



ATTRACTION AND RETENTION POLICY

Date Approved:	
Date Implemented:	

1. PURPOSE

The purpose of this document is to set out the employee Attraction and Retention policy for Ingwe Local Municipality.

2. SCOPE OF APPLICABILITY

The policy is applicable to all officials of the Ingwe Municipality regardless of salary and occupational levels, race and gender who are appointed in terms of the Municipal Systems Act.

3. DEFINITIONS

- 3.1 "Employer"** means the Ingwe Municipality/ Council that utilizes the efforts of employee to render services to communities.
- 3.2 "Employee"** means a person employed by the employer to carry out certain duties and responsibilities in return for remuneration.
- 3.3 "Council"** means the council of Ingwe Municipality.

POLICY BASELINE ON ATTRACTION

Recruiting and retaining potential staff is one of the important processes undertaken by the Human Resources Management on behalf of the Municipality 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 essential for the municipality to attain its Integrated Development Plan's objectives and goals.

Without staff, it will not be possible to provide the services the Municipality is mandated to deliver in terms of the Constitution and the Integrated Development Plan. As a result, this policy has been developed to guide the line managers and human resource section in attracting and retaining key staff. This Policy must be read in conjunction with the Recruitment and Selection Policy, Employment Equity Plan, Education, Training and Development Policy and HR Strategy.

POLICY BALINE ON RETENTION

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 leadership and human resource practices that should all be seen as interlinked, such as focuses both on attracting employees to join the organisation through recruitment strategies and keeping those who are already employed, especially those that possess scarce and critical skills that are difficult to get from labour market and are more crucial to the organisation. It also involves motivating the staff, covers both the psychological aspects of the employee (their perception, their goals and their behaviors) 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 and is not only the responsibility of human resources but also that of line managers.

This policy is designed to assist Council, Senior Management, Line Managers and Human Resource Section to take new organizational roles to ensure that all human resource and leadership processes contribute to the retention of scarce and critical skills.

4. FRAMEWORK

The **SALGA** 2003 HRD Conference resolved that municipalities develop staff retention policies to attract and retain scarce and critical skills.

Other public sector policy frameworks include the following:

- Managing the Staff Retention: An information Guide for Municipalities, 2006
- Public Service Act, Proc 103 of 1994
- The Scarce Skills Retention Strategy Framework for the Public Service of 2002
- The Scarce Skills Policy Framework for the Public Service, 2003
- The provisions in the Public Service Regulations, 2001, Chapter 1, Part V

5. PRINCIPLES

Although all employees are valuable, some employees have skills that are of critical importance to the Municipality without which service delivery will be seriously be jeopardized. Some workers have skills that are in high demand by other bigger and better paying municipalities or the private sector.

The interventions to retain such skills will be based on the individual's performance, and his/ her specific job responsibilities. Staff retention is directly influence by the quality of six components of human resource management:

- Human Resource Planning, Recruitment and Selection – HR Section
- Optimal Human Resource utilization – Line Managers
- Human Resource Development – HR Section and Line Managers
- Compensation and benefits – HR Section and Payroll Section (Finance Directorate)
- Employee and Labour Relations – HR Section and Line Managers
- Safety and Health – HR Section and Line Managers
- Employee Performance Management – HR Section and Line Managers

The better each of these is managed, the more likely staff will be attracted and retained within the Municipality and less 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's goals to the employee's expectations and personal preferences, it is more likely that the employees will be retained. For instance, 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. RETENTION STRATEGIES

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, prioritize and attract such skills. To know which employees need to be prioritized, skills must be classified according to the Local Government SETA's scarce and critical skills list as well as the Municipality's Human Resource Plan from time to time, to be able to identify scarce and critical skills to be attracted and retained. Classifying skills is therefore a key step in ensuring a focused and cost-effective retention strategy.

6.1 SKILLS TO BE RETAINED

(a) Scarce skills

Individuals with scarce and critical skills need to be prioritized for staff retention purposes to attain the following.

- The service delivery needs of the Municipality; and
- The Municipality's constitutional mandate.

The scarce skills being those skills that are available in limited numbers or in shortage yet they are essential to enable the attainment of the Municipality's goals and objectives, and are also difficult to recruit and expensive to replace. These will not always be the same and may differ from time to time. 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 annually by line departments and Human Resources Section through the following:

- *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 comparison to availability and the going market compensation for such skills in other municipality or in the labour market.*

(b) Critical skills

Critical skills being those skills which are not scarce skills which anyone or more 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 pursue and attain its goals. These skills are identified by looking at each employee's performance evaluations and the role they perform in the Municipality.

(c) High-risk skills

High-risk skills being those skills that are possessed by an employee/ employees who are likely to leave soon. These include employees who are on fixed term contract, those whose fixed term contracts are about to expire, those who have indicated that they would like to leave the Municipality within three (3) months, and those who are demotivated and may have reached a career ceiling.

The process of classifying the skills is a joint exercise between Human Resource Section and Senior Management.

6.2 INTERVENTIONS TO RETAIN STAFF

Effective staff retention practices will involves a combination of human resources practices including recruitment/ selection and placement, career management, rapid

progression, skills development, performance management, better conditions of services, effective leadership (motivation, communication, mentoring and coaching by line managers):

- Targeting employees in a particular skills group and under specific circumstance; and
- That are simultaneously carried out with a variety of human resources and leadership practices (as listed above).

(a) Link staff retention with an effective Recruitment and Selection processes

A lot of staff losses, including losses within the first three (3) months of appointment, are caused by poor recruitment and selection decisions, where the wrong person (i.e. a person who does not fit into the organisation) is appointed for the job, proper recruitment screening process will have to be performed.

(b) Link staff retention with an effective induction process

It is also best practice that the first few weeks of employment are important for establishing employee commitment to employment. It is therefore advisable that line managers and human resource practitioners lay the foundation for future commitment by inducting staff. This is done through 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 municipal human resources and policies and procedures handbook given to employees to read and refer to is critical for this purpose.

(c) Integrate an employee development into retention strategy

Short term credit bearing skills programmes are to be prioritized over training interventions that involves sending new employees for long periods of training away from work, phased accredited training allows employees to gradually acquire the required knowledge and skills. This increases confidence in the work environment and also builds the employee's trust in the employer.

(d) Align competencies with job requirements

The Municipality must also strive to ensure that its needs are aligned with the employee's competencies to ensure a positive organizational fit. Human Resources and line managers must strive to ensure that as far as possible, that employees are placed in jobs that are aligned with their personal preferences, interests and strengths.

(e) Career pathing

Alongside skills development, career pathing is important to ensure that employees are given opportunities to grow by acquiring competencies that improve their ability to perform and ensure attainment of departmental and overall organizational

objectives. These growth opportunities might not always be upwards, for instance, 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 be 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. Career management is therefore a responsibility of both the individual employee and the municipality (line manager), in that each employee is responsible for his/ her career growth whilst the municipality is responsible to provide an environment and support to the individual employee to realize his/ her full potential.

(f) Recognise and award employees who are high performers and value creators within the Municipality

Reward and recognition for excellent work can be both monetary and non-monetary and should be made at a period known by the employees, e.g. the year-end function, performance evaluations, or an immediate special recognition by Council or a personalized 'Thank You' letter from the municipal manager, but all such must be within the approved performance management framework.

(g) Effective leadership

Individual employees tend to be more loyal to their managers and their fellow employees as well as the prevailing organizational culture (regardless whether good or bad). It is therefore important that line managers personalizes the organization's values and are seen to be leading from the front and setting a good example. Human resources practices alone, without effective leadership by line managers where employees work also contributes to a positive employee environment that contributes to staff retention.

(h) Conduct exit interviews

A policy on exit interview is equally important as the recruitment policy and must be integrated into the overall human resources management policies and procedures of the Municipality. This because, it is important to know why employees leave so as to minimize staff turnover. Structure and formal exit interviews conducted by line managers assisted by human resources practitioners are an important tool to gather information used to design and review staff retention interventions.

(i) Compensation

Although Municipalities have little flexibility in how much employees are paid as this is negotiated collectively at the SALGBC, there are some measures that could be introduced to attract and retain employees with scarce and critical skills, including all the points listed above under points (a) to (h). Jobs in scarce and high risk categories should be properly designed and evaluated to maximize the compensation package to ensure that it is competitive and attractive; this includes the basic salary,

benefits, study assistance, cell phone, travel allowance, assistance with relocation to assist with finding suitable accommodation.

(j) Performance Management

One of the most important management tools in the Local government sector is the development and implementation of a Municipal Performance Management Policy. The Municipality must adopt and implement a comprehensive PMS Policy covering section 57 and other employees. This is to ensure that the processes to award bonuses and pay progression are fair, consistent and transparent.

(k) Situational factors

A non-conducive work environment leads to unhappy employees at work and makes other jobs an option to them. In order to retain staff, management must create a conducive work environment, taking into consideration the following:

- Employee morale;
- Motivation;
- Provision of strategic direction;
- Leadership and communication;
- Positive work challenges;
- Employee's empowerment;
- Appropriate organizational structure;
- Employee Assistance and Wellness; and
- Workplace health and safety; and

Employee wellness is very 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.

6.3 INTERVENTIONS FOR CERTAIN STAFF

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

(a) Middle Management

Mentorship and coaching programmes are appropriate for middle management and other staff. Mentoring and coaching play the role of career counselors and sounding boards for managers whose conceptualization work is greater.

Management development programmes for senior and middle managers (that continuously re-focuses and renews their skills) should form part of annual workplace skills plans. 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/ specialists

'Knowledge workers' are employees who are specialists in their sphere of work such as information technology, social workers, environmental health practitioners, nurses, human resources practitioners, engineers, planners, legal practitioners, etc. 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. The following options should be considered:

- Increase their opportunities for development;
- Continuous development programme linked to requirements to stay for a particular period;
- Restructuring of their packages;
- Assistance with joining respective professional association including payment of annual membership and attendance to annual conferences for networking purposes.

(c) Promising and talented employees

Talented and promising employees are usually highly sought after by other municipalities and other public sector institutions, as a 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:

- Job rotation and exposure to a variety of functions;
- Special assignments with greater responsibilities;
- Partnership in project teams;
- Provision of ongoing access to training that should support work performance and career development;
- Study Assistance can also be granted to employees to improve their level of education in terms of Study Aid Policy;
- Performance Management Policy Framework as it provides performance bonuses and performance salary adjustments;
- Special leave can be granted for developmental purposes as per (SALGBC Collective Agreement on Conditions of Service)

7. DISINCENTIVES FOR RETENTION OF SKILLS

- 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, whilst those on fixed term contract only alifies for a performance bonus once they have completed 12 months period linked to an annual financial year.

8. ROLES AND RESPONSIBILITIES

For the Municipality to give effect to this policy, Directors, Unit and Section Managers (line managers) should:

- Be provided with relevant, efficient and human resource policy framework and advice by Human Resources Section.
- Human resource practitioners and managers must continuously develop their skills to be on the cutting edge of human resources management thinking as well as reorient the Human Resources Section from personnel administration to strategic business partnering with line managers to ensure effective implementation of this policy and other HR polices and strategies.

It is essential for human resource component and Line Managers to work together on people management issues including recruitment, selection, placement, maintaining discipline and handling grievances, performance assessment and evaluation as well as staff retention.

HUMAN RESOURCES SECTION	LINE MANAGERS
To establish an appropriate policies, procedures and systems for human resource management.	To input in the development of policies To apply human resource policies, procedures and systems fairly and consistently to all employees.
To translate the Municipality's business strategy into a human resource strategy.	To motivate employees and create an enabling environment for employees to perform
Develop an effective Human Resource Plan	To implement the Human Resource Plan
To identify employees or categories of employees who might leave.	
To analyse staff movement trends and identify high-risk employees or occupations for Line Managers	To identify positions and/or occupations where sudden departures would derail strategic objectives or have an immediate negative impact on operations
To provide training and other support to Employees	To identify and motivate for individual employees to attend training
To consistently analyse skills demand and supply trends in the labour market	
To perform constant skills audits within the municipality	To empower employees through effective delegation

Identify scarce and critical skills within the municipality	
To develop and implement diversity Management	
Develop focused retention programmes	To implement staff retention strategies
To develop PMS policy framework	To give employees challenging work

9. MONITORING

This policy will be monitored on quarterly basis Human Resource Section component, which will report its findings to senior management (Director Corporate Support Services). The policy will be evaluated within a twelve months period in line with the IDP Review jointly by the Human Resource Section and senior management (Director Corporate Support Services and other directors).

10. REVIEW OF THE POLICY

The policy will be reviewed as and when required taking into cognizance of the annual IDP Review.

11. COUNCIL APPROVAL AND EFFECTIVE DATE

Approval of Policy by Council and Effective date: -----

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MUNICIPAL MANAGER

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DATE