

CHAPTER 4

INSTITUTIONAL CAPACITY CREATION AND EMPOWERMENT

4.1 INTRODUCTION

In this chapter the exposition of a model for the creation of institutional capacity and the empowerment of designated local government employees is described. It will be indicated that broad affirmative action measures (such as education and job growth) should be introduced in tandem with narrow affirmative action measures (such as the creation of equality within the specific local government institution). The capacity creation measures introduced include strategies to address and remove the barriers that resulted in under-representation of designated employees in the organisational structure. It has as a specific focus the accelerated advancement (appointment, promotion, retention and progress) of designated employees. The proposed management model to facilitate change is based on, and serves as a culmination of the findings from the literature review, data collection, data analysis, data integration and the results of the research.

4.2 MANAGEMENT MODEL

A management model is a simplified abstract of reality with the purpose to describe, explain and predict a given situation (Harrison, 1981: 495). It can also be described as a simplified presentation of selected aspects of a problem and has the purpose to propose particular steps (methods) according to which specific problems could be addressed (Dunn, 1994: 152). Models propose possibilities to solve problems in a given situation (Quade, 1989: 137). A

model creates a scientific and theoretical base for the development of policy and provides guidelines according to which problems could be solved (Odendaal, 1995: 194). Other municipalities that experience similar problems could therefore use the proposed model and as designated employers have to implement employment equity legislation. An effective management model, according to Roodt (1999: 242), can assist management to simplify the complexity of the change process currently being experienced in local government.

Models or modelling can be useful in giving insight into and understanding of policy-related issues and forecasting. Models are nothing more than instruments in the hands of the policy analyst (or researcher) who studies environmental phenomena and the relationship between different sets of variables systematically and according to a particular method. The choice of a particular model is the prerogative of the researcher, and is in part of reflection of the inevitable subjectivity present in any scientific research. The latter also applies to the policy analyst who, on account of particular factors present, decides on a specific model for policy analysis (Roux, 1998 L 13; cf. and House, 1982 : 109).

In more understandable terms, a model is a *symbolic representation* (example or image) of a particular phenomenon (Hoos, 1972 : 125). Models are more concrete and physically discernible in the natural sciences, for example a scale model of an envisaged dam construction project or a scale model of a spacecraft, but this is not necessarily the case in the human or social sciences. In the latter instance, a model is a more abstract presentation or framework of particular events, such as a model of an open system or a model of

formulation of policy or policy alternatives. In this case, models are often regarded as synonymous with theories (Gregor, 1971 : 179).

Quade (1989 : 140) describes a model as follows:

A model ... is a substitute for reality ... A representation of reality that is, hopefully, adequate for the problem at hand. It is made up of factors relevant to a particular situation and to the relationship between them. We ask questions of the model and from the answers we hope to get some clues to guide us in dealing with the part of the real world to which the model corresponds.

A model is therefore a realisation or abstraction of the real world, and in the words of Quade (1975 : 142, cf. also Quade, 1989 : 140), "an incomplete representation of the real thing ... an imitation of reality".

As imitations of reality, there are particular models that could be utilised for policy analysis. As these models correspond to a large extent to the models for policy formulation and decision-making, only a broad classification will be provided in the following discussion.

Models can be used either descriptively or prescriptively. Descriptive models are the outcomes of the empirical approach in research. The following models are frequently used in a descriptive way:

- Functional process model;
- Elite/mass model;
- Group model;

- Systems model; and
- Institutional model;

Prescriptive models are the outcomes of the normative approach in research. They frequently include the following (Hanekom, 1992 : 77; cf. Dye, 1995 : 18-40):

- Incremental model;
- Rational model; and
- Mixed scanning model;

As mentioned before, models are only aids or instruments in the hands of the policy analyst. The analyst chooses the type of model he intends to use, and circumstantial factors play a decisive role in this choice. Although the choice of a model partly involves subjectivity, the policy analyst should endeavour to maintain the greatest degree of objectivity during the analysis.

4.3 BENEFITS OF A MANAGEMENT MODEL

Odendaal (1995: 194) rightfully argues that the first benefit of a management model is that the model can be conceptualised and understood. The benefit of such a model is thus that problems that are identified in the external environment and problems that are experienced because of the internal environmental factors (organisational structures and internal institutional arrangements) can be made understandable. Problems can be distinguished and analysed within the broad framework of the management model (Dunn, 1994: 152). Furthermore, management models provide a frame of reference within which identified problems can be addressed and resolved (Harrison,

1981: 388). Roodt (1999: 234) indicates that management models can be useful instruments for management to conceptualise, understand and address complex multi-dimensional challenges brought about by statutory prescribed institutional change in local government. According to the author, it specifies critical elements that demand the attention of management. It furthermore facilitates change management through the identification of alternative actions and the provision of a complete view (total image). Odendaal (1995: 195) postulates that relative accurate predictions concerning future happenings could be made by utilising a management model. A further benefit of management models is that it can have training value. Policymakers can thus be trained according to the proposed model (Odendaal, 1995: 195).

4.4 REQUIREMENTS OF THE MANAGEMENT MODEL

The management model proposed in this study is compiled in such a manner that it is interactive and integrative. It is of importance that management be made aware, through the proposed model, of the key principles of effective change management. The management model proposed could be used as a guideline for the statutory prescribed human resource related transformation process. A framework is created within which identified problems can be addressed and resolved in a structured manner. One of the requirements is that other South African municipalities can utilise the proposed model for the implementation of similar policy. Employees assigned to local government, through the utilisation of the proposed model, can be managed in such a way that this generates a climate of opportunity and challenge for each employee, within which the individual can most effectively contribute to the fulfilment of the their own goals and those of the institution.

This can be accomplished by:

- creating capacity in the organisational structure and balancing out the under representation of designated employees specifically in the middle and top management structure (as required in the *Employment Equity Act, 1998* (Act No. 55 of 1998));
- having a clear understanding of all the qualities of each employee such as skills, knowledge, potential, aspirations and limitations (as required in the *Skills Development Act, 1999* (Act No. 97 of 1998));
- planning properly for contemporary and future manpower needs (as required in the *Skills Development Act, 1999* (Act No. 97 of 1998)); and
- providing designated employees throughout the institution with opportunities for promotion and for developing their job knowledge, skills and satisfaction (as required in the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

4.5 KEY PHASES OF THE PROPOSED MANAGEMENT MODEL

With the above explanation as background, the different phases of the proposed model is set out in Table 4 below. Three phases, each with several implementation steps, can be identified, namely:

- Phase I: creation of an enabling framework;
- Phase II: capacity creation in the organisational structure; and
- Phase III: empowerment of designated employees.

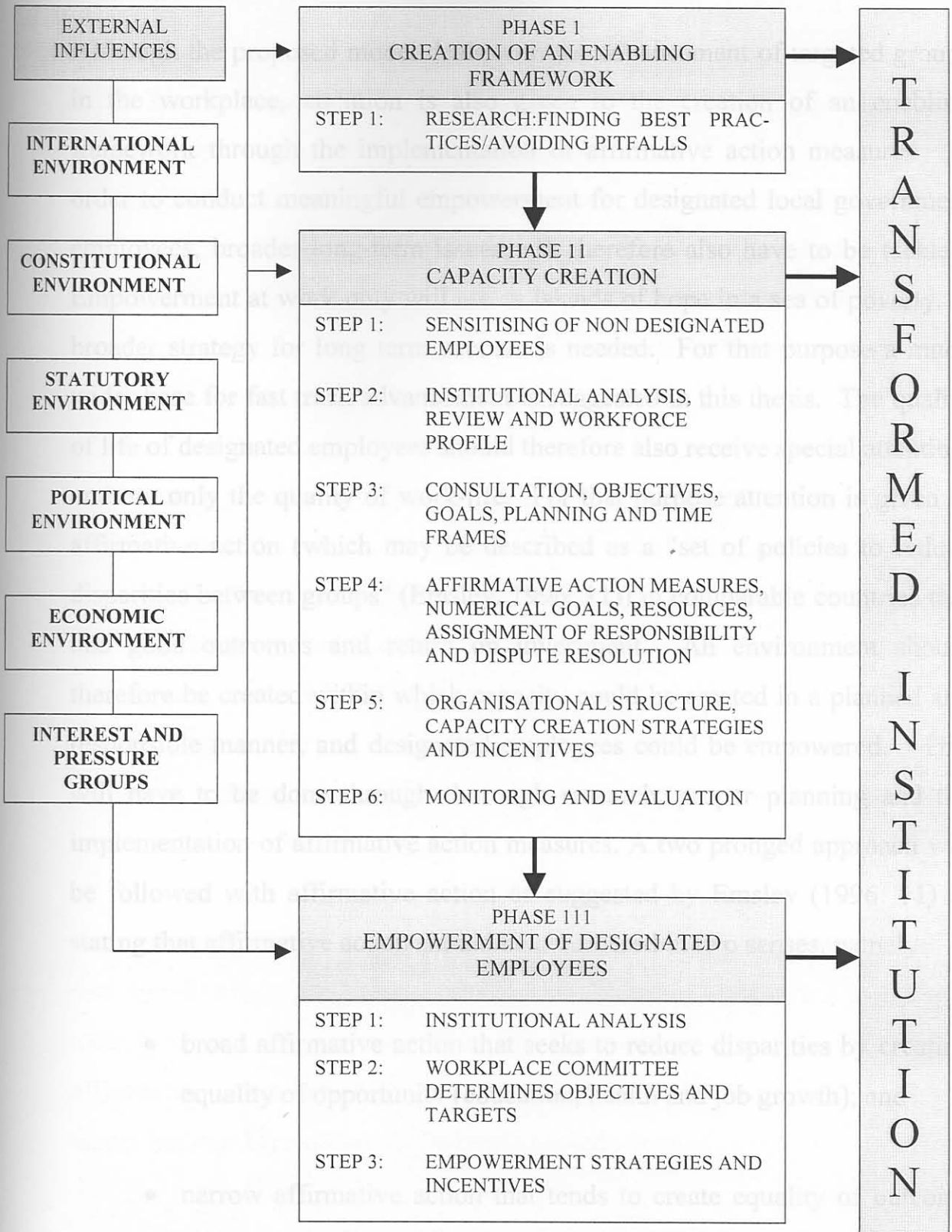
Figure 2: Graphical presentation of key phases of the proposed model

Table 4: Key phases of the proposed management model

PHASE I	CREATION OF AN ENABLING FRAMEWORK
Step 1	Research: Finding best practices/Avoiding pitfalls
PHASE II	CAPACITY CREATION
Step 1	Sensitising of non-designated employees
Step 2	Institutional analysis, review and workforce profile
Step 3	Consultation, objectives, goals, planning and timeframes
Step 4	Affirmative action measures, numerical goals, resources, assignment of responsibility and dispute resolution
Step 5	Organisational structure capacity creation strategies and incentives
Step 6	Monitoring and evaluation
PHASE III	EMPOWERMENT OF DESIGNATED EMPLOYEES
Step 1	Institutional analysis
Step 2	Workplace Committee determines objectives and targets
Step 3	Empowerment strategies and incentives

A graphical presentation of the key phases of the proposed management model is given in Figure 2 below.

Figure 2: Graphical presentation of key phases of the proposed model



4.5.1 PHASE I: CREATION OF AN ENABLING FRAMEWORK

Although the proposed model deals with the advancement of targeted groups in the workplace, attention is also given to the creation of an enabling framework through the implementation of affirmative action measures. In order to conduct meaningful empowerment for designated local government employees, broader long-term issues will therefore also have to be tackled. Empowerment at work only will create islands of hope in a sea of poverty. A broader strategy for long term success is needed. For that purpose a much wider base for fast track advancement is suggested in this thesis. The quality of life of designated employees should therefore also receive special attention, and not only the quality of work-life. For that purpose attention is given to affirmative action (which may be described as a "set of policies to reduce disparities between groups" (Emsley, 1996: 11)) in comparable countries that had good outcomes and return on investment. An environment should therefore be created within which capacity could be created in a planned and responsible manner, and designated employees could be empowered. This will have to be done through thorough research, proper planning and the implementation of affirmative action measures. A two pronged approach will be followed with affirmative action as suggested by Emsley (1996: 11) in stating that affirmative action should be considered in two senses, namely:

- broad affirmative action that seeks to reduce disparities by creating equality of opportunity (education, health and job growth); and
- narrow affirmative action that tends to create equality of outcome within institutions such as local government (the main focus of this dissertation).

In order to do this, research on affirmative action will have to be done to determine the best practices and to avoid pitfalls.

(a) Step 1: Research: Finding best practices and avoiding pitfalls

Although this is not a comparative study, attention is given to the advancement of previously disadvantaged groups in Malaysia and to a lesser extent in India. This is done in order to indicate the importance of particular aspects that will be introduced in the proposed model. Modern research in the globalised world, *inter alia*, requires the study of best practices. In the endeavours to capacitate designated employees, experiences of other countries should therefore be studied. This is required in order to avoid practices that did not work and to avoid pitfalls experienced by older democracies that endeavoured to implement specific policies. It would also be unwise to utilise first world affirmative action and empowerment experiences, such as affirmative action programmes in the United States of America, where affirmative action for a minority only, had to be implemented backed by a strong economy, as a model for Third World countries with weak economies.

The above arguments suggest that affirmative action programmes aimed at society will create a climate conducive for designated employees to excel in their working environment. This will also ensure that the promulgated affirmative action legislation aimed at the advancement of education- and career impaired groups would be implemented.

(i) Economic situation

The state of a country's economy has a direct influence on the ability to give effect to policies. As human resources represent a considerable percentage of the operating budget of any public institution (for example the Centurion Metropolitan Local Council reserve 32% of the operating budget for human resource spending), affirmative action policies rely to a large extent on the employer's ability to fund the policy. In this regard reference to Malaysia confirms this view.

Malaysia had an extensive affirmative action programme implemented over a period of approximately twenty years (Emsley, 1996:1). The Malaysian experience of affirmative action and empowerment contain lessons for South Africa, more specifically the economic lessons and the reality that there are no quick fixes or quick solutions. Not losing sight of the theme of this thesis, however, it must be stated unequivocally that more emphasis should be placed on the funding of affirmative action and empowerment programmes in South Africa. Without the required financial resources no affirmative action and empowerment programme would be successful. It is therefore important to note that one of the key reasons for investigating the Malaysian experience, supported by economic growth as foundation of the programme, is the mere fact that South Africa as a cash-strapped country will fail if it ignores the economic realities in its affirmative action and development programmes.

South Africa is a developing country. The following socio-economical information obtained during the 1996 census highlights this fact. Significant backlogs and poverty in rural areas, specifically in the Northern Province, Eastern Cape and KwaZulu-Natal, were experienced. It was concluded after

studying the census results that the magnitude of welfare services that are needed in South Africa were totally underestimated (Smit in Beukman, 1998: 11). Socio-economical information gained in the South African 1996 census for example indicates that:

- During census night 18% of South African households were living in traditional huts, 17% stayed in shacks and 63% were living in formal houses, flats and rooms. Electricity was available to 58% households while 29% used candles and 13% paraffin respectively. For cooking 47% households used electricity, 23% wood, 22% paraffin, and 3% coal. Just 45% households had taps in their homes (Beukman, 1998: 11).
- Concerning wealth, qualifications, unemployment, opportunity to formal housing and services, Black people are worst off followed by Coloureds, Indians and Whites (Sello, 1998: 5).

This will have to be taken into account for the reason that for South Africa to be successful in its affirmative action and empowerment endeavours it will have to introduce measures to stimulate economic growth. Malaysia could be followed as a model in this regard.

(ii) Racial composition

According to Raslan (cited in Emsley, 1996:1), no one country's experiences are necessarily applicable to another, but it is the considered opinion of the cited author that common ground exists between Malaysia and South Africa. The author gives the following reasons to substantiate the arguments in this

regard: South Africa, notwithstanding the achievement of a relatively smooth political transformation, still faces an economic reality which poses a daunting challenge, and can therefore not ignore the experiences of Malaysia, a country that has succeeded in creating a stable political culture and a thriving, open economy by implementing one of the world's most extensive and successful affirmative action programmes.

Malaysia and South Africa share a potential for race violence and strife that is similar in its complexity and ugliness. Malaysia has escaped the vortex of destruction notwithstanding the stark differences in wealth, education, and income between the various communities from which parallels could be drawn with the South African realities. South Africa can learn much of the progress of Malaysia due to the implementation of an economic policy that works.

Governance and affirmative action, according to the Malaysian approach, is not about the wholesale adoption of one set of policies and political philosophies, but is about an adaptation of policies to meet practical conditions and circumstances, which should be South Africa's approach as well. The resource-based economies and a racial mix are similar in both countries. Malaysia, like contemporary South Africa, grappled with ragged disparities, more specifically between the "haves" (predominantly found in urban areas) and "have nots" (predominantly found in the Malay dominated rural areas) - a chasm that was reinforced by religion, language and the unfortunate skewed government spending towards the urban elite. Malaysia had to find solutions for areas where poverty, malnutrition and illiteracy were the norms which are similar to particular areas in South Africa, for example the Northern Province and Eastern Cape Province. The Northern Province,

according to Erasmus (1995: 71) for example has an unemployment rate of 25% but exceeding 40% unemployment in some areas. The per capita income is by far the lowest in the country. An estimated one third of the inhabitants derive their livelihood from subsistence economy.

Malaysia had under the aegis of the so-called benign British rule, evolved into two almost entirely separate societies masquerading as a unitary nation-state with a clear-cut disparity between races, which brought major underlying tension, poverty, anger and discontentment to the fore - that again is analogous to the South African situation. The South African Government, for example, is confronted with big indifferences and inequalities. South Africa is partly first world and partly third world (Beukman, 1998: 11). A large gap separates these two worlds (Sello, 1998: 5). The considerable socio-economical imbalances between the different provinces, rich and poor, were the overwhelming message of the 1996 census (Beukman, 1998: 11).

A situation in need of major transformation developed similarly to the current scenario in South Africa where the Malays were traditionally the political, though not the economic masters. South Africa can use examples from the Malaysian programme as an instructive lesson on pragmatism and common sense. Large sums of government money, for example, was ploughed into education and training for the Malays (traditionally a disadvantaged grouping), rural health care, agricultural innovations and infrastructure - creating in a period of some twenty years a Malay middle class as wealthy, competent and as competitive as their white neighbours. The previously disadvantaged are now educated, multilingual and well travelled. Education and training provide a stable bedrock to the nation (Raslan in Emsley, 1996:1).

(iii) Socio-economic conditions

Emsley (1996: 7) rightfully argues that Malaysian affirmative action has been both the world's most extensive affirmative action programme and one of its most successful. Twenty-nine years ago the races in Malaysia were in different socio-economic positions, which resulted in mutual suspicion and sometimes hostility. Today the socio-economic circumstances of the indigenous race (Malays) have been transformed. If there is still mutual suspicion and separation, at least hostility has been replaced by a conviction that co-operation offers greater benefits than alternatives such as resistance or departure. If South Africa could achieve the same sort of generally benign socio-economic evolution in the next twenty-five years, as did the Malaysians, the outcome would surely be hailed a great success. One of the key lessons to be learned from the Malaysian affirmative action programme is that even if a policy of affirmative action has been adopted the national interests should prevail. A continued application of affirmative action should therefore not be the ultimate goal, but a means to ensure the recognition of all sectional interests. Another example to be followed is the approach followed in Malaysia to adopt the policy according to circumstances. For example: The Malaysian government initially applied quotas to the public sector, but reduced them over the course of the 1980's (Emsley, 1996: 8).

(iv) Time scales

The Malaysian affirmative action programme (known as the New Economic Policy) extended over a period of twenty years (Economic growth was a key performance area of the affirmative action programme and Malaysia has enjoyed an annual GDP growth rate of over 7% since 1987 (Emsley, 1996:

7)). It took a lengthy period to empower the disadvantaged sectors in Malaysia economically before workplace empowerment could receive the needed attention. Although the ultimate achievements in Malaysia were far-reaching, relatively modest goals and time scales were established at first.

Bekker (1992: 62), using the affirmative action programme in India as an example, argues that "preferential policies for disadvantaged groups" should be implemented over an "extended period". Over ambitious strategies and unrealistic time scales in India led to failure at first and the *Indian Constitution, 1951* had to be amended one year after promulgation (Bekker, 1992: 62).

This indicates that irrespective of the factual position, realities should be considered carefully. This is of particular importance in cases where funds are not readily available to implement drastic policy changes. In South Africa where municipalities are facing numerous challenges, the allocation of funds have to be carefully prioritised and may result in extending the originally envisaged time scale.

(v) Education

Education, according to Emsley (1996: 8), was crucial to enhancing the developmental status of the Malays. Public education expenditure was maintained at a high level over the affirmative action programme period.

(viii) Justification for affirmative action in South Africa

The core justification for affirmative action in South Africa is to redress past injustices (*Employment Equity Act, 1998 (Act No. 55 of 1998)*). Inter-group

(vi) Poverty

Emsley (1996: 8-9) is of the opinion that one of the main achievements of the Malaysian programme was the elimination of poverty. The Malays have been the greatest beneficiaries of the realisation of the goals on poverty reduction. Growth and structural change in the economy were the principal factors in poverty reduction. Government interventions in the economy also helped to reduce poverty. South Africa can benefit by following a programme to eradicate poverty. Poverty is rife in South Africa. Naidoo (1995: 4) states that many rural people experience dire poverty, and lack of access to the most basic services such as water, electricity, sanitation and transport. This viewpoint was supported by a government-commissioned report on poverty (Fisher 1996: 3) which indicated that poverty is not spread over a wide front, but centred mostly in rural areas and certain provinces (The Northern Province, Eastern Cape, North West and KwaZulu-Natal for example are in the low Human Development Index range – that is people's life expectancy and adult literacy used as an indication of capacities and income used to symbolise opportunities (Erasmus 1995: 17)). The report found that 75% of the country's poor live in rural areas, concentrated in the former homelands. During a conference on poverty facilitated by the South African Development Community, Ms. Katherine Marshall (World Bank Director in South Africa) stated that 81% of the country's poorest people stay in rural areas and that **rural poverty in South Africa is the worst in the world** (emphasis added).

(viii) Justification for affirmative action in South Africa

The core justification for affirmative action in South Africa is to redress past injustices (*Employment Equity Act, 1998* (Act No. 55 of 1998). Inter-group

differences in South Africa are clearly visible and it seems beyond question that a major part of these differences is a heritage of past policies, to the extent that this is a case where it is both just and economically rational that measures should be taken to reduce group imbalances and disparities. Creative inter-active policies will have to be developed in South Africa to narrow the large gap. The government has a massive task to create social and economical equity. If this is not done unemployment, crime, corruption and civil discords will escalate. The government will find it more difficult to enhance democracy. Big institutions such as the 843 municipalities and district councils (to be reduced to 284 institutions after the local government elections on December 5, 2000) should be used by government to develop, empower and capacitate the masses. Poverty should be reduced.

(ix) Broad affirmative action and economic growth

Broad affirmative action or reduction of racial backlogs is an objective that should be supported (Emsley 1996: 12). Questions of how best to proceed and over what time-scale, however, are legitimate matters for debate. Without fear for too many opposing views it could be postulated that a dynamically growing productive economy is the foremost need to be satisfied. Such an economy can provide the additional resources needed to reduce backlogs as successful experiences such as the Malaysian affirmative action programme proved over a period of twenty years. However, in South Africa the economy is expected to grow at only 3,4% over the next three years (Manuel 2000: 5), inhibiting the capacity to implement policies.

The alternative approach in South Africa and the irresponsible political rhetoric of the early 1990's of redistribution of existing assets is a static

strategy that would result in economic damage and political instability if pushed too far (Emsley, 1996: 12). Critically, it would also be a slower means of redressing the apartheid heritage, even assuming that the political and economic problems that were associated with redistribution did not plunge the country into a vicious cycle of decline.

A growing and dynamic economy is needed if more opportunities are to be created for the designated sectors of the workforce as suggested. This could, *inter alia*, be attained by the removal of backlogs. This requirement is vital. However, the creation of new job opportunities is limited. Unemployment is a big problem amongst the so-called poorest of the poor in South Africa (Beest, 1996: 11). The unemployed category according to Fisher (1996: 3), is compiled as follows: 95% Black, 5% Coloured and less than 1% Indian and White. Less than 30% of adults are gainfully employed in the formal economic sector. According to Fisher (1996: 3) 25,6 million adults in South Africa must compete for only 9,6 million jobs. Fisher (1996: 3) argues that the high unemployment rate causes more than a million children to have unemployed fathers and more than a million children to have unemployed mothers. Rapiti (in Kroukamp 1995: 195) is of the opinion that the problem of unemployment is more serious than it appears to be, because if it continues and more people become unemployed, it could result in uncontrolled crime and eventually to anarchy.

When raised expectations (for example resulting from unrealistic political promises during local government election campaigns) are dashed by the reality of un- or underemployment, the political consequences may be very negative. A rapidly growing economy, with an appropriate degree of labour, will create corresponding rapid employment growth (Emsley, 1996: 12). This

is a critical factor in containing some of the negative consequences associated with affirmative action within institutions.

(x) Affirmative action and labour productivity

If affirmative action results in an institution lowering its productivity, then aggregate productivity will fall. In the case of local government it can impact negatively on the effective rendering of goods and services. Some scholars, for example Miller (1996: 7), argues that this will contribute to the total collapse of local government institutions in many areas. Individuals appointed that lack the knowledge and skills to perform efficiently, negate efforts to improve productivity. Alternatively, more of the less capable individuals will have to be employed to generate the same output. It could be argued that only capacitated and empowered officials should be appointed (an objective of the proposed empowerment model.)

(xi) A balanced approach towards implementing affirmative action

The negative aspects of affirmative action should be balanced against the positive aspects. It is, however, indicated in this research through citing the Malaysian experience, that the degree of negativity could be substantially lessened if the programme has a justifiable emphasis, a reasonable time-scale and is supported by a rapid growing economy. Affirmative action results in major costs, something not taken into consideration when so-called progressive affirmative action legislation was passed in South Africa (Smit, 1997: 14).

Economic growth is one of the elements of economic development (Mohr & Fourie, 2000:660). Economic development provides opportunities for the reduction or elimination of poverty, inequality and unemployment in a growing economy (Mohr & Fourie, 2000:660). Economic development provides far greater possibilities for absorbing the cost of affirmative action and re-distributive measures. If the Malaysian model was followed in South Africa it would mean that a broader affirmative action strategy, based on economic development, would run concurrently with measures proposed to affirm designated employees.

4.5.2 PHASE 11: CAPACITY CREATION IN THE ORGANISATIONAL STRUCTURE

South Africa has a legacy of discrimination in relation to race, gender and disability. This has denied access to, *inter alia*, opportunities for education, employment and promotion. The *Breakwater Monitor* (July, 1999) (cited in Department of Labour: *Preparing an Employment Equity Plan* (2000: 2), indicates that in management white men and women hold 84% of management positions in South African companies. Men of all races hold 83% of management positions. White employees still constitute about 74% of management promotions and 54% of skilled promotions.

The distorted position and over representation of white males in management positions in the Centurion Metropolitan Local Council is indicated in paragraph 1.3.2 (g) *supra*. Measures should thus be implemented to optimise the representation of designated employees in management positions if employment equity is to be obtained. Recruitment figures show that, in terms of recruitment, black men are most targeted (*Breakwater Monitor* July, 1999 -

cited in the Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). Managerial and skilled recruitment figures, however, show that white men are still favoured (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). For example, managerial recruitment figures show that the recruitment rate for white men is 46% followed by white women at 19% and black men at 18% (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 2). The *Employment Equity Act, 1998* (Act No. 55 of 1998) was promulgated and became effective from December 1, 1998 in order to remove employment-related barriers of the past.

Designated employers, such as municipalities, are required to introduce measures to meet the statutory obligations contained in the Act. Chapter 3 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) lists a series of steps employers are obliged to take to achieve employment equity. Capacity must be created in the organisational structure and policies, practices and working conditions should be reviewed in order to transform the institution and rectify the over representation of white employees in management positions. This, however, should be done in a consultative, voluntary and non-discriminatory manner (section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

(b) Step 2: Institutional analysis, review and workforce profile

(a) Step 1: Sensitising of non-designated employees

(i) Institutional analysis

International research, according to Emsley (1996: 13), indicates that sensitising should be done beforehand for persons who do not belong to the designated groups. For example, non-designated employees who see that meritocratic procedures are overturned may become demoralised. The non-designated employees have to be included from the start when institutional capacity is created through voluntary early retirement programmes,

incentives, interventions and fixed period mentorship contracts. If non-designated employees believe that their own positions are to be undermined by recipients, they may respond with hostility and attempt to sabotage the process (Emsley, 1996: 13). The most resentful may be those non-designated employees outside the institution who fail to gain entry because of the favouring of affirmed candidates. When these candidates are educated, with marketable skills at an early stage of their career, they may consider employment in other countries, an aspect with destructive potential as evaluated and analysed in the thesis. The reason is that, according to authors such as Emsley (1996: 13), trained and motivated personnel are key factors in economic development and their loss to the country represents a great cost. The proposed model, however, makes provision for the statutory stipulation that the affirmative action measures that are introduced place no obligation on municipalities to introduce an absolute barrier related to people who are not from the designated groups, for example having a policy of not considering white males at all for promotion or excluding them from applying for vacant positions (section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

(b) Step 2: Institutional analysis, review and workforce profile

(i) Institutional analysis

An institutional analysis (Section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)) should be conducted for two reasons, namely:

Firstly, to assess all employment policies, practices, procedures, and the working environment, *inter alia*, to identify barriers that may:

- contribute to the under-representation or under-utilisation of employees of designated groups specifically in managerial positions;
- contribute to the lack of affirmation of diversity in the workplace;
- adversely affect designated groups; and
- identify practices or factors that positively promote employment equity and diversity in the workplace.

Secondly, to determine the extent of under-representation of employees from the designated groups in the managerial and occupational categories of the institution.

(ii) Review

Policies, practices and conditions of service should be reviewed. The following are examples of what should be reviewed:

- all employment practices such as recruitment, selection, pre-employment testing and induction;
- practices related to succession planning, obtaining relevant experience, related promotions and transfers; and
- current training and development methodologies and strategies and access to training opportunities.

The following factors should be identified in the review:

- factors that adversely affect employees from designated groups; and

- subtle or indirect forms of discrimination and stereotyping.

All practices should be scrutinised to establish whether they are fair and do not result in unfair discrimination or contribute to the under-representation of designated employees in the organisational structure. Designated employers must, *inter alia*, prepare a profile of their workforce in order to identify problems relating to employment equity (Section 19(2) of the *Employment Equity Act, 1998* (Act No. 55 of 1998)).

(iii) Workforce profile

According to Section 19(2) of the *Employment Equity Act, 1998* (Act No. 55 of 1998), a workforce profile should be established. This should be done for monitoring and comparative purposes by:

- establishing which employees are members of designated groups;
- and
- comparing the number of employees from designated groups with the relevant demographic representation.

Establishing which employees are members of designated groups can be done by obtaining this information from the employees themselves using form EEA 1 of the *Employment Equity Act, 1998* (Act No. 55 of 1998), attached as Annexure B. Demographic information, according to Department of Labour: *Preparing an Employment Equity Plan* (2000: 12-13), are sources of information that employers can use in order to do meaningful comparisons. Forms EEA 8 and EEA 9 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) attached as Annexures C and D respectively, provide information for

comparative purposes. An analysis of the workforce profile should provide a comparison of designated groups by occupational categories and levels to relevant demographic data. Form EEA 2, attached as Annexure E, is useful in establishing the nature of the information the employer should collect and update over time in order to establish a workforce profile and do meaningful comparisons.

(c) Step 3: Consultation, setting objectives, goals, planning and time-frames

Consultation (Section 16 and 17 of the *Employment Equity Act, 1998* (Act No. 55 of 1998) should start as early as possible (Department of Labour: *Preparing an Employment Equity Plan, 2000: 9*). This is required to consult and reach consensus with stakeholders on matters such as:

- the conduct of an analysis (Section 19);
- the preparation and implementation of the employment equity plan (Section 20); and
- the compilation and submission of an annual report to the Department of Labour (Section 21).

(i) Consultative forum

A consultative forum should be established (Section 16 of the *Employment Equity Act, 1998* (Act No. 55 of 1998). This enables the employer to consult and reach consensus with the relevant stakeholders.

(ii) Stakeholders

All stakeholders should be included e.g.:

- representative trade unions;
- employee representatives from
 - designated employees;
 - non-designated groups;
 - all occupational categories and levels; and
- senior management, including political office bearers assigned with responsibility according to Section 20(2)(h) of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

The inclusion of all stakeholders will enable the employer to obtain support for its programme to achieve the goals set out in the *Employment Equity Act, 1998* (Act No. 55 of 1998). The employer could also ensure that its activities would be performed efficiently and effectively through the commitment of all stakeholders.

(iii) Proper consultation

Proper consultation (according to the Department of Labour: *Preparing an Employment Equity Plan 2000: 9*) includes:

- the opportunity to meet and report back to the employees and management;
- reasonable opportunity for employee representatives to meet with the employer;

- the request, receipt and consideration of relevant information; and
- adequate time allowed for each of the above steps.

Ongoing interaction with and accessibility to senior management with regard to employment equity is critical to the success of the process (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 9). Employment equity in the workplace is a sensitive issue. It is therefore important that management collectively takes responsibility for its implementation. If this does not happen, the agreed targets and goals will not be met. This could lead to prosecution and drastic measures such as fines of substantial amounts.

(iv) Information supplied by the employer

The employer should provide relevant information relating to, *inter alia*:

- the anticipated growth or reduction of the employer's workforce;
- the turnover of employees in the employer's workforce;
- the internal and external availability for appointment or promotion of suitably qualified people from the designated groups;
- the degree of representation of designated employees in each occupational category and level in the institution's workforce; and
- employment practices of the employer (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 10).

The Department of Labour needs the information mentioned above to determine whether the employer was realistic when the targets, plans and time frames were formulated. It furthermore provides benchmarks to measure progress and allows for the determination of what could be considered as

reasonable progress (Section 20(2)(f)) in terms of the environmental influences that played a role.

(v) Employment equity plan and time frame

Management together with the identified stakeholders must develop an employment equity plan (Section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)), *inter alia*, dealing with the optimisation of the representation of designated employees in management positions. This should include employment equity, representation and advancement goals and objectives. An implementation time frame should be established (Section 20(2)(e) of the *Employment Equity Act, 1998* (Act No. 55 of 1998)). The time frame should specify mutually agreed milestones and the target dates set for reaching these. This includes objectives for the adequate representation of designated employees in management positions. Before the end of the term of a current plan, stakeholders must prepare a subsequent plan (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 10).

(vi) Setting objectives and formulating advancement measures

The analysis (according to section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)) and interactive preparation done should provide employers with a "snapshot" of the institution's profile and valuable information of the institution's profile in respect of race, gender and disability. Designated employers would understand the practices or working conditions that adversely affect and hold back designated employees. They can furthermore determine which practices and working conditions are conducive to diversity. Internal statistics regarding the rate and labour turnover at

various levels would be obtained, as well as internal statistics regarding movements such as promotions and transfers at various levels.

Comparisons between the institution's workforce profile and those of similar service institutions could become useful management information for purposes of planning and monitoring. In setting objectives and developing corrective measures, parties to the consultative processes should attempt to reach consensus on what would constitute reasonable progress over the duration of the plan.

(d) Step 4: Affirmative action measures, numerical goals, resources, assigning responsibility and dispute resolution

(i) Affirmative action measures on 19 of the Employment Equity Act, 1998 (Act No. 55 of 1998)

Affirmative action measures to address the barriers identified during the analysis, should be developed to improve the under-representation of designated group members including under-representation of designated employees in management positions (Section 15 and 20(2)(b) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)*). Such measures included in the proposed model relate to the following: Increased appointment of members from designated groups on all levels of the institution, including management positions according to the objectives that were formulated interactively, is required.

The pool of available candidates from the designated groups should be increased through empowerment, including the purposeful training and development of people from designated groups. The promotion of high

potential and suitably qualified people from designated groups when positions become vacant, is important. The retention of people from designated groups is a prerequisite for long term success, but will be a challenge because of the fact that capacitated designated employees are targeted for employment by several designated employers. Reasonable accommodation of people from designated groups should be reserved without hampering the labour productivity of municipalities that might affect service delivery negatively. It should have a high priority to ensure that members of designated groups are appointed in such positions that they are able to meaningfully participate in corporate decision-making of the municipality. Employers should strive towards transforming the corporate culture of the past in a way that affirms diversity in the workplace and harnesses the potential of all employees. This includes the introduction of corrective measures to eliminate barriers identified during the analysis - section 19 of the *Employment Equity Act, 1998* (Act No. 55 of 1998).

(ii) Numerical goals

Numerical goals should be developed for the appointment and promotion of people from designated groups (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 37). The purpose of these goals should be to increase the representation of people from designated groups in each occupational category and level in the workforce of the municipality where under-representation has been identified. Thus, in order to make the institution's workforce reflective of the relevant demographic characteristics, as provided for in EEA 8 (attached as Annexure C) of the *Employment Equity Act, 1998* (Act No. 55 of 1998), particular considerations should be taken into account and specific measures should be introduced.

In developing the numerical goals, several factors (according to the Department of Labour: *Preparing an Employment Equity Plan*, 2000: 37) should be taken into consideration. These include the degree of under-representation of employees from designated groups in each occupational category and level of the institution's workforce. Present and planned vacancies should also be considered. The provincial and national economically active population as presented in EEA 8 (attached as Annexure C) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)* is a statutory prerequisite that should be taken into account.

The pool of suitably qualified persons from designated groups, from which the employer may reasonably be expected to draw for recruitment purposes, and economic and financial circumstances of the employer are key considerations for the employer in its employment equity advancement endeavours. The anticipated growth or reduction in the municipality's workforce during the agreed time period, as well as the expected turnover of the employees in the employer's workforce during the agreed time period and the labour turnover trends and underlying reasons, specifically for employees from designated groups (Section 20(2)(c) of the *Employment Equity Act, 1998 (Act No. 55 of 1998)*) should be considered.

(iii) Resources

Resources, including funds, should be appropriately allocated in order to implement the agreed components of the employment equity measures and the Employment Equity Plan. Most employment equity plans need financial resources. The annual human resource budget should make compulsory provision for departmental employment equity programmes and action plans.

Priority should be given to expenditure assigned to vote numbers earmarked for employment equity.

(iv) Assignment of responsibility

Responsibility for the implementation and monitoring of the proposed measures, *inter alia*, to remove employment, promotion and advancement obstacles and barriers - according to the agreed Employment Equity Plan - as assigned during the planning phase, should be confirmed and noted. The *Employment Equity Act, 1998* (Act No. 55 of 1998) - Section 20(2)(h) stipulates that apart from the Chief Executive Officer and the political office bearers with overarching responsibility persons, senior managers should be made responsible. This will enable the employer to efficiently and effectively implement and monitor the plan.

(v) Dispute resolution

Internal procedures for resolving any grievance or dispute about the interpretation and implementation of the plan should be specified and agreed to in the consultative forum. The use of the existing internal grievance resolution procedures should be encouraged and should be used in tandem with the statutory prescribed dispute resolution procedures as set out in the *Labour Relations Act, 1995* (Act No. 66 of 1995). The internal measures, if needed, should, however, be adapted for the specific needs of employment equity. Alternatively, a mechanism with appropriate representation from employer and employees may be established in order to address and resolve such grievances and disputes (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 38). This requirement is an important facet

of obtaining employment equity that would be acceptable to all employees as provision is made for recourse.

(e) **Step 5: Organisational structure capacity creation strategies and incentives**

(i) Management of staff numbers

The management of staff numbers in the public service became apparent in South Africa after the introduction of substantive changes that took place after the first democratic elections in 1994. The new constitutional dispensation that was introduced with the promulgation of the *Constitution, 1996* forced public sector institutions to implement staff reduction measures (Assenmacher, 1999: 9). Historically, according to Assenmacher (1999: 9), staff reduction was introduced for the following obvious reasons:

- financial considerations;
- restructuring; and
- amalgamation.

The reasons listed above are not part of a closed list that limits the possibilities that should be considered. It may be argued that many examples could be cited in the public service where early retirement incentives were introduced as legitimate alternatives. Thus, to create the capacity required for the advancement of designated employees, a scope of alternatives should be utilised. Assenmacher (1999: 9), however, cautions that this should be done in a responsible manner and the chief principle that should be considered is the operating circumstances of the municipality. In the case of Centurion

Metropolitan Local Council it may be argued that early retirement could be a responsible option of capacity creation, thus supporting Assenmacher's point of view.

(iii) Early retirement

(ii) Employment equity advancement

A way of creating the needed capacity in the organisational structure of a Assenmacher (1999: 9) is of the opinion that with the coming into operation of the *Employment Equity Act, 1998* (Act No. 55 of 1998), staff reduction may in future be considered as justification to enable employers to comply with the requirements of the Act. This, however, should be done within the broad parameters and stipulations of the following statutes and policies:

however, dictate whether the institution could make sufficient alternative

arrangements should

incumbent to leave the employment of the

municipalities and certain

and certain hundred-

hundred- designated municipalities through the major

statutory early retirement

early retirement Actions to compel, for example,

white male employees to take early retirement or to block their future

- *Labour Relations Act, 1995* (Act No. 66 of 1995) - Section 189;
- *The Rationalisation of the Local Government Affairs Act, 1998* (Act No. 10 of 1998) - Section 18;
- *Employment Equity Act, 1998* (Act No. 55 of 1998) - Section 20;
- *Local Government Municipal Structures Act, 1998* (Act No. 117 of 1998) - Section 12; and
- *Conditions of Employment (Government Notice No.16047, October 28, 1994)* - par. 17 and par 17.4.18.

Assenmacher (1999: 10) is of the opinion that if Section 12 of the *Local Government Municipal Structures Act, 1998* (Act 117 of 1998) is interpreted and read with Section 18 of the *Rationalisation of Local Government Affairs Act, 1998* (Act No. 10 of 1998), the applicable conditions of employment of employees may not be less favourable due to the amalgamation of municipalities on December 5, 2000 (i.e. the second democratic local also, before the date of actual early retirement, assist the employer in

government elections). This therefore includes the current policies on staff reduction and early retirement.

(iii) Early retirement

A way of creating the needed capacity in the organisational structure of a municipality in order to advance the objectives of the *Employment Equity Act, 1998* (Act No. 55 of 1998), is to grant employees of non-designated groups the opportunity to apply for early retirement. The targeted employees should be employees with extended service and on the brink of the retirement age required by the respective pension funds. Operational requirements should, however, dictate whether the institution could make sufficient alternative arrangements to replace the services of individual employees. Institutions should, however, not allow several well-experienced top management incumbents of the same department to leave the employment of the municipality simultaneously. This could hamper the service delivery process and contribute towards eroding of management skills needed to take the two-hundred-and-eighty-four newly demarcated municipalities through the major statutory changes envisaged. Although strict guidelines should be in place, early retirement actions should be voluntary. Actions to compel, for example, white male employees to take early retirement or to block their future advancement opportunities and by so doing forcing them to resign is *ultra vires* (Section 20 of the *Employment Equity Act, 1998* (Act No. 55 of 1998)). Such actions constitute automatic unfair dismissals according to Section 187 (1)(f) of the *Labour Relations Act, 1995* (Act No. 66 of 1995).

Targeted non-designated employees with adequate relevant experience should also, before the date of actual early retirement, assist the employer in

empowering and capacitating high potential designated employees earmarked for higher positions with more responsibility. Examples of schemes and programmes are:

- mentor schemes;
- learnerships;
- deputy programmes;
- shadow positions;
- appointment on the learning zones (in positions coupled to a career ladder where advancement take place when *quid pro quo* qualifications are achieved and relevant experience gained): and
- job rotation.

Such programmes will not only empower designated employees and increase the available skills-pool of municipalities but will ensure that relevant experience, that could not easily be replaced, is passed on for the benefit of the community.

(iv) Implementation of early retirement

The implementation of an early-retirement-scheme, in order to create capacity for suitably qualified high potential designated employees, should be carried out within the statutory framework and *Conditions of Employment (Government Notice No.16047, October 28, 1994)*, specifically par. 17 dealing with the reduction of personnel as well as par 17.4.18 that prescribes the guidelines for early retirement. These guidelines are attached as Annexure F.

(f) **Step 6: Monitoring and evaluation**

Records should be kept to effectively monitor and evaluate the progress of the agreed employment equity measures, capacity creation initiatives and the equity plan. Mechanisms to monitor and evaluate the implementation of the plan should be agreed upon and include benchmarks that would permit assessment of reasonable progress. The agreed employment equity measures, capacity creation initiatives and equity plan should be evaluated at regular intervals to ensure that reasonable progress is made. This evaluation should be integrated into mechanisms that the employer normally utilises to monitor its operations. The consultative forum should continue to meet on a regular basis and progress reports should be submitted. Progress should be recorded and communicated to employees. Such meetings should take place at reasonable intervals to ensure feedback and inform the ongoing implementation process. The employment equity measures, capacity creation initiatives and equity plan should be reviewed and revised, as necessary, through consultation (Department of Labour: *Preparing an Employment Equity Plan*, 2000: 38).

In the case of the Centurion Metropolitan Local Council the implication would be that the agreed employment equity measures, capacity creation initiatives and the submitted plan will provide benchmarks and milestones for purposes of implementation. When coupled to the agreed time frames it will provide interactively formulated objectives, according to which monitoring and evaluation can take place (Section 34 of the *Employment Equity Act, 1998 Act No. 55 of 1998*).

4.5.3 PHASE 3: EMPOWERMENT OF DESIGNATED EMPLOYEES

Municipalities need to create environments that are conducive to the advancement of employment equity and the growth and development of employees. Structural integration entails education and career development. Tinarelli (2000: 133) is of the opinion that the emphasis should be on education rather than training, as education is aimed at changing mindsets. The strategy followed in this thesis, however, specifically with the empowerment of designated employees, is a balance between education and training. The *Skills Development Act, 1998* (Act No. 97 of 1998) places emphasis on training and education (Pricewaterhouse Coopers, 1999: 1)). One can agree with Cox (cited in Tinarelli, 2000: 133) that career development should be used to identify and develop the talent in the institution for senior management positions. Career development, *per se*, (paragraph 4.5.3 (c) (i) *infra*) is the foundation of the proposed model, specifically the part that deals with the empowerment and capacitation of designated local government employees. Training is the most prevalent starting point for managing diversity (Tinarelli, 2000: 131), implementing transformation successfully, and the empowerment of designated employees. Special emphasis will therefore be placed on training as the key to the empowerment of designated local government employees. This will be done within the broad parameters and requirements of the *Skills Development Act, 1998* (Act No. 97 of 1998), specifically Sections 2(b)-(f) aiming to:

- 2(b) increase the levels of investment in education and training...
- 2(c) encourage employers-
 - (i) use the workplace as an active learning environment;
 - (ii) provide employees with the opportunities to acquire new skills;

2(d) encourage workers to participate in learnerships and other training programmes;

2(e) improve the employment prospects of persons previously disadvantaged by unfair discrimination and to redress those disadvantages through training and education;

2(f) ensure the quality of education and training in and for the workplace...

Government, according to Pricewaterhouse Coopers (1999: 1), is of the view that:

one of the principal causes of South Africa's economic deficiencies is the low skills level in the workplace environment that increasingly relies on methods that require enhanced levels of skill. Furthermore, the low skills-base is one of the reasons for low levels of investment in the economy.

Training is therefore, a suitable mechanism to "... raise the skills level of the workforce that would improve the productivity of both capital and labour..." (Pricewaterhouse Coopers, 1999: 1).

(a) Step 1: Institutional analysis

It is a fact that South Africa has a drastic skills-shortage (Pricewaterhouse Coopers, 1999: 1). Census 1996, for example, indicates that there are 23 699 930 adults between the ages of 16 and 56 in South Africa. Of these 3 283 290 have not accessed any schooling. The number of adults that have not completed Grade 9 is estimated at 9 439 244. The conclusion is that 12 722 534 (54%) of the total adult population have not completed a general level of education. The majority of employees in the Centurion Metropolitan

Local Council is unschooled or has limited schooling. The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that a skills audit must be done (Pricewaterhouse Coopers, 1999: 28). This has to be done to, *inter alia*, identify key institutional requirements, skills-gaps, labour shortages and designated target groups. The Centurion Metropolitan Local Council as a designated employer is obliged, in accordance with the set time tables and supplementary guidelines issued by the Local Government Water and Related Sectoral Education and Training Authority, to undertake a skills-audit. This in order to draw up a skills-profile of the institution and to determine the skills-shortages that might exist. The audit was done and a drastic shortage of applicable skills was found amongst designated employees (Centurion Metropolitan Local Council, 2000: 1-14).

(b) Step 2: Workplace committee set objectives and targets

The *Skills Development Act, 1998* (Act No. 97 of 1998) stipulates that an employer with more than fifty employees must establish an in-house Workplace Committee (WC) for consultation with regard to skills development, the appointment of a skills development facilitator and the setting of objectives and targets for skills development programmes. The stakeholders in the Committee will assist the employer in the drawing up of a workplace skills plan that includes learnerships for existing employees. The Committee will also help to compile the annual training report. As with the consultative forum for the advancement of employment equity, the Workplace Committee will not only be co-responsible but will be central in the monitoring and evaluation of education and training through the relevant Sectoral Education and Training Authority (SETA).

(c) Step 3: Empowerment strategies and incentives

(i) Career Development

Career development has received the attention of several authors. The views of noteworthy authors will be provided. London & Stumpf, (1982: 3), for example, postulate that:

Organizational (sic) career development refers to the processes and support systems that affect individual career progression and organisational effectiveness.

The authors are of the opinion that the development of careers is a shared process and responsibility, within which the employee must be co-responsible for career development. Legislation, such as the *Skills Development Act, 1998 (Act No. 97 of 1998)*, includes the representative unions and the relevant Sectoral Education and Training Authority (SETA) as co-responsible for career development. London & Stumpf (1982: 3) argue that institutions develop careers through selectively creating opportunities for specific employees. The activities by institutions are introduced to ensure that the unique future human resource needs are satisfied. London & Stumpf (1992: 9) define the activities as career development, including work role changes. The authors are of the opinion that the result of the activities mentioned above includes one or more of the following:

- a meaningful career;
- quality of work life;
- optimal quality of life;

- feelings of psychological success and self-worth;
- feelings of competence;
- feelings of mastering and accomplishment; and
- obtaining institutional rewards such as
 - money
 - prestige and
 - status.

The authors, in support of the opinion by Tinarelli (2000: 133), argue that the early identification, development and promotion of high potential employees is of specific importance for any institution. The authors furthermore indicate that:

...career management processes associated with the upward movement of employees must be emphasized (sic) if institutions are concerned with individual and institutional effectiveness.

These techniques can be introduced in a differentiated manner on any level of Career management should also take into account current skills levels and development activities to meet future skills needs (Section 2 (a) of the *Skills Development Act, 1998* (Act No. 97 of 1998)). Several techniques could be introduced and utilised by human resource practitioners to promote effective and efficient differentiated career development practices on all levels of the institution. Some of these techniques are the placement of designated employees in the learning zone of positions on the post establishment whilst participating in active learning and gaining of experience (Section 2(c) (i) and (iii) - *Skills Development Act, 1998* (Act No. 97 of 1998)). The introduction of accelerated development programmes as prescribed in section 2(e) - *Skills Development Act, 1998* (Act No. 97 of 1998) is a proven human resource

often used by practitioners. Learnerships (chapter 4 - *Skills Development Act, 1998* (Act No. 97 of 1998)) will not only empower designated employees in a structured way but Sectoral Education and Training Authorities (SETA's) will avail financial resources to address the drastic skills shortages in municipalities (Pricewaterhouse Coopers, 1999: 1). Other proven practices include:

- job rotation;
- career planning;
- career opportunities;
- career development;
- career paths;
- focus groups (optimising diversity management);
- job enrichment;
- job enlargement; and
- support groups (mentors and networking (London, 1992: 11)).

These techniques can be introduced in a differentiated manner on any level of the institution. The career development and empowerment suggestions in the proposed management model must meet specific requirements to be effective. These include meeting the requirements of the relevant statutes, being needs driven (i.e. taking the needs of the community, institution and employee into consideration) and being flexible including the possibility to be implemented in a phased and differentiated manner.

The proposed empowerment model should be accessible to all suitably qualified employees (Section 20(3) *Employment Equity Act, 1998* (Act No. 55 of 1998)) and should allow for the introduction of specific measures to ensure

accelerated development and advancement of designated employees. Accelerated training and capacity building of employees from the education and career impaired sectors of society should be one of the main objectives and it should cater for specific focused career development, advancement, education and training to advance the specific reconstruction and development objectives of government. The ability to be implemented by other municipalities and taking into consideration the aspirations and potential of the employees on the different levels of the institution are further prerequisites. The proposed model should establish a potential/competency pool that ensures sufficient competent career entrants for the next level of employment and should be cost- and time effective. It should furthermore make a contribution towards the standardisation of conditions of employment in the Greater Pretoria Metropolitan Area.

The proposed model should introduce a delicate balance between the responsible advancement of designated employees and the normal development and progress of non-designated employees, addressing specific in-house employment equity related problems. Certified training, focused on eventually obtaining national qualifications as prescribed by the relevant statutes is a statutory requirement. Content, methodology, evaluation and outcome should be in line with the policy of the National Qualifications Framework (NQF), National Education and Training Strategy (NETS) and the applicable Sectoral Education and Training Authority (SETA). It should provide an empowerment framework that is scientifically founded, based on sound human resource practice and responsible public management and administration.

The proposed career development for designated employees should form an

integral part of the normal career development principles of the institution and simultaneously contribute towards a better quality of life. A basis for life-long learning should be established. Employee participation in an outcomes based environment should be optimised.

(ii) Learnerships

The *Skills Development Act, 1998* (Act No. 97 of 1998) - section 16 makes provision for the empowerment of designated employees through learnerships. A learnership within the broad parameters of the Act is a formal learning programme that links theoretical learning and structured workplace experience to prepare designated employees with the relevant skills and knowledge required to perform competently in an occupation for which there is a clear demand such as a management position. This is one of the main objectives of the proposed model. Attached as Annexure G is a guideline for the establishment of registered learnerships in order to empower designated employees.

(iii) Mentoring schemes

A proven practice for the fast track empowerment of designated employees is the establishment of mentoring schemes. Mentoring provides a framework to begin an interactive empowerment and development process. Mentoring, however, is a delicate process which requires sensitivity on the part of both the mentor and the protégé, if it is to derive maximum growth at its culmination. The mentoring programme should be done within the requirements of the *Skills Development Act, 1998* (Act No. 97 of 1998), *inter alia*, the facilitation of learning as contained in Section 10(c)(3). In support

of the learnership-programme described above, designated employees on the programme could be assigned to mentors.

According to the *Skills Development Levies Act, 1999* (Act No. 9 of 1999) - Sections 16(1) and 16(2) applying mentoring with learnerships will allow municipalities to successfully reclaim the maximum training rebate. The criteria for a mentor should be an experienced equipped employee on the permanent staff establishment who is prepared to undergo intensive mentoring training. It should be someone who would be prepared to take the responsibility for the empowerment of a designated employee, someone committed to the reconstruction and development objectives available for the full duration of the programme.

The purpose of the *Skills Development Act, 1998* (Act No. 97 of 1998) - Section 10(c)(3) is to establish effective mentoring, develop the expertise of accomplished modern-day mentors and efficiently utilise mentorship as a training and development empowerment tool. This will lead to the establishment of an interactive development/empowerment process that complies with equity legislation in terms of designated employees.

The act was promulgated to establish a systemised empowerment programme of intent that aligns with the National Qualifications Framework (NQF), Section 10(e) of the *Skills Development Act, 1998* (Act No. 97 of 1998). Accredited mentors should master the critical elements of successful coaching as an integral aspect of effective mentoring; and be able to accurately assess and measure the effectiveness of the mentoring process.

(c) **Step 4: Monitoring and evaluation**

Education and training in the institution will be monitored through the submission of, *inter alia*, acceptable reports, accompanied by appropriate training records within the requirements set out in Government regulations (section 36 of the *Skills Development Act, 1998* (Act No. 97 of 1998) issued in accordance with the relevant legislation, and will be evaluated by:

- the Local Government Water and Related Services Sectoral Education and Training Authority (SETA);
- the skills development facilitator (SDF);
- workplace committee;
- labour unions; and
- Education and Training Providers (ETP).

4.6 IMPLEMENTATION OF THE PROPOSED MODEL

The proposed management model should be implemented in a phased and a structured manner. Specific responsibilities for the implementation of the respective phases should be assigned to particular senior managers. Management under the auspices of the Chief Executive Officer, within the broad parameters of the specific statutory stipulations and requirements of the relevant agreements with employee representatives, should also take collective responsibility to achieve the goals that were set. The majority of unions should be bound into the process from the beginning and should be consulted on the statutory prescribed issues as well as matters that affect them. Sufficient financial resources should be made available and only when the agreed milestones have been reached should more resources be assigned

to specific phases of implementation. A synopsis of a possible implementation-strategy of the proposed model and broad time frames could include the following: The relevant statutes and codes of good practices (as an extension and guideline for the applicable legislation) contain useful information concerning the creation of an enabling framework which includes useful research on best practices and the avoiding of pitfalls. Most employers took part in the interactive compilation of the Employment Equity and Skills Development Plans. The needed research as proposed (par. 4.5 *supra*) should therefore not take longer than one month.

Due to statutory prescriptions, municipalities will enter a new dispensation after local government elections on December 5, 2000. Capacity creation in the organisational structure, through early retirement and other incentives, could therefore be implemented formally when entering the final phase of transformation, which will start on the day of the 2000 municipal elections. The sensitising, identification and selections of non-designated employees to reduce fear and the level of uncertainty, should be done in a transparent manner. Monitoring and evaluation as proposed is an ongoing process.

The empowerment of designated employees as proposed, is a continuous exercise that will include an analysis of the potential of all designated employees. Mentoring and learnerships, according to the *Skills Development Act, 1998* (Act No. 97 of 1998), will differ according to the needs of the different stakeholders and the intensity of the specific programme. It is envisaged that the management learnership agreements, for example, could be as long as four years as it should lead to formal qualifications and the empowerment of designated employees in order to make a meaningful contribution.

4.7 CONCLUSION

The *Constitution, 1996* has fundamentally changed the status and the responsibilities of local government. It has shifted the primary role of local government from administration to service deliverer. Municipalities are fast becoming the centre of delivery and development in communities. The second democratic local government elections on December 5, 2000 will usher stakeholders into the final phase of local government transition. Local government is therefore faced with the challenges of creating new municipalities with structures and systems that will allow for sustainable, accountable, democratic and service delivery orientated local government.

Within the new municipal framework, municipalities will continue to face the challenges of meeting the basic needs of communities in the face of scarce resources. If local government is to successfully fulfil its mandate of development and delivery, a human resource environment that will meet the capacity building and empowerment needs of employees would have to be created and sustained.

The *Skills Development Act, 1998* (Act No. 97 of 1998) sets out an entirely new approach for skills-development in the country. The *Skills Development Act, 1998* (Act No. 97 of 1998) aims to provide a new national strategic approach that allows for needs driven empowerment and training that is incorporated into a national vision of local government training. The proposed model strives towards creating an environment that allows for the effective training and empowerment of employees, specifically designated employees to ensure that they are adequately equipped for a democratic and service orientated government. As they transform, municipalities should

become developmental centres of local growth and governance. The proposed model supports a holistic integrated approach to empowerment and capacity building that will lead to effective and efficient councils building strong democratic and developmental local government. An urgent need exists to build capacity in the short term. Designated employees as well as non-designated employees should be empowered to do their jobs properly and effectively. The proposed model within the broader framework of the *Skills Development Act, 1998* (Act No. 97 of 1998) strives to establish through learnerships and mentoring a range of core skills, management skills, and competency levels required for the challenges of transformation and modern differentiated service delivery. Through the inputs of all stakeholders, *inter alia*, the Workplace Committee (WC), unions and learners, specific training and development needs could be established. The model seeks to facilitate an integrated training strategy for designated employees.

and other relevant introductory information that were covered in the study. Chapter three provided the constitutional, statutory and economical framework within which the study was undertaken and served as the broad parameters of the model that was developed. Chapter four dealt with the prerequisites of a management model, the creation of institutional capacity and made provision for the empowerment of designated local government employees. Chapter five contains the general summary of the study and an evaluation of the findings. Flowing from the evaluation and critical analyses is an extensive conclusion. Particular recommendations are made in this chapter.

Municipalities such as the Centurion Metropolitan Local Council is experiencing increasing pressure to provide additional and improved services. These, *inter alia*, include municipal policing, law enforcement, basic health, curative, and community development services to an increased community,