RETENTION POLICY- POLICY AND PROCEDURE

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1. INTRODUCTION

Staff retention is a process of ensuring that employees with valued or needed skills or experience in a scarce/critical field where recruitment is difficult are kept within the service of the Municipality by using various techniques.
The Municipality recognizes that its most valuable asset is its human resources. A great deal of time and money is invested in the recruitment, training and development of employees and, as such, every effort should be made to retain those employees who have scarce or critical skills.

2. PURPOSE OF THE POLICY

The purpose of the staff retention policy is:
   To allow Council to effectively retain their staff by providing information on staff retention and some possible staff retention techniques.
   To prevent the loss of competent staff from the Municipality that can have an adverse effect on service delivery.
   To attract and retain competent staff.
   To retain key staff members whose services are regarded as critical to achieve the vision and mission of the Municipality.
   To identify individual's potential for assuming a higher degree of responsibility.
   To help develop a skills base for succession planning.
   To provide internship and learnerships to occupations that is critical to the Municipality's strategic objectives.
   To identify posts which require specialized skills and to determine the level of scarcity thereof.
   To create and sustain a pleasant humane working environment where employees are given the opportunity to thrive.

3. SCOPE OF APPLICATION

   This policy applies to all employees of the Municipality.

4. TOOLS

The following should be regarded as tools to assist in achieving the retention of staff:
   Performance appraisal system.
   Personal Development Plan.
   Career development/training.
   Staff morale assessment/surveys.

Exit interview reports.

5. EMPLOYEE WELLNESS

The relation between the retention of staff and their physical and emotional wellness should be recognized and the employer should offer work-life balance options which should include:

Qualitative work-life and equal distribution of the workload.

Recognizing family responsibilities/obligations.

Offering controlled flexi-time.

Limit excessive performance of overtime.

Effective occupational health and safety programmes as well as an employee wellness programme.

Improved communication channels to enable employees to express their concerns, complaints, views and suggestions openly and freely as well as to, ease access to information (e.g. provision of well-managed suggestion boxes; employee meetings**)**

Effective use of referral system of the Employee Assistance Programme.

Confidential handling of personal matters and protection of staff.

6. STAFF RETENTION TECHNIQUES

6.1 Scarce skills

Conducting of a skills audit to identify and classify the current skills needs and the future needs of the Municipality**.**

Identification of scarce and critical skills on an annual basis.

The risk of losing staff with scarce/critical skills must be assessed.

Where scarce/critical skills have been identified, an executing authority may set the salary for a post or an employee above the minimum notch of the salary scale indicated on the staff structure of Council.

The process may also be initiated where an employee with scarce/critical skills and/or experience has received a higher job offer and the executing authority may give a counter offer to retain his/her services.

6.2 Employment Equity

The Employment Equity Act, 1998, requires every employer to retain and develop people from the designated groups. In certain instances the Municipality may experience difficulty in retaining black (African, Indian and Colored) people, women and people with disabilities in certain areas.

Opportunities should be created to make the employment more attractive for example apprentice, learnership and furthering of studies for the previously disadvantaged groups.

Decisions of this nature must be taken with due consideration to the relevant Directorate's

Employment Equity Plan and the Department's Affirmative Action Policy.

6.3 Service providers

Every effort must be made to use the skills or create capacity within the Municipality before engaging the services of service providers.

The use of consultants must be limited and, where internal capacity exists, allocate

additional duties to suitably qualified and experienced employees. This could result in a higher job evaluation of the person's post thus improving the Municipality's ability to retain the services of certain employees.

Where the service providers such as consultants are used, comparison must be made to ensure that the service is fair, equitable, transparent, competitive and cost effective for the Municipality.

6.4 Encourage performance

Avoid overloading of top performers with secondary tasks.

Flexible work arrangements should be introduced where the specific circumstances of the employee at that point of time requires it.

Divide exciting tasks/instructions equally in order to encourage staff.

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

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

Ensure equal distribution of the workload.

6.5 Morale building

Lead by example as a manager to achieve better results.

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

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

Attend to staff needs timeously.

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

Introduce rewarding techniques such as issuing a certificate or letter of recognition for a project/task well done.

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

Recognize a job well done.

Treat staff equal.

Encourage staff to refrain from gossip as it will lead to a lack of respect for fellow employees.

Eliminate the disclosing of confidential information as it will create a bridge of trust amongst employees.

6.6 Sense of ownership

Less supervision is important. Employees who are followed around may not feel trusted with the work they are doing.

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

Avoid de-motivating employees. Once a person is de-motivated it is difficult to correct the situation.

Employees are de-motivated when they are doing the same job for many years. Introduce staff rotation to allow for exposure to learn new activities.

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

6.7 Communication

Interact equally with employees. Do not lead them into thinking that there is favoritism within the department.

Listen to employees ideas and take them seriously.

When in a meeting, give an employee your full attention as it makes the employee feel valued.

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

Technology plays a critical role in communicating corporate messages to all employees. Employees can learn about employment benefits, vacancies and the latest initiatives via the intranet.

6.8 Performance appraisal

Performance appraisal is a two-way process as it includes the employer and employee as a tool to identify short comings and future development of employees.

Performance appraisal must take place within the departments policy on performance and the employees duty sheet.

Objectivity is important and the person should not be evaluated but his/her performance.

6.9 Job rotation

Job rotation should be used as an important approach for achieving job satisfaction, making the job more challenging, enhancing skills and knowledge and ultimately

assisting in employee retention. It shall be implemented through "on the job" training by the relevant supervisor.

Management shall rotate employees within their respective Directorates. Care shall be taken to ensure consultation with employees and their Unions first before embarking on job rotation to ensure a buy-in.

6.10 Performance Management and Development

Each and every employee must have a performance agreement, which is cascaded from the departmental score card and is valid for a period of 12 months.
The output must be specific and measurable with clear time frames for achievement.
The performance must be assessed four times per financial year.
The identified needs or shortcomings must be followed by the appropriate training.

6.11 Staff development and training

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.
Employees should be continually trained with relevant development programmes that put them on par with their peers in the job market and thereafter be supplied with the necessary modernized work-tools and be allowed space to practice the skills they have acquired.
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.
Employees who obtain higher qualifications should be given preference in the filling of vacant posts which require such qualifications.
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 employees potential.
The culture of continually developing staff shall be maintained in line with the Skills Development Act and Performance Management System within the Municipality.
The career development plan should by no means be misconstrued to be creating expectations for either promotion or monetary rewards.
Information about the employee's career path should be kept confidential and under no circumstances should it be conveyed to the employees concerned. However, the employee should be reasonably informed about their performance status in the organization and can generally, not specifically be informed about their career prospects within the organization.

6.12 Succession Plan

A succession plan database should be compiled from the career discussion outcomes and should be in the custody of Human Resource Section and kept confidentially.

The Human Resource Section should identify potential key competencies to be developed in the light of the identified succession plan positions.

Succession planning is fostering activities like job rotation to expose staff to the workings of the Municipality. This can assist in the identification of top performers and employees with potential.

6.13 Multiskilling

Multiskilling is a process that organizes work in a manner that enables staff to acquire and use a greater range of skills.

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

All multiskilling efforts should be properly planned and scheduled.

7. Classification of Employees for Career Development and Retention Purposes

7.1 High flyers:

These are employees who are high performers as per performance management policy and are ready for promotion, have scarce skills/Critical/Rare expertise.

Employees categorized as high flyers will be placed on the succession plan list, which will be utilized as a pool to draw from whenever vacancies arise. However, such candidates should meet the minimum requirements and have skills for the identified post.

The Human Resource Section will be the custodian of the succession plan list and will accordingly advise managers whenever a vacancy arises.

The management could include delegation of responsibilities and autonomy as well as extending the latitude of discretion to deserving employees, granting an opportunity to manage employees or a responsibility to manage a special project.

7.2 Potential for development:

Employees with potential for development who must be on an accelerated development program. Employees classified as "potential for development" will have a personal development programme aimed at specifically addressing and closing the skills gap.

Once the programme has been completed successfully these employees can be moved to the succession plan list.

8. ATTRACTING SCARCE SKILLS

8.1 Head-hunting

This individual based method of recruitment can be used to seek and identify suitably qualified candidates for positions where difficulty is experienced to recruit suitably qualified candidates as well as candidates from historically disadvantaged groups.

Recruitment shall also be done through head hunting by engaging specific institutions of higher learning in this regard for recruitment.

This method shall be used only in conjunction with the normal advertising of vacancies, in other words an identified suitable candidate shall be requested to apply for the advertised position, and where after the normal processes will apply.

In cases where no suitable candidates are identified during the final interviews, further headhunting shall be undertaken.

At least two candidates shall be identified and interviewed by the same panel and against the same criteria used during the initial interviews.

8.2 Granting of a higher salary

In the event of an employee, whose services are considered critical to the mission of the Municipality, getting an offer from elsewhere, Council shall consider matching the said offer after full motivation has been submitted depending on the nature and level of the offer.

Scarcity of the skills and/or the competencies that the said employee possesses shall be the key guiding factors that will determine the final outcome.

In order to attract new employees whose skills are critical to the Municipality's, higher packages can be offered to the employee regardless of the current packages.

The prevailing market trends should be studied and taken into consideration.

The granting of higher salaries for the purpose of a counter offer or for attracting competent officials requires that the following measures also be taken into account namely the demonstration of fairness, budgetary provisions to sustain the position and alternatives.

8.3 Skills to be counter offered

Counter offers can only be done for identified and agreed scarce skills.

A predetermined database of scarce and critical positions within the Municipality must be readily available.

Value for money is of utmost importance and when an employee moves up a salary level her/his job should also increase in complexity or responsibility.

9. ADVERTISING OF VACANCIES

9.1 Internal advertising of posts

Posts below post level 10 that become vacant and available for advertising and filling shall first be advertised internally for 2 weeks in line with the relevant clause of the Recruitment Appointment and Selection Policy.

Short-listed internal applicants shall be subjected to a fair interview process, similar in all respects to the interview process that external candidates shall be exposed to.

The short listing panel shall not be rigidly confined to the requirements of the job for short-listing purposes. Should such a candidate, who doesn't meet all the job requirements be identified as the potential successful one, full motivation for relaxation of requirements shall be submitted to the Chairperson of the Appointment Committee.

The development areas of a candidate that demonstrates the potential to perform the functions of the post shall be included in his/her personal; development plan.

9.2 External advertising of posts

The inherent requirements of the post make it crucial to encourage the inflow of new skills and positions above post level 10 shall therefore be advertised externally.

10. MONITORING AND EVALUATION

Methods to be used for the evaluation of the effectiveness of the retention strategy shall include:
Analysis of the staff turnover
Analysis of the exit interview reports
Analysis of Labour market trends

11. INCENTIVES FOR GOOD PERFORMANCE

Measures should be applied to enhance a positive attitude in recognition of improved employee productivity through implementation of a financial incentive scheme and non-monetary rewards.

Recognition should be given to an employee's excellent performance, best suggestions, improvements and innovate ideas within the workplace.

Such schemes shall be inculcated as part of the management style and culture in the Municipality.

Outstanding performance shall be recognized by the awarding of certificates of achievement, which shall clearly state the area of achievement and reasons for such an award.

A special column shall also be made available in the Municipal newsletter with pictures and names of "Achievers of the month or year".

A picture of the employee shall be posted in the foyer where such an employee works.

These awards shall be regarded as prestigious awards and should therefore be awarded under special circumstances.

Clear criteria shall be worked out to indicate under what circumstances can such awards be given, such as the following: achievement of service delivery targets as per performance indicators, continuously meeting or exceeding service delivery standards and coming up with a good and practical idea.

The recommendation from internal colleagues and or external clients will also serve as a basis for awarding excellent performance.

Motivations for the awarding of an incentive to an employee can also be submitted by the direct supervisor or Head of Department.

Employees should also be congratulated informally to ensure that their positive efforts do not go unnoticed**.**

12. ROLES AND RESPONSIBILITIES

Council is responsible for determining and approving the awarding of salaries above the maximum range for the retention of employees with skills or experience in a scarce field where recruitment is difficult and also with regard to employees from designated groups.

The Director Corporate Services is responsible for ensuring that the criteria to determine the retention of staff are followed.

Directors are responsible for ensuring that the Municipality does not lose competent, scarce and skilled employees particularly with regard to employees from designated groups.

13. EXIT INTERVIEWS

A follow up interview/discussion shall take place after three months to establish how the employee has adjusted.

All employees that have tendered resignations shall be interviewed before leaving the Municipality.

Exit interviews should be well structured and well organized to determine the potential and reason for the employee leaving the Municipality

Exit interviews shall be perceived as a management tool to extract constructive and valuable positive or negative information that can be used to improve the situation and morale of the remaining staff and also as a method of reducing staff turnover**.**

Such interviews shall be structured using the questionnaire designed as to allow the leaving employee to view out the reason of leaving the department.

The exit interview should change organizational threats into opportunities for improvement.

A suitable venue with no the interruptions must be chosen to conduct the exit interview.

The questionnaire of the exit interviews will be designed by the Director Cooperate Services in conjunction with the relevant department and shall be made available to the employee at least two days prior to the exit interview.

For exit interviews to be successful, it is essential that the interviewee be given an unambiguous guarantee in writing that no information emanating from the exit interview shall be used against him/her. The information shall only be used for enhancing efforts towards attraction and retention of staff.

14. IMPLEMENTATION AND REVIEW

This policy is effective once approved by Council. The Directorate Corporate Services will propose amendments to the policy on an annual basis.