

EMPLOYMENT EQUITY POLICY

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1. INTRODUCTION

It is the opinion of the Municipality that Employment Equity (EE) is both desirable and necessary. The primary reasons for this are:

1.1 THE NEED FOR OCCUPATIONAL REFORM TO SUPPORT POLITICAL EMPOWERMENT AND THE NEW DEMOCRACY

South Africa is a historically divided society characterized by racial conflict, protest and instability. It is presently undergoing a rapid transition towards an inclusive democracy. Social stability in the future, and indeed the sustainability of our democracy, requires that the divided fabric of our society be knitted together and integrated. The much needed economic growth and business development in South Africa will not be realized in a climate where socio-political protests and instability are endemic. Appropriate forms of EE can, therefore, contribute to the necessary socio-economic integration of our society, the stability of our democracy and the creation of a climate for economic growth.

1.2 LEGITIMATE PRESSURES TO CHANGE FROM A RANGE OF STAKEHOLDERS

Pressures from Government, labour organisations, trade unions and other organisations, which represent historically disadvantaged groups, are intensifying and companies can no longer ignore the legitimate demands of these organisations.

Raised expectations and further pressure to change the composition of our higher-level personnel has emanated from within our present workforce.

Most companies require a range of functional interconnections with officials within parastatal organisations or state owned companies. Such connections and interactions will be facilitated if companies keep pace with the changing composition and proactive empowerment strategies of such organisations and companies.

1.3 THE NEED TO BROADEN THE PROGRAM FOR THE DISADVANTAGED DUE TO THE LACK OF SKILLED RESOURCES

Most analyses of skills availability indicate that under current circumstances there is shortage of black male Management skills, contributing in a large part to the low levels of productivity in South Africa. Furthermore the shortage in supply of Management, professional and technical skills will be a constraint on growth and productivity in the future. There is a need for all business to ensure the development of relevant competencies to meet both present and future business needs. EE, which broadens the base of such skills beyond the white male component of our society, is therefore an imperative for business in the future.

1.4 THE NEED TO FOCUS ON HUMAN RESOURCE DEVELOPMENT IN ORDER TO COMPETE BOTH NATIONALLY AND INTERNATIONALLY

World business trends indicate that the focus of all competitive corporations is to create learning and knowledge based organizations. This culture facilitates improved productivity, customer service and competitiveness. Due to international isolation most South African companies have fallen far behind in the field of HRD and, more critically, the drive to create a “knowledge based” organization. However with global competition, technology and changes in business processes, the procurement and development of high caliber people is becoming one of the most important factors in creating and sustaining competitive advantage. In order to keep pace with potential competition companies can no longer afford to relegate HRD in the form of training, development and empowerment to a staff function. HRD must now become an integral part of corporate strategy.

2. GENERAL POLICY STATEMENTS

The Municipality believes that the promotion of equality within the organization, the development of the disadvantaged and the creation of a culture to support diversity are imperative to the organization’s future success. To achieve these aims the Municipality has formulated EE policy statements as well as guidelines to ensure that such policy is successfully implemented and maintained.

- 2.1 The Municipality believes that workplace discrimination, direct or indirect, on the basis of, inter alia, race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, religion, age, disability, religion, HIV status, conscience, belief, political opinion, culture language and birth has no place in the modern world of business. The Municipality adopts the principles of non-discrimination and equality of opportunity as cornerstones of its business philosophy.
- 2.2 The Municipality believes that the removal of formal or obvious discrimination against members of any target group (i.e. black people, women and disabled persons) is not sufficient to eliminate the effects of past discrimination. This neither eradicates all the informal barriers to advancement, which have taken root in a climate of discrimination, nor actively ensures that these target groups get the attention required to overcome the historical disadvantages. The Municipality therefore believes that the historical patterns of disadvantage must be firmly and actively addressed through comprehensive measures designed to nullify the complex legacy of systems of privileged access to occupational and business opportunity, and promote the previously disadvantaged.
- 2.3 The Municipality believes that such accelerated measures for the disadvantaged should be based on input criteria and not output criteria. The setting of targets will form an important element of the Municipality's EE program, but achieving fixed proportions or quotas will not be its sole purpose. The focus will be on improving the resources of disadvantaged groups, such as the acquisition of competencies, to enable them to achieve success on merit or potential merit.
- 2.4 The Municipality believes that due to a management skills shortage, EE programs will not mean the replacement of white males with persons from historically disadvantaged groups. The Municipality believes that as the economy grows, the shortage of skilled resources will become even more critical and that the scope for advancement for all will be created by natural means.
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- 2.5 The Municipality does believe however that the changes envisaged will meet with resistance and may well undermine the morale and confidence of existing managerial and professional staff. The Municipality further believes that Municipality culture will have to change in order to accommodate diversity. This may create hostility and resentment amongst existing staff as well as its would - be beneficiaries. The Municipality therefore believes that certain measures and mechanisms will have to be introduced to ensure that such issues are dealt with fairly and with sensitivity.
- 2.6 The Municipality believes that no EE program should undermine the productivity, diligence and efficiency of the business and should therefore aim to ensure that the EE policies and strategies adopted compliment its strategic business needs and are integrated into the business plan. Not least amongst these is the need to transform the organization into a "learning and knowledge based" organization in order to ensure our ongoing competitiveness within a global economy and into the 21st Century.

3. LEGAL FRAMEWORK

The objective of this code is to provide guidelines of Good practice, in terms of the requirements of the Employment Equity Act, 1998 (Act No 55 of 1998), for the preparation and implementation of an Employment Equity plan and policy.

The code and policy is issued in terms of Section 54 of the Act, and relates to Section 20.

This policy does not impose any legal obligations in addition to those in the Act and the failure to observe it does not, by itself, render a designated employer liable in any proceedings, except where the code refers to obligations that are required by the Act.

When interpreting the Act, any relevant code of good practice must be taken into account.

The Employment Equity Act is applicable to all employers that are regarded as designated employers as defined in the Act.

4. POLICY GUIDELINES

In order to give effect to the abovementioned general policy statements the Municipality intends applying the following guidelines:

4.1 DISCLOSURE OF INFORMATION

The Municipality will insure that all relevant information regarding the EE program is communicated, alternatively accessible to employees, to ensure understanding of the needs, the process and changes envisaged.

4.2 CONSULTATION WITH INTEREST GROUPS

The Municipality will identify and consult with all interest groups with regard to the design of an organizational analysis and equity plan, the preparing of annual reports for submission to the Department of Labour as well as the implementation of its EE program.

4.3 ANALYSIS

An external human resource expert(s) will assist in conducting a thorough environmental/social audit in order to assess current demographics, workforce movement, wage differentials, work environment and existing policies, procedures and practices. The design and implementation of such an audit will be a subject for consultation.

The purpose of the analysis will be to identify any obvious, subtle or unintentional discrimination, which may currently exist within the Municipality and structures necessary for the implementation of Affirmative Action. All obvious discrimination will be eliminated without delay.

4.4 DESIGN OF EQUITY PLAN

The information obtained from the analysis will be used as a basis for the design of an equity plan and such plan will be formulated in consultation with employees. The plan will include:

4.4.1 Areas identified in the analysis that need attention.

4.4.2 Measures to eliminate unnecessary barriers to the advancement of

the target group.

- 4.4.5 Measures to accelerate the development of the disadvantaged.
- 4.4.6 Monitoring mechanisms to ensure effective implementation of the plan.
- 4.4.7 Internal procedures to resolve disputes concerning the implementation of the plan.
- 4.4.8 The person/ persons responsible for implementing and managing the plan.
- 4.4.9 The duration of the plan with annual objectives.

4.5 AFFIRMATIVE ACTION FOCUS ON HUMAN RESOURCE DEVELOPMENT TO ENSURE ADVANCEMENT

The Municipality will not only give attention to the removal of obvious areas of discrimination, but also put considerable effort into identifying and rectifying latent discrimination and recruiting, training, developing, and promoting the previously disadvantaged. These efforts will include:

- 4.5.1 Elimination of long standing selection criteria which have the effect of indirectly discriminating against any particular group of people, but which are not essential for the performance of the job. We will carefully evaluate long established criteria such as "getting on well with colleagues" for their hidden discriminatory implications. It is often accepted that an employee must be able to socialize well with his work colleagues, but this is no longer an objective and non-discriminatory criterion when one considers that senior work colleagues are, by and large, white males.
 - 4.5.2 Selection tests such as psychometric tests or the use of medical tests, e.g. HIV Testing, which are neither proved valid or relevant for the job, will no longer apply. The Municipality will seek to ensure the introduction and use of "culture - free" tests, which measure the basic potential of individuals in strict terms of the required job competencies.
 - 4.5.3 Less emphasis will be placed on formal qualifications as entry level
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requirements for a job in favour of establishing or recognizing demonstrable competence and accredited prior learning as equivalent qualifications.

- 4.5.4 The Municipality will nonetheless commit additional resources and finances to education and ensure the upgrading of basic education levels and in so doing ensure employee adaptability as well as enhance their ability to cope with technology and productivity changes and demands of the future.
 - 4.5.5 The Municipality further aims to implement recruitment and training and development, which will create a channel for the promotion of the target groups into senior categories.
 - 4.5.6 Specific efforts will be made to identify possible positions and candidates from the disadvantage groups with the potential to fill such positions through management succession planning and career path planning projects.
 - 4.5.7 The Municipality will commit additional resources and finances to training in order to ensure the success of its AA program. Such training and development will use technology based training and mentoring and coaching in addition to classroom based training to ensure job competence.
 - 4.5.8 Newly advanced employees will receive the necessary induction in terms of detailed job descriptions, work objectives and performance criteria and will be regularly coached and counselled on the content of their job descriptions, work objectives and performance.
 - 4.5.9 Once the AA program has been implemented the Municipality will apply normal performance criteria in evaluating the targeted employees. In other words, the Municipality aims to ensure that it provides sufficient input to the target group to enable them to compete on an equal basis in terms of performance criteria and merit.
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4.5.10 Employee evaluation will be based on a well-designed performance management system. Such a system will be objective and valid and ensure joint preparation of the evaluation report by the employee and the superior and joint evaluation following review periods.

4.6 ENSURING POLICY SUCCESS AND EFFECTIVENESS

The Municipality aims to ensure the ongoing success and effectiveness of its EE policy and will adopt numerous strategies in this regard.

4.6.1 A senior decision-making officer (manager or department head) of the Municipality will be designated to be responsible for the implementation and control and execution of the EE program. All Line Managers will be evaluated in terms of their performance in achieving the goals of the EE program in the same way as they are currently evaluated in respect of their achievement of operating results.

4.6.2 Designated Managers will undergo specialised training in EE programs and more specifically recruiting, training, developing and performance managing employees. These will be aimed at assisting them in facilitating, consulting, supporting and advising with regard to the EE program. Furthermore any forums/committees assisting in the implementation of EE will receive the necessary training to perform these functions.

4.6.3 The Municipality anticipates that there may be resistance to any EE program, which it introduces. It commits itself to effective training and consultation mechanisms to ensure acceptance, active co-operation and commitment of all employees.

4.6.4 The appropriate structures and processes will be established to ensure the efficient and regular monitoring of the EE Program and effective reporting and feedback mechanisms to all interest groups and government authorities.

4.6.5 It is the responsibility of each and every employee to support this policy to the fullest and assist all people who are being advanced. Any activities or incidents, which go against the essence of this policy or the Municipality requirements, must be reported as soon as possible.

Such reports may be made via the immediate superior or the managers appointed as responsible for EE implementation. The Municipality will endeavour to correct and prevent future occurrences quickly and to the satisfaction of all concerned.

- 4.6.6 Any employee whose behaviour and actions fall outside of those required to support the EE programme will be dealt with in terms of the disciplinary procedure. These forms of transgressions are viewed in a very serious light as they undermine the strategic objectives of the Municipality, show disrespect to fellow employees and infringe their rights as well as create an unpleasant and unproductive environment.
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