

## CHAPTER 3

# HUMAN RESOURCES & OTHER ORGANIZATIONAL MANAGEMENT

## 3.1 HUMAN RESOURCES

### 3.1.1 STAFFING

- NUMBERS OF STAFF PER FUNCTION

Total number of employees and vacant posts in the municipality as at 30 June 2009

	Number of Employees	Vacant posts	Total
Section 57 Employees	5	2	7
<b><u>MUNICIPAL MANAGER</u></b>			
Executive Mayor's Office	25	4	29
Speaker's Office	21	2	23
Chief Whip's Office	5	0	5
Other Political Offices	93	0	93
Municipal Manager Administration	16	1	17
Integrated Development Planning	11	1	12
Internal Audit	25	8	33
Employment Equity	1	7	8
Intergovernmental Relations	1	4	5
<b><u>FINANCE</u></b>	326	9	335
<b><u>CORPORATE SERVICES</u></b>			
Corporate Services: Administration	29	0	29
Communications and Marketing	7	0	7
Human Resources	71	13	84

Legal Services	10	2	12
Organizational Development	15	15	30
Secretariat and Administration	94	0	94
Information Technology	14	0	14
<b><u>BASIC SERVICES</u></b>			
Basic Services Administration	6	0	6
Electricity	207	50	257
Roads and Storm water	279	616	895
Fleet Management	63	0	0
Waste Management and Landfill Sites	413	0	413
Project Management Unit	23	3	26
Water and Sanitation	426	212	638
<b><u>ECONOMIC DEVELOPMENT AND PLANNING</u></b>			
Administration	4	0	4
Building Control	34	0	34
Properties	13	0	13
Land Use Management	21	0	21
Local Economic Development and Tourism	17	0	17
Housing	36	0	36
Facilities Management	29	14	43
<b><u>PUBLIC SAFETY AND COMMUNITY DEVELOPMENT (PS &amp; CD)</u></b>			
PS & CD Administration	7	0	7
Social Services	4		4
Health Services	212	58	270
Environmental Health	34		34
Traffic and Security	190	138	328
Municipal Courts	35	13	48
Fire and Rescue	95	79	174
Library Information Services	103	5	108
Sports, Recreation, Arts & Culture	189		189
Parks and Cemeteries	214	576	790

Total employees

3418

1830

5248

### 3.1.2 LEVELS OF EDUCATION

CATEGORY JOB /LEVEL	EDUCATIONAL REQUIREMENTS
Section 56 Appointees	Post Graduate Degree qualification, plus 5 years Senior Managerial experience
Job Levels 2 and 3	B-Degree plus 5 years managerial experience
Job Levels 4 and 5	B-Degree/National Diploma plus 5 years relevant experience
Job Levels 6 to 10	Grade 12 or relevant National Certificate
Job Levels 11 to 16	FET qualification or relevant experience

### 3.1.3 TRENDS ON PERSONNEL EXPENDITURE (Past 3 – 5 Years as % of Total Budget)

	2006/07	2007/08	2008/09
Salaries	349,506,217.09	384,778,656.80	441,010,909.37
Councilor Remuneration	19,648,042.62	18,298,598.16	20,149,858.86
<b>Total Salaries</b>	<b>369,154,259.71</b>	<b>403,077,254.96</b>	<b>461,160,768.23</b>
<b>Total Operational Budget</b>	<b>1,661,653,786.97</b>	<b>1,649,659,607.67</b>	<b>2,548,703,847.53</b>
<b>Salaries as a % of Budget</b>	<b>22.22%</b>	<b>24.43%</b>	<b>18.09%</b>

### 3.1.4 PENSION AND MEDICAL AID FUNDS

#### 3.1.4.1 ACCREDITED PENSION FUNDS

- Municipality Employees Pension Fund
- Municipal Gratuity Fund
- SALA Pension Fund
- SAMWU Provident Fund
- Lekoa Water Company Provident Fund
- Joint Pension Fund
- National Fund For Municipal Workers

#### 3.1.4.2 ACCREDITED MEDICAL AID SCHEMES

- BONITAS
- HOSMED

- LA HEALTH
- KEY HEALTH
- SAMWUMED

**3.1.5 DISCLOSURES CONCERNING COUNCILLORS, DIRECTORS AND SENIOR OFFICIALS FOR THE PERIOD 01 JULY 2008 TO 30 JUNE 2009**

DESCRIPTION	EXECUTIVE MAYOR	EXECUTIVE COUNCILLORS	MUNICIPAL MANAGER	CHIEF FINANCIAL OFFICER	OTHER SENIOR MANAGERS	TOTAL
<b>Salaries and Wages R</b>						
Normal	474 645	3 652 774	327 660	473 433	2 386 297	7 314 809
Overtime	NIL	NIL	NIL	NIL	NIL	NIL
<b>Contributions R'000</b>			74 833	177 185	266 632	518 650
Pensions	80 827	593 293				674 120
Medical Aid	NIL	NIL				NIL
Other						NIL
<b>Allowances R'000</b>			503 479	31 303	592 195	1 126 977
Travel and Motor Car	NIL	1 299 800		68 173		1 367 973
Accommodation						
Subsistence						
<b>Housing Benefits and Allowances R'000</b>						
<b>Loans and Advances R'000</b>						
<b>Other Benefits and Allowances R'000</b>						
	29 337	191 658	NIL	13 356	34 127	268 478
	17 391	NIL	434 074	62 581	354 042	868 088
<b>Arrears Owed to Municipality</b>		53 798				53 798

### 3.1.6 PERSONNEL ADMINISTRATION

#### • RECRUITMENT

A total of 297 appointments were made. This translates into a 75% achievement. The racial composition of the new appointments is as follows: **African (283), Coloured (1), Indian (1), and White Male (12)**. Out of the total number of appointments made, 205 were internal promotions translating into **70%**. **The slow pace in terms of filling of vacancies in the first two quarters of 2008/09 can be attributed to a number of factors, including;**

- The budgets for adverts was quickly exhausted due to the re-advertisement of a number of vacancies in senior and strategic positions (some have been re-advertised more than twice);

It would therefore be ideal for the different clusters/departments to start allocating a certain percentage of their budget for advertising, and the Budget Steering Committee should give guidance on that.

#### • LEAVE AND RECORD ADMINISTRATION

Great strides were made in terms of creating an integrated Leave and Records Administration. Currently a process is unfolding whereby all HR staff is being trained on the Pay Day system which encompassed a number of HR modules.

#### Challenges

- Late submission of leave applications, these cause a pile when the time for salary run approaches;
- Files not being returned in time by senior officials which results in file duplication for the sake of capturing and recording;
- Non adherence to official delegation of leave authorization for the sake of authenticity;

Therefore the full utilization of the Pay Day system will go a long way towards eliminating some of the systems problems. However managers should dealt decisively with the flouting of any procedures and non-adherence set timelines and deadlines.

#### • BENEFITS ADMINISTRATION

For the period under review, there were 161 terminations. The majority of these were experienced within the skilled, technical and Junior Management occupational levels. The terminations for 2008/09 have decreased by 30% from 2007/08. Of the total terminations 49 were retirement, 26 were due to death, 46 contracts expired, 10 were dismissed, 4 were medically boarded, 9 absconded and 16 resignations. Labour turnover at Junior, Middle to Senior management level is still of great concern. There have been significant strides made in terms of eliminating factors causing ill discipline/misconduct at elementary level. The ageing employee profile as alluded to in the 2007/08 report has not changed substantially as the envisaged Accelerated Leadership Management Programme did not take off the ground. Furthermore efforts have not been made to attract or encourage students/new graduates to join Local Government. However with the

appointment of the Assistant Manager: Training and Development it is envisaged that the process will unfold more rapidly.

It is envisaged that regular training interventions from the Labour Relations Unit will go a long way towards eliminating some of the factors causing ill discipline. It should be noted that eventually discipline is a line function and managers need to enforce it. Labour turnover at senior level is a more complex matter that needs factual information to be dealt with successfully. One of the ways to establish some facts regarding resignations includes conducting exit interviews and completion of questionnaires by the affected employees, a process which has just been embarked upon in the last few months.

### **3.1.7 ORGANIZATIONAL DEVELOPMENT**

#### **• CORPORATE GOVERNANCE**

The Department consists of the following functions:

- Organizational Design and Job Analysis
- Employee Assistance Programme;
- Occupational Health and Safety;
- Performance Management Development System;
- Change Management and Business Process Re-engineering.

#### **INSTITUTIONAL TRANSFORMATION**

Following the approval of a functional organogram by Council in March 2008, an Employment Equity business unit has been created. The former MEC of Local Government deployed Resolve Co. to assist with the review of the organogram of the following Departments:

- Human Resources Management;
- Organizational Development; and
- Chief Financial Officer – i.e. Financial Services.

Part of the scope of work for Resolve Co. was also to assist with the drafting of Policies, Job Descriptions and Standard Operating Procedures for Corporate Services and Financial Services.

The Department: Organizational Development has conducted an Organizational Climate Survey. This project was done in conjunction with Resolve Co., the Change Management Project Plan has been developed which will ultimately result in the Change Management Strategy and Programmes i.e. Living Batho Pele Principles in ELM, Employee/Department of the Month etc.

#### **Organizational Design and Job Analysis**

The following business units Job Descriptions were compiled:

- IDP the department ;
- HR Training and Development the whole division;
- The Chief Whips Office;
- Speakers Office; and
- Mayor's Office.

The PJEC process i.e. Job Analysis, two hundred and fifty four (254) Job Descriptions have been submitted. Six hundred and fifty three (653) positions have been Bench-Marked.

### Employee Assistance Programme

The EAP sub-unit has conducted Voluntary Counseling and Testing in all five depots of Emfuleni. During the two (2) robberies that were experienced last year, all the fifteen affected employees received psychological counseling. The unit also had ELM employee Health and Wellness day that was well attended with various stalls to assist employees on medical challenges and other matters that affect them.

### Occupational Health and Safety

All clusters have trained Safety Representatives, in total Fifty Six (56) and GMR2 APPOINTMENT LETTERS were sent to all Senior Managers. Safety Inspections are monthly conducted on Construction sites and the ELM buildings. Only two (2) fatal accidents were reported in the financial year 2008/09.

### Performance Management Development System

The PMDS is being cascaded down from Section 56 employees to include levels 1 to 5 employees which form part of management. A performance management system will be introduced to lower levels as part of the overall goal of Emfuleni Local Municipality to ensure improved levels of performance by all staff and it will be cascaded down accordingly during the 2009/10 financial year.

The performance assessment of employees at levels 1 to 5 has been done on a monthly basis as of March 2009. The table below shows a break-down:

<b>Progress Report on the Mid-Year Assessments 2008/2009 in Emfuleni</b>				
<b>Department</b>	<b>Assessment Completed</b>	<b>Employee Assessment outstanding</b>	<b>Employee Assessment Completed. Manager's assessment outstanding</b>	<b>Total</b>
Audit	1	4		5
Basic Services	1	21	3	25
Corporate Services	1	19	4	24
Economic & Development Planning	4	12	3	19
Finance	1	11	3	15
Metsi	7	12	4	23
MM	1		1	2
Public Safety & Community Development	1	47	1	49
<b>Total</b>	<b>17</b>	<b>126</b>	<b>19</b>	<b>162</b>

### Challenges

1. Populating the approved Organizational Structure (Capacity and Personnel);
2. Financial Resources;
3. Equipment (Software to compile Organograms; furnisher);
4. Office space; and
5. Ad-hoc Assignments.

### **3.1.8 EMPLOYMENT EQUITY**

The introduction of the Employment Equity Act in 1998 heralded a change in the structure and management of the labour force. The purpose of the Act is to achieve equity in the workplace by, firstly 'promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination; and secondly 'implementing affirmative action measures to redress the disadvantages in employment experienced by designated groups in order to ensure their equitable representation in all occupational categories and levels in the workforce. What this entails is that every employer must ensure that steps are taken to promote equal opportunity in the workplace and that no one is unfairly discriminated against.

The Emfuleni Local Municipality resolved to establish an Employment Equity department to comply with the legislative requirement. In March 2009 the Manager for Employment Equity was appointed to drive the process forward. The Department is based in the office of the Municipal Manager.

#### **Achievements**

- Assessments of Emfuleni Local Municipality's building status were conducted and a report with recommendations was submitted for endorsement.
- Employment Equity policy was drafted and submitted to Council for approval.
- Workforce profile is in the process of being finalised.
- Senior Management Team, Departmental Managers and Employment Equity Forum have been work shopped on Employment Equity and Skills Development.
- The Deputy Municipal Managers have nominated Employment Equity Coordinators to assist with compliance issues.

#### **Plans**

- To develop a three year Employment Equity Plan by end of September 2009.
- To workshop all Shop Stewards and level three to five employees on Employment Equity and Skills Development by end of October 2009.
- To develop an Employment Equity workforce profile register system.
- Road show is planned to inform the entire workforce of the Municipality on the Employment Equity and Skills Development.

#### **Challenges**

- The workforce profile is not fully updated and the information is not captured in detail in the pay-day system.
- The Employment Equity plan cannot be drafted without an up-to-date workforce profile.