

**NDLAMBE MUNICIPALITY**  
**CORPORATE SERVICES**



**SUCCESSION, RETENTION AND  
SCARCE SKILLS POLICY**

## **1 INTRODUCTION**

Retention of skilled staff is a major challenge facing employers currently in all sectors of the economy. This is also true for the Local Government, which emphasize the urgent need to be more pro-active and to increasingly apply innovative, creative and experimental solutions to retain skilled staff and competent staff and to curb job hopping.

A retention strategy would not necessarily stop the exit of employees, but constitutes a serious attempt to reduce staff turnover and job hopping. A retention strategy is intended to qualitatively and quantitatively reduce staff turnover and shall be utilized to ensure that the Municipality does not lose employees who may have stayed if the environment, style of management and organizational culture had been more conducive to staff being retained.

## **2 DEFINITION**

Staff retention is a process of ensuring that employees are kept within the organisation, especially employees with valued or needed skills or experience in a scarce /critical field (where recruitment is difficult) and employees from the designated groups (as defined in the Employment Equity Act, 1998) namely black people, women and people with disabilities, using various techniques. It involves a range of

ideas and Human Resources Practices that should all be seen as interrelated.

### **3 PURPOSE**

This policy is designed to assist the Line Managers and Human Resources component in retaining employees, particularly with regard to those who have scarce and valuable skills. It aims at ensuring that Ndlambe Municipality must always have best, most well trained and suitable employees occupying each position.

### **4 SOURCES OF AUTHORITY**

The objective of retaining suitable personnel within the Municipality is based on the following legislative provisions:

- Labour Relations Act, 1995
- Basic Conditions of Employment Act, 1997
- Performance Management
- Employment Equity Act, 1998
- Skills Development Act, 1998
- Government Gazette No 41728 of 22 June 2018

### **5 PRINCIPLES**

The Policy is based on the principles that:

- Although all employees are valuable, some have skills that are of vital importance to the Municipality without which, service delivery by the Municipality will be highly jeopardised
- Some categories of employees are in high demand by other municipalities and the private sector. The interventions to retain such skills shall be based on the individual performance and his or her specific job responsibilities

#### **a. SCOPE OF APPLICABILITY**

This Policy applies to all employees of the Ndlambe Municipality. Succession planning as a dynamic process shall include some of the following elements:

Assigning employees with the necessary potential and attributes to:

Preparing short-term work plans;

Temporary tasks in other sections;

Transfer into other departments;

A mentor under a mentorship program;

#### **b. RETENTION STRATEGIES**

Interventions to retain staff are most effective:

- If they are aimed at a specific circumstance/ skills group and
- At the same time, the interventions are integrated and aligned with a staff retention strategy
- Upon resignation the staff will be counter offered within the Task Grade Notches and this will be at the discretion of the Accounting Officer considering the value added by the staff member.

### **5.1 Link staff retention with an effective recruitment and selection process**

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 shall 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).

### **5.2 Link staff retention with an effective induction process**

The Municipality regards the first few weeks of employment as important for establishing employee commitment to working in the municipality. It is therefore essential that line managers and human resources lay the foundation for future commitment by being 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. One representative from in-house recognised unions shall be part of the structure

### **5.3 Integrate employee development into your staff retention strategy**

Rather than sending new employees for long periods of training away from work, the Municipality shall 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.

### **5.4 Align competencies with job requirements**

Although this is not always easy to achieve, aligning the Ndlambe Municipality's needs with the employee's competencies results in a positive 'organisational fit'. As far as

possible, employees shall be used in jobs that are aligned with their personal preferences, interests and strengths.

### **5.5 Provide growth opportunities**

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

### **5.6 Reward employees who are high performers and value creators within the Ndlambe Municipality**

Rewards for excellent work can be both monetary and non-monetary. Non-monetary rewards shall include the following:

- Hand-written thank you notes
- Certificates of Recognition's performance
- Contribution noted in the municipal news letter
- Occasional afternoon - off

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.

## **5.7 Conduct exit interviews**

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

## **5.8 Career-pathing and succession planning**

Although modern organisations 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 linked to their current competencies, performance management outcomes and the organisational needs. Line managers and employees should review these plans on a regular basis.

The manager responsible for human resources management must, together with the relevant directorate head:

(a) Identify those positions to which the rapid progression policy can be applied; and (b) set qualification and experiential

standards for progressing from one level to the next or from one salary notch to the next.

### **Succession Planning**

Succession planning as a dynamic process shall include some of the following elements:

assigning employees with the necessary potential and attributes to:-

- preparing short term work plans
- temporary tasks in other sections
- transfer into other departments
- a mentor under a mentorship program
- careful training exposure of various types (college, in-house seminars, Adult Education Training, Bursaries for University studies), ensuring that job descriptions are updated and clearly cover the specifications for the job, determining of the key positions in the municipality.

The manager responsible for human resources management must, quarterly report to the Executive Committee , a written schedule of all employees setting out:

Which employees were terminated because of retirement age.

Which employees' employment contract will terminate during that year and the date on which such contracts expire.

Which employees at that time (if any), comply with the job specifications of any position that may be vacated during the year in question and who may be considered for promotion or

transfer into any vacancy that may arise due to the retirement of an employee or the expiration of an employee's employment contract.

The Management Committee must consider the schedule submitted by the manager responsible for human resources management and submit its report and recommendations to the Portfolio Committee responsible for human resources management.

The Portfolio Committee responsible for human resources management must consider the recommendations of the Management Committee and submit the report, together with its comment and recommendations to the Mayor.

The Portfolio Committee may recommend that the employment contract of any employee that expires during the year in question be extended for another period on the same or different conditions.

The mayor must, in respect of the positions of municipal manager and directors, and after consideration of the report and comment of the Portfolio Committee, submit a report and recommendations to the council for its consideration in line with the Appointment and condition of Service regulations.

## **5.9 Designing interventions for certain employees**

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

### **6 Senior and middle managers**

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

**7 Enhancement programmes** for all employees (that continuously refocuses and renews their skills) shall also be considered. These programmes shall be owned by the Director and managed by the Human Resource Department. They should provide training on the key senior management competencies that are required, and should allow for interventions designed for each specific manager.

### **8 Scarce Occupations**

Scarce occupations are those occupations in which there is scarcity or shortage of qualified and experienced people. This scarcity can be current or anticipated in the future and is usually due to the fact that either because people with these

skills are simply available but they do not meet the municipality's employment criteria.

- The authority to determine the Retention and Scarce Policy will be delegated to the Municipal Manager Scarce Skill Occupations in line with the requirements of the Department of Higher Education and Training Government Gazette No 41728 of 22 June 2018.

The latter shall be performed in relation to retaining staff members by introducing counter offers within the applicable notched. And when recruiting staff in those scarce skills categories and the allowance must be incorporated in the advert for the position.

#### **a. ROLES AND RESPONSIBILITIES**

**Corporate services** : Implement and maintain the Policy.  
: Monitor the implementation and impact of Policy

**Other Directorates/Line managers** : Share the responsibility of Corporate Services in terms of implementation and monitoring of the policy

## **b. MONITORING AND EVALUATION**

This Policy shall be monitored by the HR Department and Monitoring and Evaluation mechanisms that form part of the strategy shall include:-

- Period assessment of turnover within the targeted skills or occupational groups
- Checking from time to time whether what Ndlambe Municipality is offering is still appropriate
- Assess skills movement within Ndlambe Municipality
- Assess whether interventions are actually having any impact through surveys, interviews etcetera
- Comprehensive evaluation exercise over longer periods to assess the impact of Municipality's retention strategy

## **9 REVIEW OF THE POLICY**

The Policy shall be reviewed annually or when necessary