but not limited to: health, financial, alcohol, drug, stress, absenteeism or other personal concerns which may adversely affect job performance.

In summary, the EAP is a job-based strategy for helping employees to solve their problems.

Employee Assistance Programmes serve a two-fold role, as a performance management tool and provide support and counseling to troubled employees. Besides the physical well-being of employees, the employer has a responsibility to ensure the psychological, emotional and social well-being component of the human resource function.

Employees face problems in their personal lives and often do not know where to turn to for assistance. An employee spends an average of 40 hours per week at the work-place. It is logical therefore that the effect of the personal and work-related problems manifests itself at work as poor performance or behavioural problem. This ultimately has an impact on organizational efficiency and effectiveness hence the institution has included the position of an Employee Assistance Coordinator in the revised organizational structure. Filling of the position and implementation of the programme would assist to boost staff morale and retention.

#### INSTITUTIONAL / ORGANIZATIONAL CLIMATE SURVEY

Conducting institutional diagnostic surveys has become a trend for establishing how employees feel about and assessing their level of commitment to the organization. Institutional surveys involve collecting information on how employees view the culture of the institution and how it affects them.

An Organizational Development Unit within Corporate Services is responsible for conducting organizational diagnostic/ climate surveys with a view to finding out from the employees the level of their satisfaction regarding their benefits, jobs, opportunities for career paths and mapping, management style and the whole work environment and climate etc. These would be conducted at regular intervals to keep the Corporate Services department informed of factors that could militate against employee retention so as to make relevant recommendations for redress in advance rather than wait for an employee to resign and then conduct an exit interview.

Throughout the process, it is important continuously to monitor and evaluate the extent to which strategies help to achieve the objective of staff retention.