

**PART D:
HUMAN
RESOURCE
MANAGEMENT**



4.1 INTRODUCTION

Free State Development Corporation developed Human Resources Strategies with the intention to ensure achievement of the Corporation's objectives. The key focus area has been to have a solid, skilled and productive workforce.

During the year under review, the Corporation had undergone a restructuring process which was concluded in November 2014. Besides this process, all efforts were made through leadership and clear communication to ensure that employees remain focused to ensure delivery of services to our valued clients.

The following were the key priority areas:

Employee Wellness Programme

The Employee Wellness Programme (EWP) is provided to all employees through the use of an External Service Provider. The plan was fully implemented as planned and it offers employee access to various services which includes amongst others professional counselling. Various wellness days were held and employees fully participated and had opportunities to go for screening for cholesterol, hypertension, diabetes as well as HIV. Communications and posters were issued for health awareness.

Internships

At least five (05) Interns were placed in various sections within FDC and the intention is to afford graduates with on the job training and experience that might be beneficial for them to enter into the job market.

Labour Relations

The working relationship with NEHAWU which is the majority labour organisation in the FDC remains stable. The recognition agreement is in place and all parties engage in a professional manner. This was evidenced during the restructuring process which was tedious and finally concluded by the parties.

4.1.1 PROGRAMME ACHIEVEMENTS

In the financial year 2014/15, we have achieved 87.5% on the employment equity target which is 7.5% more than the targeted 80%. We have also achieved 100% on the planned target of filling critical positions.

To comply with the Health and Safety Act, we achieved 100% on the health and safety plan as it was targeted for in the 2014/15 financial year.

4.1.2 PROGRAMME CHALLENGES

The delay in the finalisation of the restructuring and the placement process had a negative effect on our ability to implement the performance management system, which resulted in our inability to conclude performance agreements with employees especially managers as it was targeted. This impacted on the compliance with the Skills Development Act in terms of developing and implementation of the Workplace Skills Plan i.e. we were unable to identify training interventions which will be suitable for employee's new roles and responsibilities.

4.2 HUMAN RESOURCE OVERSIGHT STATISTICS

PERSONNEL COST BY PROGRAMME

Programme	Total Expenditure for the Entity	Personnel Expenditure	Personnel Expenditure as a % of total Expenditure	Number of Employees	Average personnel cost per employee
Administration	70 632 101	26 231 091	37,14%	42	624 549
Business Support		3 409 620	4,83%	9	378 846
Economic Development		40 991 390	58,04%	59	694 769

PERSONNEL COST BY SALARY BAND

Level	Total Expenditure for the Entity	Personnel Expenditure	Personnel Expenditure as a % of total Expenditure	Number of Employees	Average personnel cost per employee
Executive Directors	70 632 101	2 810 704	3,98%	2	1 405 352
Top Management		7 548 689	10,69%	8	943 586
Senior Management		943 049	1,34%	4	235 762
Professional qualified		19 375 571	27,43%	15	1 291 704
Skilled		23 149 467	32,77%	25	925 978
Semi-skilled		14 522 558	20,56%	27	537 872
Unskilled		882 005	1,25%	20	44 100
Contract Employees		1 400 058	1,98%	9	155 562
TOTAL		70 632 101	100%	110	5 539 916

PERFORMANCE REWARDS

NO PERFORMANCE REWARDS WERE AWARDED DURING THE PERIOD UNDER REVIEW.

TRAINING COSTS

Directorate/ Business Unit	Personnel Expenditure	Training Expenditure	Training Expenditure as % of Personnel Cost	No. of Employees Trained	Average Training Cost per Employee
Entire Entity	70 632 101	237 207	0.34%	23	10 313.34

EMPLOYMENT AND VACANCIES

Level	2013/2014 No. of Employees	2014/2015 Approved Posts	2014/2015 No. of Employees	2014/2015 Vacancies	% of Vacancies
Top Management	1	1	1	0	0%
Senior Management	3	6	3	3	50%
Professional Qualified	16	21	16	5	23.8%
Skilled	28	27	28	-1	-3.70%
Semi-skilled	32	54	30	24	44.4%
Unskilled	24	8	19	-11	-137.5%
Contract Employees	6	0	13	-13	0%
TOTAL	110	117	110	7	5.98%

EMPLOYMENT CHANGES

Salary Band	Employment at beginning of period	Appointments	Terminations	Employment at end of period
Top Management	1	0	0	1
Senior Management	3	2	2	3
Professional qualified	23	0	7	16
Skilled	42	0	14	28
Semi-skilled	42	0	12	30
Unskilled	12	8	1	19
Contract Employees	7	23	17	13
TOTAL	130	33	53	110

REASONS FOR STAFF LEAVING

Reason	Number	% of total no. of staff leaving
Death	1	1.9%
Resignation	2	3.77%
Dismissal	2	3.77%
Retirement	4	7.55%
Ill health	0	0%
Expiry of contract	10	18.87%
Other (Retrenched)	2	3.77%
Other (VSP)	30	56.6%
Other (Early Retirement)	3	5.66%
TOTAL	54	100%

LABOUR RELATIONS: MISCONDUCT AND DISCIPLINARY ACTION

Nature of disciplinary action	Number
Verbal Warning	0
Written Warning	0
Final Written Warning	0
Dismissal	2

EQUITY TARGET AND EMPLOYMENT EQUITY STATUS

Levels	Female							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	0	0	0	0
Senior Management	1	2	0	0	0	0	0	0
Professional qualified	6	8	0	1	0	0	0	1
Skilled	11	11	0	1	0	0	1	1
Semi-skilled	21	22	1	1	0	0	2	2
Unskilled	18	20	0	0	0	0	0	0
TOTAL	57	63	1	3	0	0	3	4

Levels	Male							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	0	0	0	1	1	0	0
Senior Management	2	2	0	0	0	0	0	0
Professional qualified	9	9	0	0	0	0	1	1
Skilled	15	15	0	2	0	2	1	1
Semi-skilled	4	4	1	1	0	0	1	1
Unskilled	2	2	0	2	0	2	0	2
TOTAL	32	32	1	5	1	5	3	5

Levels	Disabled			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	0	0	0
Senior Management	0	0	0	0
Professional qualified	1	1	0	0
Skilled	0	0	0	0
Semi-skilled	0	0	0	0
Unskilled	0	0	0	0
TOTAL	1	1	0	0