

**THE IMPACT OF TECHNOLOGY ON HUMAN RESOURCES
MANAGEMENT AT THE BREEDE VALLEY MUNICIPALITY**

by

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Thesis presented in partial fulfilment of the requirements for the degree of



STELLENBOSCH UNIVERSITY

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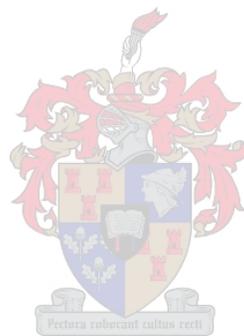
April 2006

DECLARATION

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted it at any university for a degree.

Signature.....

Date.....



ABSTRACT

South Africa has a shortage of skilled labour, which prevents the country from economically competing in the global village. Unfortunately little money was spent on the training and development of workers during the apartheid era. The new government has implemented legislation and various programmes to rectify the situation. Organisations in South Africa are beginning to recognise that a skilled workforce has the potential to provide them with the competitive edge. Instead of viewing training and development as an expense, as they often did in the past, many organisations are now beginning to view expenditure on training as an investment.

Training and development is one of the many functions performed by human resources (HR) departments. Today HR is also required to play a larger strategic role within an organisation. Daily administrative duties, however, often prevent human resources managers from playing a more important strategic role. However, modern technology can simplify the way in which human resources departments perform their daily tasks. There are various computerised information systems and programs that can be used for this purpose.

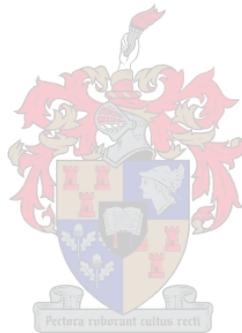
The high unemployment rate and the poor economic situation have also affected local government. Many municipalities have a limited budget with which they must provide their communities with basic services such as electricity and water, sanitation and refuse removal, municipal health services and fire fighting services. Municipalities also play a role in the development of their communities.

The quality of services provided by the municipalities will depend on the employees of the municipalities. It is therefore important to improve the skills and competencies of the workers to ensure better service delivery to communities.

Technology is increasingly being used to address challenges faced by municipalities, to enhance service delivery as well as to improve internal efficiency. Raw data can be converted to useful information that can help key decision makers make a more informed decision about projects.

In this study, the Breede Valley Municipality was used as a case study to learn more about the problem under study. The objectives of the study was to identify: a) the advantages web-based technologies can hold for HR employees in their daily work; (b) how training and development is implemented within the municipality; and (c) the challenges, constraints and recommended steps for improvement. A thorough literature study formed the basis of the research and was supplemented with individual interviews with relevant employees at Breede Valley Municipality.

This municipality, like most in South Africa, is tasked to deliver services to their communities with limited financial resources at their disposal. Optimal use of technology can assist the HR department to play a more strategic role within the municipality, in freeing them from their administrative tasks.



OPSOMMING

Suid-Afrika het 'n gebrek aan geskoolde arbeid wat verhoed dat die land ekonomies met die res van die wêreld kan meeding. In die apartheidsera is min geld aan die opleiding en ontwikkeling van werkers bestee. Die nuwe regering het wetgewing en verskeie programme ingestel om hierdie situasie reg te stel. Organisasies in Suid-Afrika begin nou besef dat 'n geskoolde arbeidsmag die potensiaal het om die organisasie 'n mededingende voorsprong te gee. In die verlede is opleiding en ontwikkeling as 'n uitgawe beskou, maar vandag besef baie organisasies dat die opleiding en ontwikkeling van werkers 'n belegging is.

Opleiding en ontwikkeling is een van die vele take wat deur die Afdeling Menslike Hulpbronne binne 'n organisasie verrig word. Daar word ook van hierdie afdeling verwag om 'n groter strategiese rol binne 'n organisasie te speel. Daaglikse administratiewe take weerhou egter menige menslikehulpbronnebestuurders daarvan om wel 'n groter strategiese rol te speel. Tegnologie kan egter vandag die wyse waarop die Afdeling Menslike Hulpbronne hul daaglikse take uitvoer, vergemaklik. Daar is verskeie gerekenariseerde inligtingstelsels en programme op die mark wat vir hierdie doel gebruik kan word.

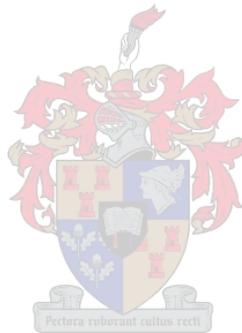
Die heersende werkloosheid en swak ekonomiese toestande beïnvloed ook plaaslike owerhede. Baie plaaslike owerhede moet met 'n beperkte begroting 'n gemeenskap van basiese behoeftes soos water, elektrisiteit, riolering en vullisverwydering voorsien en ook 'n rol in die ontwikkeling van die gemeenskap speel.

Die gehalte van die dienste wat deur die munisipaliteit gelewer word, sal van die werknemers afhang. Dit is dus noodsaaklik om die vaardighede van die werkers te verbeter ten einde die gehalte van dienste aan die gemeenskap te verbeter.

Tegnologie word toenemend deur munisipaliteite gebruik om dienslewering te verbeter. Met behulp van tegnologie kan rou data in bruikbare inligting omgeskakel word, wat deur besluitnemers gebruik kan word om 'n beter besluit rakende projekte te neem.

Met hierdie studie is die Breedevallei Munisipaliteit as gevallestudie gebruik. Die doelwitte van hierdie studie was om: a) te bepaal watter voordele gerekenariseerde inligtingstelsels vir werkers kan inhou; (b) te identifiseer hoe opleiding en ontwikkeling deur die munisipaliteit geïmplementeer word; (c) die uitdagings, beperkings en voorstelle te identifiseer. 'n Grondige literatuurstudie het die basis van die navorsing gevorm en is deur individuele onderhoude met werknemers van die Breedevallei Munisipaliteit aangevul.

Die Breedevallei Munisipaliteit is een van vele munisipaliteite in Suid-Afrika wat met beperkte finansiële bronne dienste aan hul gemeenskap moet lewer. Deur optimaal van tegnologie gebruik te maak, kan die Afdeling Menslike Hulpbronne van administratiewe take verlig word en 'n groter strategiese rol binne die munisipaliteit speel.



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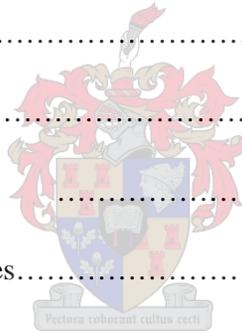
Thanks to my family and friends, for showing an interest in my studies and for keeping me in your prayers.

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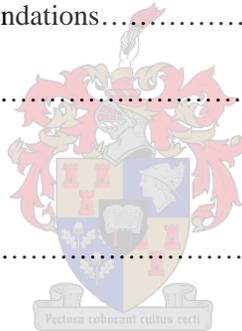
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ABBREVIATIONS

ABET	Adult Basic Education and Training
AMDP	Advanced Management Development Programme
BVM	Breede Valley Municipality
CAPMAN	Competency and Performance Management Solution
CDW	Community Development Workers
DPLG	Department of Provincial and Local Government
EEO	Equal Employment Opportunity
E-HR	Electronic Human Resources
EMDP	Emerging Management Development Programme
HR	Human Resources
HRD	Human Resources Development
HRIS	Human Resources Information System
HRM	Human Resources Management
IDP	Integrated Development Planning
IMDP	Integrated Management Development Programme
KPA	Key Performance Area
KPI	Key Performance Indicator
LED	Local Economic Development
MPSA	Ministry of Public Service and Administration
NEDLAC	National Economic Development and Labour Council
NQF	National Qualifications Framework

NTSI	National Training Strategy Initiative
OECD	Organisation for Economic Cooperation and Development
PDR	Plan, Do, Review
PMS	Performance Management System
PSC	Public Service Commission
PSLDP	Presidential Strategic Leadership Development Programme
SALGA	South African Local Government Association
SAMDI	South African Management Development Institution
SARS	South African Revenue Service
SDF	Skills Development Facilitator
SETA	Sector Education and Training Authority
WPTPS	White Paper on the Transformation of the Public Service
WSP	Workplace Skills Plan



CHAPTER 1:

INTRODUCTION

1.1. Background information

Human resources (HR) leaders have been told repeatedly that they must earn a “seat at the table” with top management in order to play a significant role in the development of organisational strategies and business success (Sacht, 2002). Ulrich (2002) states that “human resources has to take on a more strategic role moving away from its focus on exclusively people and talent to helping line management building capabilities to grow the business”.

However, while many HR leaders have become active participants in strategy sessions occurring in boardrooms around the world, they are continually hindered by the need to think and act strategically, while still overseeing the time-consuming administrative aspects of day-to-day HR (Sacht, 2002). It is clear that HR must find a way to relieve itself of administrative burdens, without abdicating their administrative role, in order to maximise its contribution to business strategy (Sacht, 2002).

South Africa has been given a rare and historic opportunity to transform local government to meet the challenges of the next century. Local government has been given a distinctive status and role in building democracy and promoting socio-economic development. Technology is increasingly being used to address challenges faced by municipalities, to enhance service delivery as well as to improve internal efficiency.

1.2 Theoretical framework

Local government is tasked with a wide range of powers and functions. Municipalities are responsible for the provision and management of infrastructure and services and have a dire need for information systems to fulfil their duties effectively.

As data often overlap between departments, it is important that they should be correctly maintained and managed, because the duties of other departments are influenced. The value of computerised information systems in the municipal environment is increasingly becoming apparent as the requirements of the decision-making process increases (Kriel, 1993:).

The primary task of the HR department within municipalities would be to ensure that the municipality's human resources are utilised and managed as effectively as possible. HR administrators help design and implement policies and programmes that enhance human abilities and improve the organisation's overall effectiveness (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314). Legislation such as the White Paper on Human Resources Management, the Skills Development Act, No. 97 of 1998, the Employment Equity Act, No. 55 of 1998, and the Skills Development Levies Act, No. 9 of 1999, has had a big impact on the management of employees within organisations.

1.3 Rationale

Web and Internet technologies are providing HR with ways to maximise their contribution to the business strategy (Sacht, 2002). By implementing technology systems and placing HR information online, staff are empowered to manage their own personal details, freeing up the HR team's time to focus on providing more strategic consultancy at a boardroom level (King, 2001: 23).

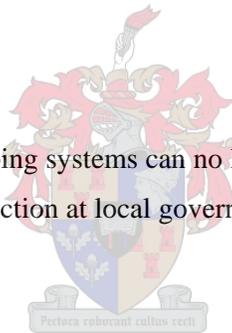
There is no doubt that technology can be helpful to organisations to be more effective and efficient. However, technology has dramatically increased the skills and training necessary to perform many of the jobs in today's organisations. At the same time, employers in South Africa are faced with fewer skilled workers entering the labour market and an increase in underprepared workers. The obvious answer to this problem is an increase in worker re-education and training programmes. (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590)

The Breede Valley Municipality is situated in the Breede Valley in the Western Cape and is a “new” municipality combining the previous municipalities of Touws River, De Doorns, Worcester and Rawsonville. This municipality, like most in South Africa, is tasked to deliver services to their communities with limited financial resources at their disposal. Using the Breede Valley Municipality as a case study presents the opportunity to learn more about the problem being studied. In presenting a case study, details may arise that contradict general theoretical truth, contributing to the reformalisation or expansion of existing theories.

The purpose of this study is to understand the impact that technology and legislation has on human resources management at a local government level regarding the training of workers.

1.4 Problem statement

Simple manual HR record-keeping systems can no longer support the important strategic role of the human resources function at local government level.



1.5 Research question

How can web-based technology systems free the HR department at the Breede Valley Municipality from its administrative tasks?

1.6 Objectives

- To identify and summarise the advantages web-based technologies can hold for employees in their daily work.
- To identify how training and development is implemented within the municipality.
- To identify the challenges and constraints and recommend steps for improvement.

1.7 Research design

A theoretical and empirical study was conducted to address the research question. The research design of this study will be presented in broad terms at this point. Firstly, a literature study involving current literature on the subject of e-HR was required. Primary and secondary data were collected to provide qualitative results.

1.8 Research methodology

Primary data was gathered by means of individual interviews. Parties that were interviewed included the Human Resources Manager, Acting Human Resources Manager, Training Officer (Skills Development Facilitator) and Information Technology Manager. These interviews were semi-structured and consisted of open-ended questions. Interviewing as a method of collecting data allows the researcher to explain his/her question if the respondent is not clear on what is being asked. It allows the researcher to probe deeper following the answer of the respondent. (Brynard and Hanekom, 1997: 29-32)



Data was also collected on a more informal basis over the duration of the study by means of regular e-mail and telephone contact. Qualitative data involves information that provides answers as to why things are happening as they do. Qualitative research provides a means of attempting to understand a world that cannot be understood in terms of numbers and objectivity. In this study, qualitative research would be the best method, since it will provide an understanding to how theory is implemented in practice.

Using the Breede Valley Municipality as a case study was a means of stimulating the imagination in order to discern new general problems and identifying possible theoretical relations that were not previously apparent (Lauden, 1979:).

1.9 Data collection techniques

For the purpose of this research, the following sources of information were used, over and above existing documentary sources gathered from the Breede Valley Municipality:

1.9.1 Supervisor

A good supervisor is also a good scholar and has accumulated a wealth of experience in their areas of interest and expertise. He/she will be able to provide direction and provide sources of information (Mouton, 2001).

1.9.2 Journal articles

For the purpose of this study, books, journals and internet sources will be consulted. Part of this work will also involve the scrutiny of the available literature on the research topic involved, which is an important aspect for mind mapping (Brynard and Hanekom, 1997:50; Bless and Higson-Smith, 2000:20)

Books often do not contain the most recent information, and if one is researching a current topic which is likely to be dynamic, journal articles (either on paper or in electronic format) are a good source. Articles are dated, and they can be a source of ideas. Also, articles can be put on the web as soon as they are ready, without having to wait for a space in a journal issue or a specific date of release. Articles can also be sent to subscribers via e-mail. There is a disadvantage to electronic journals, however: once printed, details of a paper journal remain constant, thus finding them again is straight forward, but websites change their Uniform Resource Locator's (URLs) or frequently disappear altogether (Wells, 2005).

1.9.3 World wide sources

The Internet is a vast resource of information. It is self-publishing, meaning that anyone can post a website. However, at times the Internet as a source does not contain reliable information. Therefore all sources obtained from the Internet will be used after a thorough scrutiny of its reliability.

1.10 Report structure

In Chapter 2, an overview of the literature that will be dealt with in this study will be provided. The functions of the HR department will be discussed as well as some of the web-based technologies. Human resources information systems (HRIS) and their applications will be discussed in detail.

Chapter 3 will focus on legislation that has an impact on human resources management and municipalities, and on the skills needed at local government level.

Chapter 4 will consist of empirical data obtained through interviews with the relevant stakeholders within the Breede Valley Municipality. In Chapter 5, final conclusions will be drawn and some recommendations will be provided.

1.11 Time frame

The preliminary literature study took three months. In this time the information about the specific subject was gathered, and the research question as well as the aims and objectives of the study were formulated. The appropriate research methodology was selected. The research proposal took a week to write. Due to extensive research and critical analysis of the data being gathered, Chapter 2 took two months to write. Chapter 3 also took two months to complete. Gathering information for Chapter 4 took four months. This is due to the interviews, the availability of all the persons, and the analysis of data relevant to the study. Chapter 5, the conclusions and recommendations, took one month to finish.

CHAPTER 2:

LITERATURE OVERVIEW

2.1 Introduction

In the past, human resources management was confined to issues such as salaries and recruitment. The administration system was rigid and bureaucratic. The White Paper on Human Resources Management in the Public Service (South Africa, 1997b) suggests that past practices were ineffective, discriminatory and inefficient. The White Paper represents a shift from personnel administration to human resources management. In April 2001, the Ministries of Education and Labour jointly launched the Human Resources Strategy for South Africa. The key mission of the strategy is “[t]o maximise the potential of people in South Africa, through the acquisition of knowledge and skills, to work productively and competitively in order to achieve a rising quality of life for all, and to set in place an operational plan, together with the necessary institutional arrangements, to achieve this” (South Africa, 2005).

Human resources management is currently seen as more holistic and attention has turned to the development of staff and their careers. The aim of this shift in thinking is to make sure that people working in the public service are well-managed, competent, capable and committed to high quality service to all South Africans.

This chapter focuses on the nature of strategic human resources management, the roles and functions of the HR department and the different web-based technologies that can assist HR in their daily work.

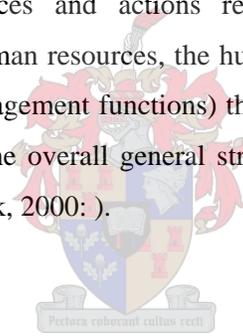
2.2 Strategic human resources management

Strategic human resources management can be seen as [t]hose long-term, top-level management decisions and actions regarding employment relationships that are made and performed in a way that is fully integrated with the overall general strategic

management of organisations. It entails synchronising and integrating the organisation's strategic business needs and plans with all those aspects stemming from and relating to the management of its employees (Erasmus, Van Wyk & Schenk, 2000: 420).

Anthony, Perrewe and Kacmar (1999: 51) also clearly state that, by involving human resources considerations when the overall strategy is formulated, human resources management contributes to the achievement of a strategic advantage for the organisation, because of the synergy which is achieved throughout the organisation's activities. It is consequently obvious that strategic human resources management cannot be viewed as separate from, or subordinate to, the formulation and implementation of business or corporate strategy.

Strategic human resources management can thus be seen as those long-term, top-level management decisions, choices and actions regarding the organisation's human resources architecture (the human resources, the human resources management systems and the human resources management functions) that are made and performed in a way that is fully integrated with the overall general strategic management of organisations (Erasmus, Van Wyk & Schenk, 2000:).



2.3 The best practices paradigm

This approach implies that there is a direct relationship between particular HR approaches and company performances (Becker & Gerhart, 1996: 779-780). A fair amount of evidence is found in the literature that certain HR practices, such as compensation, selection and training activities, can be related to company performance (Youndt, Snell, Dean & Lepak, 1996, 836-866). More recently, however, researchers have found that bundles or systems of HR practices have more influence on company performance than individual practices working in isolation (Youndt, Snell, Dean & Lepak, 1996, 836-866). Although support for a best-practice approach to HR exists, there are notable differences across studies as to what constitutes bundles of HR best practices. Most studies focus on enhancing the skill base of employees through HR

activities – selective staffing, comprehensive training and broad developmental efforts such as job rotation and cross-utilisation (Youndt, Snell, Dean & Lepak, 1996, 836-866). Other issues include the promotion of empowerment, participative problem solving and teamwork (Youndt, Snell, Dean & Lepak, 1996, 836-866). An aspect closely linked to the use of best practices is that of creating role behaviours. Company strategies dictate certain unique attitude and role behaviours from employees, and HR practices are the primary means to make this happen. However, because role behaviours of employees are observable and also transferable from one organisational setting to another, they may be easily duplicated and may not be an enduring competitive advantage.

Going beyond these direct HR performance relationships, other evidence suggest that the impact of HR practices on company performance may be further enhanced when practices are matched with the competitive requirements inherent in a company's strategic posture (Cappelli, Bassi, Katz, Osterman & Useem, 1997: 25). This new trend came about with the introduction of the strategic HRM approach. From the research undertaken in this area three primary perspectives emerged, namely a universalistic approach, a contingency approach, and a configurational approach.

Huselid's (1995: 635-672) work reflects what has become known as the universalistic approach to strategic HRM. According to Huselid (1995: 635-672), this perspective assumes that there are certain best HRM practices that will contribute to, for example, increase financial performance of a company, regardless of the strategic goals of the company. Unfortunately, there has been relatively little work done that provides a definite prescription as to which HRM practices should be included in a best practices system. The work undertaken have either focussed on single organisations such as banks, or on single jobs within organisations, without really considering some other internal or external influences (Gerhardt, Trevor & Graham, 1996: 143-203).

In recent work, Delery and Doty (1996: 802-835) identified seven practices consistently considered to be strategic in nature. The practices are internal career opportunities, formal training systems, appraisal measures, profit sharing, employment security, voice mechanisms, and job definitions. It is interesting to note that these practices were utilised in several analyses to test the soundness of the three dominant theoretical

perspectives mentioned above. The results of the analyses provided some support for each of the three perspectives.

A number of theoreticians and researchers have argued that a contingency perspective is more appropriate to strategic human resources management (Butler, Ferris & Napier, 1991: 46). This approach differs from the universal approach in that research undertaken here attempts to link HRM practices/systems to specific organisational strategies (Fombrun, Tichy & Devanna, 1984: 34).

A closely related body of research calls for a configurational approach to strategic HRM and argue that it is the pattern of HRM practices/systems that contribute to the attainment of organisational goals (Doty, Glick & Huber, 1993: 1196-1250). Similar to the contingency approach, the configurational approach argues that the fit of HRM practices/systems with the company strategy is a vital factor. In addition it argues that there are specific 'ideal types' of HRM practices/systems that provide both horizontal and vertical fit of HRM practices/systems to the organisational structure and strategic goals. The configuration of practices/systems that provides the tightest horizontal and vertical fit with any given strategy would be the ideal type for an organisation pursuing that particular strategy. Horizontal fit refers to the internal consistency of the organisation's HR policies or practices and vertical fit refers to the congruence of the HR system with other organisational characteristics, such as the company strategy.

2.4 Human resources functions

Because the human resources function within each organisation is unique to that organisation, the activities included in the HR department will vary from organisation to organisation.

Among the activities that are most likely to be assigned exclusively to the HR department are:

1. Compensation and benefits issues, such as insurance administration, wage and salary administration, unemployment compensation, pension plans, holiday/leave processing and flexible benefits accounts;

2. Affirmative action and employment equity;
3. Job analysis programmes;
4. Pre-employment testing;
5. Attitude surveys (research).

In addition, the HR department is likely to jointly carry out some activities with other departments in the organisation, including interviewing, productivity/motivation programmes, training and development, career planning, disciplinary procedures and performance appraisals (*The personnel/human resources department: 1989-1990*).

2.4.1 Responsibility for HR functions

The responsibility for performing the HR function does not reside only in the HR department; all managers at all levels of the organisation share in that responsibility. For example, the branch manager of a bank will normally interview job applicants, orientate new employees, train and develop new and current employees, evaluate employee performance, and so on. In most organisations, particularly larger ones, the HR staff design HR policies and procedures and the operating managers implement them. On occasion, the line managers help design HR policies and HR staffers help to implement them. But the primary responsibility for the implementation of HR policies and procedures rests with those who are responsible for the day-to-day supervision of subordinates (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).

2.4.2 Does the HR function affect the success of an organisation?

Managers, owners and even university professors sometimes question whether the HR department can really affect the financial success of an organisation. Without a doubt, organisations wishing to remain competitive in today's rapidly changing global marketplace need to address the issue of achieving productivity through their employees. The question that is often raised, however, is how important the HR function is in that

achievement, given other critical factors such as the leadership provided by top management, product line, market advantage and research and development (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).

The importance of the HR function in the organisation's efforts to achieve financial success is the subject of many articles and books published on the subject. However, for the purpose of this study these will not be discussed here.

2.4.3. The role of HR

Several changes in the emphasis of HR's role occurred during the last few decades. At some stage the emphasis was strongly on recordkeeping. Records of attendance, leave, salaries and a host of other things were kept manually. At that stage HR was merely viewed as a cost item on the budget (Roodt, 2004: 23).

As technology developed, the role of HR as a staff function became more administrative in nature. Following this, the next phase focussed on the role of HR as a strategic business partner. 'Strategic HR' became the buzz word of that phase, emphasising the strategic role of all the HR processes. The phase HR is currently moving into concentrates on the organisation's human or intellectual capital. People are no longer viewed as a cost item, but as the only source of knowledge, potential and creativity that organisations can obtain, nurture and develop for gaining competitive advantage (Roodt, 2004: 23).

2.5 Critical success factors to support the management of performance in public and private sector organisations

Since the late 1980s, most of the 26 member states of the Organisation for Economic Cooperation and Development (OECD), of which South Africa is now an associate member, have been engaged in human resources management reforms at national and local government levels.

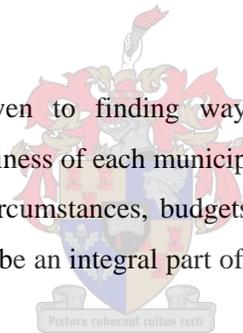
In 1996 the OECD published a report that detailed the changes occurring in human resources practices in the developed and developing member countries' public sector organisations. These trends can be viewed as emerging best practices in human resources in the public sector. The practices listed below are critical supports for the human side of re-engineering the performance management process of any local authority, as no performance management strategy is capable of implementing or delivering itself. Only human beings can do this (Sacht, 2002).

Some of the practices that were listed in the OECD report are summarised below.

1. Develop a strategic approach to managing people and performance

Policies and practices for managing people should be clearly aligned with overall strategies for ensuring the quality, effectiveness and efficiency of local government (Sacht, 2002).

High priority should be given to finding ways of integrating human resources management with the core business of each municipality, ways that may differ from case to case depending on local circumstances, budgets and management capacity. Human resources management should be an integral part of corporate planning and management processes (Sacht, 2002).



2. Articulate and promote key human resources management principles and values

The key principles and values underpinning the management of people in local government should be clearly articulated and communicated across the service. The continuing validity of traditional principles, such as equity, ethical conduct and political fairness, should be emphasised, alongside values such as efficiency, accountability and flexibility.

Human resources management policies and practices should adhere to principles of equal employment opportunity (EEO), and progress in improving the employment situation of EEO target groups should be monitored regularly against agreed standards.

Attention should be given to developing members of EEO target groups into line and senior management positions, particularly where management structures are being flattened and opportunities for advancement are limited (Sacht, 2002).

3. Raise the profile of training and development as a key element of strategic human resources management

High priority should be given to developing strategies and actions for improving skills and competencies of staff in all types of organisations. Particular attention should be given to the development of effective programmes to foster the leadership and management skills required for the effective use of strategic approaches to the management of performance. Departments and agencies should develop their own programmes for training and development and should integrate the allocation of resources for these activities into corporate strategic development, such as strategies for improving the quality of service, and budget planning (Sacht, 2002).

4. Ensure that conditions of employment and working arrangements support the goals of high performance management

Staffing practices such as recruitment and selection, promotion, performance appraisal, and training and development should be clearly linked to organisational goals and priorities. Pay systems and conditions of employment should be reviewed to ensure that they are consistent with and contribute to increased productivity and efficiency (Sacht, 2002).

5. Invest in the monitoring and evaluation of human resources management practices and programmes of reform

Human resources management practices must be monitored and evaluated on a regular basis to ensure that they are contributing to more efficient and effective management of people and the achievement of desired programme outputs (Sacht, 2002).

6. Human resources management capacity constraints.

The ability of municipalities to introduce and sustain processes for the management of performance will be tempered by the quality of available human resources expertise. A combination of many human resources disciplines that currently do not exist or are underdeveloped at local government and probably at national government levels are required to support performance management initiatives on an ongoing basis (Sacht, 2002).

The results of the OECD assessment suggest a number of human resources management principles that contribute to developing more flexible, efficient and responsive local authorities (Sacht, 2002).

2.6 Technology's impact on human resources management

Web technology is also changing the way HR professionals do their job. As a result, human resources has become the latest partner in the web development known simply as electronic human resources (e-HR) (Mongelli, 2000: 10).

'E-HR' has become the buzzword emanating from HR departments across the globe. Most people would guess that the 'e' stands for electronic, but this narrow definition is only one of many. The 'e' can also stand for 'enabling', 'empowering' and 'extending' the HR function.

For the purpose of this study, Karakanian's (2000: 36) definition will be used. According to her, e-HR is:

... the overall HR strategy that lifts HR, shifts it from the HR department and isolated HR activities, and re-distributes it to the organisation and its trusted business partners old and new. E-HR ties and integrates HR activities to other corporate processes such as finance, supply chain and customer service. Its promise is that HR is the owner of the strategy and when required it is the service broker as opposed to the provider.

It can also be put that e-HR:

- Demands HR to do its homework;
- Requires executive participation;
- Needs an excellent appreciation of technology and the use of technology;
- Requires a well-developed and integrated human resources information system (HRIS); and
- Needs to use wisely the network of technologies and various communication channels such as the web and the Internet.

All organisations depend on communication. Communication is the glue that binds various elements, coordinates activities, allows people to work together and produces results. One of HR's many roles in organisations is to communicate new initiatives to employees. HR communication efforts can occur in a variety of ways. Downward communication methods, from management to employees, include orientation sessions, bulletin boards, newsletters and employee manuals. Upward communication methods usually include suggestion programmes, complaint procedures, electronic mail and open-door meetings (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).

Although HR as a field has always placed emphasis on face-to-face interaction, the presence of web-based technologies is shifting that emphasis towards efficiency and productivity management due to the switch from human to online services (Himes, 2001). In the current era of information technology, there are hosts of opportunities to make use of computer technology to transmit information to employees. Important and urgent messages can, for example, be sent to certain managers via an electronic mail system; they can then pass the necessary information on to their subordinates if not all the employees have access to the system. Internet, intranets, information systems and human resources information systems are very common communication media in

today's organisations – especially in large ones (Erasmus, Van Wyk & Schenk, 2003: 450-467).

2.7 Definitions

The differences between Internet, intranet, information systems and human resources information systems will now be explained.

2.7.1 Internet

Graham, Spinardi and William (1996: 161-172) present two views of Internet use in organisations. Firstly, the Internet is viewed as an information technology with interest centred on software, data transmission systems and messaging capabilities. Secondly, the Internet is seen as a business innovation focusing on the harmonising of practices within the community of firms linked by electronic means.

There are numerous business opportunities brought about by the use of the Internet in organisations. These opportunities include overcoming geographical and cost barriers to new markets, improving service to customers, access to world wide communication, streamlining internal processes, restructuring relationships, sharing of scarce information and enabling applications (Dunn & Varano, 1999: 60-69).

2.7.2 Intranet

An intranet (internal web) is a network designed to serve the internal informational needs of a company, using web concepts and tools. It provides Internet capabilities, especially easy and inexpensive browsing. Using a web browser, a manager can see resumes of employees, business plans, and corporate regulations and procedures; retrieve sales data; and review any desired document.

Using hyperlinks to expedite searches for material in a database, employees can use an intranet to check availability of software for particular tasks and test the software from their workstations (Turban, Mclean & Wetherbe, 2002: 20).

Intranets also provide communication and collaboration capabilities. They are frequently connected to the Internet. Using screen sharing and other GroupWare tools, the intranets can be used to facilitate the work of groups. Companies also publish newsletters and deliver news to their employees on their intranet (Turban, Mclean & Wetherbe, 2002: 20).

2.7.3 Information systems

An information system collects, processes, stores, analyses and disseminates information for a specific purpose. Like any other system, an information system includes inputs (data, instructions) and outputs (reports, calculations). It processes the inputs and produces outputs that are sent to the user or to other systems. A feedback mechanism that controls the operation may be included. Like any other system, an information system operates within an environment (Turban, Mclean & Wetherbe, 2002: 130).

For an information system to be deemed successful, it must be profitable; its benefits to the host organisation must outweigh its costs. The system must improve the performance of its users. An information system must be applied to major problems of the organisation. User satisfaction is also evidence that the system is successful. Only if the system meets at least some of these criteria will users use it intensively. One can summarise that a successful information system is “profitably applied to an area of major concern to the organisation, is widely used by one or more satisfied managers, and improves the quality of their performance” (Ein-Dor & Segev, 1978: 2-3).

The implementation and working of said systems is not always approached correctly, which gives rise to unsuccessful systems that have no use in decision making. Successful information systems are dependent on a thorough programme of implementation, which takes into consideration all the potential users of the system and clearly explains the working of the system. If properly developed, managed and used, information systems can provide the most cost-effective resource for the organisation (Ahituv & Neumann, 1990: 2-3).

The above-mentioned web-based technologies are all useful tools for the HR department to distribute relevant and accurate information to key decision makers and employees in

the organisation. The rest of this chapter will focus on human resources information systems and their applications.

2.8 Human resources information systems (HRIS)

A HRIS consists of various identifiable components. These include hardware, software, data, procedures and users (O'Connell, 1995: 36-40). A HRIS is a system used to collect, record, store, analyse and retrieve data concerning an organisation's human resources. Thus, with the increasing importance of human resources issues as critical factors in strategic planning and decision making, the ability of the HRIS to quantify, analyse and model change becomes very important. The information and analytical capabilities of a comprehensive, business-based HRIS can provide a strategic advantage for companies undergoing or planning change (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).



2.9 Application of human resources information systems to human resources management

Information obtained from an HRIS database must be kept up to date, complete, flexible and easily accessible. These are important criteria, as will be indicated in the discussion of the application of some of the HRIS database modules to follow.

2.9.1 Training and development module

With this module an individual's training and development needs are compared with the training and development options available within an organisation. Both the employee's and manager's evaluations of training needs can be entered. The training component of an HRIS database can be quite extensive. It is capable of carrying complete training course information on thousands of internal and external courses, training course evaluation data, instructions, costs, room assignments and employees scheduled to participate (Beutell & Walker, 1991: 192). This module can also generate individual

records. These include educational achievements and degree certifications, courses taken in-house and externally, results of courses and training recommendations. This and other information can be provided to employees as part of their career development programme (Manzini & Gridley, 1986:37).

2.9.2 Skills inventory module

The skills inventory module has many uses in the HR department. It can help answer questions such as:

- Does the organisation have enough people with the specific skills to accomplish next year's production goals?
- Does it have the human resources to bid on a certain project requiring known levels of skills?

In order to answer the above questions, the module collects, stores and maintains records of individual qualifications and experiences. Some skill inventories are extremely detailed and require careful and sometimes time-consuming effort by the individual collecting the data. However, as can be seen, the skills inventory is a vital tool in human resources planning and training (Manzini & Gridley, 1986: 37).

2.9.3 Equity management module

This component enables employers to formulate an employment equity plan, in line with the new legislation published by the Department of Labour in 1999. It provides a profile of the workforce and the skills development of employees, and handles the development of an equity plan (Werner, 2003: 577-579).

2.9.4 Competency management module

A competency system package tracks the skills levels of employees, and develops compensation and training to match employee and organisational needs.

Both the manager's and the employee's evaluations of training needs can be entered. This component contains information about internal and external training courses, training course evaluations, instructors, costs, and enrolment facilities. It also provides individual

profiles, containing information on qualifications, training received in-house and externally, results of courses, financial reimbursements and training needs (Werner, 2003: 577-579).

2.9.5 Human resources planning module

This module is used to estimate future human resources management needs by analysing current job occupation, turn-over, transfers, promotions and retirement, as well as the related skills levels (Werner, 2003: 577-579).

2.9 Technology and training

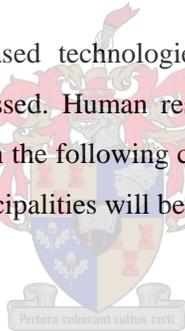
An organisation's technology – the methods and techniques used to produce goods and services – profoundly affects the skills and abilities that an organisation's employees must possess. Until recently, however, technology has done little to affect how people worked together – but that is changing. A new area of computer software technology has emerged to address the issues of working together and to support lateral communication and collaboration (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).

Technology has dramatically increased the skills and training necessary to perform many of the jobs in today's organisations. At the same time, employers in South Africa are faced with fewer skilled workers entering the labour market and an increase in underprepared workers. South African workers need new or significant expanded skills to keep up with the demands of their jobs. This includes new technology, management, customer service and basic skills training (Parr, 1996: 26-31). The answer to this problem is an increase in worker re-education and training programmes. A common problem, however, is that skills that are taught through training programmes in one industry are speciality skills: training programmes often teach workers narrow job skills and not broad basic skills that are transferable to other jobs (Grobler, Warnich, Carrell, Elbert, & Hattfield, 2002: 314-590).

2.10 Concluding remarks

This chapter focussed on strategic human resources management and the role it plays in the formulation and implementation of business or corporate strategy. Although support for a best-practice approach to HR exists, there are notable differences across studies as to what constitutes bundles of HR best practices. The HR department has various functions and roles that it fulfils in an organisation. In the past HR professionals were seen to be responsible for all tasks that lay within the employee's life cycle. Today, these responsibilities can and must be moved down through the various levels within the organisation. The HR department should become the custodian of data, where both line managers and employees can assume responsibility for the accuracy of information. The human resource department is responsible for maintaining a user-friendly database relating to all human resources issues and information.

In this chapter various web-based technologies that can assist HR in their daily administrative tasks were discussed. Human resources information systems and their applications were investigated. In the following chapter, legislation impacting on human resources management and municipalities will be discussed.



CHAPTER 3:
IMPACT OF LEGISLATION ON HUMAN RESOURCES
MANAGEMENT AND MUNICIPALITIES

3.1 Introduction

Since 1994, with South Africa's new democratic government, the HR profession has felt the great impact of government policies and programmes. The regulatory and policy framework for HRM at local government level is regulated by the Constitution and a number of supplementary acts and policy documents. These include the implementation of the White Paper on Human Resources Management, The White Paper on the Transformation of the Public Service, the Skills Development Act, No. 97 of 1998, the Employment Equity Act, No. 55 of 1998, the Municipal Structures Act, No. 117 of 1998, the Municipal Systems Act of 2000, the Municipal Finance Management Bill of 2001 and the Skills Development Levies Act, No. 9 of 1999. These laws have a tremendous impact on the management of employees within organisations. The main documents that constitute this framework will be summarised and assessed in this chapter to the extent which they are relevant to this study.

3.2 The White Paper on Human Resources Management

3.2.1 Purpose of the White Paper

A professional and impartial public service, which is representative of all sections of society, is essential for efficient and effective government, and the achievement of South Africa's democratic, economic and social goals. Transforming the public service into an instrument capable of fulfilling its role in bringing about the new South Africa depends on a variety of factors but, above all, on the commitment and effectiveness of its employees, which in turn depend on the way in which those employees are managed (South Africa, 1997b).

The purpose of this White Paper is to provide a policy framework that will facilitate the development of human resources management practices which support an effective and efficient public service, geared for economic and social transformation. Human resources management is therefore regarded as one of the strategic instruments of the transformation agenda for the public service (South Africa, 1997b).

3.2.2 Context and background

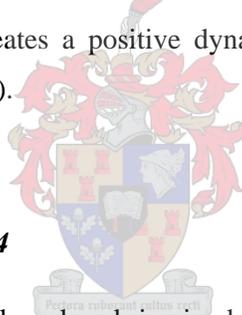
The Constitution sets out nine principles which should govern the public service (South Africa, 1997b). These are:

1. A high standard of professional ethics should be promoted and maintained.
2. Efficient, economic and effective use of resources should be promoted.
3. Public administration should be development oriented.
4. Services should be provided impartially, fairly, equitably and without bias.
5. Peoples' needs should be responded to, and the public should be encouraged to participate in policy making.
6. Public administration should be accountable.
7. Transparency should be fostered by providing the public with timely, accessible and accurate information.
8. Good human resources management and career-development practices should be cultivated to maximise human potential.
9. Public administration should be broadly representative of the South African people, with employment and personnel practices based on ability, objectivity, fairness and the need to redress the imbalances of the past to achieve broad representation.

Principle 8 will be discussed in broader detail in the following section.

3.2.2.1 *Understanding principle 8*

People are by far the most valuable asset in any endeavour, and this holds true for the public service. Making the most of the people in the public service is the most effective way of getting value for money. This makes human resources management one of the critical areas of the public service. Employing over a million people, the public service is by far the biggest employer in South Africa, and the responsibility of ensuring that this enormous resource is effectively used is a daunting one (South Africa, 2004). Human resources management refers to the measures put in place to ensure that employees are willing and able to implement government programmes, while career pathing are the systems that determine promotions and advancement. Creating a workplace in which staff members have a clear sense of being nurtured and supported promotes productivity and creates a positive dynamic that is felt in and beyond the workplace (South Africa, 2004).



3.2.2.2 *Changes since 1994*

Since 1994 the public service has shrunk in size by around 15%, mostly as a result of attrition in low-level jobs in sectors such as construction and forestry. However, restructuring remains a major challenge to Government (South Africa, 2004).

Departments are generally finding it difficult to comply with the broad range of human resources management requirements imposed on them. For example, managing performance is not the responsibility of individual managers alone. Effective performance management needs simple, functional systems that support managers in assessing staff and reviewing their performance (South Africa, 2004).

Research undertaken by the Public Service Commission (PSC) during 2003 showed that, while many departments are implementing performance management and development

systems, these are often in the initial stages and have not been implemented according to the prescribed processes (South Africa, 2003).

Other PSC research undertaken in this area includes studies into the use of dispute resolution mechanisms and the management of discipline (South Africa, 2004). These studies all show that departments aim to comply with the challenging HRM framework but are struggling to meet the required standards.

One of the most important measures undertaken by government to address South Africa's future human resources needs was the Skills Development Act of 1997, which requires the completion of skills audits, needs analyses and the adoption of skills development plans.

3.2.2.3 Looking ahead

Work organisation in the public service remains hierarchical and resistant to innovation. Future challenges relate to the adoption of flatter, more egalitarian structures and modern, team-based work methods that have better results. The use of information technology is uncoordinated and ineffective and does not deliver the benefits it should. Improving the use of information technology is a priority for enhanced human resources utilisation.

The elimination of rank and leg promotions has left career paths undefined and makes the prospects for promotion and advancements unclear. Career pathing possibly remains the major area to receive attention (South Africa, 2004).

3.2.2.4 Suggestions

Decentralisation and the delegation of authority relating to human resources management to lower levels have in many instances overloaded managers. Where

performance suggests it is necessary, consideration should be given to revoking these delegations until capacity to manage them properly has been built (South Africa, 2004).

According to Fraser-Moleketi (2004),

... [o]ur South African public service simply has to get better at doing whatever it does. Whether we are providing services directly to that sector or our population that are wholly dependent on government for accessing services such as education and health services. We need to achieve better results with the same resources and the same people. This requires a renewed focus on effectiveness across the entire public sector.

The Department of Public Service and Administration has, in order to achieve the public service it envisages, prioritised six broad areas to attend to during the next few years. For the purpose of this study only two of the six will be discussed. They are:

- Focusing on our human resources, their development and management, for the public service;
- Facilitating and practising evidence-based decision making by strengthening the systems for monitoring and evaluation, as well as performance management (Fraser-Moleketi, 2004).

According to Fraser-Moleketi (2004), “[t]he Public Service Human Resources Development Strategy is in place and workshops have been held to communicate the content thereof and help departments to develop their own strategies by formulating credible Sector Skills Development Plans. The South African Management Development Institution (SAMDI) is in the process of developing appropriate strategies to ensure that training is aligned to workplace needs and that the outcomes of training can be linked to performance management processes. SAMDI is engaged in the development of compulsory induction and re-orientation programmes for all members of the public service and is working with the South African Local Government Association (SALGA) and other partners on the establishment of a Municipal Training Institute (Fraser-Moleketi, 2004).

Fraser-Moleketi (2005) also states that:

...government is experiencing certain critical skills shortages. The current structure of the public service consists of 2% managers, while 50% of the employees fall within salary levels that are typically labelled as lower-skilled, while 40% are semi-skilled and 8% are highly skilled. Government plans to ensure that the skills profile of personnel and the skills profile required by a developmental state are commensurate with one another.

In an attempt to enhance human resources management and development, government, through the Ministry of Public Service and Administration (MPSA), has undertaken a research project to determine ways and methods to strengthen the efficiency of human resources management and development in the public service. This will define the roles and responsibilities of human resource components. It will define the competency requirements of human resources practitioners and identify necessary interventions to improve the delivery of services. Work in this regard is currently in its final stage (Fraser-Moleketi, 2005).

The next step towards improving systems and processes include the encouragement of departments to bring human resources management and development functions into closer cooperation so that recruitment, promotion and career development activities are linked to skills development planning (Fraser-Moleketi, 2005).

3.3 The White Paper on the Transformation of the Public Service

The White Paper on the Transformation of the Public Service of 1995 (WPTPS) sets out a comprehensive framework for change, in line with all the nine constitutional principles. With respect to the public service, the WPTPS stresses that the effective mobilisation, development and utilisation of human resources is an important transformation goal. It is also critical for success in a number of the other key priority areas identified in the White Paper, such as improvement in service delivery, improved productivity and cost effectiveness. The pivotal role assigned by the WPTPS to human resources management

and development is designed to counteract the tendency for transformation strategies to focus on the more visible aspects of change (such as structures, organisations and systems), whilst neglecting the equally important though less visible aspects (relating for example to employee moral, motivation, fears, aspirations and values) (http://www.sita.co.za/holdings/govdocs/Dev_good_governance/chapter4.htm).

3.3.1 Managing human resources in the new public service

This shift from administration to management underlies the entire public service transformation programme. Human resources will, to the greatest extent possible, be managed by those closest to the point of delivery. Where appropriate, functions will be devolved from the centre and become wholly the responsibility of departments and administrations (South Africa, 1997b).

The implication of these principles when applied to the management of human resources is significant. It will mean that organisational structures will need to be far more closely aligned to the strategic service delivery goals of the organisation, and will have to be flexible enough to adjust. These goals change in line with the changing needs and priorities of the public and of government policy. Flowing from this, employees will have to become multi-skilled. Their skills will need to be continuously updated to keep pace with new policy demands, and economical and efficient working processes, such as those offered by information technology, should be promoted.

Multi-skilling and continuous development should provide for greater job enrichment for many employees (South Africa, 1997b).

3.3.2 Roles and responsibilities

In essence, the policies set out in the WTPTS will bring about a fundamental shift in roles and responsibilities for human resources management within the public service.

In future, it will be for national departments and provincial administrations to determine, within nationally defined parameters, their human resources management policies and practices, in order to meet their own particular strategic and operational objectives and organisational needs, within the financial resources which have been allocated to them. Ultimate responsibility for the economical, efficient and effective management of departments and their human resources rests with elected politicians as the legally appointed executing authorities. However, for all practical purposes, these responsibilities will be carried out by the head of the department, who is accountable to the executing authority for putting policies into practice. Heads of national departments and provincial administrations will therefore need to ensure that there are adequate institutional and managerial mechanisms in place, and that the departments'/administrations' policies and practices are communicated, understood and observed (South Africa, 1997b).

Within departments and administrations, day-to-day responsibility for managing human resources will primarily become the responsibility of individual line managers. As delegated management becomes the norm, line managers will have increasing freedom, within the limits of their budgets, to determine the number of staff and the levels and skills they need to deliver the required results. They will, however, also have greater responsibility for the performance management, conduct and career development of their staff (South Africa, 1997b).

Human resources practitioners will develop a more professional role, providing advice and guidance to management on such matters as employment legislation, policies and norms across the public service, labour market trends and employee development issues. They will also continue to administer many of the day-to-day personnel management activities, such as organising recruitment competitions and administering entry and termination of services (South Africa, 1997b).

3.3.3 Career management

The public service values employees who are willing to devote themselves to a career in the service of the public, and there will be opportunities to develop their individual skills and abilities, provided these are in line with the public service's operational requirements. Career management is the process by which the career aspirations of the individual employee are reconciled with the operational objectives of the organisation (South Africa, 1997b).

The primary responsibility for career management rests with the employee. It is for individuals to determine, in the light of their personal aspirations, the direction in which they wish their careers to advance, whether within or outside the public service. Departments/administrations also have a responsibility for career management, given its importance in developing the organisation's human resources capacity to meet its operational and organisational objectives (South Africa, 1997b).

3.4 South Africa's training challenge

The present South African government has inherited a training and education system with a number of serious shortcomings. Grobler and Marx (1996: 172) list the following for example:

- There is a lack of adequate planning for future skill requirements.
- The unemployed is inadequately trained.
- Inequality of education has left a highly differentiated system with far greater resources being made available on a per capita basis to white students than to black, with the ratio of expenditure in the region of 3:1.
- Personnel costs constitute more than 80% of all present education budgets.

Employee training, development and education programmes are big business in South Africa, running into millions of rand each year. It is now valued at over R5 billion a

year. Despite this, South Africa spends less than 1% of total employment costs on training, in contrast to our major trading partners, such as the USA and Japan, who for example spends 10% (Hofmeyr, 1995: 22-27). The training and development of previously disadvantaged groups for entry into the job market, as well as their training for progression through managerial ranks, is therefore a great challenge facing South Africa.

In order to rectify the enormous shortage of skilled manpower with the limited budgets available, the South African government has embarked on a number of innovative and resourceful programmes, such as:

- The merging of different education departments into one controlling body;
- The acceptance of an education policy that integrates the education and training effort within the country, thus making greater collaboration between training institutions and traditional educational institutions possible;
- The passing through parliament of the South African Qualifications Authority Act, No. 58 of 1995. This Act improves the quality of education and training at all levels in the country and relates more closely to the economic growth and national development strategy of South Africa (South Africa, 1995).

3.5 The Employment Equity Act, No. 55 of 1998

The Employment Equity Act (South Africa, 1998a) requires the following of employers:

19. Analysis – A designated employer must collect information and conduct an analysis, as prescribed, of its employment policies, practices, procedures and the working environment, in order to identify employment barriers, which adversely affect people from designated groups.

26. Duty to keep records – An employer must establish and, for the prescribed period, maintain records in respect of its workforce, its employment equity plan and any other records relevant to its compliance with this Act.

These records and reports will include detailed information about aspects such as staff composition per occupational category (in terms of variables such as race, gender and disability), employee-related costs, recruitment and selection costs, training and development expenditure and diversity training (Erasmus , Van Wyk & Schenk, 2003:).

3.6 Performance management

The White Paper on Local Government of 1998 proposed the introduction of performance management systems (PMS) for local government as a tool to monitor the progress of service delivery at local government level. Four years later, in 2002, the Municipal Systems Act of 2000 required municipalities to develop a PMS suitable to their own circumstances. A PMS entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement review, reporting and improvement will be conducted, organised and managed, including determining the different role players (Breede Valley Municipality, 2004a). In developing its PMS, the municipality will also have to ensure that the system relates to its employee performance management processes.

The success of a municipality in delivering its operational and developmental goals depends primarily on the efficiency and effectiveness with which employees carry out their duties. Managing performance is therefore a key human resources management tool to ensure that:

- Employees know what is expected of them;
- Managers know whether the employee's performance is delivering the required objectives;

- Poor performance is identified and improved; and
- Good performance is recognised and rewarded (South Africa, 1997b).

Since the performance of every employee contributes to the overall delivery of the municipality's objectives, it follows that the performance of every employee should be managed, for example, with regard to training and development.

3.6.1 Training and development

The performance assessment process will help to identify strengths and weaknesses and the interventions needed to deal with these, including the employee's future training and needs, and other developmental interventions such as career counselling, coaching and mentoring (South Africa, 1997b).

As a further development in the government's overall human resources development strategy, two Acts, namely the Skills Development Act, No. 97 of 1998, and the Skills Development Levies Act, No. 9 of 1999, were introduced. The legislation is a 'window of opportunity' that can be effectively used to improve employees' competencies and develop tailor-made training programmes that meet specific company needs and generate a pool of skills essential for the success of the company (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590). This legislation will now be discussed.

3.7 The Skills Development Act, No. 97 of 1998

3.7.1 Background to the Act

In 1991 the National Training Board developed a provisional national training strategy. This strategy offered valuable information, but there was a problem. Democratic groups felt that the task team that produced the strategy did not represent all the key interest groups. As a result a more representative task team was set up in 1993. This task team

produced a report in 1994 called the National Training Strategy Initiative (NTSI). The report argued for certain changes:

- The integration of education and training; and
- Provision of education and training that fits in with national needs. (Department of Labour, 2000: 20-30).

The Minister of Labour adopted the policies in the first five-year programme of action. But how was skill development going to be funded? As a first step the National Economic Development and Labour Council (NEDLAC) and other stakeholder bodies conducted research into funding models for skills development. Then in 1997/8 they negotiated the proposed legislation. The Department of Labour prepared the draft legislation. It was based on a Green Paper on Skills Development. This resulted in the Skills Development Act in 1998 and the Skills Development Levies Act in 1999 (Department of Labour, 2000: 20-30).

3.7.2 Aims of the Skills Development Act

The Act outlined the following aims:

- Develop the skills of the South African workforce.
- Increase the levels of investment in education and training in the labour market and improve the return on investment.
- Use the workplace as an active learning environment to provide employees with the opportunities to acquire new skills and to provide opportunities for new entrants to the labour market to gain work experience.
- Employ persons who find it difficult to be employed.
- Encourage workers to participate in leadership and other training programmes.
- Improve the employment prospects of persons previously disadvantaged by unfair discrimination, and redress those disadvantages through training and education.

- Ensure the quality of education and training in and for the workplace (Barry & Norton, 2000: 6-11).

A better-educated and trained workforce is needed to make South Africa more efficient and to trade competitively with the rest of the world. Skilled people have a better chance of finding work or of starting their own business. They can also be more useful to their community (Department of Labour, 2000: 20-30).

To ensure a better trained workforce the Act:

- Introduces a new institutional framework (a set of guidelines, rules and structures) to determine and implement national, sector and workplace skills development strategies;
- Makes sure that more training and development programmes provide workers with nationally recognised qualifications that are recognised in the National Qualifications Framework (NQF); and
- Establishes new ways to pay for skills development through a levy/grant system and the National Skills Fund (Department of Labour, 2000: 20-30).

The Act is designed to increase investment in education and training and to ensure that this money is wisely spent. In the past, many business people were not motivated to pay for training. Under the new Act businesses are encouraged to spend money on training, and are rewarded for their efforts. Training under the new Act is seen as an investment in building the skills of individual businesses and the economy as a whole.

The aim of this Act is to provide the best quality training education and for the standards of training and education to keep on improving (Department of Labour, 2000: 20-30).

3.7.3 How will the Skills Development Act achieve all this?

The objectives of the Act will be achieved through the following institutions and programmes:

- The National Skills Authority
- Skills programmes
- The Skills Development Planning Unit (and labour centres)
- The National Skills Fund
- The levy/grant system (Department of Labour, 2000: 20-30).

3.8 The Skills Development Levies Act, No. 9 of 1999

3.8.1 Purpose of the Skills Development Levies Act

One of the reasons for poor skills development in the past was that not enough money was spent on training. The Skills Development Levies Act provides a regulatory framework to address the current low level of investment by firms in training. The Act establishes a compulsory levy scheme for the purpose of funding education and training as envisaged in the Skills Development Act (South Africa, 2001)

3.8.2 Where the levy goes

Each month employers pay the levy to the South African Revenue Service (SARS). SARS then sends the money to the Department of Labour. The Department of Labour puts 20% of the total into the National Skills Fund and divides the other 80% between the SETAs (Sector Education and Training Authorities), according to the amounts paid in by the firms which make up the SETA (Department of Labour, 2001: 15-25).

3.8.3 How the SETAs use the money

The SETAs receive 80% of the money collected from employers in their sector. Up to 10% of the money that goes directly to SETAs can be used to cover their administration and running costs. The rest of the money from the levies is used to pay grants to employers and to encourage them to train their staff (Department of Labour, 2001: 15-25).

These grants fall into two main groups, namely levy payments and discretionary grants.

3.8.3.1 *Levy grants*

These are based on whether an employer pays the levy. If the employer meets certain conditions, like producing a workplace skills plan, the SETA will pay a certain percentage of the levy back to the employer in the form of a grant. They are set out as follows:

- Grant A (15%) for appointing and using a skills development facilitator;
- Grant B (10%) for submitting a workplace skills plan;
- Grant C (20%) for implementing the workplace skills plan and providing proof of having done so;
- Grant D (5%) for doing specific training in the areas identified by the relevant SETA (Swart, 2001: 30).

In 2001/2 an employer could get back 50% of the levy paid for the implementation of the workplace skills plan. In 2002/3 this dropped to 45% (Department of Labour, 2001: 15-25).

3.8.3.2 *Discretionary grants*

These are cash grants that a SETA may make to any employer. They are not linked to the amount of levy that is paid. It is therefore possible for an employer to receive more

from a SETA than they have paid in the levy. There are three types of discretionary grants, namely grants for learnerships, grants for skills programmes, and grants to meet priorities that the SETA might set for its sector. The way in which SETAs make grants are determined by regulations (Department of Labour, 2001: 15-25).

The benefits of these grants can be considered as:

- Increased revenue

Increased turnover is generated when workers are able to exploit technology and to positively interact with clients, and are willing to identify and exploit new ways of doing things and market opportunities. Skills can contribute to these outcomes, which can translate into improved profits and growth (Department of Labour, 2001: 15-25).

- Decreased or avoided expenses

Skilled workers can reduce expenses in a number of ways: Workers can undertake routine maintenance, detect faults, solve problems smartly, make fewer ignorant errors and breakage, and address client complaints in a way that builds relationships. Skills can contribute to all of these outcomes (Department of Labour, 2001: 15-25).

- Intangible benefits

When workers know that their employer is committed to their skills development they are more likely to stay, more likely tell other skilled workers about their positive working environment, making further recruitment possible, and more likely to extend their efforts when needed. Clients and customers also respond well to environments where people work well and in teams (Department of Labour, 2001: 15-25).

3.8.4 But what about the costs?

All employers pay the levy. So everyone contributes and shares the cost. The levy makes up the pool of money available for grants.

Employers who train gain the following benefits:

1. They receive a grant from their SETA.
2. They can even receive more than they contributed. Employers may claim discretionary grants and a SETA may pay these. These grants do not depend on how much you paid for the levy. The SETAs will decide these grants based on whether the skills development activities being proposed contribute to the implementation of sector skills plans. There will be grants for learnerships, skills programmes, apprenticeships and for sector strategic projects of the SETA.
3. Most importantly, they get to enjoy the fruits of their investment, i.e. increased revenue, decreased or avoided expenses and intangible benefits.

The purpose of the grant is to encourage employers to take the first step – indeed to act in their own best interest. It was introduced to change the culture of limited training in our country (Department of Labour, 2001: 15-25).

The Act has been criticised by some companies. It has been suggested that the skills development levy is another de facto tax paid by companies, which impacts negatively on the profitability of the business. Consequently, some employers envisage cutting their current internal training budgets in order to make up for the money paid in levies. This approach will possibly appeal to the short-sighted. However, those who take a long-term view will recognise that the skilling of employees must go beyond purely legal compliance to asserting specific strategic business objectives (Maguranyanga, 2000: 40).

The downside of these Acts for the human resources manager is the number of reports that will have to be completed regularly. Examples of these are:

- The number of persons in each occupational group who received training, including occupational group, with a racial breakdown;
- A summary format of training outcomes, which will include the numbers of employees participating, completing and failing training within various NQF bands;

- Strategic skills development priorities for the levy grant, which will look at high-level strategic priorities, skill priorities, occupation and nature of training as well as the costs;
- A summary of skills and training needs, with a racial and occupational breakdown within gender, as well as a record of disabled employees (Data deluge hits human resources management, 2000: 351).

However, HR professionals are not faced with the question of whether to train or not. Instead, the questions facing them, and other managers, are: which employees should be trained, in what area(s), by what method(s), by whom, when or how often, what outcomes should be expected and what the cost will be. This is where a workplace skills plan becomes necessary.

3.9 The workplace skills plan

A sector includes many workplaces. Most formal and some informal workplaces bring together workers and employers. Workplace skills plans are like sector skills plan, but for one workplace instead of a whole sector. Regulations under the Skills Development Act say that workers and employers should draw up a workplace skills plan (Department of Labour, 2001: 15-25). The purpose of this plan is to indicate:

- Who was trained the previous year, how many people have been trained in the company in that period (categorised by their job types and racial groups).
- The strategic priorities of the company and what these priorities will refer in terms of training. These strategic priorities refer to the interventions needed to ensure the development of business and all the employees. They should therefore relate to: (1) strategic priorities for skills development; (2) the sectoral/national skills plan; and (3) employment equity.
- A breakdown of the education and training needed to achieve the priorities identified above. Here the company will state the training interventions they intend making, at

what estimated cost, in which job types (clerks, professionals, labourers, technicians) and whether the interventions will be conducted by external training companies or by the company itself.

In keeping with the quality assurance role of the National Qualifications Framework, the training needs to be NQF aligned or at least outcomes-based if no NQF-aligned training is yet available (Institute of People Development, 2005).

Employers will only receive money for training from the SETA if there is a workplace skills plan (Department of Labour, 2001: 15-25).

3.10 Technology's impact on legislation

The introduction of various software programmes has made the procedural application of the above-mentioned legislation easier.

Some of these programmes enable the employer to:

- Compile a profile of the workforce, in terms of designated groups, non-designated groups, occupational categories, occupational levels, and permanent and non-permanent employees;
- Compile a report on the skills development of employees;
- Analyse the organisation's employment policies, practices, procedures, and the working environment;
- Compile the organisation's equity plan; and
- Benchmark itself against similar organisations (Werner, 2003: 577-579).

With the aid of computer technology the aims of the above-mentioned legislation are now more easily attainable than ever before. Computers allow for vast numbers of job-related records to be maintained on each job and employee (Erasmus , Van Wyk & Schenk, 2003:).

The remainder of this chapter will focus on the different categories of municipalities and legislation that has an impact on municipalities to the extent that they are relevant to this study. The skills needs in local government and the South African government's response regarding the shortage of skills to sustain development programmes at a local level will also be discussed.

3.11 The constitutional framework

In terms of South Africa's Constitution (1996), local authorities have been given developmental tasks on different levels. Firstly, they are expected to organise and manage their administrations, and to adopt budgeting and planning strategies that will give priority to the basic needs of citizens and promote their socio-economic development. Secondly, local authorities are obliged to participate in both national and provincial development programmes in the spirit of cooperative governance (Ismail & Mphaisha, 1997: 45).

Section 155 of the Constitution as well as the Municipal Structures Act, No. 117 of 1998, makes provision for three categories of municipalities (Ismail, Bayat & Meyer, 1998: 23):

1. Category A: This municipality has exclusive municipal, executive and legislative authority in its area. Transitional local authorities fall into this category. This is also known as a single-category municipality.
2. Category B: This type of municipality shares municipal, executive and legislative authority in its area with a category C municipality within whose area it falls. In practice this would include metropolitan local councils.
3. Category C: This municipality has both executive and legislative authority in an area where there is more than one municipality. In practice this category includes both metropolitan and district councils.

Local municipalities are responsible for a wide range of functions, including:

- electricity delivery and water for household use
- sewerage, sanitation and refuse removal
- municipal health services and fire fighting services
- local roads and tourism.

While none of these tasks can be neglected, there is a danger that resources and capacity will be spread too thinly and that impact will be minimised. To avoid this danger the most urgent and important tasks should be clearly identified and energies and resources directed towards addressing these should be identified as priority. Municipalities need to develop a vision and identify the key contribution they can make along with many other actors to achieve this vision (South Africa, 1997a).

3.12 The Municipal Structures Act of 1998

The Municipal Structures Act of 1998 (amended in 1999 and 2000) defined new institutional arrangements and new administrative systems. This act lays the foundation for the local government performance management system. Section 19 of the Municipal Structures Act deals with municipal objectives and obligates municipalities to strive towards achieving the objectives set out in section 152 of the Constitution, namely to:

- provide democratic and accountable government for local communities;
- ensure sustainable provision of services;
- promote social and economic development;
- promote a safe and healthy environment; and
- encourage the involvement of communities and community organisations in matters of local government (Institute for Local Government Management, 2005).

These objectives are fundamental to local government and particularly relevant to the discussion on performance management, especially the last clause exhorting the involvement of communities and community organisations in the matters of local government.

Furthermore, section 19, sub-section 2 of the Municipal Structures Act obligates municipalities to annually review:

- a) the needs of the community;
- b) its priorities to meet those needs;
- c) its processes for involving the community;
- d) its organisational and delivery mechanisms for meeting the needs of the community;
- e) its overall performance in achieving the objectives referred to in subsection 10(1) (Institute for Local Government Management, 2005).

Critically, the Act places an obligation on a municipal council when performing its duties to:

- identify and develop criteria in terms of which progress in the implementation of the strategies, programmes and services referred to in subsection 2(c) can be evaluated, including key performance indicators which are specific to the municipality and common to local government in general;
- evaluate progress against the key performance indicators; and
- review the performance of the municipality in order to improve the economy efficiency and effectiveness of the municipality (Institute for Local Government Management, 2005.)

3.13 The Municipal Systems Act of 2000

Provisions related to PMS in the Municipal Structures Act are further elaborated on in the Municipal Systems Act (MSA) of 2000. The Act gives effect to the country's vision

of developmental local government through introducing changes in the manner in which municipalities are organised internally, the way they plan and utilise resources, monitor and measure their performance, delegate authority, deliver services and manage their finances and revenue. Critically, the MSA formalises a range of alternative service delivery mechanisms that could be used to complement traditional service delivery mechanisms/arrangements used by municipalities. The MSA is an enabling piece of legislation that gives municipalities the latitude to develop PMSs that are suited to their distinctive context and fall within the bounds of existing capacity and resources (Institute for Local Government Management, 2005).

3.14 Performance management systems in the South African context

The performance management system (PMS) is a process whereby municipalities continuously seek to improve their functioning and accountability. It is a tool that empowers local government to realise development goals and thereby meet the basic needs of citizens and also promote social and economic development as articulated in the Constitution (Institute for Local Government Management, 2005).

Generally, PMS is a management approach that provides strategic direction for managers and politicians to manage performance within organisations. Significantly PMS takes place within a framework of systematic planning and review. This inter-relatedness is aptly captured in the guide on performance management that the Department of Provincial and Local Government (DPLG) has developed for municipalities (Institute for Local Government Management, 2005).

Many employers are using computerised appraisal systems, generally with good results. Several inexpensive software packages are on the market, most of which function within the Windows operating system. Computerised appraisal systems enable managers to log notes on their subordinates during the year, and to rate employees on a series of performance traits. The programme generates written text to support each part of the appraisal (Dressler, 1997: 45).

3.15 Integrated Development Planning (IDP)

Integrated Development Planning is a process through which municipalities prepare a five-year strategic development plan for redevelopment and growth.

The Integrated Development Plan (IDP) is a legal requirement, which is a binding strategic planning instrument. It should guide and inform all planning, budgeting, management and operational decisions in a municipality (John, 1997: 10-15).

According to the Municipal Systems Act of 2000, each municipal council must, within a prescribed period after the elected term, adopt a plan for the development of the municipality. The Act defines the IDP as one of the core functions of the municipality. It states that each municipality should adopt a single, inclusive and strategic plan for the development of its municipality. This plan should link, integrate and coordinate plans and take into account proposals for development of the municipality. It should align the municipality's resources and capacity with the implementation of the plan and form a policy framework and a general framework on which annual budgets must be based (John, 1997: 10-15).

The life span of the IDP is five years. The IDP is therefore linked to the five-year term of office of councillors, who are then responsible for the IDP process. The IDP must be reviewed annually and amended if necessary (John, 1997: 10-15).

3.16 Skills needs in local government

South Africa's Constitution (1996) sets out a vision for local government that goes a long way to right the extensive list of wrongs done to the country's communities by decades of discriminatory apartheid policies. But many municipalities still face conditions that make it very difficult for them to implement that vision: to provide equitable and efficient services, build local democracy, promote social and economic development, collect revenue, ensure safe and healthy environments, and create a

generally viable and sustainable system of local government (Municipal Demarcation Board, 2005).

Local government has critical problems in acquiring and retaining skills of professionals, senior management and technicians. Priority skills have been identified, including areas of management, technical skills (examples include: artisans and craft workers), communication, information and communication technology and financial management (Fraser-Moleketi, 2005). Management skills identified by municipal managers and workers were diversity management, strategic and business planning, people management and change management.

3.17 The South African government's response

In an attempt to enhance human resources management and development, government, through the Ministry of Public Service and Administration, has undertaken a research project to determine ways and methods to strengthen the efficiency of human resources management and development in the public service. This will define the roles and responsibilities of human resources components. It will define the competency requirements for human resources practitioners and identify necessary interventions to improve the delivery of services. Work in this regard is currently in its final stage (Fraser-Moleketi, 2005).

In order to build a developmental ethos in the public service, skills development norms and standards for the public sector must be defined for an integrated public service. The evolution of a learning culture is promoted, while a cadre of line managers who embody skills development principles in their management style and approach is cultivated. Focused, short-term training for selected employees or occupations is conducted, and human resources development frameworks in the public sector are harmonised (Fraser-Moleketi, 2005).

The Integrated Management Development Programme (IMDP) was established to ensure a comprehensive approach to the development of public service managers. It consists of:

- The Presidential Strategic Leadership Development Programme (PSLDP) for senior managers on levels 13 to 16;
- The Advanced Management Development Programme (AMDP) for middle managers on levels 9 to 12; and
- The Emerging Management Development Programme (EMDP) for junior managers on levels 6 to 8.

These programmes are accredited through tertiary institutions. By 31 March 2005, 3 632 managers should have been trained through these programmes (Fraser-Moleketi, 2005).

According to Fraser-Moleketi (2005), the next steps towards improving systems and processes include the encouragement of departments to bring human resources management and development functions into closer cooperation so that recruitment, promotion and career development activities are linked to skills development planning.

A database system that encompasses the entire public sector, located in a central department, will be established for the purpose of storing and analysing training information as well as for modelling and forecasting. Standards should be prescribed for recording training expenditure and for capturing information on training. Departments must be encouraged to quality assure the entire skills development process, and skills planned should be informed by the overarching planning systems oriented to the developmental state (Fraser-Moleketi, 2005).

3.18 Concluding remarks

In this chapter you were introduced to the different legislation that has an impact on HR. The White Paper on Human Resources Management states that HRM can be regarded as one of the strategic instruments of the transformation agenda for the public service. Skills development and employment equity are both concerned with the development of people. Both are aimed at helping all people to find ways to progress at work.

The Employment Equity Act requires that employers prepare and implement an employment equity plan that complies with the new regulations published by the Department of Labour in 1999. These regulations stipulate the exact manner in which designated employers must analyse their workforce, and the relevant information that must appear in their reports.

Therefore the Employment Equity Act and Skills Development Act require sophisticated reports. This legislation compels organisations to keep track of employment equity and skills development information such as recruitment, promotions, terminations, disciplinary action and skills development (Swart, 2001: 30). The regulations on workplace skills plans and annual reports state that employers must say how many black people, women and people with disabilities will benefit from the planned training (Department of Labour, 2001: 15-25). With the aid of computer technology creating sophisticated reports are now more easily attainable than ever before (Erasmus, Van Wyk & Schenk: 2003: 450-467).

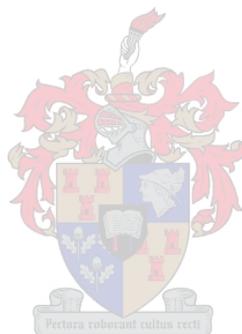
The Skills Levy Act makes the transfer of HR administration from manual to electronic a bottom-line decision. HR can show a return on the investment made in hardware and software through the grants that they can claim back from the skills levy paid to the Receiver of Revenue.

Local government is tasked with a wide range of powers and functions. Sacht (2002) states that “the ability of municipalities to introduce and sustain processes for the management of performance will be tempered by the quality of available human resource expertise”. According to Fraser-Moleketi (2005), the “[h]uman resource

capability of municipalities directly and most visibly affects the capacity of government to implement its development programmes at a local level”.

A integrated development plan can be seen as both a challenge as well as an exciting opportunity for a new system of local government. It can help municipalities to find a focus and distinguish between various complex and diverse set of demands, and help them to discipline resource allocations and institutional systems around a new set of development objectives.

In the following chapter the Breede Valley Municipality will be used as a case study to learn more about the subject under study. Specific attention will be paid to the role of HR in the training of employees, and how technology can be used to aid HR.



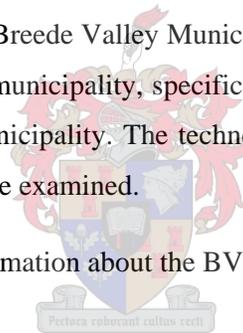
CHAPTER 4:

HUMAN RESOURCES MANAGEMENT AND TECHNOLOGY AT THE BREDE VALLEY MUNICIPALITY

4.1 Introduction

In Chapter 2 the roles and functions of a human resources department was discussed and web technologies that can help HR in their daily work were summarised. In Chapter 3 the regulatory and policy framework for HRM at local government level and legislation that has an impact on municipalities were summarised. The chapter also focused on some of the skills needs in government and the South African government's response to the problem. In Chapter 4 the Breede Valley Municipality will be used as a case study to investigate the functions of a municipality, specifically the training of employees by the HR department within the municipality. The technology used by the HR department to perform their duties will also be examined.

Firstly, some background information about the BVM will be provided.



4.2 The Breede Valley Municipality

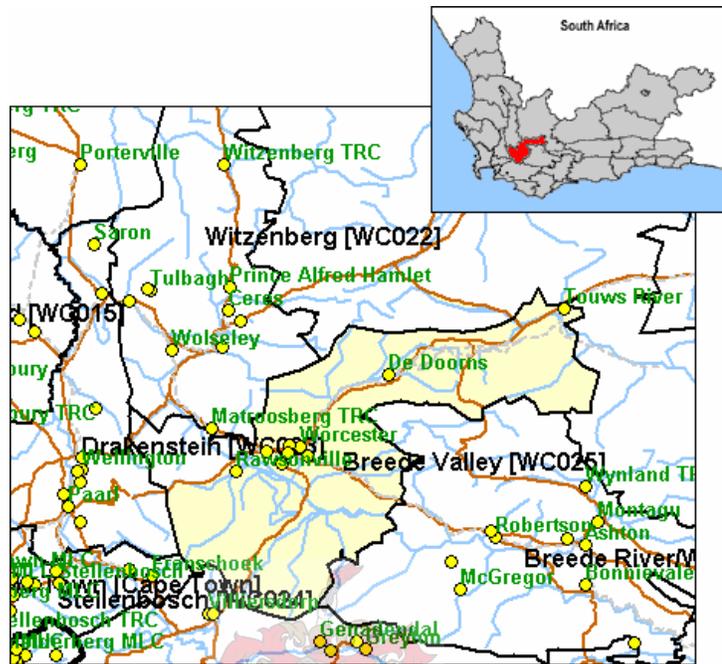


Figure 1: Map of the Breede Valley Municipality

(Source: Western Cape Government, 2005)

The Breede Valley Municipality (BVM) is a Type B municipality, with a total number of 791 employees, situated in the Western Cape. There are approximately 150 000 people living in the jurisdiction of the BVM, distributed across 19 wards. The population has grown more than 13% in the time period 1996 to 2001, with the largest growth in the African population and a negative growth in the white population. There has been a large increase in the matriculants in the area, but the absorption into higher education has not increased in proportion. It has in fact decreased compared to 1996. This has serious implications for the future skills base for the region (Breede Valley Municipality, 2004a).

The employment situation in the BVM shows serious problems. Not only has the total labour force decreased, against an increased population, but the unemployed and the economically non-active populations have increased, nullifying the effect of the increase in the employed percentage. The percentage change in disabilities since 1996 is substantial and the BVM has specific strategies in place to deal with these issues through the focus the BVM has had in this area. There is a shift of occupations into mainly lower levels, especially into agriculture, coupled with a loss of professionals (Breede Valley Municipality, 2004a).

The BVM has a total of 791 employees, of whom 220 have access to computers. There are eight persons with disabilities and 18 contract workers. There is only one skills development facilitator, who is an employer of the BVM (Breede Valley Municipality, 2004b).

The objectives of the BVM (2004a) with regard to IDP projects are the following:

- Ensure that a comprehensive spatial plan for the Breede Valley Municipality is completed by 31 March 2004.
- Ensure that Council provides the opportunity for housing as stipulated in the Constitution of South Africa.
- Ensure that all residential communities have equal opportunities in regards to convenient shopping.
- Protect, maintain and market the cultural heritage and create more job opportunities in the process.

The organogram of the BVM below indicates where the HR department is situated within the structure of the municipality.

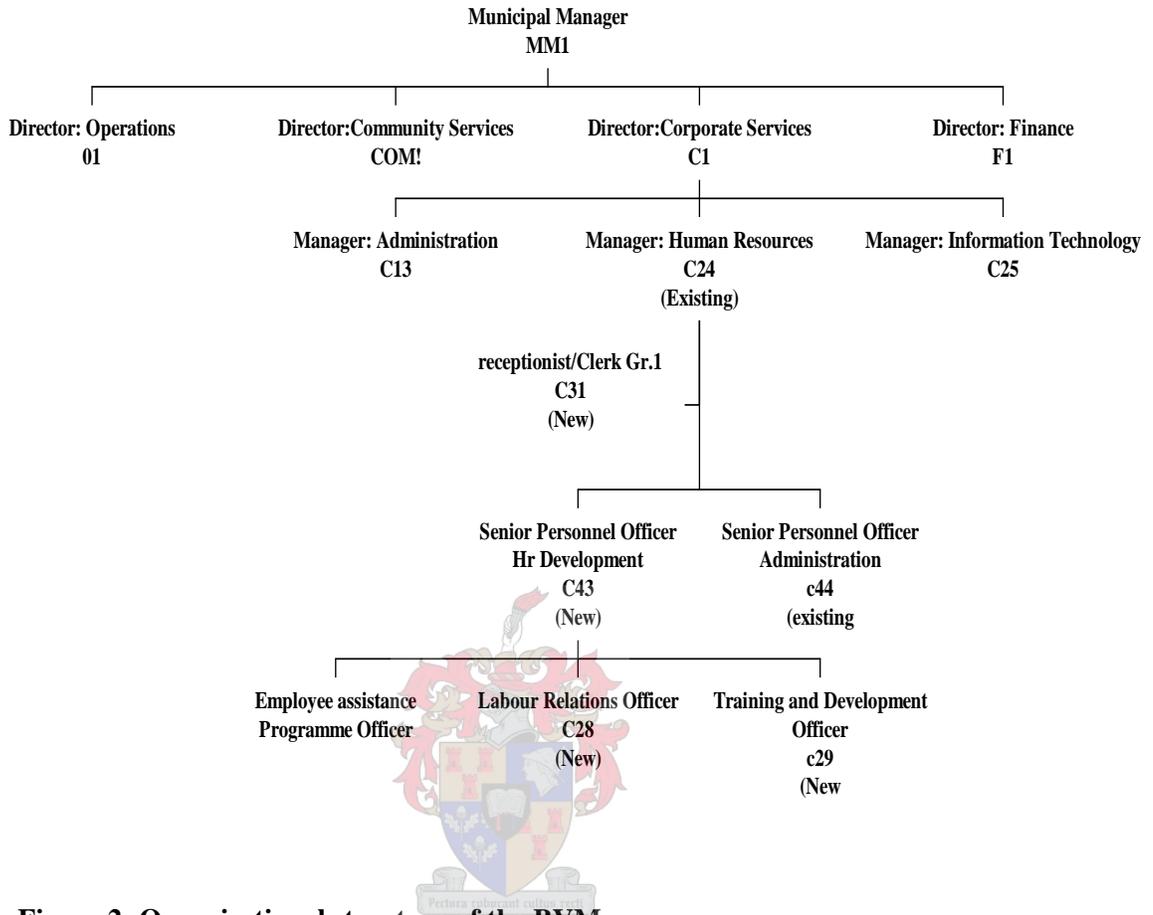


Figure 2: Organisational structure of the BVM

4.3 Roles and functions of the HR department within the BVM

In Chapter 3, the functions of municipalities were summarised. The study will now focus on the roles and functions the HR department fulfils within the municipality. The HR department consists of 13 employees, which includes an HR Manager, Employee Assistance Programme Officer, Labour Relations Officer, Training and Development Officer, Occupational Health and Safety Officer, and a Senior Personnel Officer HR Development. For the purpose of this study only the relevant employees' functions and roles are summarised below.

Table 1: HR roles and functions within the BVM

(Source: Breede Valley Municipality, 2005)

Job Title	Key Functions	Key Performance Area (KPA)	Skills/Legal Requirements
HR Manager	<ul style="list-style-type: none"> • Assist management to achieve their IDPs as far as their HR requirements are concerned • Ensure that all the functions within the Department align themselves to the achievement of the HR IDP 	<ul style="list-style-type: none"> • An IDP for the HR department in place that supports the municipality's IDP • Compliance of the municipality with the human resources and performance management requirements of the Municipal Systems Act • The municipality's Skills and Development Plan and Employment Equity Plan achieved <p>Key Performance Indicators (KPIs)</p> <ul style="list-style-type: none"> • IDP for HR in place • Municipality complies with the HR and Performance management requirements of the Municipal Systems Act • EE Plan formulated and submitted • Skills Development Plan submitted 	<ul style="list-style-type: none"> • Transformational leader • Good managerial skills • Professional proficiency • Thorough knowledge of applicable legislation • Good written and oral communication skills • Tolerance for stress <p>Minimum qualifications & experience</p> <ul style="list-style-type: none"> • Appropriate HR related tertiary qualification and 8 years relevant experience

<p>Senior Personnel Officer (HRD)</p>	<ul style="list-style-type: none"> • Assist Head: Human Resources in compiling and implementing HR policy as required by the Municipal Systems Act • Ensure the effective implementation of training and development policy 	<ul style="list-style-type: none"> • Advise management on all matters related to training and development • Submit EE plan and progress reports • Submit WSP and claim grants <p>KPIs</p> <ul style="list-style-type: none"> • Managers' satisfaction with advice received in terms of training and development, employee wellbeing • Timely submission of EE plan and progress reports • Timely submission of WSP and % re-claimed from grants 	<ul style="list-style-type: none"> • Computer literacy • Creativity and innovation • Good managerial skills • Professional proficiency • Thorough knowledge of applicable legislation • Good written and oral communication skills • Tolerance for stress <p>Minimum qualifications & experience</p> <ul style="list-style-type: none"> • Appropriate HR related tertiary qualification and 6 years relevant experience
<p>Training & Development Officer</p>	<ul style="list-style-type: none"> • Conduct an annual training needs analysis and compile a report on the outcome to Council • Compile an annual training plan at the conclusion of the training needs analysis • Distribute the approved training plan throughout Council to allow all the staff to attend training courses 	<ul style="list-style-type: none"> • Compliance with all the requirements of the Skills Development Act and the Skills Development Levies Act • An annual training needs analysis conducted • An annual training plan in line with the Skills Development Plan in place • The smooth running of training and development courses for the municipality in line 	<ul style="list-style-type: none"> • Recognition of employee needs for training and development • Good people management skills • Professional proficiency • Good written and oral communication skills • Tolerance for stress • Excellent oral presentation skills • Good facilitator

	<ul style="list-style-type: none"> • Arrange courses and workshops, including all logistical arrangements • Conduct training courses • Facilitate workshops, including all logistical arrangements • Look for custom-made training programmes that the municipality can utilise • Liaise with LGWSETA to comply with legislation • Ensure all grants are claimed from SETA • Ensure implementation of training in terms of WSP 	<p>with the Skills Development Plan</p> <ul style="list-style-type: none"> • Workshops facilitated as and when required • Training courses conducted as and when required <p>KPIs</p> <ul style="list-style-type: none"> • Compliance with the Skills Development Act • Annual training needs analysis conducted • Number of training courses presented • Number of staff attended training courses/workshops • Average training hours per employee • Amount of training levies money received back 	<p>Minimum qualifications & experience</p> <ul style="list-style-type: none"> • Appropriate Labour Relations related tertiary qualification and 6 years relevant experience
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The key functions of administrative staff in the HR department involve performing administrative tasks with regard to recruitment, managing the record system of the office, and receiving and categorising approved leave forms. They also handle general correspondence to personnel, e.g. subsidies, upgrading of posts, finalisation of study loans, acting allowances. The minimum qualifications and experience they need is Grade 12 and two years relevant experience including computer literacy.

The different departments within the BVM make use of different software packages to help them with their administrative tasks. For the purpose of this study only the software package used by the HR department will be discussed.

4.4 Competency and Performance Management Solution (CAPMAN)

With the introduction of legislation such as the Employment Equity Act and Skills Development Act, the spectrum of data that HR was managing has grown enormously. In order to fully comply with legislation, an HR solution is now also expected to contain a multitude of different types of data to assist HR. Training and skills-related data also need to be stored centrally to ensure accurate reporting for skills development (Bothma, 2004: 17).

CAPMAN is an HR solution for the registered members of a SETA. CAPMAN captures employee data to aid the HR department in the training of employees. This programme also generates equity plans and workplace skills plans. The software was designed to provide a total solution for the competency and performance management requirements of an organisation. It comprises six closely integrated modules:

1. Employer information
2. Employee records
3. Competency framework
4. Training management
5. Performance management
6. Reports and printing.

(Competency and performance management solution, 2005.)

CAPMAN was developed with Microsoft Access Developer Edition. It is distributed with the royalty-free run-time version of Microsoft Access, which means that Access

does not have to be installed on the workstations where it is deployed (*Competency and performance management solution, 2005*).

The minimum IT requirements for the use of this HR solution is:

- A Pentium II desktop; and
- Windows 2000.

The various advantages that CAPMAN holds for the HR department of the BVM are:

- CAPMAN records basic information such as name, employee number, NQF level, qualifications, race, sex and disabilities (if any).
- The modules also include the ability to record employment history of employees covering recruitment, promotions, termination and disciplinary actions.
- The module provides detail of all training activities linked to an employee's job, such as the competencies addressed by each activity, a synopsis of each activity and hyperlinks to further details on activities, such as online manuals. Details of bookings for future activities and past training are also covered (*Competency and performance management solution, 2005*).

The HR department uses this software package because it is an integrated system. This HR solution caters to the needs of the HR department and assists HR to obtain their objectives. Unfortunately HR is not optimally making use of all the modules that CAPMAN has to offer. To optimally reap the benefits of CAPMAN, the HR department should use all the various modules that CAPMAN has to offer.

4.5 The HR strategy for the BVM

According to Franks (2005), the HR Manager at the BVM, the HR strategy cannot be divorced from the organisational strategy and thus needs to be flexible in order to

accommodate the constant fluctuations and change that is currently characteristic of local government. In short, the HR strategy is to dedicate itself to serve and support the organisation in achieving its strategic objectives.

Whereas the organisation would be looking at service delivery to and development of our communities, HR would focus on developing the HR resources (staff) to meet these challenges.

To give affect to this, HR endeavours to:

- Empower employees towards maximising their personal potential and deliver on and exceed organisational requirements.
- Continuously align the HR strategy with the organisational strategy (IDP), legislative requirements and best practices in the HR field.
- Champion the cause of their human resources (employees) as the Breede Valley Municipality's most valuable resource and the key to success in service delivery.
- Promote and practice 'people first principles', namely equity, fairness, objectivity and consistency.
- Actively influence the achievement of an employee corps with high morale, high commitment to organisational goals/values and dedication to public/community service.
- Commit to professional conduct, promote professional HR management practices and advance the knowledge and proficiency of HR to the benefit of the BVM. Develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration.

The BVM's organisational strategy is the Integrated Development Plan. As mentioned above, the HR strategy cannot be divorced from this organisational strategy. IDP is an important way in which municipalities can start to develop a strategic policy capacity, to mobilise resources and to target their own activities, as mentioned in Chapter 3.

In Chapter 2, it was mentioned that different opinions exist as to what constitutes bundles of HR best practice. It will be interesting to see what best practice method is used in the BVM.

4.6 Best practice method followed by the BVM

According to Franks (2005), the HR Manager at the BVM, a lot of ‘best practices’ have been captured in local government legislation. For instance, the Municipal Systems Act prescribes:

- Roles and responsibilities must be aligned with priorities and objectives contained in IDP.
- There should be flexibility to respond to changing priorities and circumstances (Move away from the rigid organisation based on job descriptions).
- Operationally effective and appropriate administrative units.
- Maximise efficiency of communication and decision making.
- Involve staff in management decisions as far as is practicable.

Competency-based HR interventions are in its infancy stage at the BVM. Following the organisational design (organograms), all positions have been identified in terms of job purpose, key functions, key performance areas and key performance indicators, with corresponding competencies. As a first step, competency-based processes are to be rolled out in recruitment and selection.

4.7 HRM practices monitored and evaluated within the BVM

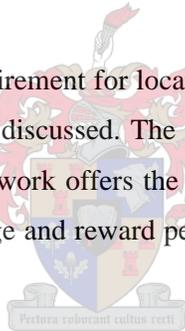
According to Franks (2005), HR management practices are monitored and evaluated in line with the drive to make the benefits of HR measurable. The key performance areas (KPAs), key performance indicators (KPIs) and objectives/outcomes are identified based

on legislative requirements, organisational needs and industry best practices. Targets for meeting the outcomes are then set in consultation with HR's major stakeholders, to finally have what should resemble a service level agreement with definite deliverables and targets. The HR department makes use of software packages to translate the raw data into useful information.

To ensure continuous alignment with organisational strategy (IDP), typically PDR (Plan, Do, Review) sessions are conducted where the KPAs, KPIs, objectives and outcomes are revisited and fine-tuned.

The employees of the BVM are the most valuable and important resource and the key to success in service delivery. Since the performance of every employee contributes to the overall delivery of the municipality's objectives, it follows that the performance of every employee should be managed.

In Chapter 3, the legislative requirement for local government to develop a performance management system (PMS) was discussed. The BVM has compiled a policy document for their PMS. The policy framework offers the BVM a platform to implement, assess, monitor, measure, review, manage and reward performance management throughout the municipality.



As a leading-edge municipality, the BVM seeks to create an efficient and effective PMS to:

- Provide a tool for assessing, managing and improving the overall health and success of business processes and systems;
- Create a culture of best practices;
- Include measures of quality, cost, speed, customer service, and employee alignment, motivation and skills to provide an in-depth, predictive PMS.

These goals are aligned with the Municipal Systems Act, No. 32 of 2000, and the guidelines of the Department of Development Planning and Local Government (Breede Valley Municipality, 2004a).

4.8 HR M capacity constraints within the BVM

According to Franks (2005), the HR department has a small group of highly skilled staff. However, capacity is lacking in terms of numbers. For HR to really make an impact, it needs to address a very wide range of issues, which is close to impossible with the limited resources.

Due to budget constraints a mere increase in staff numbers is highly unlikely. The BVM will need to move towards working 'differently' and 'smarter'. Innovation would be the key in analysing the type of service that they deliver and how they are delivering it.

One of the key roles of HR is normally professed to be "the empowerment of line managers". However, people often hold on to power and to functions as some sort of 'power base'. One option would be to devolve the non-core HR functions, such as administrative tasks, to line departments and focus and develop the HR professional areas, such as recruitment and selection. The short-listing of candidates in terms of objectively determined set criteria, contacting of short-listed candidates and arranging of interviews as well as administration around the final appointment are basic administration-related functions that could be devolved provided that effective and efficient systems exist and that line capacity building takes place. Currently the labour relations, training and development, recruitment and selection, and occupational health and safety sections within human resources carry a heavy administrative burden as a result of legal and statutory compliance issues.

The officials running these sections currently get caught up in administrative procedures where they should add more value to the BVM by providing a professional service.

The areas within HR (labour relations, training and development, recruitment and selection, and occupational health and safety) need to work in a more integrated fashion. A competency-based HR system provides a common basis for HR interventions.

Duplication can then be prevented where the assessment for recruitment purposes can double as assessment for employee development and skill identification purposes. Maximising the benefits of technology would further alleviate the problem. However, data should be converted to information – currently data is rich but information is poor.

It is clear from the above-mentioned that the HR department is still struggling with administrative tasks that hinder them from playing a more strategic role. The HR department knows what is expected from them and are thinking of new ways to improve training and development within the municipality. The department also recognises the potential benefits that technology possesses in order to help them.

4.9 The skills development strategy

Each company has to develop a skills development strategy for itself consistent with its business and people development needs. It then has to report on the nature of the strategy and its progress to its SETA. (Institute of People Development, 2000.)

There are four key components to a company's organisational strategy:

4.9.1 A skills development facilitator (SDF)

The SDF is the person in each company who is responsible for assisting the company with the planning and development of the company's skills development strategy. The SDF is appointed by each company/employer in consultation with the training committee. The SDF can either be an employee of the company or someone who is hired from outside the company to perform this function. Each SDF must help employers and employees to develop a workplace skills plan and then submit it to the correct SETA for that company. They will then serve as the contact person between the SETA and the company. In addition to this, they advise the employer on how to put the WSP into effect and how to write the annual training report for the SETA (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590).

4.9.2 A training committee

Any company with more than 50 employees needs to establish a forum, representing employees and employers in a 50/50 ratio, to discuss the organisation's training and education strategies and decide on the best ways to improve the organisation's skill profile. Through the training committee, the SDF can rapidly come to see what the chief obstacles to developing the organisation's skills are.

4.9.3 A workplace skills plan (WSP)

The purpose of this plan is to state who was trained during the previous year, what the strategic priorities of the organisation are and what these priorities will require in terms of training. It also includes a breakdown of the education and training needed to achieve the priorities identified. (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590).

4.9.4 An annual training report

The annual training report is based on the WSP that was handed to the SETA. The report should contain the following information:

- The number of persons in each occupational group who received skills training during the previous year; and
- A table summarising the training outcomes (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590).

The Skills Development Strategy is implemented within the BVM through two methods, namely adult basic education and training (ABET) and learnerships.

ABET was initialised in May 2003 with the enrolment of 60 learners on ABET Level 1 (Literacy). Thirty-eight of these learners were assessed by the end of the programme (Level 1) in February 2005.

The BVM has been granted money from the Local Government Sector and Education Authority for the implementation of ABET Level 2. Sixty-five learners will start with Level 2 within the next month. These 65 learners include the 38 that passed Level 1.

Two learnerships are currently running within the BVM:

- LED – Local Economic Development: Three unemployed learners
- CDW – Community Development Workers: Twenty-four unemployed learners.

For the next financial year two other learnerships will be implemented:

- Fire learnership: Five internal and two unemployed learners
- Water learnership: Five internal and two unemployed learners.

Information found in the WSP Plan of the BVM will now be summarised.

4.10 The workplace skills plan of the BVM

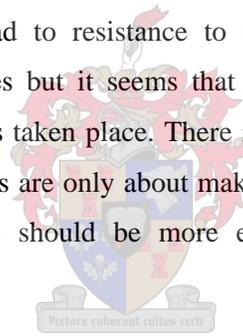
The WSP of the BVM is a continuous training plan that is not only for the prescribed period, but up to 2007, in line with the IDP. Due to a number of factors hampering skills development and training within the BVM, such as financial constraints, the training committee embarked on a medium- to long-term approach in the developing of this WSP. The WSP was developed through processes of informal meetings, formal meetings, workshops and informal shop floor talks. Communication with staff on matters relating to training and development was done through supervisors, word of mouth, e-mail, pay slips and smaller meetings (Breede Valley Municipality, 2004b).

However, the BVM's restructuring and placement processes have not been finalised which by implication means that the submission of a ideal WSP was out of question. As these processes unfold, the training committee will update and amend the WSP from time to time. An employment equity plan will be submitted to the Council in the near future. Thus, employment equity priorities were not included in the WSP (Breede Valley Municipality, 2004b).

The SDF has also been hampered by several internal difficulties, such as the restructuring of the training committee (downsizing the training committee for practical reasons), the status of the SDF, as well as and more importantly the heavy workload of the SDF. However, the training committee has already given its full commitment in addressing these issues with Management and Council (Breede Valley Municipality, 2004b).

4.11 Computer training

According to Versveld (2004), the Information Technology Manager at the BVM, there are opportunities for training but only when there is a need. Training is a financial problem. Training can not take place within a day; at least five to ten days are necessary. The financial costs often lead to resistance to training. The BVM receives many invitations for training courses but it seems that when the person comes back from training not much learning has taken place. There is a feeling that some of the training courses provided by companies are only about making money and not about the quality of training. Training courses should be more effective, especially since they are expensive.



The Rural Computer Skills Project and the Walala Wasala Project are examples of training course that were provided to employees at the BVM and also to people from the Breede Valley area.

4.11.1 Rural Computer Skills Project

This computer project involved capacity building plans for the following target audience:

- Breede Valley Municipality councillors
- Departmental top management
- Departmental senior management

- Existing project teams.

The training course provided training for 48 people, composed of 12 people from each target group.

The capacity building was conducted in three related areas:

- Computer skills
- Business skills and project management skills
- Individual mentoring and support.

The focus of the training was building a critical mass of knowledge for the leadership of the region to be able to deal with the implementation aspects of the IDP of the BVM. The emphasis was placed on generating professional business and project plans. The total duration of the project was five months, starting 13 January 2003 and ending 30 June 2003 (Breede Valley Municipality, 2004b).

4.11.2 Walala Wasala Project

The Walala Wasala Project involved capacity building for the following target audience:

- Women who no longer receive the state maintenance grant
- Unemployed youth between the ages of 18 and 35
- Women who singly head their households.

The capacity building was conducted in two related areas:

- Computer skills
- Business skills.

What make these two training courses exceptional is the duration of the courses and the fact that a graduation ceremony was held. These training courses set out to improve the trainees' business skills, project management skills, computer skills and individual

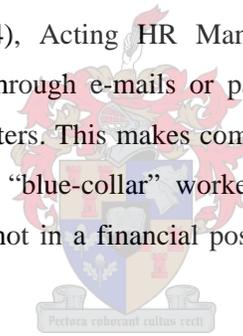
mentoring and support. These skills will help the trainees to improve their performance within the BVM.

4.12 Communication within the BVM

The strategic value of human resources management lies in the ability to distribute relevant and accurate information to key decision makers in the organisation, and to ensure that the respondents are able to interpret and utilise the information

The BVM have 791 employees but only approximately 220 employees have access to computers. This raises the question: What is the method used by the municipality to communicate with their employees and what are the limitations?

According to Cardoso (2004), Acting HR Manager at the BVM, information is communicated to personnel through e-mails or paper memoranda. Unfortunately not everyone has access to computers. This makes communication to the persons that work outside the municipality, the “blue-collar” workers, very difficult. Due to financial problems the municipality is not in a financial position to buy more computers at this time.



The limitation experienced by HR department in this regard is that information needs to be printed out, photostatted, and then delivered to each employee. This leads to time wasted and other related costs. It takes two days for people that are on site (working outside the municipality) to respond to information that has been sent to them in this manner.

4.13 Summary of findings

There are approximately 150 000 people living in the jurisdiction of the BVM. Unfortunately the BVM does not have a large skilled population to draw from. This causes a serious employment situation for the BVM, since the quality of human

resources at its disposal will indirectly affect the success of the BVM and the quality of service delivery provided to the population. In this chapter a few IDP projects were listed. It is important that the HR department play a strategic role in the effective implementation of these IDP projects. The HR department is still struggling with day-to-day administrative tasks. Only by freeing the HR department from their administrative tasks will HR play a more strategic role.

There are various computer software packages on the market that can assist HR in their daily work. HR should also start to optimally use CAPMAN, their HR solution. CAPMAN consist of a wide range of modules and have lots of advantages. The two computer training courses, the Rural Computer Skills Project and the Walala Wasala Project, can be used as examples for future training courses. The success of these two training courses depended on the quality and duration.

The skills development facilitator is also responsible for the training of employees. In this chapter the various roles of a SDF were discussed. Unfortunately there is only 1 SDF working in the BVM, this creates a heavy workload and can also create a stressful environment for the SDF.

The submission of an ideal WSP by the BVM was hindered by various factors. The BVM recognises the fact that a WSP plays an important role with regard to the training and development of employees. The BVM also uses various methods to obtain information to develop their WSP.

Communicating information to personnel is a problem, since not all employees have access to computers. In Chapter 2, communication methods were briefly discussed, which included web-based technologies. In the next chapter, possible solutions will be recommended to help with effective communication within the municipality.

CHAPTER 5:

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The present South African government has passed many acts and policy documents which all have far reaching implications for education and training efforts in South Africa. Since 1994, the HR profession and local government have also felt the great impact of government policies and programmes. These laws have a tremendous impact on the management and training of employees within organisations. E-HR focuses on people-orientated systems and programmes designed to facilitate human performance. Technology enables organisations to improve operations and delivery methods. By implementing technology systems and placing HR information online, staff are empowered to manage their own personal details, freeing up the HR teams's time to focus on providing strategic consultancy at board level.



5.2 Conclusions and recommendations

At local government level the purpose of a municipality is service delivery to and development of the community.

The success of the BVM in reaching its operational and developmental goals will depend primarily on the efficiency and effectiveness with which employees carry out their duties.

Since the performance of every employee contributes to the overall delivery of the organisation's objectives, it follows that the performance of every employee should be managed. Training and development is one of the methods used by the HR department to enhance human abilities and improve the organisation's overall effectiveness.

The BVM is one of the many municipalities in South Africa which are faced with financial difficulties. Therefore it is important to realise the cost of training and development. It is clear that training and development must be managed effectively.

Erasmus and Van Dyk (1999: 450-467) have the following suggestions on how to do this:

- The human resources manager must ensure that all programmes are presented in a purposeful and effective manner. Organisations must, therefore, ensure that its training and development programmes are not offered merely for the sake of presenting a programme.
- Imbalances exist between traditionally advantaged managerial personnel and historically disadvantaged personnel, and these must be addressed and rectified via accelerated programmes.
- Management must realise that attitudes towards employment equity programmes cannot change organisations overnight, and must be carefully addressed via training and development programmes.
- Human resources development managers and practitioners ought to be carefully selected, since the success of programmes largely depends on their quality and knowledge of training and development.

Applying this to the BVM, it is clear that the BVM should ensure that its training and development programmes are not offered merely for the sake of presenting a programme. It must empower historical disadvantaged personnel through training and development. The person selected to provide training should be qualified and have experience in training and development. This will ensure greater success of the programmes.

In Chapter 3, the researcher discussed the advantages of organisations that pay levies to their SETAs and then receive grants that can go towards the training and development of their employees. By producing a WSP, establishing a training committee, and having a

SDF, the BVM qualifies for grants from LGSETA to assist them in the training and development of its employees. The BVM's WSP provides a holistic view of training within the municipality and training can also be monitored more closely.

In Chapter 4, examples of computer training courses, learnerships and ABET programmes that has been implemented by the BVM was provided.

According to Rothwell and Kazanas (1994: 398), some of the benefits that the BVM can receive from training and development are:

- Improvement of job knowledge and skills at all levels of the organisation; and
- More effective decision making and problem solving.

Benefits for the individuals in the BVM are that:

- It provides information for improving leadership, knowledge, communication skills, and attitudes; and
- It increases job satisfaction and recognition.

In Chapter 2, the different types of web-based technologies that an HR department can use in performing their daily tasks were discussed. The HR department in the BVM makes use of CAPMAN to capture information regarding employees. This HR solution is also used to generate equity plans and WSPs. There is no formal computer training involved in using this HR solution, which means no money has to be spent on training.

Using CAPMAN in the HR department has a number of benefits. The following can be identified:

- The system reduces errors, increases efficiency and reduces costs for an organisation (e.g. paperwork is reduced, forms are standardised and reports are generated faster).
- It can be used as a strategic tool to help the municipality plan well and prepare for the future.

- It can provide valuable information to decision makers and alert them of potential problems or opportunities.

However, these benefits can only be achieved if the system forms an integral part of the municipality's functions, if the information is updated on a regular basis and if the users are properly trained to use all the functions (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590)

The strategic value of human resources management lies in the ability to distribute relevant and accurate information to key decision makers in the organisation, and to ensure that the respondents are able to interpret and utilise the information. Effective communication with personnel is still a problem experienced by the BVM HR department, especially since not everyone has access to a computer. Due to financial constraints the BVM is not able to provide everyone with computers at this point.

The question arises as to what other methods the HR department can use to disseminate information throughout the BVM. In Chapter 2, communication methods used by HR were briefly mentioned. These methods will now be discussed in more detail:

- Bulletin boards: Communications of a general nature, including official notices of policy changes, and personal employee news, such as marriages or births, may be posted on an employee bulletin board.
- Communication meetings: Top management can hold open meetings with small groups of employees to answer questions and provide an opportunity for employees to raise questions of interest to them. These regular meetings may also be used to present special issues such as a new training and development programme. If such meetings are held regularly and employees develop a sense that management has a sincere interest in their concerns, they can provide an excellent source of upward communication (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590)
- Newsletters: The municipality may use the newsletter to explain and promote organisational changes. News of a general nature, such as the beginning of a new medical plan or the announcement of employees' civic accomplishments, can be

easily and effectively communicated in an informal style. Newsletters are often mailed to employees who normally would not be up-to-date on company and employee events.

- Open-door meetings: This is a popular management practice and an excellent upward communication technique. Usually at a specific time each week or month, a manager's door is open to any employee who has a question, suggestion or complaint (Grobler, Warnich, Carrell, Elbert & Hattfield, 2002: 314-590)

The implementation of an intranet will also solve the communication problem. But if all the employees are not educated on the benefits of using a intranet, the municipality will end up running duplicate systems. Thus HR must ensure that the implementation of such a intranet is carefully planned, with all the employees 'buying in', to ensure its success. Unfortunately, due to financial constraints, the BVM will not be able to implement an intranet at this stage. One suggestion is that the implementation of an intranet can form part of the BVM's strategic planning. This could eventually lead to one of the IDP projects of the BVM.

In chapter 4, the various functions and roles of a SDF were mentioned. The SDF at the BVM is also an existing employee, whom apart from performing the role as a SDF also has to cope with his own workload. This can lead to the SDF being overworked and very stressed, and this could lead to a decrease in work performance. It is suggested that it would be in the best interest of the BVM if they could appoint a SDF from outside the municipality.

5.3 Summary

The BVM is responsible for a wide range of functions. Due to financial constraints there is a danger that resources and capacity will be spread too thinly and that impact will be minimised.

The IDP of the BVM is used to guide and inform all planning, budgeting, management and operational decisions within the municipality. The HR's role with regard to IDP is to ensure the empowerment and development of the employees of the BVM. If managed strategically, the BVM's employees are its most valuable asset. Through training and development the BVM will be successful in delivering high quality services to the Breede Valley community and successfully implement the IDP projects.

However, the HR department can only play a strategic role if they are not burdened with administrative tasks. The introduction of various software programmes can free the HR department from intermediary roles so they can focus on strategic planning and human resource development. Web-based and Internet technologies are providing HR professionals and practitioners all over the world with ways to maximise their contribution to the organisational strategy. The benefits that a human resources information system holds are endless. A well-designed, sophisticated and properly utilised and maintained HRIS can play a major role in aligning human resources-related goals with the organisational strategy of the Breede Valley Municipality.

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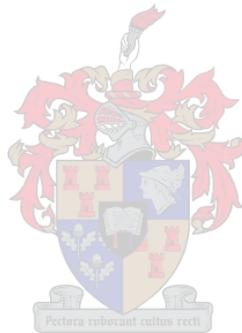
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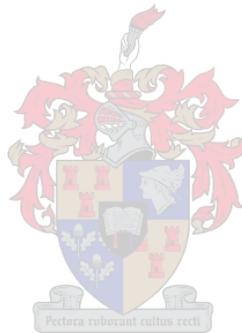
7. INTERVIEWS

Mr. R. Hollenbach, Training Officer 2004, provided the following documentation:

Breede Valley Municipality Integrated Development Plan Review 2004

Workplace Skills Plan of BVM: 2004

He also referred me to all the people that I have interviewed for this study.



Questions asked during interview with Mr. D. Franks, HR Manager at BVM, 2005

1. What is the HR strategy for the municipality?
2. What kind of best practice method do you think is followed by the municipality?
3. How is Human resource management practices been monitored and evaluated?
4. How is the Skills Development Strategy being implemented within the municipality?
5. What are the Human Resource Management capacity constraints within the municipality ?
6. How will this problem be addressed?
7. What is “HR's” role regarding IDP?



Questions asked during interview with Ms S. Cardoso, Acting Manger at BVM in 2004

1. What kind of computer software programme does the HR department use in their daily work?
 2. Is there any formal computer training involved in using this software programme?
 3. How is information spread throughout the municipality?
 4. What is some of the limitations that you experience?
 5. Do you feel there is a need for a more effective communication method?
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Questions asked during interview with Mr. A. Versveld, Information Technology Manager,
2004

1. How many employees have access to computers?
2. Are there opportunities for training? And computer training?
3. Do you think the training that is provided is effective?

