

**MANAGEMENT OF HR BENEFITS IN THE PUBLIC SERVICE:
THE CASE OF THE DEPARTMENT OF COOPERATIVE GOVERNANCE,
HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS
IN THE LIMPOPO PROVINCE**

by

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Dedication

I would like to dedicate this report to my parents, Zakia Chuene Mashiane and Altina Matlou Mashiane nèè Matlala for raising me in a caring, peaceful and lovely environment and carrying me through my studies until I became self-sustainable.

Declaration

I declare that **MANAGEMENT OF HR BENEFITS IN THE PUBLIC SERVICE: THE CASE OF THE DEPARTMENT OF COOPERATIVE GOVERNANCE, HUMAN SETTLEMENTS AND TRADITIONAL AFFAIRS IN THE LIMPOPO PROVINCE** is my own work and that all the sources used or quoted have been indicated and acknowledged by means of complete references and that this work has not been submitted before for any other degree at any other institution.



Pharudi Paulinah Sepuru

31 May 2013

Date

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Abstract

The aim of this study was to examine the implementation of HR Benefits in the public sector through grey and secondary literature, semi-structured questionnaires and interviews. These methods yielded the same results in the majority of cases and corroborated much that was raised in the literature review. However, there were instances where they negated each other and some of the views of certain commentators. This is where the hands-on experience of the author became invaluable to clarify these contradictions. Amongst other key findings of the study were that employee benefits were and are still wrongly managed; the subjective assessment of employee performance for performance bonus and the scaling down of the percentages scored by employees to accommodate the wage bill had the effect of dampening employee morale. It is hoped that various government departments will draw valuable lessons from this case study and adopt good practice to perfect the management of employee benefits.

Keywords

Absenteeism

Health Risk Manager

Housing allowance

HR Benefits

Incapacity leave

Leave

Medical aid

Perception

Performance bonus

Pensions

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Abbreviations or acronyms

ABET	Adult Basic Education and Training
BCEA	Basic Conditions of Employment Act
CDWs	Community Development Workers
CoGHSTA	Cooperative Governance, Human Settlements and Traditional Affairs
COSATU	Congress of South African Trade Unions
GEPF	Government Employees Pension Fund
GEMS	Government Employees Medical Scheme
GMs	General Managers
HPCSA	Health Professions Council of South Africa
HR	Human Resource
HRM	Human Resource Management
HoD	Head of Department
LMS	Lower Management System
MMS	Middle Management System
NEHAWU	National Education, Health and Allied Workers Union
OT	Organisational Transformation
PAs	Performance Agreements
PERMIS	Performance Management Information System
PILIR	Procedure on Incapacity and Ill-Health Retirement
PMDS	Performance Management Development System
PMS	Performance Management System
PIPP	Process Improvement Performance Programme
PSA	Public Servants Association
SBU	Sub-Branch Unit
SGMs	Senior General Managers
SMs	Senior Managers
SMS	Senior Management System
SPSS	Statistical Package for Social Sciences

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CHAPTER 1

INTRODUCTION TO THE RESEARCH REPORT

1.1 Introduction

This research report examines management of Human Resource (HR) Benefits in the public service with special reference to the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA, hereinafter referred to as “the Department”) in the Limpopo Province, Republic of South Africa. The *HR Benefits*, that form the subject of this study in the Department, which was formerly known as Local Government and Housing comprise housing subsidy, leave, medical aid, pensions, and performance bonus. The availability of a vast amount of grey literature on these benefits in the Department and the fact that the researcher works on these issues on a daily basis in the same Department justifies the identification of CoGHSTA as a case study for this research report. This chapter sketches the background, rationale / motivation and significance of the study. It then outlines the research problem with special attention given to statement of the problem, aim and objectives of the study, research hypothesis / questions, and definitions of key concepts.

1.2 Background

The Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) is one of the ten government departments of the provincial government of Limpopo. It is located at Number 28 Market Street in the city of Polokwane (former Pietersburg) which serves as the

administrative capital of the province. Like every government department, CoGHSTA has a section known as *HR Benefits* that deals with employee benefits. The main question is whether or not employees in the government sector attach value to HR Benefits. A related question is whether or not *HR Benefits* are managed properly in the public sector. This makes it relevant to explore the management of *HR Benefits* in the public service using CoGHSTA as a case study to assess the impact it has on government employees as well as the costs to society. Due to the vastness of the field of *HR Benefits*, the researcher deemed it expedient to narrow the study to five variables, i.e., housing subsidy, leave, medical aid, pensions and performance bonus. The choice of these variables was influenced mainly by the fact that the researcher is working on these issues on a daily basis as one of the three deputy managers responsible for HR Benefits in the Department.

1.3 Rationale

The purpose of this study is to examine the management of *HR Benefits* with special reference to the Department in order to identify gaps or lingering problems in their management so that recommendations may be made to management to ensure efficient and effective service delivery.

1.4 Significance of the study

The study will have significance at three levels, i.e., theoretical, methodological and practical levels. Firstly, the study seeks to add to the existing body of knowledge on the management of *HR Benefits*. In addition,

it seeks to inform the policy on employee benefits. Above all, it seeks to lay the basis from which governments at local, national and international level can adopt the benefit and service regime and best practice which can be adapted to local conditions, contexts and needs.

1.5 Statement of the problem

The fact that ‘benefits and services are often wrongly managed’ poses the question as to whether *HR Benefits* practitioners in the public sector manage *HR Benefits* in an effective and efficient manner (Gerber, 1998: 217). Poor management of *HR Benefits* impacts negatively on the morale of employees and thereby impedes their ability to treat members of society with respect. It also reduces their capacity to handle issues of service delivery in an effective and efficient manner. The fact that the costs to society are too high to contemplate makes it relevant to explore the existing policy on *HR Benefits* and factors that impede government departments to manage *HR Benefits* effectively and efficiently.

1.6. Aim of the study

The aim of this study is to examine the implementation of *HR Benefits* in the public sector with a view to identify its strength and shortcomings and the effect these factors have on employee productivity and service delivery.

1.7. Objectives

The objectives of the research are

- To assess the impact of HR Benefits on employees and service delivery;
- To interrogate the key components and philosophy of *HR Benefits*, whether *HR Benefits* are administered in a fair and equitable manner in the public sector;
- To analyse the type of *HR Benefits* and services that employees require and reasons for this preference;
- To assess whether *HR Benefits* improve performance and / or increase the job satisfaction of employees;
- To draw lessons for an appropriate intervention and for future planning.

To this end, the study generates knowledge and broadens our understanding of opportunities and constraints regarding management of these benefits.

1.8. Research questions

HR Benefits are generally wrongly managed and in the public sector in particular. The critical question that was asked with a view to test this hypothesis was whether or not government departments implement employee benefits in an effective and efficient manner. The answer to this research question hinged on the following sub-questions:

Sub questions

- What are the key components and the philosophy of *HR Benefits*?

- Are *HR Benefits* administered in a fair and equitable manner in the public sector?
- Which *HR Benefits* and services do employees require and why?
- To what extent do *HR Benefits* and services improve performance and/or increase the job satisfaction of employees?

1.9. Definition of key concepts

HR Benefits: The concept employee benefits can be defined as the indirect form of remuneration offered to employees over and above basic salary that is specifically designed to attract, retain and motivate employees (Gerber, 1998; also see Nel *et al.*, 2008 and Swanepoel, 2008). This indirect form of the total compensation includes paid time away from work commonly known as leave, insurance and health protection, incentive pay also known as performance bonus, retirement income or pensions, and employee services such as employee wellness programmes, bursaries and transportation benefits. For purposes of this study, the discussion of *HR Benefits* will be limited to five variables, i.e., housing subsidy, leave, medical aid, pensions and performance bonus.

Absenteeism: The practice of regularly staying away from work without a valid reason.

Health Risk Manager: a company comprising multi-disciplinary medical experts appointed to assess and advise the Department regarding an employee's application for short- and long-term incapacity leave.

Housing allowance: the subsidy allocated to employees by employers in respect of ownership housing, incremental housing or rental housing.

Incapacity leave: the benefit rendered to employees by employers for the inability to perform work activities as a result of the nature and effect of ill-health or disability.

Leave: the benefit rendered to employees by employers for time not worked (Gerber, 1998). This type of benefit includes vacation, public holidays, family responsibility, ill health and study.

Medical aid: the subsidy allocated to employees by employers for medical related expenses such as consultations, medication and hospitalisation.

Performance bonus: incentive pay earned by employees on top of a basic wage and salary for extra effort they expend in their jobs (Luthans, 2008). It usually takes the form of 7% of an employee's salary.

Pension: a regular payment to those who have retired from work due to age or ill health paid by the state or an employer (Perkins and White, 2008).

Conclusion

This research report is an attempt to test the validity of the argument that the management of employee benefits is not done in an effective and efficient manner in the public service. The aim is to provide government institutions with baseline information that they can draw from in developing a turn-around strategy to address the shortcomings that characterise management of *HR Benefits* especially those benefits that form the subject of this study.

STRUCTURE OF THE REPORT

Chapter 1 introduces the research report. Chapter 2 reviews existing literature on *HR Benefits* from which it draws the conceptual framework of the study. Chapter 3 sketches the research methodology of the study with special emphasis on the research design and rationale, population, sample size and selection method as well as data collection and analysis methods. Attention was also given to ethical considerations. Chapter 4 analyses and interprets research results. Chapter 5 draws a conclusion based on the findings and suggests possible interventions government departments need to adopt for effective and efficient management of *HR Benefits*.

CHAPTER 2

LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK OF THE STUDY

2.1 Introduction

This chapter reviews different theories on and what various commentators have written about the management of *HR Benefits*. To this end, the chapter examines points of agreement and difference and flaws that emerge from the body of existing literature and explore possible remedies. Conflicting assumptions held by different commentators such as Swanepoel (2008) that employee benefits lead to employee satisfaction and Nel *et al.* (2008) that the existing benefit structure leads to employee dissatisfaction because it does not cater for the various benefit needs of all employees are scrutinised. The answer to these questions helped the researcher to formulate the conceptual framework of this study.

2.2 Aim of employee benefits

Gerber (1998) argues that government requirements, as stipulated by legislation, influence the granting of benefits and services. In his view, the aim of employee benefits is to build the loyalty of employees towards the organisation, increase their morale and motivate their performance and thus reduce labour turnover and absenteeism (*ibid.*; also see Miner and Crane, 2003 and Luthans, 2008). Miner and Crane, (2003: 468) add that employee benefits enhance the need for security for employees 'by providing an

income for retirement, for disability, or in the case of death' (Miner and Crane, 2003: 468).

With regards to housing allowance, the housing subsidy 'is usually limited to a particular level but tends to be available to all staff, irrespective of grade, service or age' (Perkins and White, 2008: 257). The aim of housing subsidy is to mitigate escalating housing costs. The utilisation of this housing subsidy depends on where an employee resides while in employment and prefers to consolidate. The urban residence of employees who prefer to consolidate in the rural areas is likely to be about access to income opportunities, from which any surplus would be sent back to the rural area to invest in land and housing there (Huchzermeyer, 2004; also see Affordable Housing Institute, 2005). As to whether employees in the Department are not an exception to this trend remains to be seen.

As for leave, time off or leave is desirable because it improves productivity and also serves as a deterrent to turnover (Miner and Crane, 2003; also see Perkins and White, 2008).

As far as medical aid is concerned, the aim is to assist members and their dependents to meet medical costs (Gerber, 1998). The main member of the medical aid scheme shares in the premium costs out of his or her own pocket by paying deductibles before he or she could access medical benefits (Miner and Crane, 2003). This approach is aimed at controlling the use of medical

benefits and costs. Miner and Crane (2003: 476) argue that ‘cost sharing does little to contain health care spending in the long run and can contribute to lower morale in the short term’.

As for pensions, the employee usually contributes a percentage of his or her gross monthly earnings towards pension funds that ‘are normally paid out upon retirement (for whichever reason) or death’ (Gerber, 1998: 218). Pension schemes are beneficial for both employers and employees. For the employers, pension schemes are a useful aid to rewarding the loyalty of those staff members employers wish to retain and thereby protect employers from having their employees recruited by competitors (Perkins and White, 2008: 273-4). For the employees, pension schemes help ‘delay the accumulation of income and its associated tax in order to realise income at a lower tax rate at a later stage’ (*ibid.*: 217). In this way, pension schemes ‘ensure that after retirement employees have a continued source of income in order to maintain approximately the same standard of living as before’ (*ibid.*). The key benefits accessible to a scheme upon death, but before attaining retirement age, are a lump sum payment called death-in-service, and a pension for a spouse, if married, as well as for dependants if any (Perkins and White, 2008). In the recent past, the state pension age for men and women was 65 and 60 respectively, but the policy has since been changed to allow the pension age of men to decrease gradually from 2010 until it could be on par with that of women by 2015.

2.3 Employee preferences

A question is which benefits employees like best. A corollary to this question is whether employees are satisfied with the way these benefits are managed. In an attempt to answer this question, Gerber (1998: 217) contends that 'benefits and services are often wrongly managed, which is why it is important that the organisation should determine what type of benefits and services the organisation's worker corps prefers and what is available'. He also argues that 'the preferences and needs of employees differ', adding that 'employees can best judge whether they are getting real value for their money and which benefits meet their personal needs' (*ibid.*: 224). This view is supported by Miner and Crane (2003: 479) who postulate that 'differences in life styles and personal situations cause various employees to value different benefits'.

Nel *et al.* (2004: 281) maintain that more than 75% of all workers prefer health benefits, adding that young workers and older workers prefer a savings plan and a pension as second preferences, respectively. They also argue that 'unmarried employees (or those without dependents) often resent the medical coverage married employees receive for their families, since the unmarried employees receive no benefit of corresponding value' (*ibid.*: 298). For Miner and Crane (2003: 479), older workers value retirement plans more than younger ones, adding that 'young employees with families prefer medical insurance and life insurance, while young singles tend to opt for time off (vacations, holidays)' Perkins and White (2008: 245) add the dimension that 'while there is evidence that older workers have a stronger preference for

pensions and those with families for family benefits, differences based on gender, marital status and social class seem less important’.

Given the foregoing, management needs to be aware of the various strategies available to counteract the rapidly growing dissatisfaction with how employee benefits are being implemented in various government departments. Allowing employees a voice in their benefits enable employees to choose benefits that they want and value as opposed to unwanted and under-valued benefits (Perkins and White, 2008). In addition, they can change their benefits as their lifestyle changes, e.g., from ‘single to married status, from childless to family oriented and from family to retirement oriented’ (*ibid.*: 262-3).

2.4 Benefits communication programme

Gerber (1998: 225) contends that an effective communication programme is ‘a prerequisite for operating an effective benefit and service programme’. However, Miner and Crane (2003: 479) caution that ‘employees do not necessarily understand their benefits [merely] because they were discussed in an orientation program or because they were given a handbook explaining the details’. In their view, a stimulating benefits communication system including employee feedback heightens awareness and understanding and thereby reduces employee misunderstanding and enhances appreciation of the value of their benefits (Miner and Crane, 2003).

With regards to communication of pension benefits, although civil servants are aware that they are contributing to the Government Employees Pension Fund (GEPF), they do not know at what levels and what their benefits are and how to access these benefits (Brynard and Fisher, 2004). Due to lack of information on the operation of the GEPF, contributing members and/or beneficiaries begin to show interest ‘when they are able to extract benefits from the Fund as a result of retirement, death, illness or dismissal’ (*ibid.*: 545). In addition, the principal members ‘often transfer from one government department to another or may move from one physical address to another without informing the Government Employees Pension Fund of such changes’ (*ibid.*). Female members also do not inform GEPF of changes in marital status or birth of a child (Brynard and Fisher, 2004).

As far as provision of points of access to beneficiaries is concerned, Brynard and Fisher (2004) argue that the GEPF introduced a toll-free telephone number to enable employees who do not have access to telephones in their homes or who cannot afford a long-distance call to access pension services (*ibid.*). Other than a toll-free telephonic contact, the GEPF has established a web site, walk-in centres such as the satellite office in Polokwane, and newsletters as channels of communication for beneficiaries. As Brynard and Fisher (2004: 547) put it, ‘the idea is that if the client is kept informed about developments at the Government Employees Pension Fund, then it releases the operations staff to concentrate on administrative matters’. However, staff members in the public service seem oblivious to these channels of

communications due to lack of inter-departmental or governmental relations as a means for efficient service delivery between HR Benefits staff and the GEPF (Brynard and Fisher, 2004).

2.5 Duration of leave

In terms of the Basic Conditions of Employment Act (BCEA), Act 75 of 1997, employees are entitled to time off during the weekend and public holidays and annual leave equivalent to 22 (for workers with less than 10-year experience) and 30 (for workers with more than 10-year experience) conservative days for every 12 months' employment cycle as well as 12 paid public holidays (Republic of South Africa, 1997; also see Gerber, 1998 and Martocchio, 2008). As a result, employees who work on public holidays receive overtime payment or time off as compensation (Gerber, 1998). Female employees are also entitled to four months paid maternity leave and 'may not work for six weeks after the birth of a child' while their male counterparts are only entitled to paternity leave lasting only 5 days (Martocchio (2008: 335). In addition, employees without exception are entitled to 5 days family responsibility leave per annum 'for childcare, or in the event of the death of a family member' (*ibid.*: 336).

Employees are further entitled to 36 paid sick leave days per a three-year leave cycle to protect them against loss of income (Perkins and White, 2008). Greater efforts are made to ensure that not all employees take vacation leave at the same time (Perkins and White, 2008).

Female employees qualify for four months unpaid maternity leave and are protected from work for six weeks after the birth of a child (Martocchio, 2008). Employees without exception are also entitled to 5 days family responsibility leave per annum 'for childcare, or in the event of the death of a family member' (*ibid.*: 336).

2.6 Confronting the problem of abuse of leave and absenteeism

Magwaza (2012) argues that employers are plagued by absenteeism to an extent that some employees abuse leave and absent themselves from work for one reason or the other. Suleman (2004: 10) adds that sick leave is not simply an indicator of ill-health, but also reflects a conscious choice on the part of an employee 'influenced by factors that encourage or discourage absence or presence at work'. Other than medical reasons, employees may utilise sick leave for non-illness purposes such as child care, transport problems, and performance of other household tasks (Suleman, 2004). Some employees use sick leave as a means to extend weekends and periods off work by seeking health care and requesting sick leave on Mondays and Fridays and periods that are associated with long weekends (*ibid.*).

In order to address the problem of taking of sick leave for non-illness purposes, Suleman (2004) postulates that a sick leave management team should be established to monitor sick leave notes and self-reported sick leave messages, adding that employees 'should be made aware that the monitoring

of sick leave is not intended as a punitive measure' (*ibid.*: 72). The information gathered from sick leave records can alert management to devise effective absence interventions to address the problem of sick leave (Suleman, 2004). Effective monitoring can be enhanced through training and organisational approaches that increase worker participation in decision-making and problem solving and better communication and regular feedback (*ibid.*). Management can also reduce the levels of sickness absence through rewards for good attendance such as attendance bonuses and flexible scheduling and control over the beginning and end of the workday as it improves job control and autonomy of employees (*ibid.*). Suleman (2004) however cautions that rewards for good attendance can also increase the risk of sickness presenteeism, i.e., work attendance while a person is ill, amongst workers and thereby increase the risk of further ill-health.

2.7 Protection of pension benefits

The Pension Funds Act of 1956 as amended protects the pension benefits of employees from being reduced, transferred or attached by creditors under a judgement or a court order (Mohale, 2010). Only employers who have suffered damage owing to theft, dishonesty, fraud or misconduct on the part of their employees are permitted to deduct an employee's pension benefits through the pension fund provided they obtain a written admission of liability from an employee concerned or judgment against the affected employee (*ibid.*). In such a case, 'the amount is deductible on the date of retirement or

the date on which the employee ceases to be a member of the pension fund’ (*ibid.*: 46).

2.8 The impact of the performance bonus

Concerning the performance bonus, incentive remuneration is premised on the belief that pay is able to motivate employees to perform beyond minimum standards (Swanepoel, 2008). The aim of incentive pay therefore is to reinforce employee performance as ‘it gives something extra-compensation above and beyond basic wages and salaries’ (Luthans, 2008: 114). While he shares the sentiment that a performance bonus can have a positive impact on the individual, team and organisation as it links pay directly to performance results, Gerber (1998: 94) hastens to pose the question that, if people work very hard but receive a performance bonus below their expectations, ‘how much of a dampening effect will this have on their future efforts?’ In an attempt to answer this question, he argues that there are shortcomings with performance bonuses ‘due to implementation issues such as poor measurement of performance, lack of acceptance of supervisory feedback, limited desirability of merit increases that are too small, a lack of linkage between merit pay and performance’ (*ibid.*: 386). According to him, employee performance can be adversely affected by feelings of unfair compensation, adding that bonus cuts hurt employee morale as employees view it as an insult that impact on their self-worth and value to the organisation (Luthans, 2008). Swanepoel (2008) adds the

dimension that the recipients of performance bonuses may not link these performance rewards directly to performance due to the delay effect.

For the above reason, Luthans (2008) contends that money can only be effective if the organisational reward system is objective and fair and administered on the basis of good performance. In his view, effective recognition systems improve employee performance and thereby enhance retention (*ibid.*). He bemoans the fact that non-monetary rewards such as verbal and nonverbal recognition are often overlooked or underutilised despite the fact that they cost absolutely nothing in contrast to the use of financial rewards (*ibid.*). While the effects of financial rewards are limited, non-monetary rewards tend to be a very powerful reinforcer on employee performance (*ibid.*; also see Hanekom and Thornhill, 1983).

Smit and Gronje (2002) add that other than financial rewards, many factors such as values, attitudes, perception, learning, and other forms of motivation play a role in the productivity of workers. In their view, 'efficiency in the institution can be enhanced by promoting the happiness of workers - by creating harmony between the informal social system and the formal organization' (*ibid.*). While positive feedback leads to a continuation of the status quo, 'the reaction to negative feedback (output) brings about change' (*ibid.*: 77). Hanekom and Thornhill (1983: 76) add the dimension that non-financial rewards and sanctions influence the behaviour of working groups substantially given the fact that 'workers are members of groups and perform

as members of groups and not as individuals'. This is much more so given that 'social norms rather than physical abilities play a decisive role in productivity' (*ibid.*).

Conclusion

The key issue that emerges from available literature is that the main aim of employee benefits is to build the loyalty of employees, increase their morale and motivate them to perform beyond minimum standards. In order to manage these benefits in a proper manner, employers need to afford their staff the opportunity to select benefits of their choice given that employees value benefits differently due to differences in lifestyle and personal situations that change from time to time as argued in the literature. With regards to *HR Benefits* that constitute the subject of this study, commentators concur that housing allowance, leave, medical aid, pensions, and performance bonus are available to all staff members who are employed on a permanent basis. The question is whether or not these benefits are being implemented in an effective and efficient manner in the public service.

Flowing from the literature review, the following questions need to be answered if we are to adopt interventions that would result in better management of employee benefits:

- Are available *HR Benefits* utilised by all employees in the public service?
- Do employees invest housing allowance in housing or other household needs?

- Do employees take vacation leave at different intervals as the dominant literature would like us believe?
- Are there other factors except sickness that determine sick leave as suggested in the existing literature?
- What types of interventions are in place to arrest the abuse of sick leave?
- Do such interventions encourage employees to report for duty even though they are ill and thereby aggravate their health conditions as posited in the literature?
- Do existing medical aid schemes provide equal benefits to government employees?
- Are government employees entitled to equal pension benefits?
- Are performance bonuses allocated in a fair manner among government employees?
- Are there delays in the granting of performance bonuses?
- Do performance cuts hurt the morale of employees as identified in the literature?

It is to the elaboration on these issues that we now turn.

Chapter 3

Research methodology

3.1 Introduction

This chapter sketches the research procedures through which data was collected and analysed in this study. Special emphasis was placed on the research design and rationale, population, sample size and selection method as well as data collection and analysis methods. Attention was also given to ethical considerations.

3.2 Research design and rationale

This study adopted the case design for the simple reason that a case study approach provides an in-depth description of a case among a huge number of cases as the public service consists of dozens of departments that cannot be covered in a single study (Mouton, 2006). In addition, it enhances the construction of internal and external validity and reliability of the study (Tellis, 1999). In summary, the case study remains a good and holistic strategy used in various areas of research to collect data for purposes of analysis (Ouyang, 2009). The study uses qualitative and quantitative techniques as its methods of enquiry (more illumination of these methods follows in section 3.5) to boost the quality of research.

3.3 Population

The main reason behind the choice of workers under the employ of CoGHSTA as the population for this study was that they were readily

accessible as they were working in the same Department as the researcher and therefore had first-hand information on the way employee benefits are run in the Department and how this impacted on their well-being. The total workforce of the Department was 2 294 and divided as follows: one Head of Department (Level 16), three Senior General Managers (Level 15), 14 General Managers (Level 14), 32 Senior Managers (Level 13), 184 Managers (70 Level 12 and 114 Level 11), 195 Deputy Managers (102 Level 10 and 93 Level 9), 457 Assistant Managers and Personnel Assistants (325 Level 8 and 132 Level 7) and 1 409 Operational Workers (Levels 1-6) (Department of Local Government and Housing, 2011).

3.4 Sample

The sample of the study population comprised of 100 employees drawn from the total workforce of 2 294 representing 12 branches of the Department, namely Transversal Services, Government Information Technology Office (GITO), Strategic Human Resource Management (SHRM), Local Government Support, Municipal Infrastructure, Development Planning, Housing Project Management, Social Housing Development, Housing Administration and Management, Housing Sector Performance, Chief Information Officer, and Inter-Governmental Relations, Public Participation and Governance. The total workforce of the Department, i.e., 2 294 employees, which represents the sample frame for this study, was divided into four strata consisting of operational workers, junior managers, middle

managers and senior level managers in terms of the variable of employment category for a questionnaire (*ibid.*).

The researcher then performed stratified random sampling by randomly choosing 25 employees from each stratum, making a total of 100 (hundred) participants (refer to Figure 3.1). The aim was to ensure that any member of the departmental workforce had an equal chance of being included in the study and that each category of employees was included in the sample. By so doing, the researcher ensured that the sample was representative of the staff complement of the Department. The fact that the number of operational workers far outstrips that of the other categories of workers implies that more workers should have been taken from this group. The choice of the researcher was based on simplicity given that it was much simpler to select 25 employees from each group. In addition, the researcher was assured of balanced representation given that stratified random sampling ensures a balanced representation of the total population under study. The other significance of stratified random sampling is its affordability given that it requires a smaller sample and therefore involves less time and money.

With active assistance of four officials from the *HR Benefits and Systems Division*, the names of all employees obtained from the staff establishment were grouped according to four employment categories, put into containers and randomly selected until they numbered 25 per category. The questionnaires were then distributed among the selected employees. Of 100

questionnaires that were distributed to 100 employees of the Department representing all employment categories from senior-level managers down to operational workers, 87 were completely filled and returned, resulting in a responsive rate of 87%.

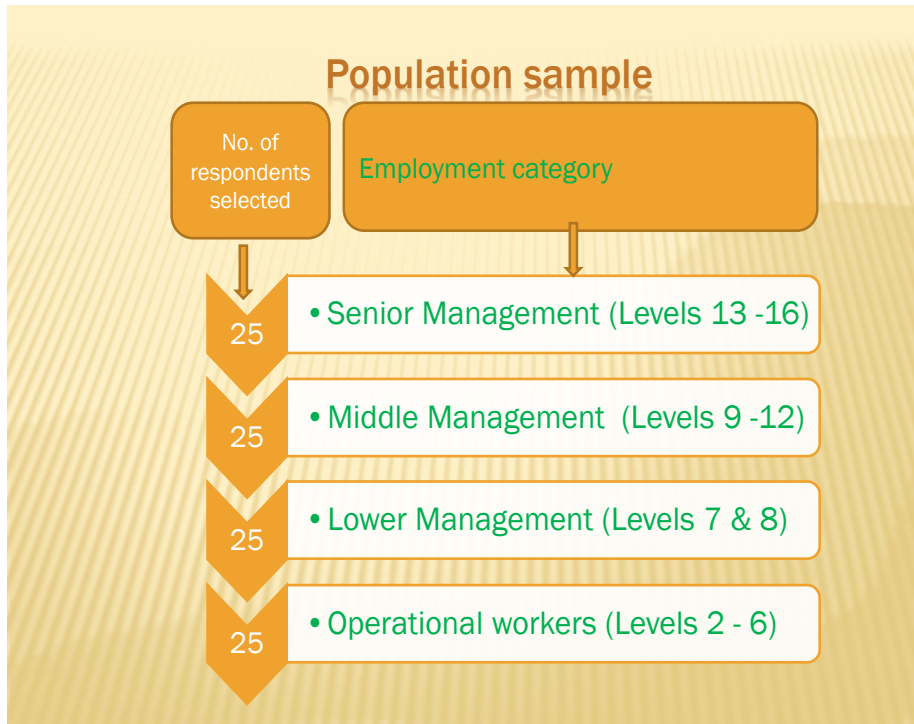


Figure 3.1: Population sample

The researcher also handpicked 11 current employees for unstructured interviews in the form of face-to-face interviews. These employees, i.e., two managers, two deputy managers, two senior personnel practitioners, two principal personnel practitioners and two top union officials at CoGHSTA, one from the National Education, Health and Allied Workers Union (NEHAWU) and the other from the Public Servants Association (PSA) were selected on the basis that they had knowledge, evidence and experience as

well as interpretations and understandings relevant to the area of study. The aim was to test the validity of the findings from the questionnaire method.

3.5 Data collection techniques

It should be pointed out from the outset that the researcher adopted a triangulation method in this study to test whether the questionnaire, face-to-face, open-ended interviews, primary documents and the observation method would yield the same results. As already highlighted, the research approach and methods used in the collection of data comprised both quantitative and qualitative methods. With regards to quantitative methods, a semi-structured questionnaire consisting of closed questions and short follow-up questions was drafted, copied twelve times and piloted among twelve employees at Lebowakgomo Hospital consisting of three operational workers, three lower-level managers, three middle-level managers and three senior-level managers. Relatively speaking, a semi-structured questionnaire allows for greater depth as compared to a structured questionnaire (O'Sullivan, Berner & Rassel, 2008). Once the distributed questionnaires were completely filled and returned, corrections were made on identified gaps and a final questionnaire (refer to Annexure "A") was compiled and replicated into 100 copies which were then distributed to 100 employees of the Department. As stated in the previous section, these employees were selected through stratified random sampling. In an endeavour to address ethical issues and thereby enhance participation in the study, the questionnaire highlighted the

aims of the study and protected the identity of respondents by providing for anonymity and also assured them of the confidentiality of their responses.

The strength of the questionnaire method as part of the quantitative paradigm is that it is easy, cheap and consumes little time to administer (Mouton, 2001; also see Welman and Kruger, 2001). In addition, it ensures that the participants understand the question and purpose of the study fairly well (*ibid.*). It also ensures flexibility by allowing participants to complete information at their own convenience, enhances provision of reasonable accurate and honest information by protecting the identity of participants, and helps analyse the perceptions of employees across all categories of respondents on variables under study (*ibid.*). The use of closed questions and short follow-up questions was significant in gathering germane information required to understand the variables of housing subsidy, leave, medical aid, pensions and performance bonus. It was also useful in determining how different categories of employees perceived employee benefits under study and the management style of these benefits in the Department. Once the researcher had satisfied herself that 87% of the 100 questionnaires that were issued were completely filled with required information by the respondents, she collected them back for examination and analysis.

In addition to the questionnaire method, data was drawn from a desktop study of primary documents in the form of minutes of meetings, correspondence, memoranda, organisational reports, newsletters and

newspaper cuttings to test the findings obtained through the semi-structured questionnaire. For ethical reasons and the desire to boost the legitimacy of the study, approval for the use of these documents was sought and obtained from the Head of Department (HoD) for the purposes of this study (refer to Annexure “B”). The choice of these documents was based on the fact that they were informative in that they contained information relevant for the study, readily available, retrospective and affordable while they also helped generate other documents in the process of research. In addition, they helped verify the researcher’s personal recollections about management of *HR Benefits* in the Department and other forms of data.

Given the fact that direct examination of documents alone cannot allow for any formulation of a realistic conclusion and possible recommendations, primary documents were complimented through face-to-face, open-ended interviews with selected employees from HR Benefits Division, Performance Management System (PMS) Section and existing trade unions. Appointments were scheduled and interviews were then conducted with specific employees from HR Benefits Division and Performance Management System (PMS) Section as well as two Trade Union representatives as they were responsible and accountable for issues of employee benefits on a daily basis. This enabled the researcher to get a better insight from these categories of employees through a non-judgemental approach (Tellis, 1997).

The choice of face-to-face, open-ended interviews was based on the need to gather information from “the lived experience and the interpretations and meaning which people attach to it” (Binza, 2011: 5) much more so that ‘individuals are best placed to describe the situations, experiences or feelings in their own words’ (*ibid.*). This enabled the researcher to connect the meanings of what is entailed in *HR Benefit* administration to the experiences of respondents and their lives to adequately explain why things were the way they were (Reason and Dowan, 2004). The advantage of unstructured face-to-face interviews as one of the methods of generating data is that they are open-ended and therefore flexible and sensitive to the social context.

The interviews were boosted by recollection of observations of daily activities and experience from 2008 to date on the part of the researcher as the Deputy Manager responsible for HR Benefits in which she reflected her experiences and feelings. By so doing, the researcher brought a somewhat ‘internal perspective’ to the issues under study. It should, however, be acknowledged that direct involvement in the management of *HR Benefits* on the part of the researcher created a dichotomy between a personal and therefore somehow subjective narrative and an academic enquiry about the *hoi polloi* of politics of management of *HR Benefits*. In order to address this problem, the researcher thought it prudent to share her experience as the Deputy Manager responsible for *HR Benefits* through critical distance as well as self-reflection and criticism while also taking the criticisms in the literature seriously.

3.6 Data analysis

The aim of the study was to assess the success or otherwise of management of employee benefits notably housing subsidy, leave, medical aid, pensions and performance bonus in the public sector using the Limpopo Provincial Department of Cooperative Governance, Human Settlements and Traditional Affairs as a case study. In order to test data derived from secondary literature including information from internet sources, answers obtained through questionnaires were grouped according to similarities and differences. As far as the analysis of quantitative data is concerned, responses obtained from the four categories of departmental employees, i.e., 19 employees from senior management level, 19 middle management level, 24 low management level and 25 operational workers in the form of completed questionnaires were coded and read into the computer for purposes of analysis (Welman and Kruger, 2001). This means that each answer had a numeric code attached to it. The respondents were also assigned numbers according to occupational levels in proportion to the amount of the attribute being recorded (*ibid.*). The data was grouped and presented in the form of a table that was compiled and graphs and figures drawn through the computer program known as Statistical Package for Social Sciences (SPSS) (*ibid.*). This computer programme is important because it accurately captures these highly complicated statistical formulations within a short space of time at a relatively low cost (*ibid.*). The SmartArt Graphic Diagram was used to illustrate the distribution of the sample of participants, shapes for possible intervention measures to address

gaps in the management of employee benefits as recommended by the respondents and graphs to construct the summary of the responses and demonstrate the frequencies of the values of quantities. As noted by Welman and Kruger (2001: 208), this provided ‘an overall image of the description of the units of analysis as a whole group’.

With regards to analysis of qualitative research in the form of the primary documents and unstructured interviews, the researcher applied content analysis as it produces numerical descriptions of the data (Welman and Kruger, 2001). The contents of these data sources were systematically examined and grouped according to the relative incidence (frequencies) of themes and of the ways in which these themes were portrayed and recorded (*ibid*). The categories of resultant data were recorded and coded according to the number of times that they emerged for analytical purposes. The emphasis was placed on the latent meaning or the representative rather than that which is likely to confirm the researcher’s preconceived ideas (*ibid*).

3.7 Ethical considerations

As already highlighted earlier, the identity of the targeted respondents was protected through anonymity and confidentiality techniques in respect of the use of the questionnaire as a data gathering tool. With regards to face-to-face, open-ended interviews, the researcher started by revealing her identity and explaining the purpose of the study to the respondents, gave them the opportunity to volunteer or refuse to participate in the study, adding that they

were free to withhold consent or withdraw if they so wished at any time or stage of the interview. In other words, participation in the study was entirely voluntary and anonymity was guaranteed. Throughout the interviews, the researcher avoided sensitive questions and asking questions in a blunt manner. In addition, the researcher refrained from raising any hopes about the outcome of the interviews and/or study, emphasising that no special rewards would accrue in the process. At the end of each interview, the researcher asked for consent to use the data for purposes of the study or to publish the data and analysis in academic journals or book form if the need arises. With regards to the question of allegiance to the Department as the Deputy Manager responsible for HR Benefits, the researcher remained objective throughout analysis and presentation of information obtained from official records by engaging with literature to allow for some critical distance and self-reflection.

Conclusion

The case study design was appropriate to assess the success or failure of management of employee benefits in the public service given the vastness of this sector as a field of research. A representative sample of 100 respondents was drawn from a pool of 2 294 employees of the Department through stratified random sampling method. Both semi-structured and in-depth individual interviews were used in the collection of data. In addition, a desktop study of primary sources was also conducted. The aim was to test evidence extracted from these research paradigms in relation to views held

by various commentators on employee benefits that form the subject of this study. As we shall see, the research results (to which we turn next) confirmed the general accepted view that employee benefits in the public service are wrongly managed.

Chapter 4

Research results and analysis

4.1 Introduction

This chapter presents the research findings obtained through the research instruments used to gather information for this study, i.e., the structured questionnaire, face-to-face, open-ended interviews and primary documents to assess the management of employee benefits in the public service in general and CoGHSTA in particular. The resultant data was analysed in relation to similar and/or different findings covered in these methods as well as the literature review. The responses from the questionnaire that were captured by means of the SPSS package were analysed through calculating and comparing the accounts per sample size and presented by means of graphs and a table showing the numbers and percentages of the respondents. The analysis of the information obtained through face-to-face, open ended interviews and primary documents was based on the quality and objectivity of the source(s) coupled with the author's personal observations or experience on the job.

The chapter begins its analysis by outlining the research instruments used to gather the information that formed the core of this study as well as the population and sampling of the study area. Next, the chapter analyses the results obtained through the questionnaires before it interrogates the findings from face-to-face, open ended interviews and primary documents.

4.2 Questionnaire findings and analysis

4.2.1 Questionnaire method

Data from the self-administered questionnaire were analysed in terms of the seven sections that were divided as follows: A) Personal details, B) Awareness of existing employee benefits and communication system, C) Employee attitudes to *HR Benefits*, D) Utilisation of existing employee benefits, E) Management style in the implementation of existing employee benefits, F) Compliments regarding management of existing employee benefits, and G) Possible recommendations towards improving management of existing employee benefits.

A. Personal details

Respondents were asked about personal details to determine their titles, gender and marital status, level of education, number of children, employment category, as well as place and type of residence. On the questions of titles, gender and marital status, the aim was to probe whether differences based on gender, marital status and social class are less important in determining the choice of employees on particular employee benefits as postulated by some commentators.

Of the 87 respondents, 36 (41%) indicated that they were males and 51 (59%) females with a title breakdown of 33 (37%) Messrs, 23 (26%) Miss, 30 (34%) Mrs and 1 (1%) Doctor and a marital breakdown of 55 (63%)

married, 4 (5%) divorcees, 2 (2%) widowers, 22 (25%) singles with dependents, 3 (3%) singles without dependents.

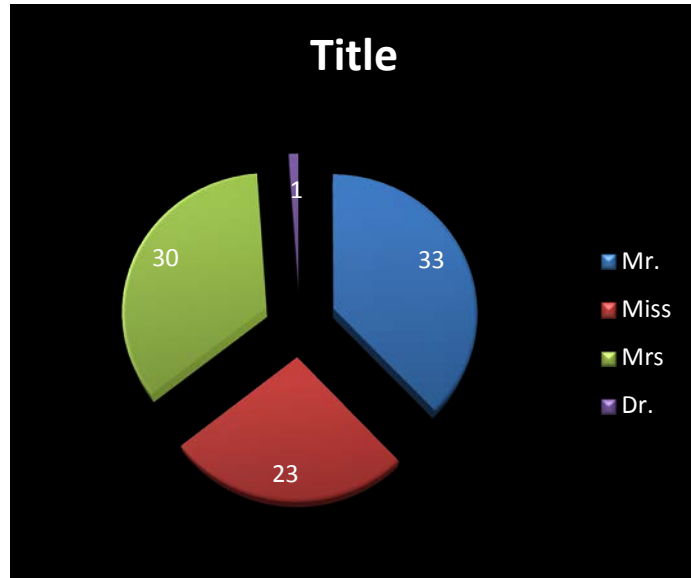


Figure 4.1: Title distribution

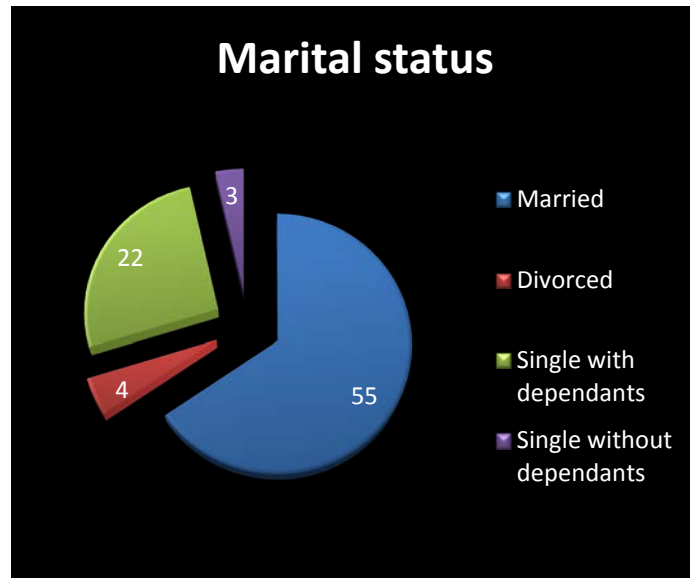


Figure 4.2: Marital status distribution

Concerning the questions on the age distribution of respondents and the number of dependents, the aim was to examine whether marriage and/or dependents have a bearing on the choice of employees pertaining to medical cover, older workers value pensions and retirement plans more than younger ones and whether young employees with families prefer medical insurance and life insurance more than young singles do, who tend to opt for time-off as suggested by various commentators. In answer to the question on age distribution, 19 (22%) respondents indicated that they fell in the 26-35 age group, 59 (68%) in the 36-54 age range and 5 (6%) in the 55-60 age category and 4 (5%) did not respond to the question.

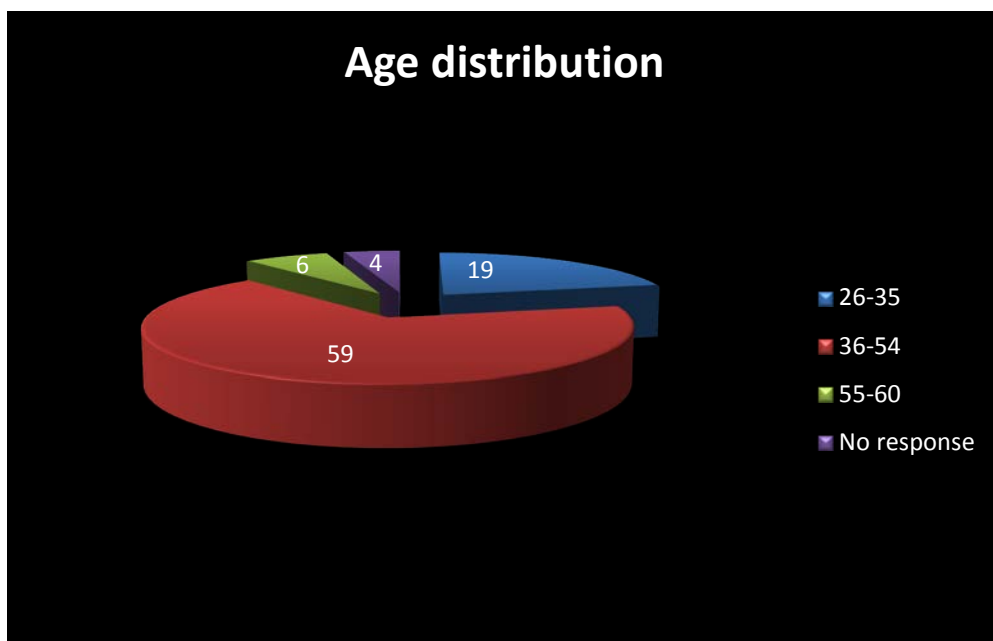


Figure 4.3: Age distribution

With regards to the number of children, 5 (6%) respondents had none, 19 (22%) one, 23 (26%) two, 20 (23%) three, 5 (6%) four, 4 (5%) five or more while 11 (13%) did not respond to the question.

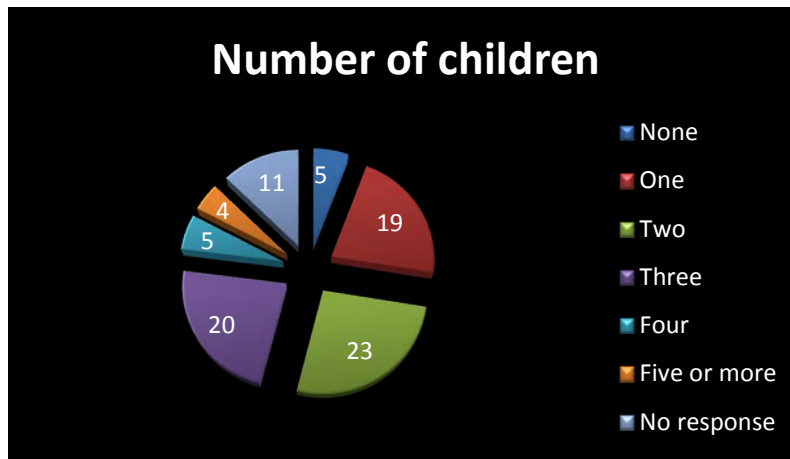


Figure 4.4: Number of children

On the level of education, 2 (2%) respondents indicated that they had Adult Basic Education and Training (ABET), 18 (21%) matric, 34 (39%) degree/diploma and 28 (32%) honours / masters / PhD while 5 (6%) respondents did not respond to the question. The purpose of this question was to determine the educational background of respondents. The fact that 92% of respondents had matric and higher level of education means that the respondents had basic understanding of the English language and therefore understood the questions asked. Moreover, questions were brief and to the point free from technical terms and offensive language.

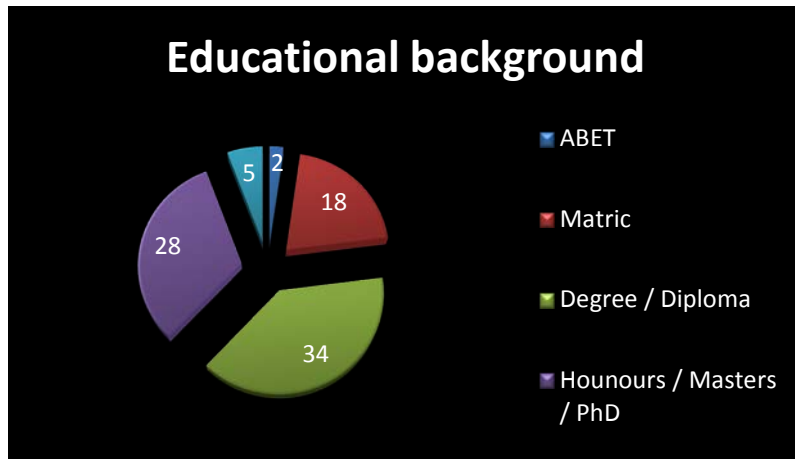


Figure 4.5: Highest educational qualification

As for the employment category, the aim was to verify and ensure that the sample was as representative of the study population as possible. In response to this question, 25 (29%) respondents indicated that they belonged to levels 2-6 (Operational Workers), 24 (28%) to levels 7-8 (Lower Management System), 19 (22%) to levels 9-12 (Middle Management System) and 19 (22%) to levels 13-16 (Senior Management System).

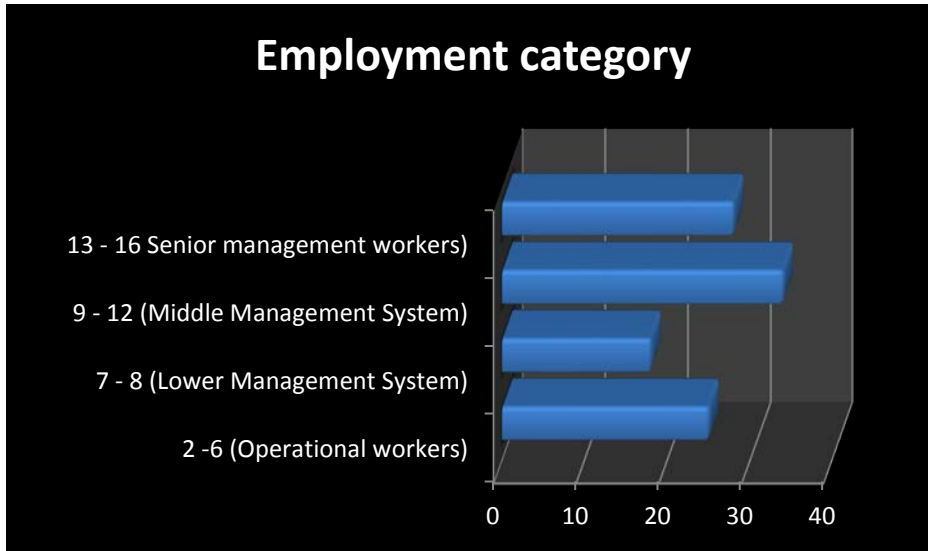


Figure 4.6: Employment category

In terms of the place and type of residence, the aim was to verify if the life styles and personal situations of employees determine their perceptions and choice of employee benefits. In answer to these questions, 24 (28%) of respondents indicated that they were staying in the countryside or rural area, 34 (39%) in the township or semi-urban area and 27 (31%) in town or city. while 2 (2%) did not respond to the question. Of these respondents, 14 (16%) indicated that they were staying at their parental homes, 9 (10%) in rental houses, 34 (39%) in bonded houses and 30 (36%) in their own houses.



Figure 4.7: Place of residence

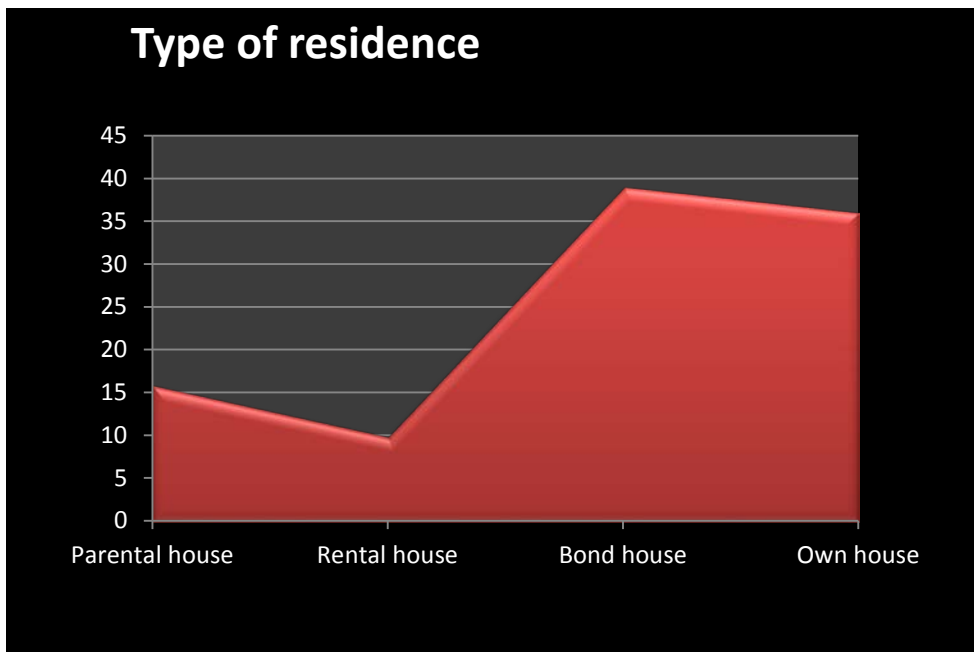


Figure 4.8: Type of residence

B. Awareness of existing *HR Benefits* and communication system

2.1 Have you ever received information about the following benefits during induction / orientation programme?

Forty-seven (54%) of respondents claimed that they received information on housing allowance during induction / orientation programme, 32 (37%) answered in the negative while 8 (9%) were uncertain.

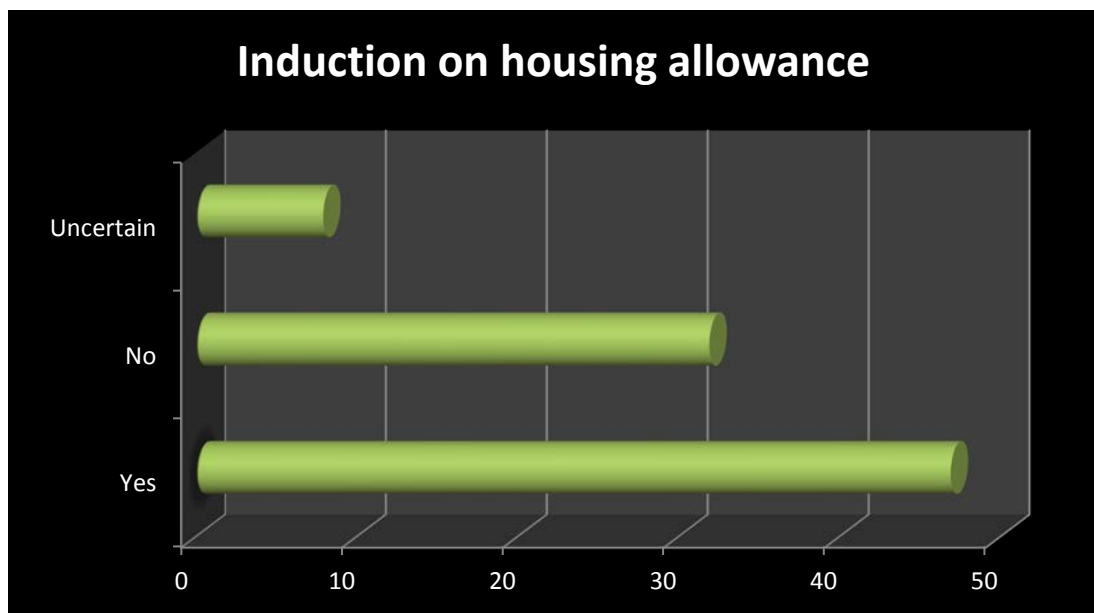


Figure 4.9: Induction on housing allowance

On various aspects of leave, 55 (63%) indicated that they received the information during the induction / orientation programme, 22 (25%) said no, 9 (10%) were uncertain while 1 (1%) did not respond to the question.

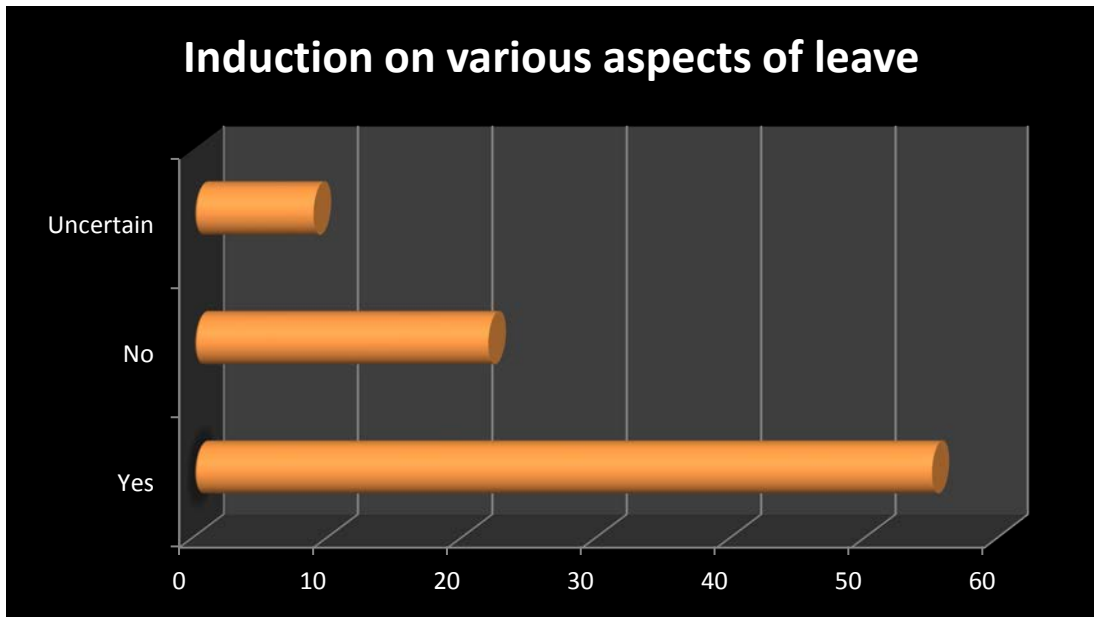


Figure 4.10: Induction on various aspects of leave

Regarding medical aid, 51 (59%) alluded that they received information, 28 (32%) denied having received it while 8 (9%) were uncertain.

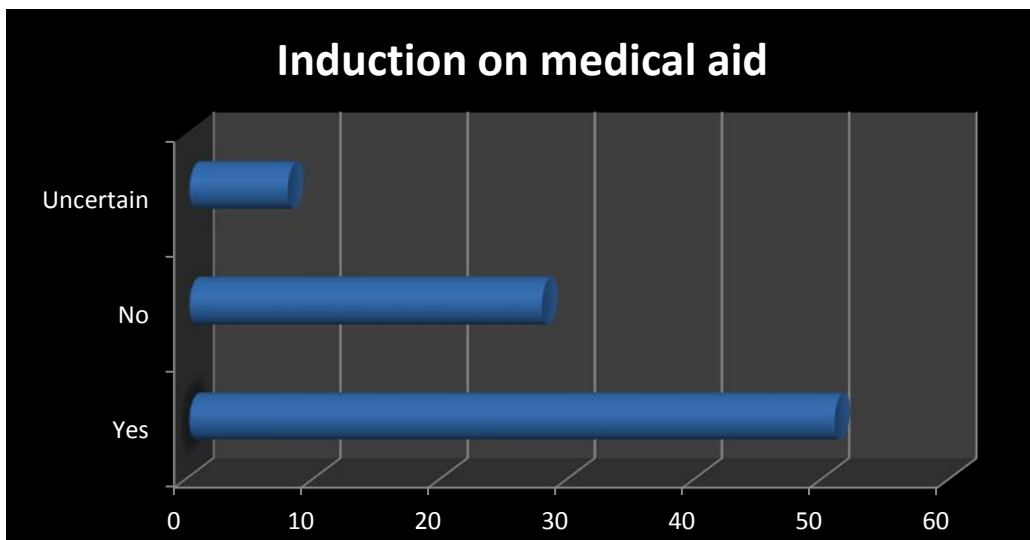


Figure 4.11: Induction on medical aid

As for pensions, 38 (44%) stated that they had received information, 41 (47%) indicated that at no stage did they receive it, 6 (7%) were uncertain while 2 (2%) did not respond to the question.

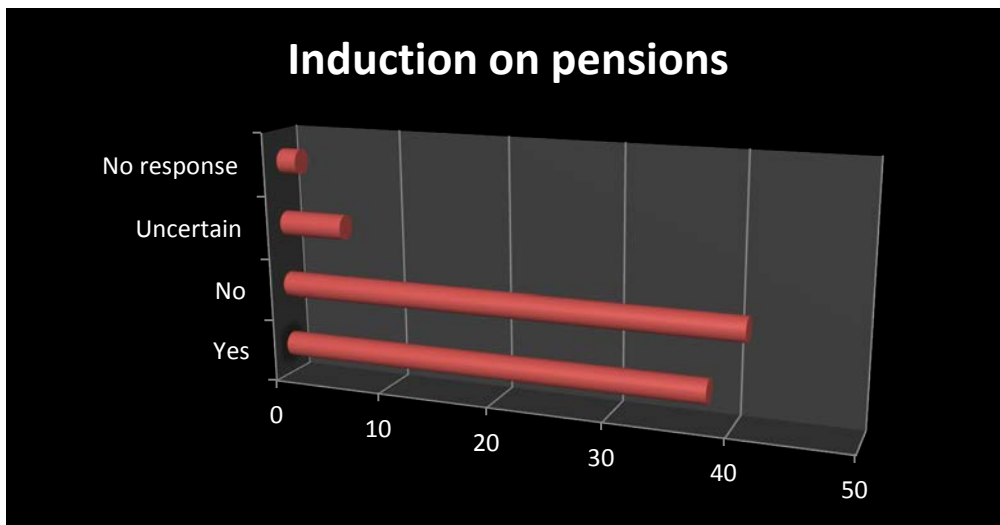


Figure 4.12: Induction on pensions

Concerning performance bonus, 51 (58%) showed that they received the information, 29 (33%) said no while 7 (8%) were uncertain.

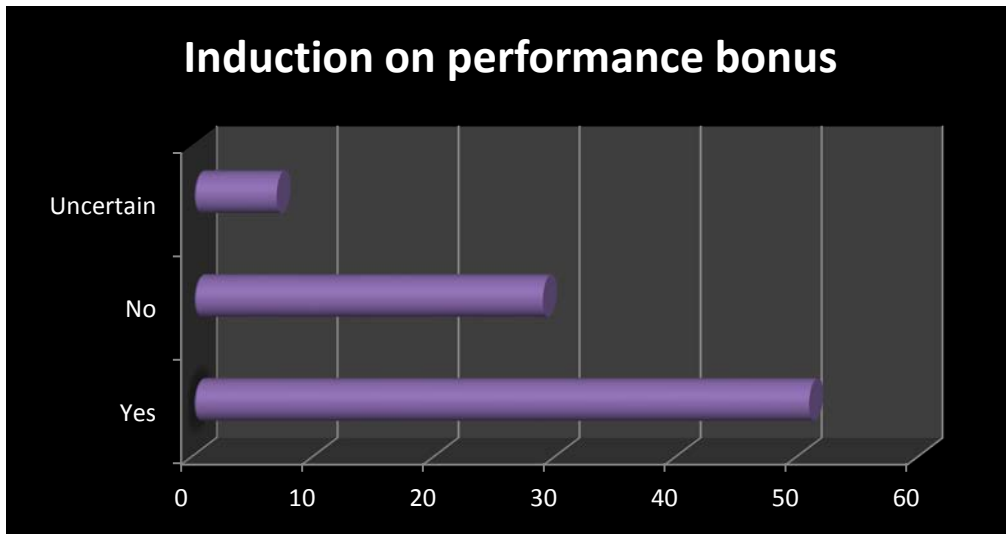


Figure 4.13: Induction on performance bonus

From the above statistics, it is safe to conclude that the Department effectively rendered induction on leave, medical aid and performance bonus while its performance on housing allowance and pensions was moderate and deplorable respectively.

2.2. Do *HR Benefits* personnel conduct workshops on the following *HR Benefits*?

Housing allowance: Twenty-seven (31%) of the respondents indicated that *HR Benefits* personnel conducted workshops on housing allowance, 44 (51%) replied in the negative, 14 (16%) were uncertain while 2 (3%) did not respond to the question.

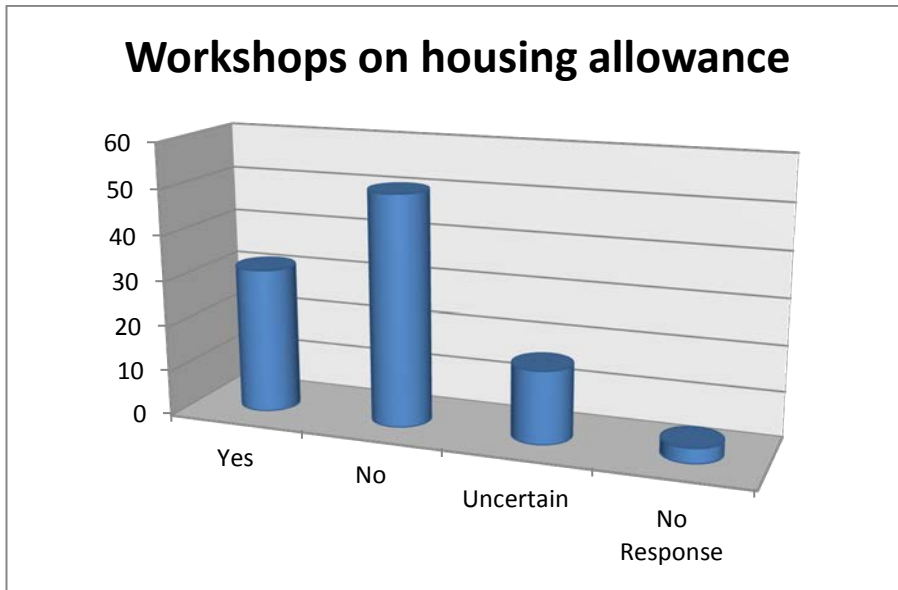


Figure 4.14: Workshop on housing allowance

On leave, 41 (47%) of respondents indicated that *HR Benefits* personnel conducted workshops on leave, 36 (41%) replied in the negative, 9 (10%) were uncertain while 1 (1%) did not respond to the question.



Figure 4.15: Workshop on leave

On medical aid, 34 (39%) replied affirmative, 40 (46%) said no, 12 (14%) were uncertain while 1 (1%) did not respond to the question.

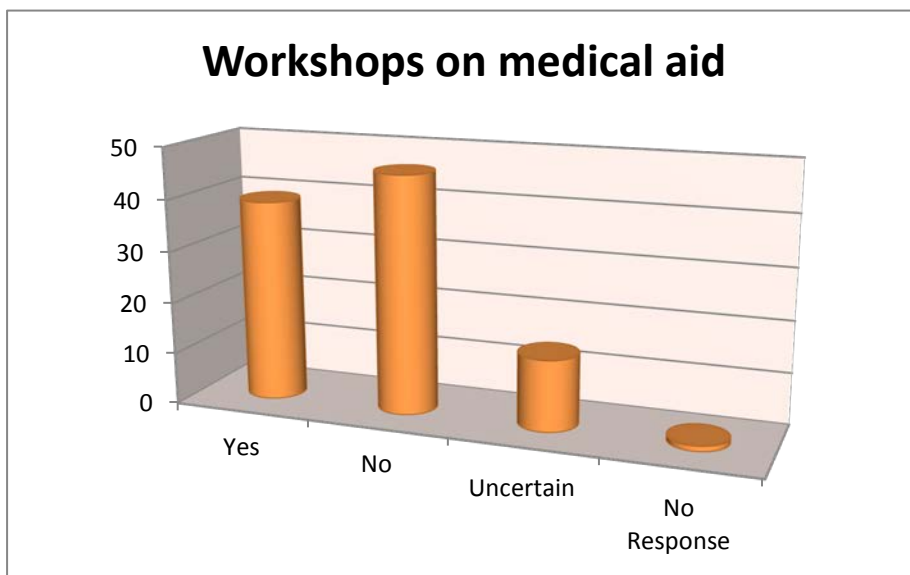


Figure 4.16: Workshop on medical aid

Regarding pensions, 39 (44%) replied yes, 38 (44%) no, 7 (8%) were uncertain while 3 (3%) did not respond to the question.



Figure 4.17: Workshop on pensions

As for performance bonus, 39 (45) said yes, 38 (44%) no, 7 (8%) were uncertain while 3 (3%) did not respond to the question.

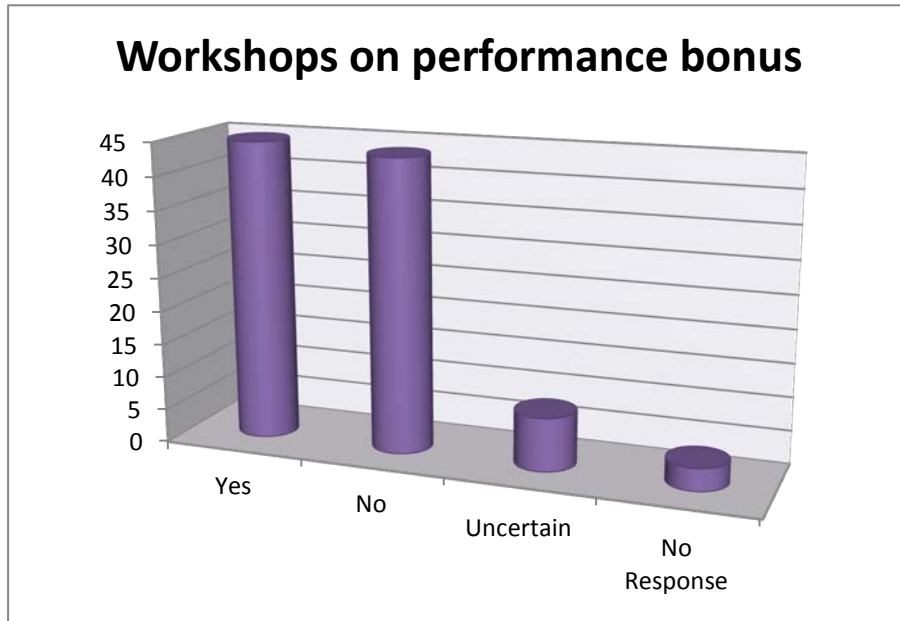


Figure 4.18: Workshop on performance bonus

From the above information, it is not clear whether the Department provided workshops on performance bonus as more or less the same number of respondents presented conflicting responses. According to the statistics, the Department conducted workshops on leave but its rendering of workshops on housing allowance, medical aid and pensions left much to be desired. However, from the experience of the researcher, the true state of affairs on the ground is that the Department does not provide workshops on all the five benefits except during orientation.

2.3 Does the Department have a handbook that explains current *HR Benefits*?

Six (7%) indicated that the Department had a handbook explaining the current employee benefits, 54 (62%) said no, 25 (29%) were uncertain while

2 (2%) did not respond to the question. It is amazing that 29% of respondents were uncertain whether a handbook on current *HR Benefits* existed in the Department or not and 2% did not respond to the question. This means that more than a quarter of employees in the Department were not aware of the fact that a handbook on current *HR Benefits* does not exist at CoGHSTA. This poses a big question on effective rendering of awareness campaigns on existing benefits and lends credence to insinuations by Gerber (1998) and other commentators that the management of *HR Benefits* in the public service in general is characterised by a lot of deficiencies.

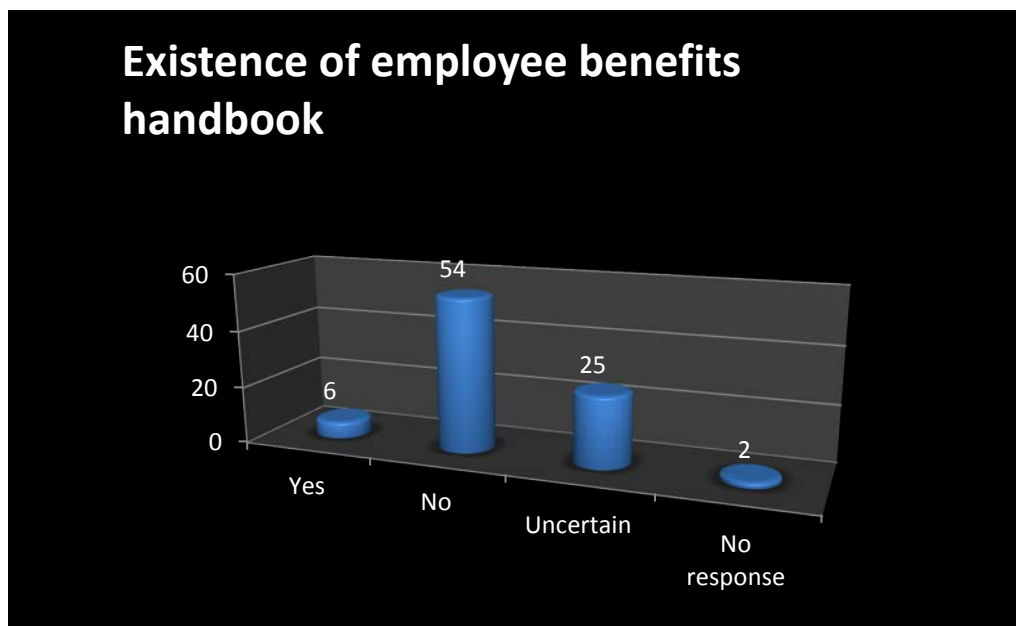


Figure 4.19: Existence of HR Benefits handbook

2.4 Do *HR Benefits* staff members give information on the contributions of employees to medical aid?

Thirty-two (37%) indicated that the HR staff members gave information on the contributions of employees to medical aid, 37 (43%) said no, 17 (20%) were uncertain while 1 (1%) did not respond to the question. The fact that a mere 37% replied affirmative suggests that the HR personnel did not do enough to disseminate information on the contribution of employees to medical aid.

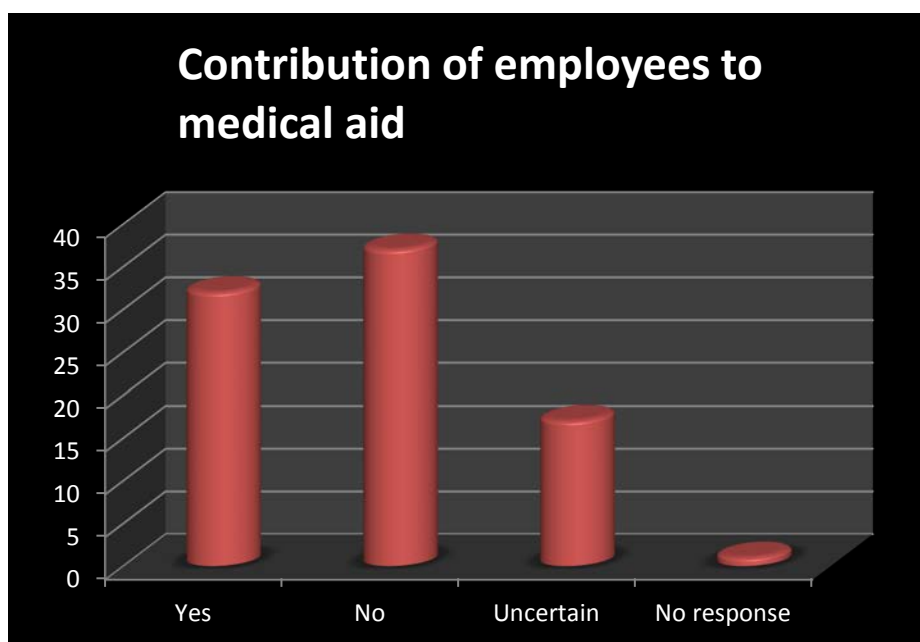


Figure 4.20: Contributions of employees to medical aid

2.5 Do HR Benefits staff members give information on the contributions of employees to the Government Employees Pension Fund (GEPF)?

Thirty-two (37%) indicated that the HR staff members provided information on the contributions of employees to GEPF, 35 (40%) said no, 19 (22%) were uncertain while 1 (1%) did not respond to the question. Again, the fact

that a mere 37% replied affirmative suggested that HR officials did not do enough to communicate information on the contribution of employees to their pension funds.

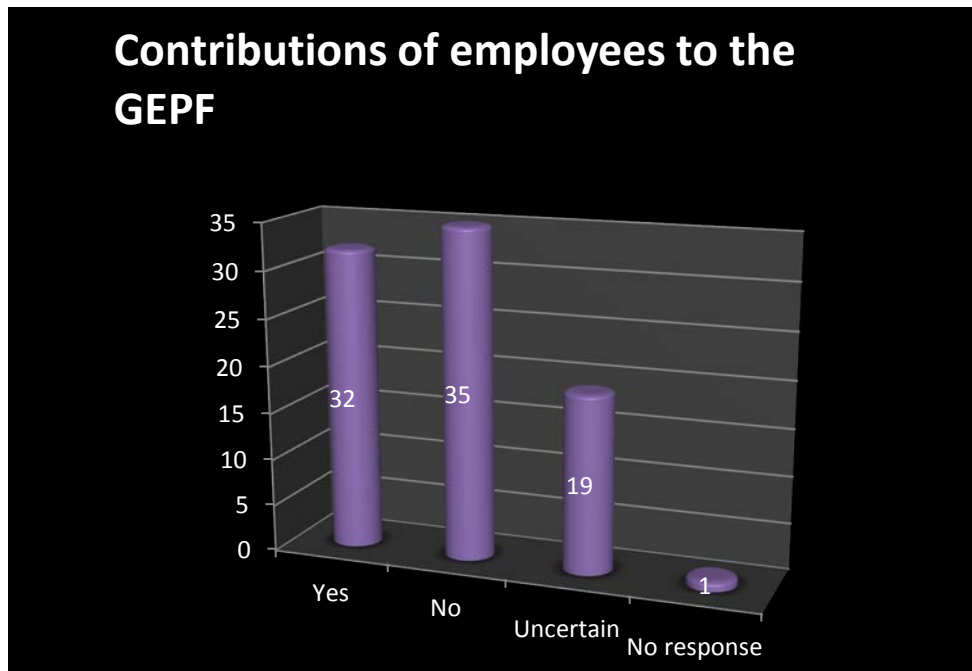


Figure 4.21: Contributions of employees to GEPF

2.6 Do *HR Benefits* staff members give information on the basic details of the benefits of the GEPF?

Twenty-eight (32%) indicated that the HR staff members supplied information on the basic details of the benefits of the GEPF, 41 (47%) said no, 16 (18%) were uncertain while 2 (2%) did not respond to the question. The fact that a mere 32% replied affirmative suggested that the HR personnel did not do enough to distribute information on the basic details of the benefits of the GEPF.

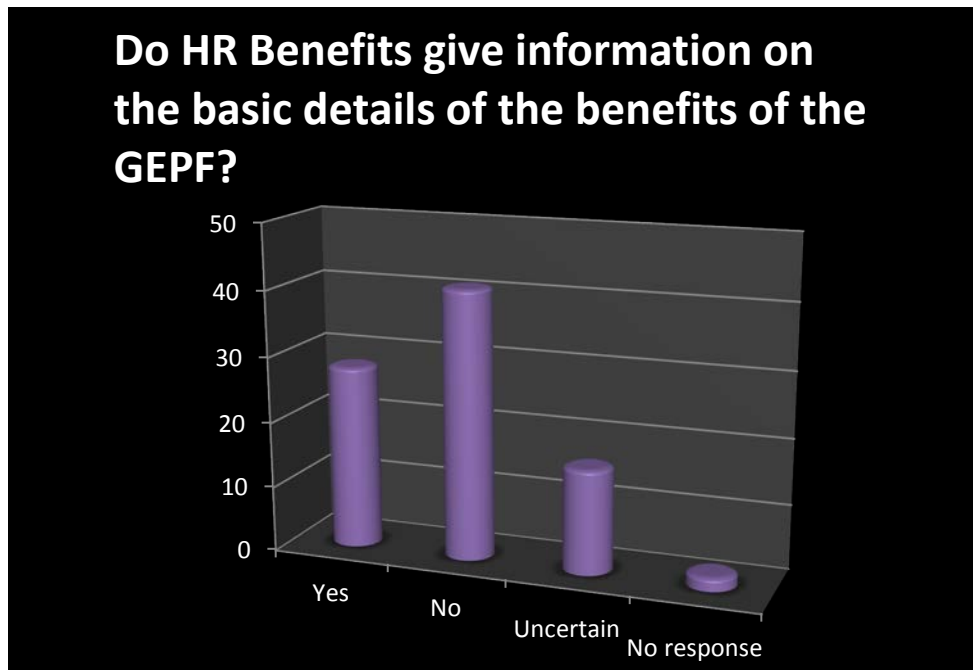


Figure 4.22: Basic details of the benefits of the GEPF

2.7 Do HR Benefits staff members give information about pension rights to employees leaving the employ of the Department?

Thirty-four (39%) indicated that the HR staff members made information available on the basic details of the benefits of the GEPF, 32 (37%) said no, 19 (22%) were uncertain while 2 (2%) did not respond to the question. The fact that a mere 32% replied affirmative suggests that HR personnel did not do enough to educate employees about their pension rights.

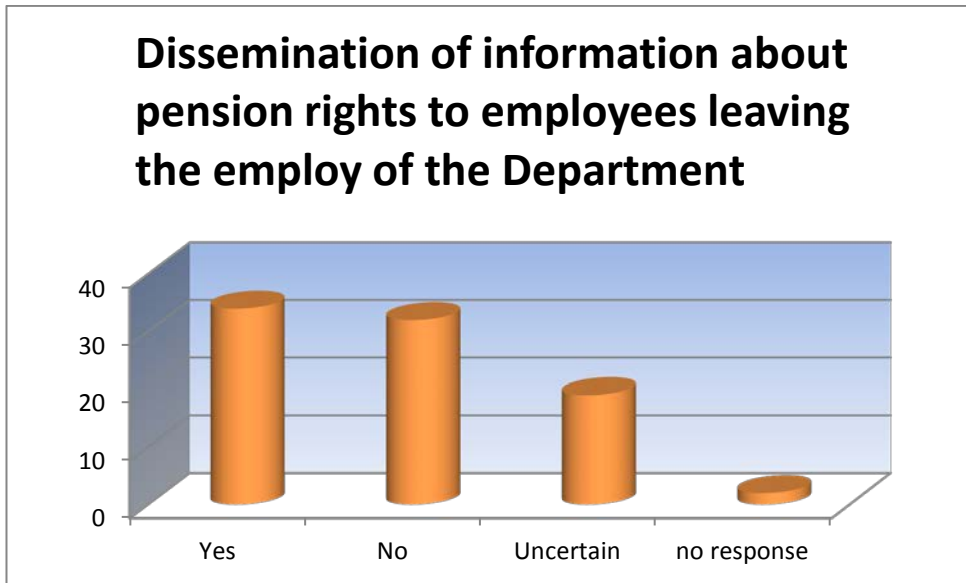


Figure 4.23: Information on the pension rights of employees

2.8 Do existing medical aid schemes provide equal benefits to government employees?

Sixteen (18%) indicated that existing medical aid schemes provided equal benefits to government employees, 33 (38%) said no, citing differences in contribution amounts and benefits options among various medical aid companies as the reasons for unequal benefits, 37 (43%) were uncertain meaning that they were not sure of the differences in benefits as offered by various medical aid companies while 1 (1%) did not respond to the question. The fact that a mere 16% replied affirmative and a staggering 43% negative suggests that HR personnel did not do enough to educate employees about the different medical aid benefits that are provided by various medical aid companies.

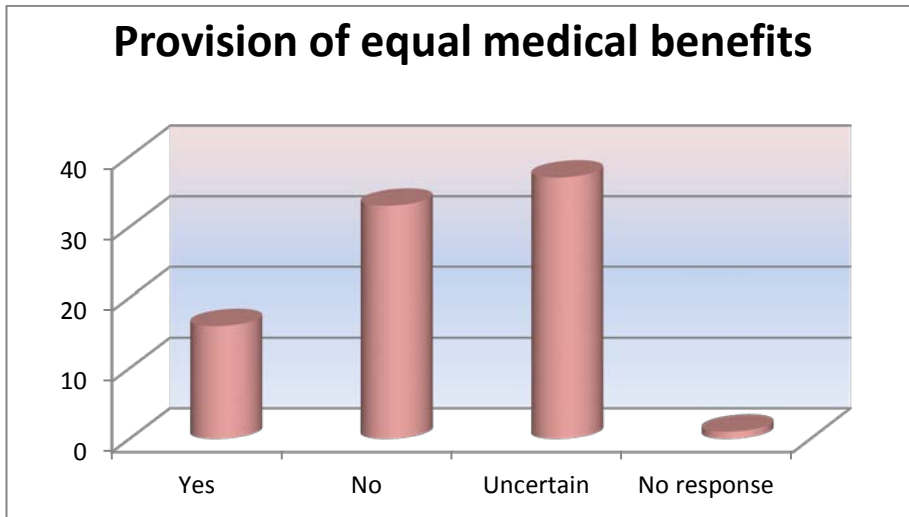


Figure 4.24: Provision of equal medical benefits

2.9 Are government employees entitled to equal pension benefits?

Fourteen (16%) indicated that government employees were entitled to equal pension benefits, 38 (44%) said no, 31 (36%) were uncertain while 4 (5%) did not respond to the question. The fact that a staggering 44% replied negative suggests that government employees receive unequal pension benefits. In addition, the fact that 36% were uncertain means that HR personnel did not do enough to educate employees about pension benefits.

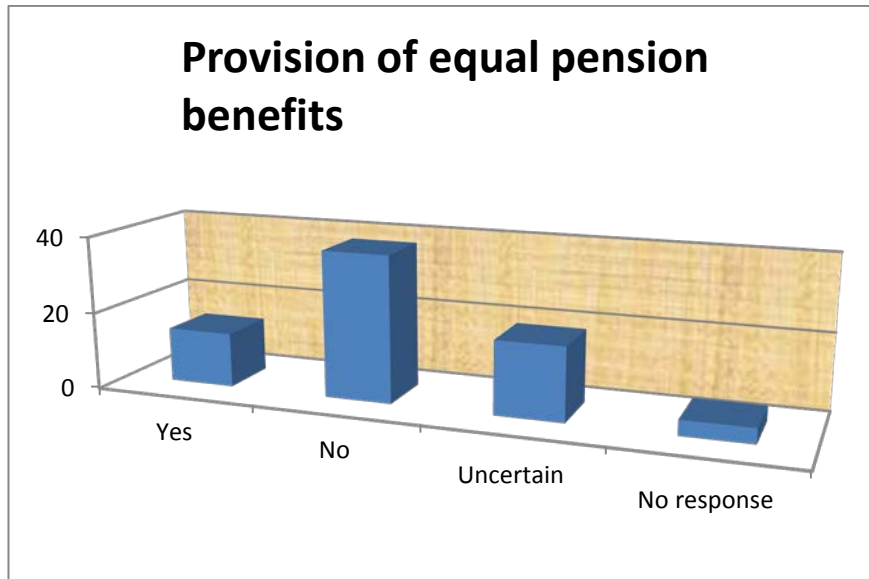


Figure 4.25: Provision of equal pension benefits

2.10 Is paternity leave enough for male employees to meet the maternity needs of their partners?

Fifteen (17%) indicated that paternity leave was enough for male employees to meet the maternity needs of their partners, 55 (63%) said no, 15 (17%) were uncertain while 2 (2%) did not respond to the question. The 63% of respondents who felt that paternity leave was inadequate for male employees to meet the maternity needs of their partners suggest that paternity leave days should be increased by about eight weeks to 3 months. It is significant to note that of the 41 male respondents, the vast majority, i.e., 21 (24%) married and 8 (9%) single felt that paternity leave was not enough for male employees to meet the maternity needs of their partners. They cited the need to care for their loved ones during the period of confinement of their partners to motherhood and to attend to other household requirements as the main reasons. It is also significant to note that the 32 (37%) of 33 married women

felt that paternity leave was not enough for male employees to meet the maternity needs of their partners, citing the same reasons as men above, while 21 (24%) of single respondents pointed to the contrary.

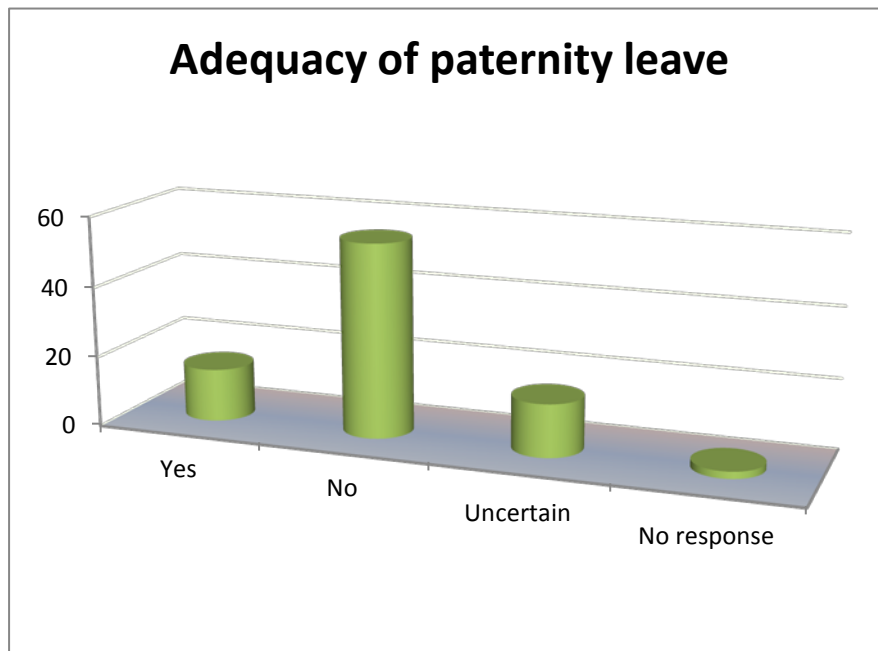


Figure 4.26: Adequacy of paternity leave

2.11 Is your medical aid subsidy enough to assist you in the payment of medical costs?

Twenty-four (28%) indicated that medical aid subsidy was enough to assist them in the payment of medical costs, depending on the medical option chosen by an employee, 46 (53%) said no, 12 (14%) were uncertain while 5 (6%) did not respond to the question. While most of the 28% that perceived medical aid subsidy as enough to meet medical costs did not provide reasons for their perceptions, some argued that it assisted a great deal in meeting over the counter medication including chronic medication and operations. Some of

those who felt that medical aid subsidy was insufficient to assist employees in the payment of medical costs pointed out that the existing medical aid subsidy did not cover all costs for payment of medication or consultation with specialists while some medical aid schemes did not cover some dentistry procedures such as podiatry. They also bemoaned that medical aid cover was dependent on the annual credit given to the beneficiary and became exhausted whenever it was utilised and forfeited even if it remained unutilised. They also lamented that in most instances the outpatient category was less and got exhausted within a short space of time. The fact that only 28% felt that medical aid subsidy was enough to assist employees in the payment of medical costs suggests otherwise. It is also significant to note that 22 (25%) of married male respondents, and 30 (34%) married female and 21 (24%) of single respondents with dependents felt that the medical aid subsidy was not enough to assist them in the payment of medical costs while 2 (2%) of single respondents without dependants felt otherwise. These research findings concurred with the view that employees with dependents value medical aid benefits differently from unmarried employees and those without dependents.

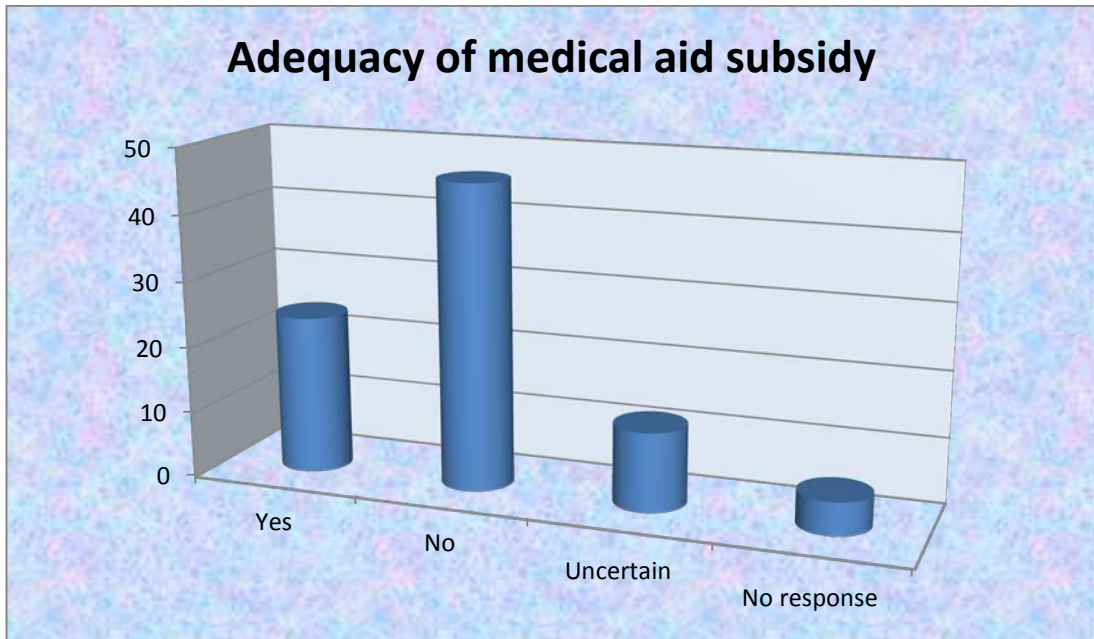


Figure 4.27: Adequacy of medical aid subsidy

C. Employee attitudes to HR Benefits

In this section, employees were asked to rank existing employee benefits in the order of their personal preferences. They were also requested to choose benefits most suited to them from a provided list.

3. Funeral benefit

Thirteen 13 (15%) of respondents identified the funeral benefit as a very least preferred benefit, 7 (8%) least preferred, 19 (22%) moderate, 20 (23%) second most preferred and 26 (30%) most preferred while 2 (2%) did not respond to the question.

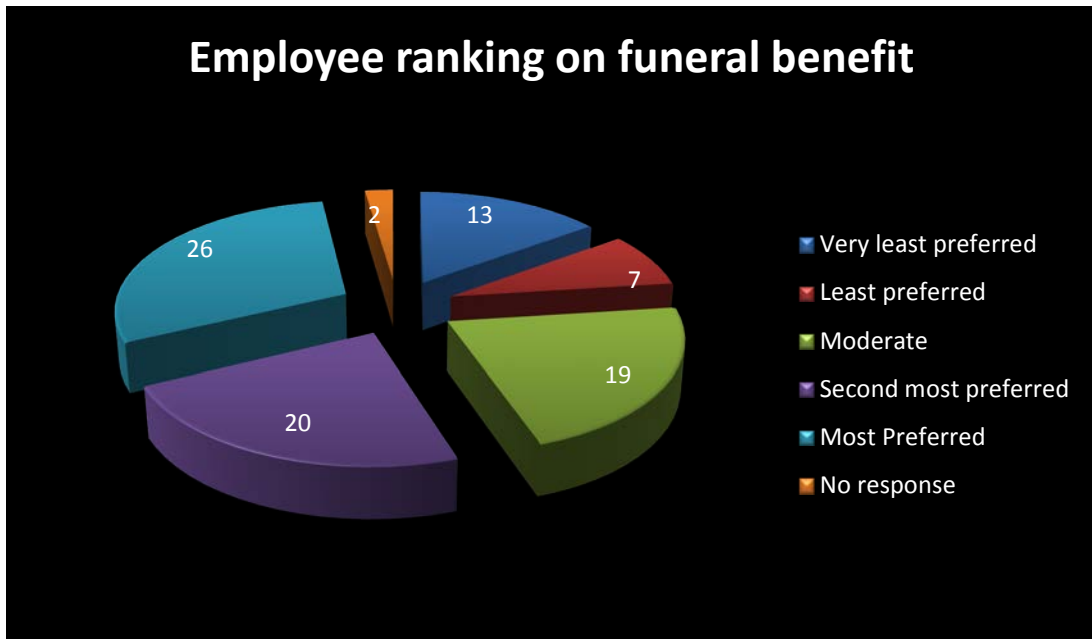


Figure 4.28: Employee ranking on funeral benefit

4.1 Housing allowance

Fifteen (17%) of respondents classified their inclination towards housing allowance as very least preferred, the reason brought forth being that it was difficult for ordinary employees to qualify for housing loans since houses were very expensive and, therefore, suggested that the housing allowance should cover 50% or more of the monthly instalments paid by the employee, 8 (9%) least preferred, 16 (18%) moderate, 10 (11%) second most preferred and 36 (41%) most preferred as shelter was regarded as a basic necessity while 2 (2%) did not respond to the question. Those who classified housing allowance as most preferred pointed out that although it was inadequate in assisting employees to secure the home loan and bond, it helped government employees in the payment of accommodation, bonds or rental. These findings

showed that more than 50% of the respondents had high regard for housing allowance and therefore justify calls for a significant increase in the housing allowance on the part of trade unions within the public sector to enhance affordability levels in the housing market.

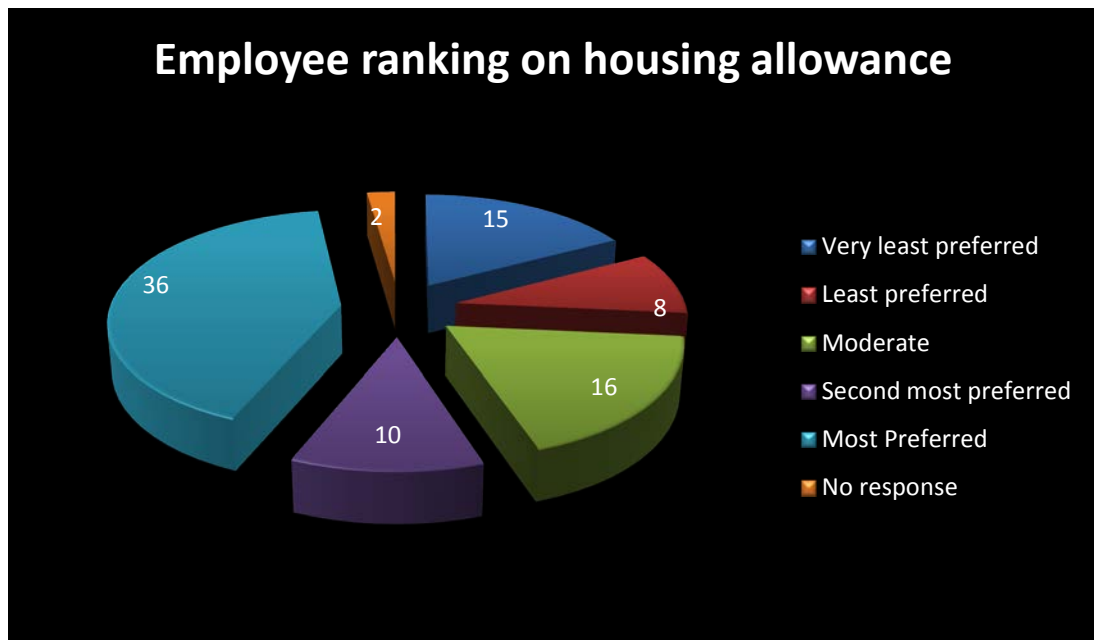


Figure 4.29: Employee ranking on housing allowance

4.2 Leave

Eight (9.2%) of respondents indicated leave as their very least preferred benefit, 3 (3.4%) least preferred benefit, 22 (25.3%) moderate, 18 (20.7%) second most preferred benefit, 35 (40.2%) most preferred benefit, arguing that employees need to have a rest period and to look after their health while 1 (1.1%) did not respond to the question.



Figure 4.30: Employee ranking on leave

4.3 Medical aid

Ten (11%) respondents indicated medical aid as their very least preferred benefit, 3 (3%) least preferred, 15 (17%) moderate, 13 (15%) second most preferred, 42 (48%) most preferred, given that it assisted a great deal during times of illnesses, while 4 (5%) did not respond to the question. Those who rated medical aid as most preferred argued that it helped to meet medical expenses, operations and hospitalisation while those who perceived it as very poor argued that they would rather pay cash for health related problems and save a lot of money than enrich medical aid companies. GEMS members moaned that the medical aid subsidy did not cater for their medical needs as they were always told that they had exhausted their medical cover on a yearly basis.

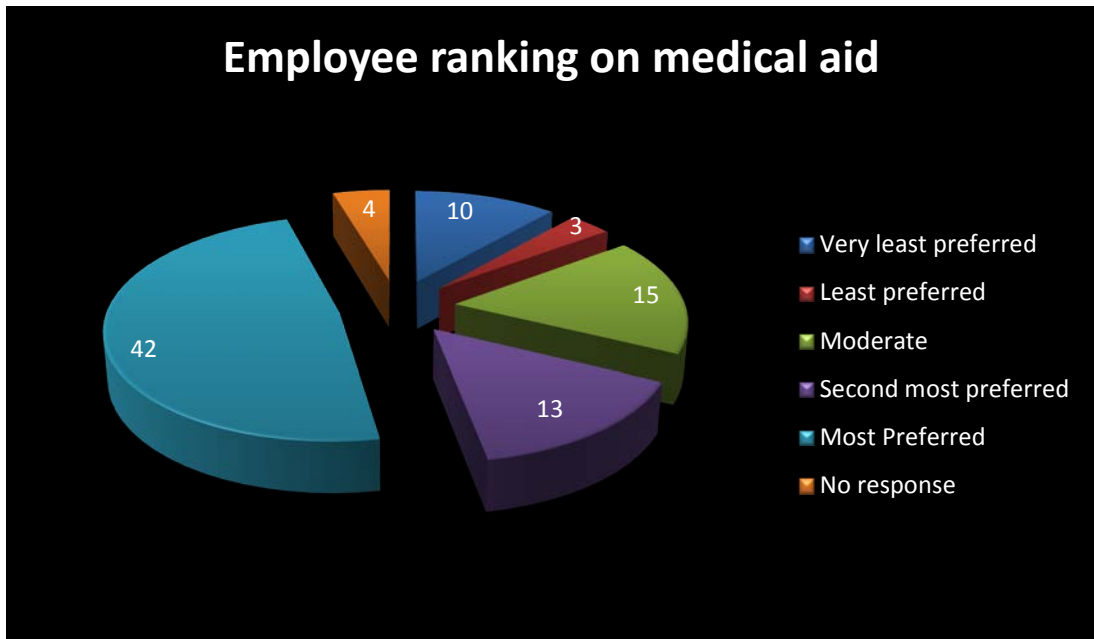


Figure 4.31: Employee ranking on medical aid

4.4 Pensions

Nine (10%) of respondents indicated pensions as their very least preferred benefit, 3 (3%) least preferred, considering that it took a very long time before employees could access it, 16 (18%) moderate, 14 (16%) second most preferred, and 42 (48%) most preferred given that it assisted employees to cope with life after retirement while 3 (3%) did not respond to the question. Those who rated pension as very good pointed out that it helped a great deal as one might not afford the cost of living during retirement when one retires from service.

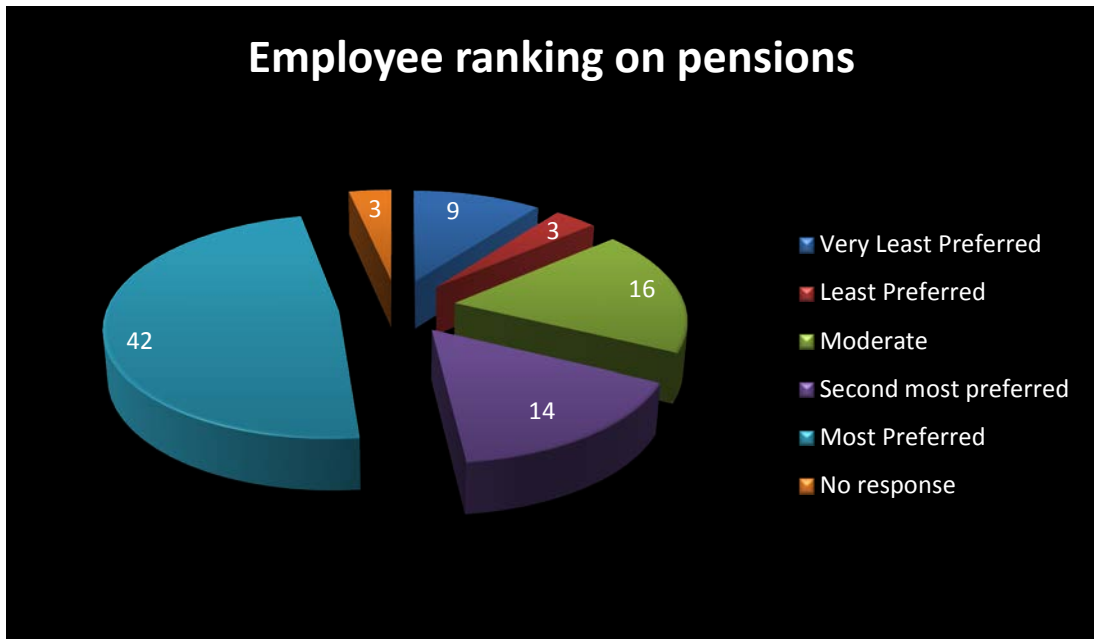


Figure 4.32: Employee ranking on pensions

4.5 Performance bonus

Twelve (14%) of respondents indicated performance bonus as their very least preferred benefit, the reason being that it did not serve its purpose as, in most cases, it did not match employees' performance since it depends largely on the relationship between the employee and his or her supervisor, 8 (9%) least preferred, 12 (14%) moderate, 8 (9%) second most preferred, and 47 (54%) most preferred, given that it served to motivate employees to pump up their performance.

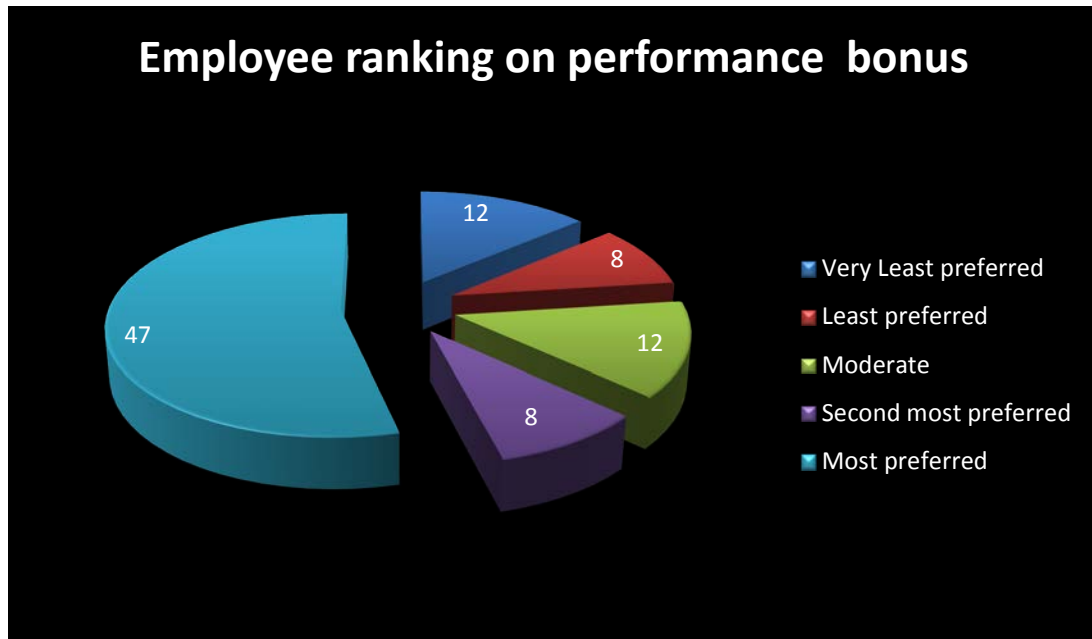


Figure 4.33: Employee ranking on performance bonus

From the above statistics, it emerges that although all the benefits were valued because they offered different ingredients to various employees, the overall most preferred employee benefit was performance bonus at 54%, followed jointly by medical aid and pensions at 48%, housing allowance at 41% and leave at 40%. The reason for performance bonus to top the list was that it was said to help motivate employee performance. These statistics confirmed Perkins and White's (2008) argument that differences based on gender, marital status and social class do not play a significant role in determining the general attitude of employees towards the common good in so far as employee benefits are concerned. On the flip-side of the coin, these statistics conflicted with the assertion of Nel *et al.* (2004) that more than 75% of all workers preferred health benefits followed by pension as a second preference for older workers. On the whole, the differing attitudes of respondents

towards various employee benefits corroborated Gerber's (1998) and Miner and Crane's (2003) argument that the preferences and needs of employees differed due to differences in life styles and personal situations.

D. Utilisation of existing employee benefits.

5.1 Do you receive housing allowance?

Sixty-two (73.1%) of respondents indicated that that they received housing allowance while 25 (26.9%) did not receive it. Forty-eight (55%) of those who received housing allowance utilised it for ownership housing, 6 (7%) for incremental housing (renovations or extensions on the original house) and 8 (9%) for rental. Fourteen (16%) of those who did not receive it were still staying with their parents while 11 (13%) had never applied for it since they resided in their own houses. It should be noted that employees were allowed to access the housing allowance even if they stayed in their own properties.

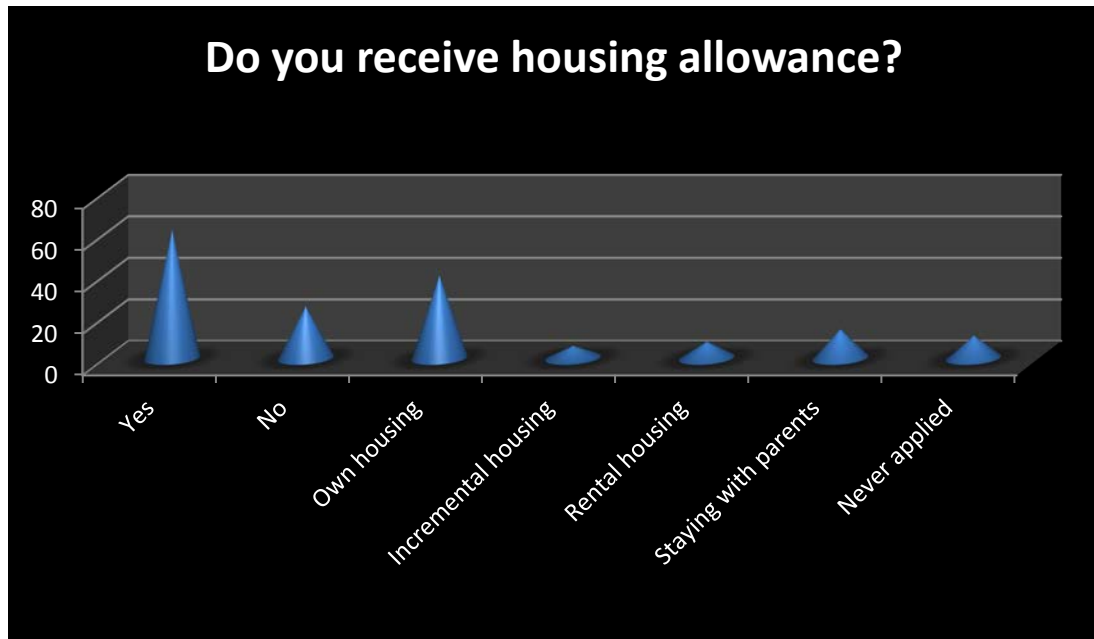


Figure 4.34: Access to housing allowance

5.2 Are there employees that use their housing allowance for other household needs?

Thirty-three (38%) of the respondents indicated that there were employees who utilised their housing allowance for other household needs, notably clothing, education for kids, grocery, transport, household furniture and payment of telephone, water and electricity bills, 13 (15%) answered this question negative, 36 (41%) were uncertain while 5 (6%) did not answer the question. It should be noted that the housing allowance was not intended for any other purpose other than payment of rental, home ownership or home improvement such as construction of additional rooms, painting of the house, repair of broken doors as well as replacement of broken window panes.

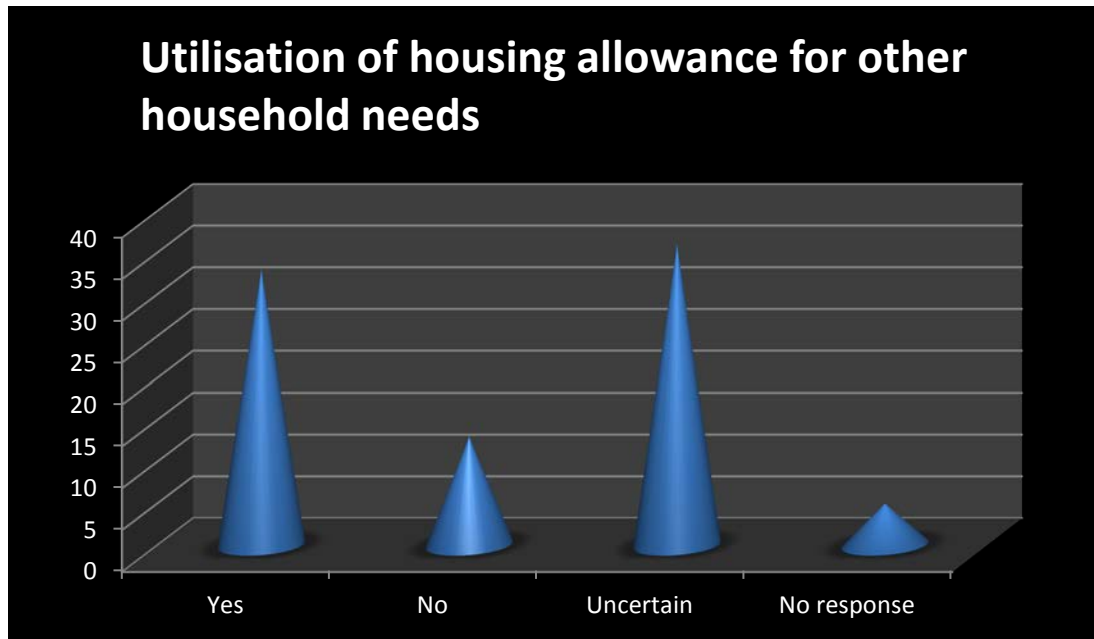


Figure 4.35: Utilisation of housing allowance for other purposes

5.3 Do you take sick leave strictly for illness purposes?

Seventy (80%) of the respondents indicated that they took sick leave strictly for illness purposes, citing flu, coughs, stress, depression, headache, backache and chronic illnesses such as asthma, high blood pressure and diabetes mellitus as the dominant diseases that forced them to take sick leave, 9 (10%) said they utilised it for other purposes such as to augment vacation leave which they identified as inadequate, resting, studying, attending to household responsibilities, etc., 7 (8%) were uncertain while 1 (1%) did not answer the question. As we shall see in the next section, contrary to this outcome, the findings from the interviews will negate the result that sick leave was strictly used for non-illness in the Department.

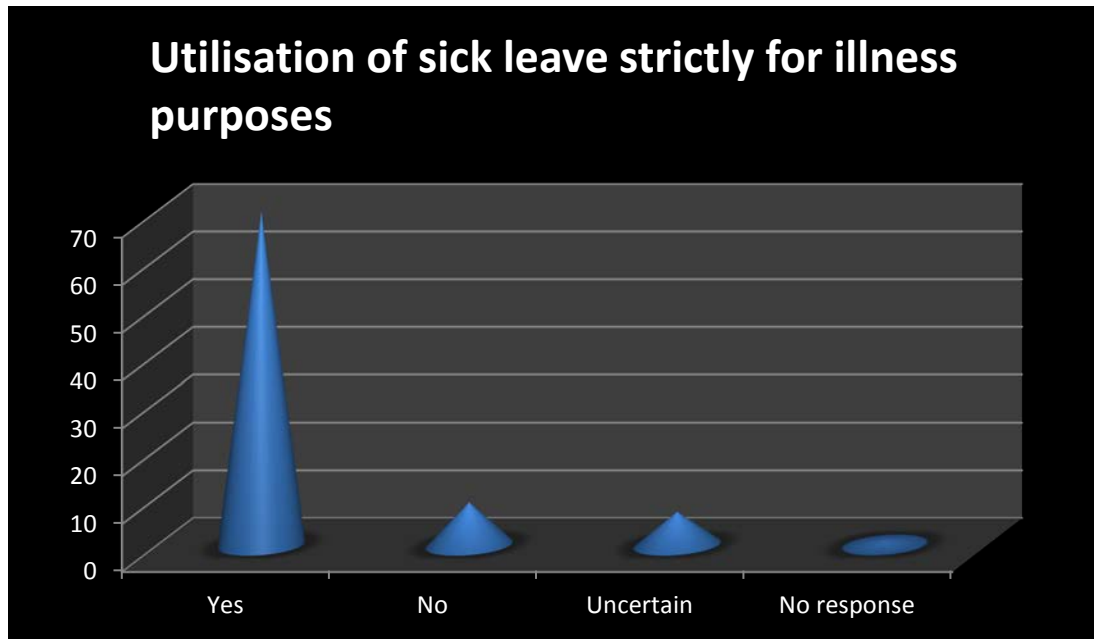


Figure 4.36: Utilisation of sick leave for illness purposes

5.4 Besides sickness, do employees take sick leave for non-illness or other purposes / reasons?

Twenty-nine (33%) of the respondents indicated that other than sickness, they take sick leave for non-illness purposes such as family responsibilities, 23 (26%) replied negative, 34 (39%) were uncertain while 1 (1%) did not answer the question.

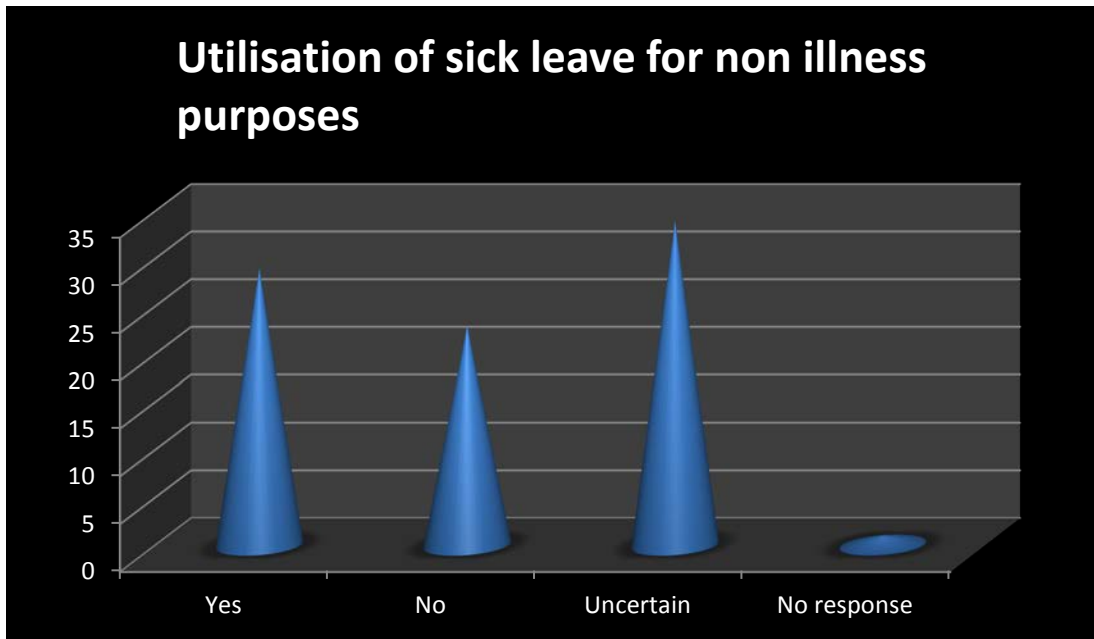


Table 4.37: Utilisation of sick leave for other purposes

5.5 Are employees forced to report for duty even though they are ill?

Eighteen (20.7%) of respondents indicated that employees were forced to report for duty even though they were ill, citing supervisors' negative attitude against employees taking sick leave as the main reason, 60 (70.1%) answered negative, 7 (8%) were uncertain while 1 (2.3%) did not respond to the question.

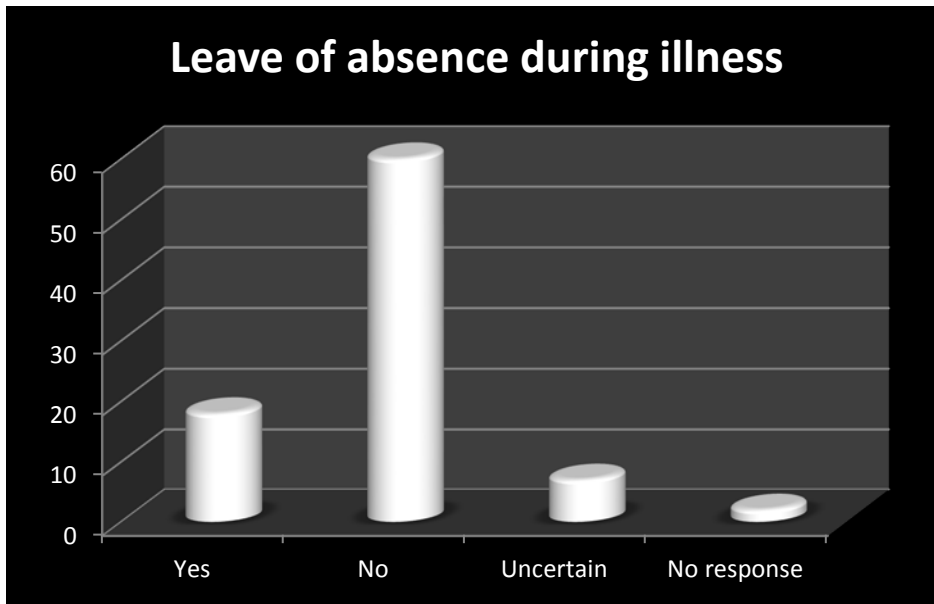


Figure 4.38: Leave of absence during illness

5.6 Do you belong to a medical aid scheme?

13 (15%) respondents indicated that they belonged to Bonitas, 50 (57%) to GEMS, 6 (7%) to HosMed, 7 (8%) to other medical aid schemes, 10 (11%) indicated that they did not belong to any medical aid scheme, citing lack of information, lack of affordability, the desire to save for other household needs and failure of medical aid schemes to meet their expectations as reasons, while 1 (1%) did not respond to the question.

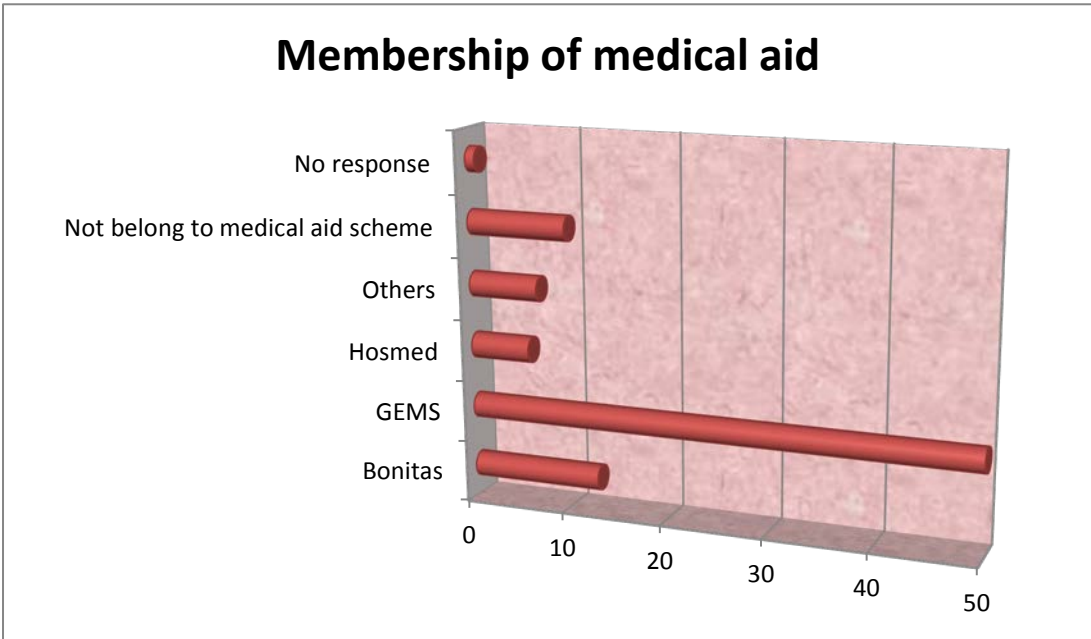


Figure 4.39: Membership of medical aid

5.7 Do existing medical aid schemes provide equal benefits to government employees?

A mere 16 (18%) of respondents felt that existing medical aid schemes provided equal benefits to government employees. Thirty-three (38%) felt that existing medical aid schemes did not provide equal benefits to government employees, 37 (43%) uncertain while 1 (1%) did not respond to the question. Those who felt that existing medical aid schemes did not provide equal benefits to government employees identified differences in payment of hospital rates, allocation of budgets to dependents, type of doctors authorised for consultation, type of prescriptions covered, access to gyms and discounts offered by some medical aid companies such as Discovery as reasons for inequalities between and among existing medical aid schemes.

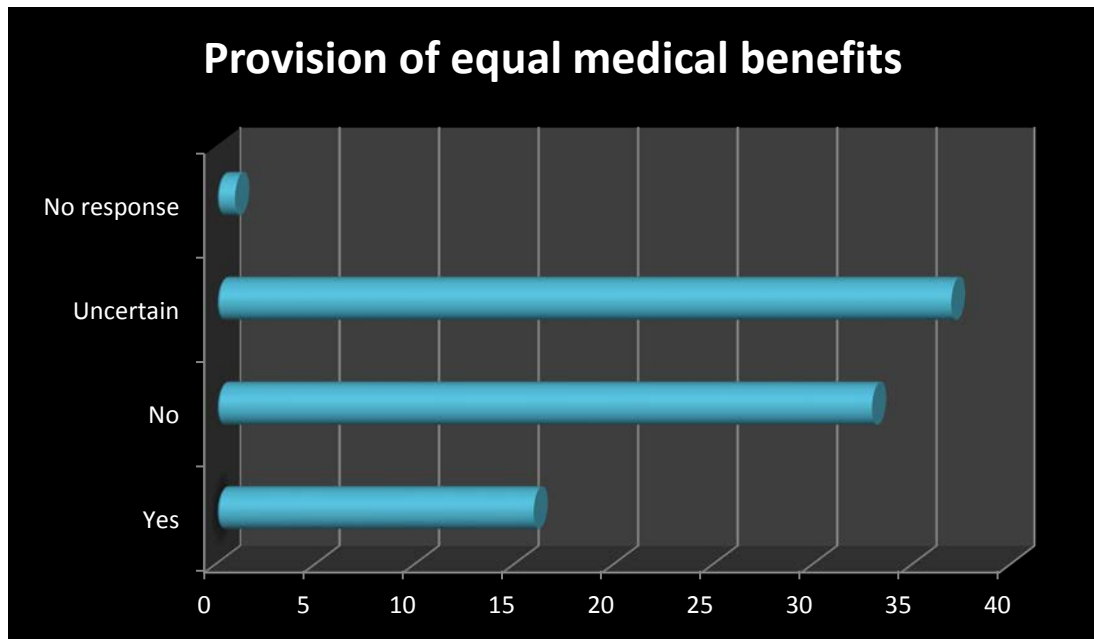


Figure 4.40: Provision of equal medical benefits

5.8 Do employees resign from their jobs to cash in on their pension benefits in order to settle their debts and then find another job, which allows them to start contributing towards their pensions from scratch?

Citing the threat of foreclosure (deprivation of the right to redeem a mortgage or property) as the main reason for employees to resign from their jobs, 16 (18%) of respondents indicated that employees resigned from their jobs to cash in on their pension benefits in order to settle their debts and then found another job, which allowed them to start contributing towards their pensions from scratch, 19 (22%) pointed to the contrary, 43 (49%) were uncertain while 9 (10%) did not respond to the question. Based on the experience of the researcher, to a limited extent, some of debt-ridden employees who

approached *HR Benefits* officials to enquire about the amount they qualified for retirement resigned from their jobs in order to settle debt with the hope of finding another job and start afresh or to venture into business.

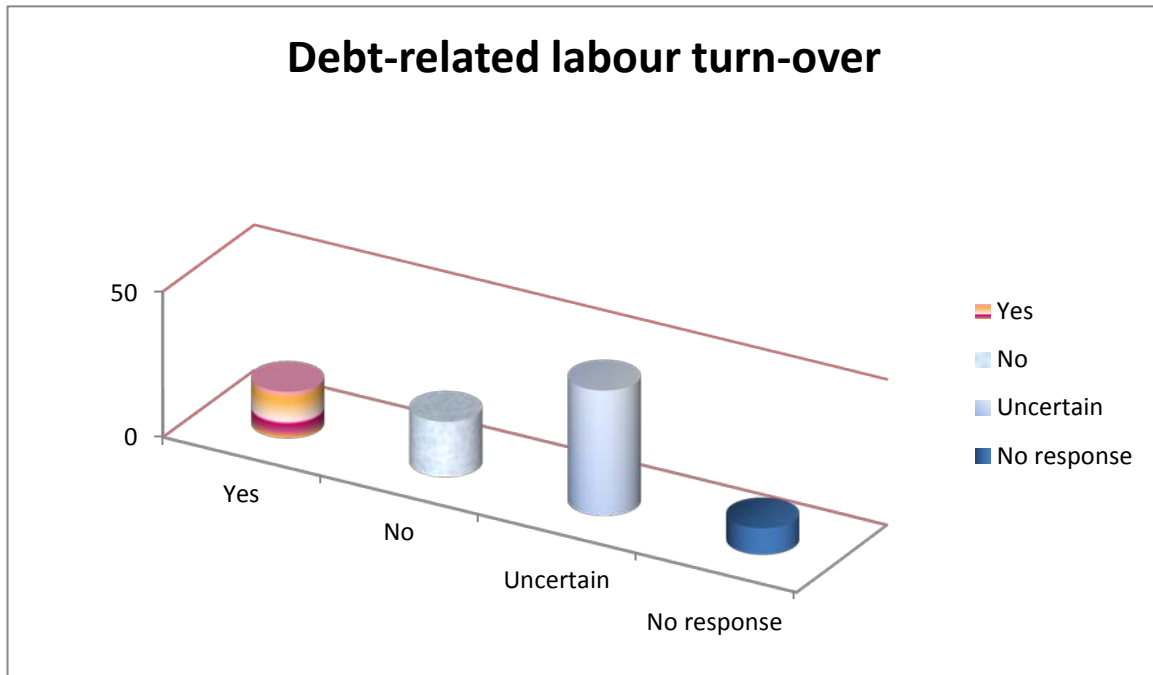


Figure 4.41: Debt-related turn-over

5.9 Do you anticipate any possibility of experiencing a drop in living standards during retirement?

Thirty-seven (43%) of the respondents indicated that they anticipated a drop in the standard of living during retirement due to lack of extra income given that the money earned at retirement was less than the monthly salary, 19 (22%) felt to the contrary, 21 (24%) were uncertain while 10 (11%) did not respond to the question.

Fear of experiencing a drop in living standards during retirement

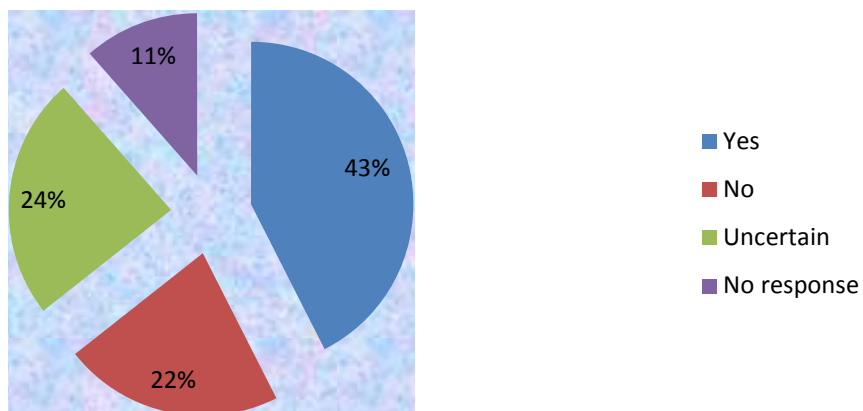


Figure 4.42: Fear of experiencing a drop in living standards during retirement

5.10 Will you require financial help from your children during retirement?

Thirteen (15%) of the respondents indicated that they would require financial help from their children during retirement, 48 (55%) said no, maintaining that they would be self-reliant as they had saved enough for their retirement or had adequately planned for their retirement, 19 (22%) were uncertain while 7 (8%) did not respond to the question.

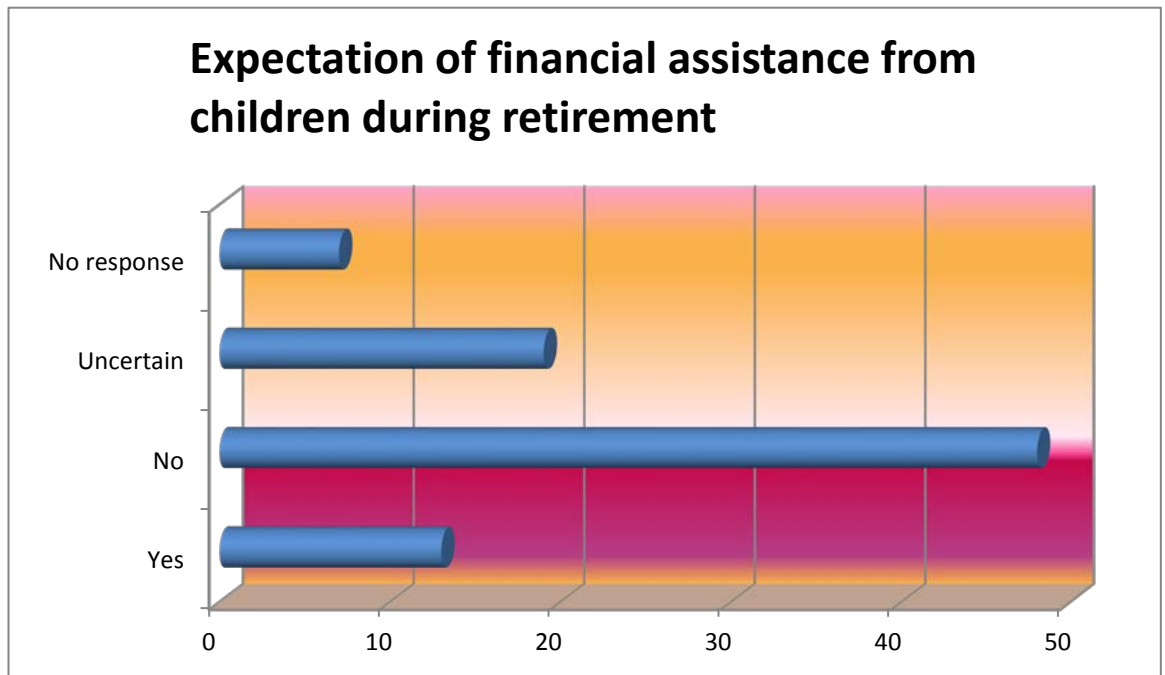


Figure 4.43: Expectation of financial help from children during retirement

5.11 Besides your mandatory monthly contributions, do you make any additional contribution to your pension fund?

Twenty-eight (32%) of respondents indicated that they were making additional contributions to their pension funds on top of their mandatory monthly contributions to maintain their standard of living during retirement, 44 (51%) said no, citing lack of additional funds owing to pressing household needs as a hindrance, 6 (7%) were uncertain, arguing that they did not know that an employee may make an additional contribution towards his or her pension fund while 9 (10%) did not respond to the question.

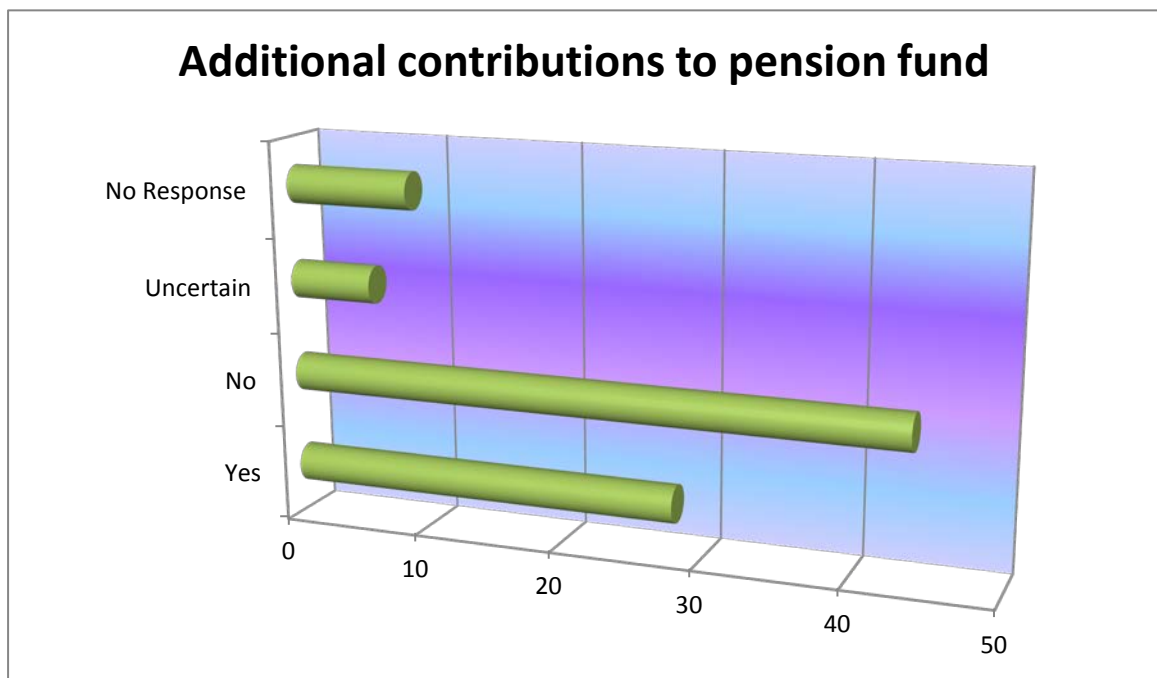


Figure 4.44: Additional contributions to pension fund

E. Management style in the implementation of employee benefits.

Employees were asked to describe their feelings towards the style of management of employee benefits in the Department.

6.1 The existing call centre in the Department answers questions related to housing allowance.

Thirty-four (39%) of the respondents indicated that they strongly disagree that the existing call centre in the Department answered questions related to various aspects of leave, 21 (24%) disagree, 24 (28%) were uncertain, 7 (8%) agree while 1 (1%) strongly agree.

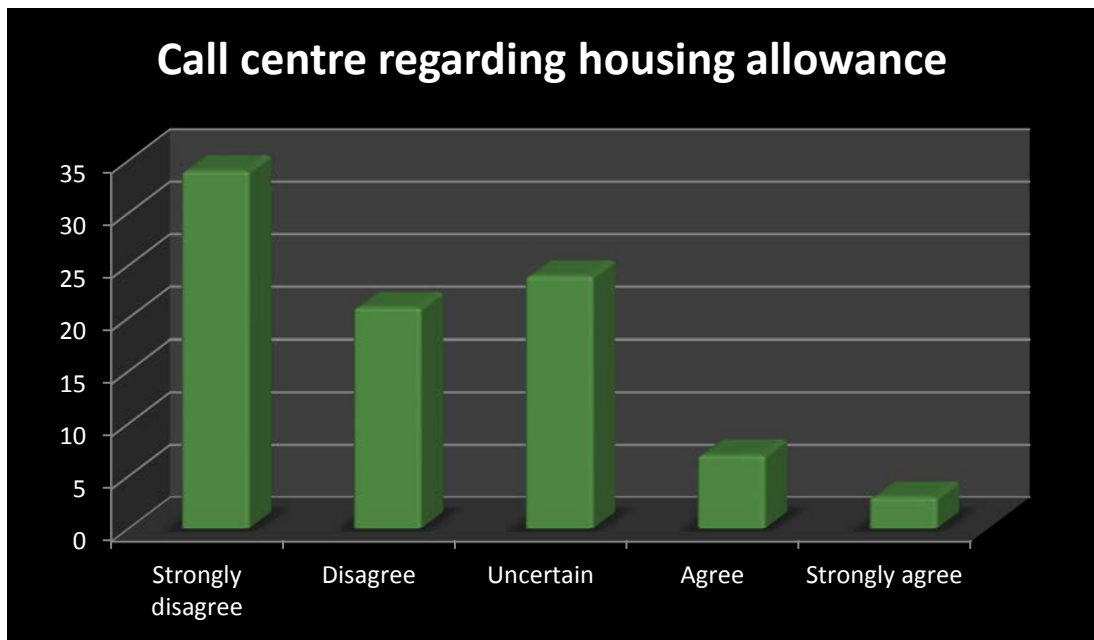


Figure 4.45: Call centre regarding housing allowance

6.2 The existing call centre in the Department answers questions related to various aspects of leave.

Thirty-two (37%) of the respondents indicated that they strongly disagree that the existing call centre in the Department answered questions related to leave, 17 (20%) disagree, 21 (24%) were uncertain, 14 (16%) agree while 3 (3%) strongly agree.

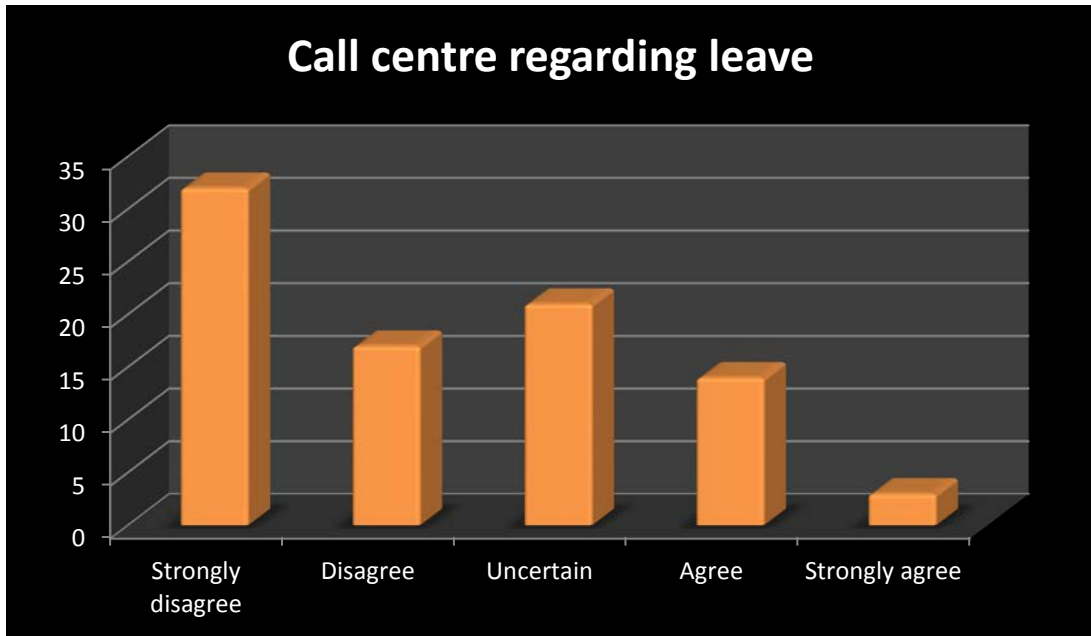


Figure 4.46: Call centre regarding various aspects of leave

6.3 The existing call centre in the Department answers questions related to medical aid.

36 (41%) of the respondents indicated that they strongly disagree that the existing call centre in the Department answered questions related to medical aid, 18 (21%) disagree, 27 (31%) were uncertain, 5 (6%) agree while 1 (1%) strongly agrees.

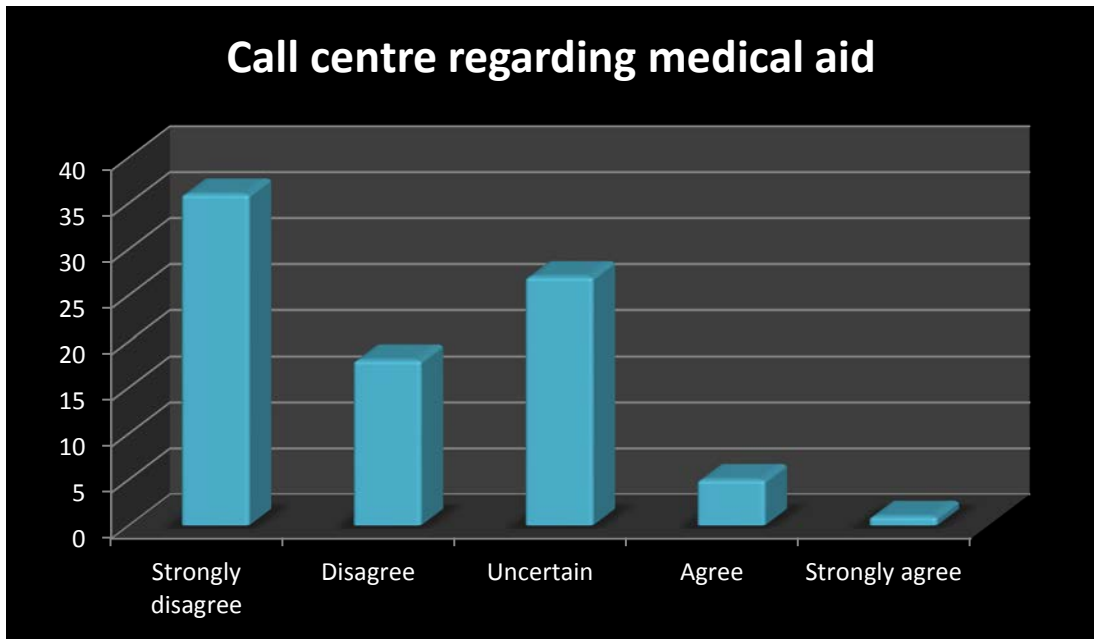


Figure 4.47: Call centre regarding medical aid

6.4 The existing call centre in the Department answers questions related to pensions.

Thirty-four (39%) of the respondents indicated that they strongly disagree that the existing call centre in the Department answered questions related to pensions, 15 (17%) disagree, 24 (28%) were uncertain, 3 (3%) agree, 2 (2%) strongly agree while 9 (10%) did not respond to the question.

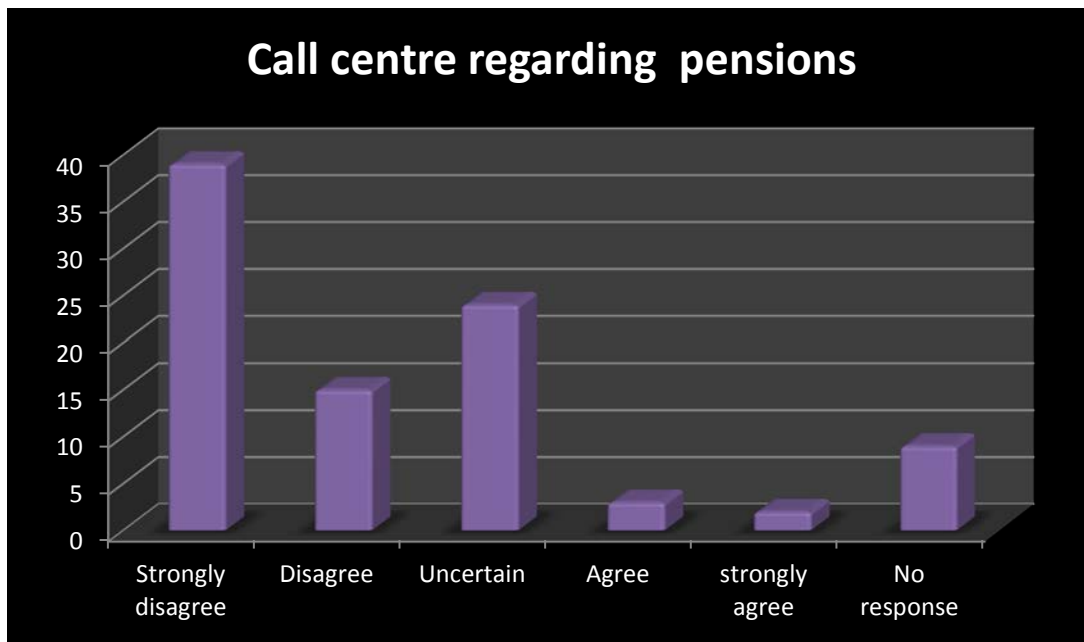


Figure 4.48: Call centre regarding pensions

6.5 The existing call centre in the Department answers questions related to performance bonus.

Thirty-three (37.9%) of respondents indicated that they strongly disagree that the existing call centre in the Department answered questions related to performance bonus, 24 (27.6%) disagree, 22 (25.3%) were uncertain, 6 (6.9%) agree and 2 (2.3%) strongly agree.

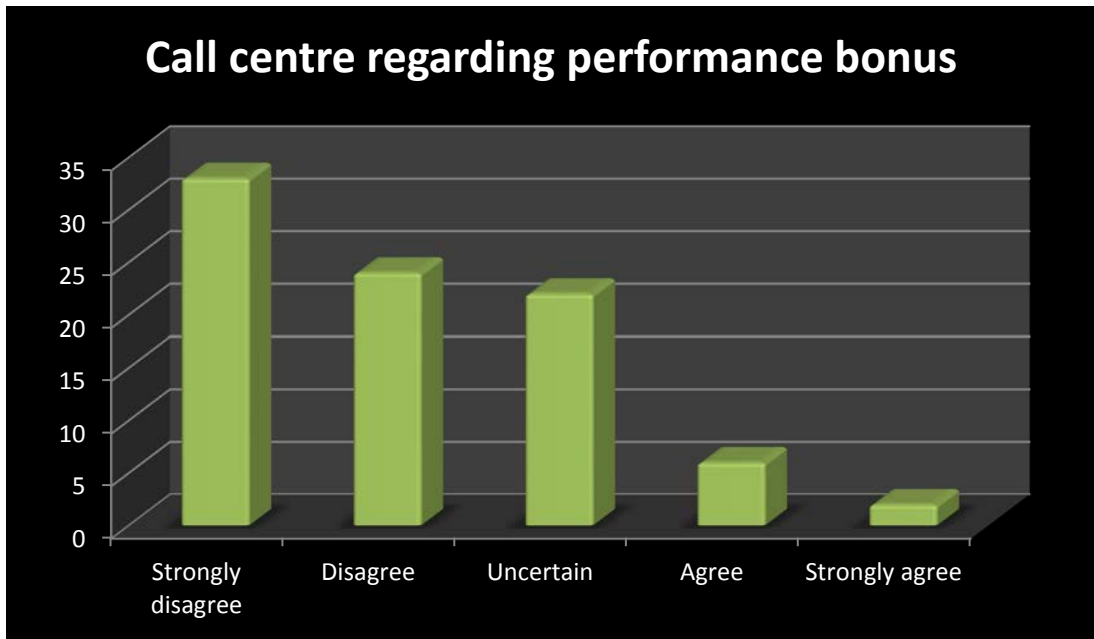


Figure 4.49: Call centre regarding performance bonus

6.6 Benefits Section conducts benefits satisfaction surveys to gauge the level of satisfaction of employees on existing benefits.

Twenty-seven (31%) of the respondents indicated that they strongly disagree that the HR Benefits Section conducted benefits surveys to gauge the level of satisfaction of employees on existing benefits, 31 (36%) disagree, 23 (26%) were uncertain, 5 (6%) agree while 1 (1%) strongly agrees.

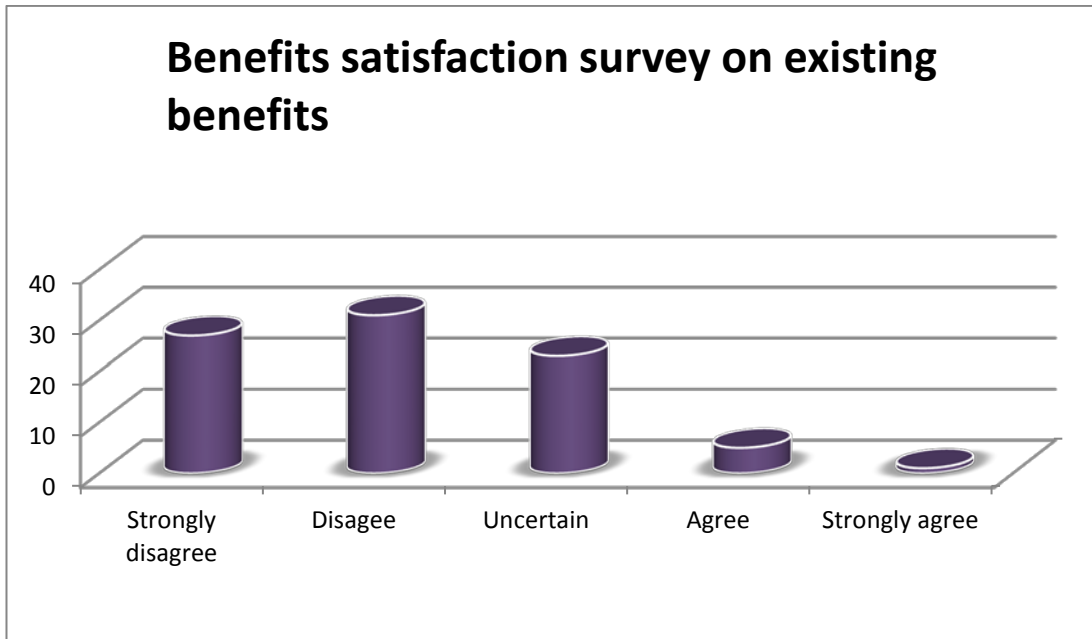


Figure 4.50: Benefits satisfaction survey on existing benefits

6.7 HR Benefits Section provides employees with their personal annual statements on utilisation of various types of leave days.

Seven (8%) of respondents indicated that they strongly disagree that the HR Benefits Section provided employees with their personal annual statements on utilisation of various types of leave days, 13 (14.9%) disagree, 15 (17.2%) were uncertain, 32 (36.8%) agree, 19 (21.8%) strongly agree while 1 (1.1%) did not respond to the question. While the 20 (22.9%) respondents replied in the negative to the question, a significant number for that matter, existing evidence has shown that like the rest of employees of the Department, they too were being updated on a monthly basis about balances of their annual leave credits on their monthly salary advices. The contradiction that arose from this question should enlighten the reader that the responses from the respondents might be misleading because the respondent can respond

negatively whilst he/she was receiving the benefit or vice versa. It should also be acknowledged that the same contradiction might be applicable to the other benefits and questions as well. Hence, the hands-on experience of the researcher on the subject at hand becomes extremely useful in such cases.

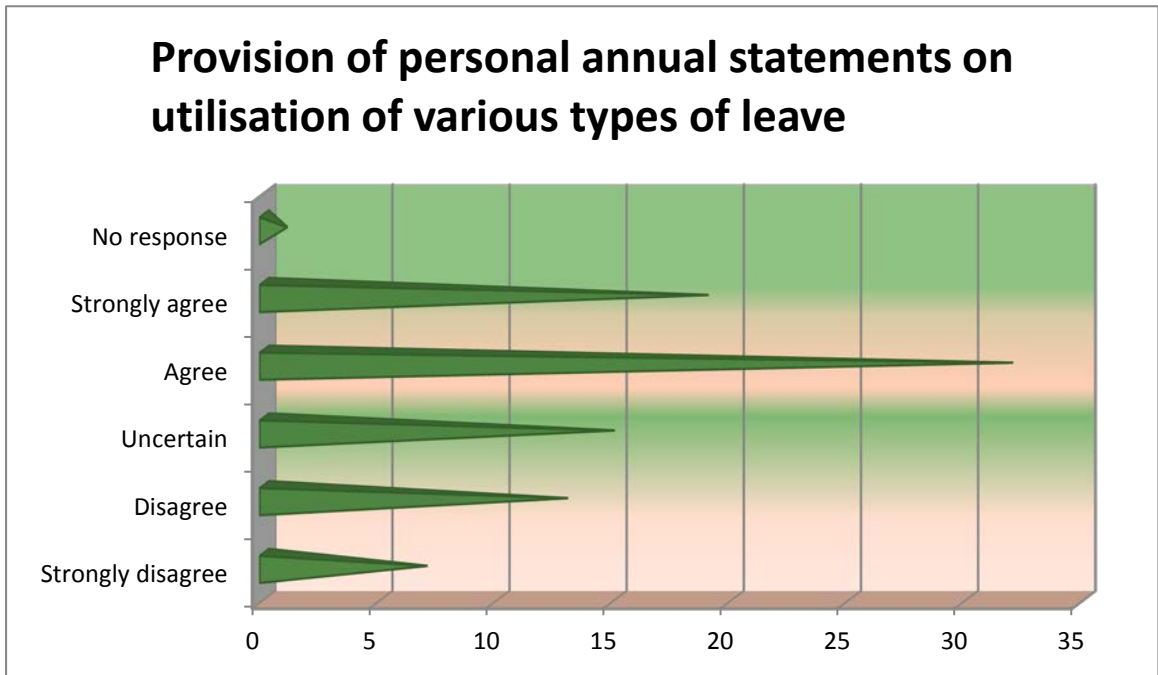


Figure 4.51: Provision of personal annual statements on utilisation of leave

6.8 Employees are allowed to accumulate unused vacation leave.

Thirty-seven (42.5%) of respondents indicated that they strongly disagree that employees were allowed to accumulate unused vacation leave, 32 (36.8%) disagree, 9 (10.3%) were uncertain, 9 (10.3%) agree and 0 (0.0%) strongly agree. While the 28 (32.1%) respondents which is nearly a third of respondents replied affirmative to the question, existing legislation notably Determination on Leave of Absence in the Public Service (2005) refutes

these statistics in that it does not provide for accumulation of unused vacation leave days.

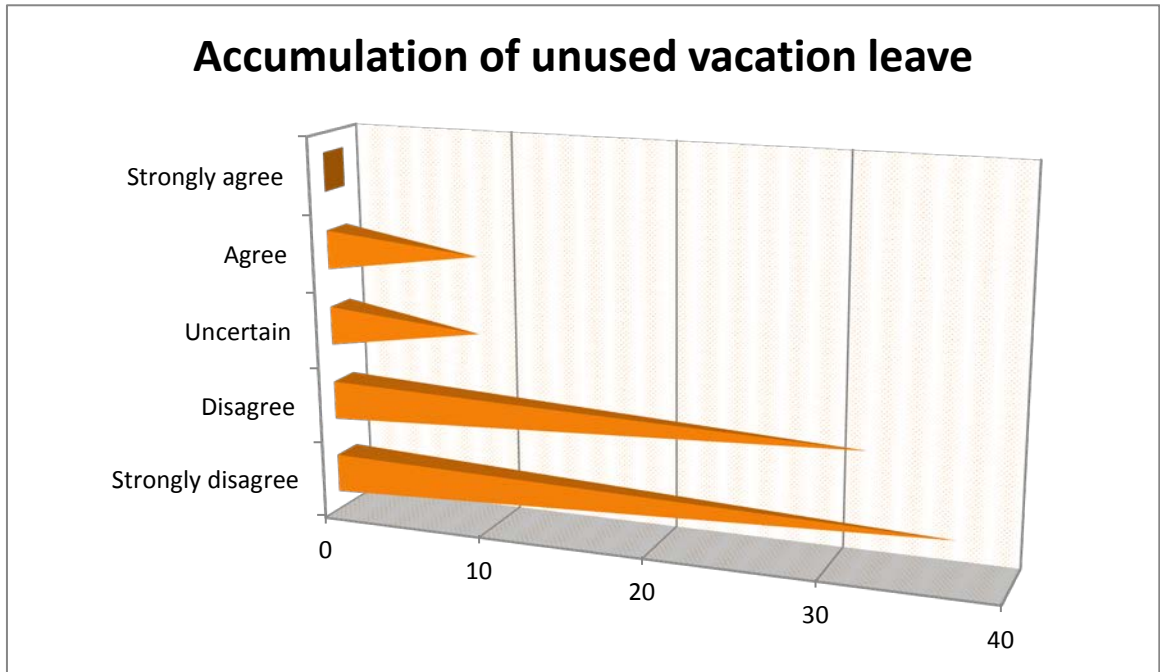


Figure 4.52: Accumulation of unused vacation leave

6.9 Employees are allowed to cash unused vacation leave days.

Forty (46%) of respondents indicated that they strongly disagree that employees were allowed to cash unused vacation leave days, 29 (33.3%) disagree, 12 (13.8%) were uncertain and 6 (6.9%) agree and 0 (0.0%) strongly agree. While the 25 (28.7%) respondents, again a significant number, replied affirmative to the question, existing legislation notably the BCEA, ACT No.75 of 1997 except on termination of employment or retirement negates these statistics in that it does not provide for cashing of unused vacation leave days (Republic of South Africa, 1997: 12).

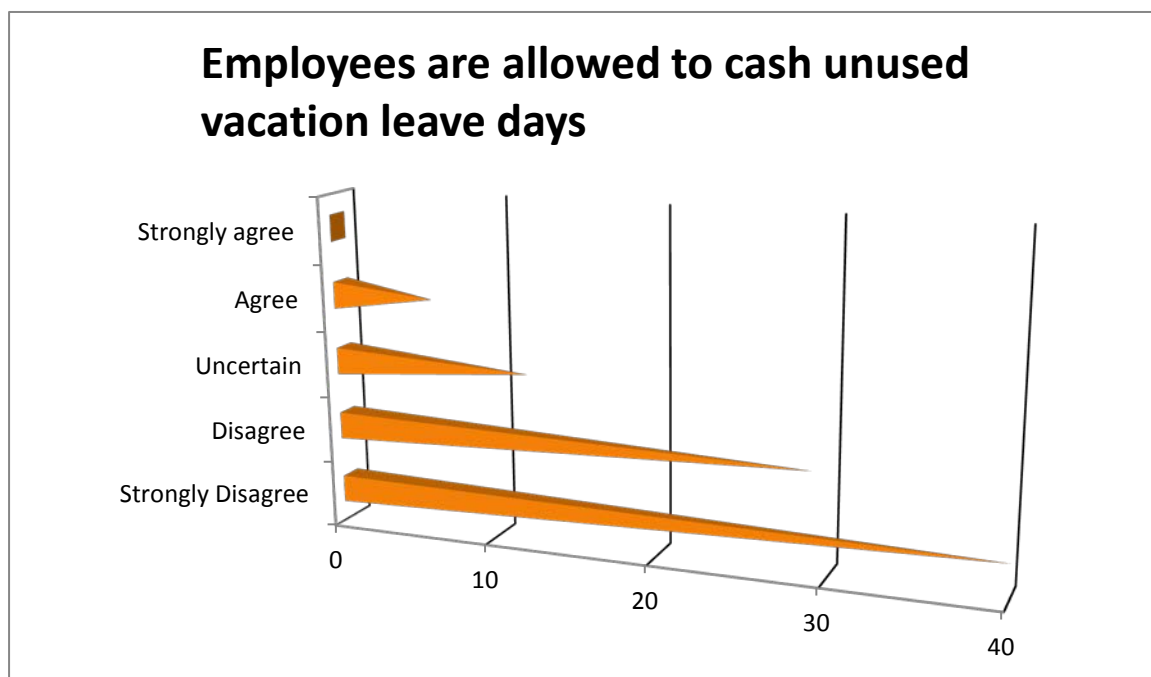


Figure 4.53: Encashment of unused vacation leave days

6.10 Employees are allowed to accumulate unused sick leave days.

Forty-three (49.4%) of respondents indicated that they strongly disagree that employees were allowed to accumulate unused sick leave days, 29 (33.3%) disagree, 12 (13.8%) were uncertain, 1 (1.1%) agree while 2 (2.3%) strongly agree. It is worth noting that that existing legislation does not provide for accumulation of unused leave days. This supports the response of an overwhelming number of respondents, 72 (82.7%), who replied in the negative to the question.

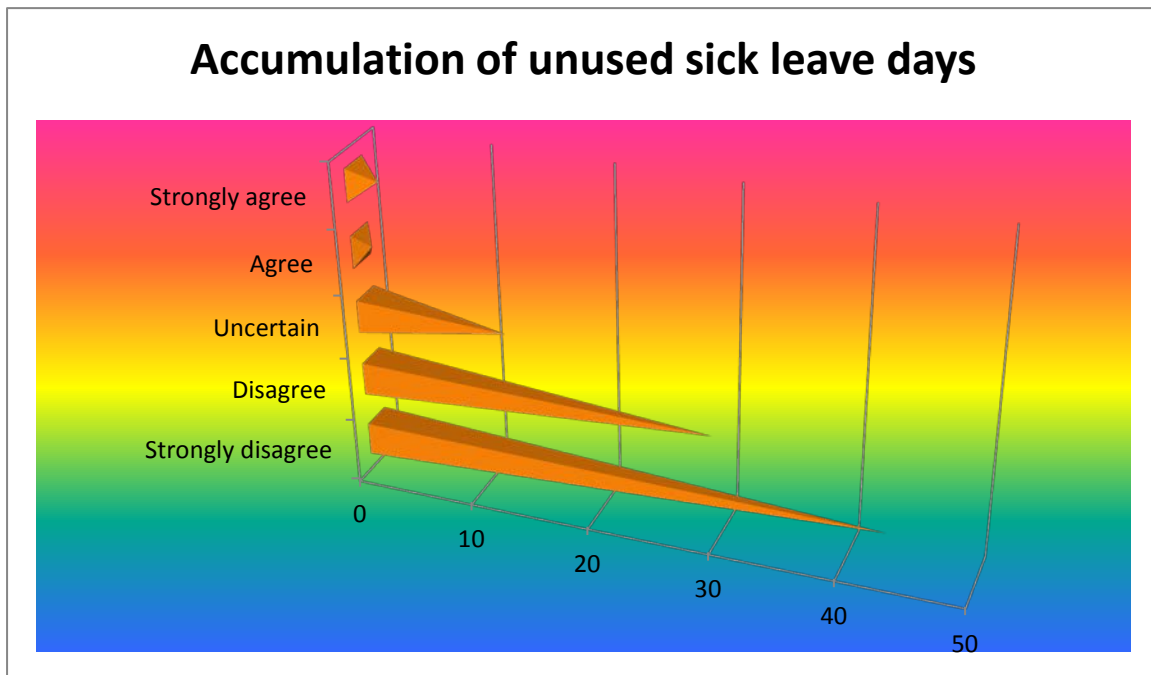


Figure 4.54: Accumulation of unused sick leave days

6.11 Employees are allowed to cash unused sick leave days.

Forty-eight (55%) of the respondents indicated that they strongly disagree that employees were allowed to cash unused sick leave days, 29 (33%) disagree, 8 (9%) were uncertain, 1(1%) agrees while 1(1%) strongly agrees.

It is significant to note that an overwhelming number of respondents, 77 (89%) in all, replied affirmative to the question. These statistics were supported by existing legislation because it does not provide for cashing of unused sick leave days.

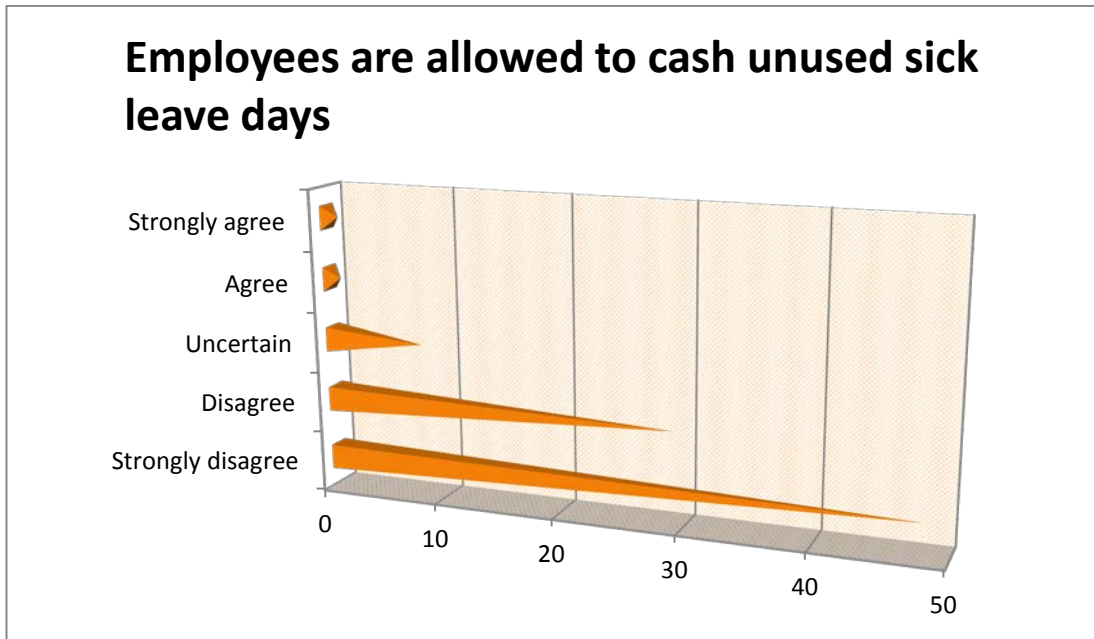


Figure 4.55: Encashment of unused sick leave days

6.12 Employees are paid annual bonuses for unused sick leave.

Forty-six (53%) of the respondents indicated that they strongly disagree that employees were allowed to cash unused sick leave days, 31 (36%) disagree, 7 (8%) were uncertain, 1(1%) agrees, 1(1%) strongly agrees while 1(1%) did not respond to the question. It is significant to note that an overwhelming number of respondents, 77 (89%) in all, replied negative to the question. These statistics were validated by existing legislation because the Determination on Leave of Absence in the Public Service of 2005 does not provide for payment of annual bonuses for unused sick leave days.

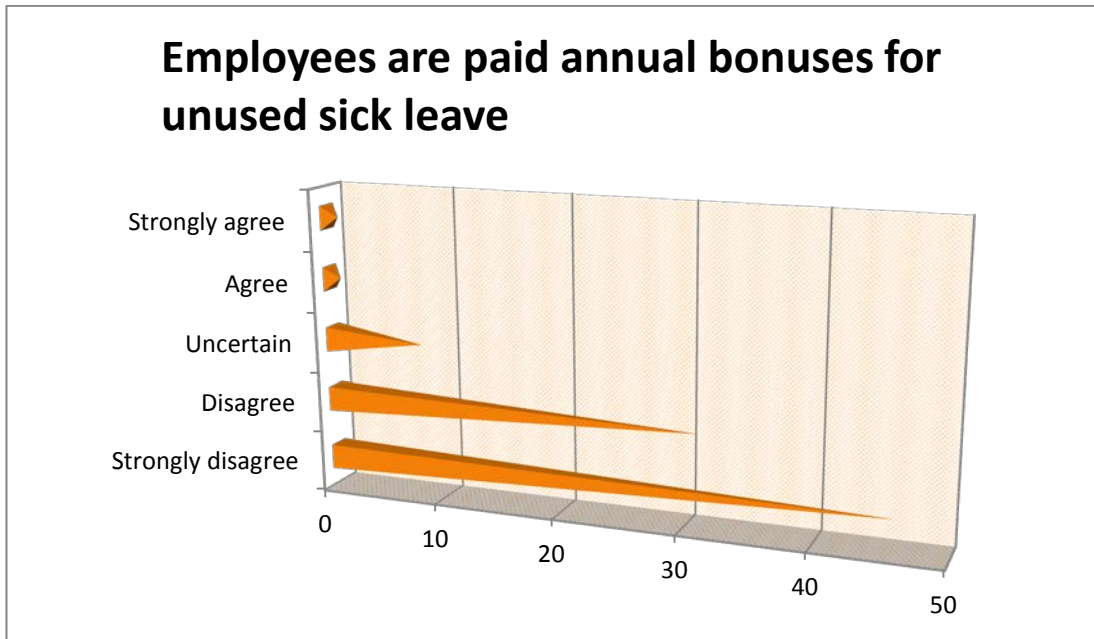


Figure 4.56: Payment of annual bonus for unused sick leave

6.13 Management tolerates employees who continually take sick leave.

Eighteen (21%) of the respondents indicated that they strongly disagree that management tolerated employees who continually took sick leave, 29 (33%) disagree, 13 (15%) were uncertain, 17(20%) agree, 9(10%) strongly agree while 1(1%) did not respond to the question.

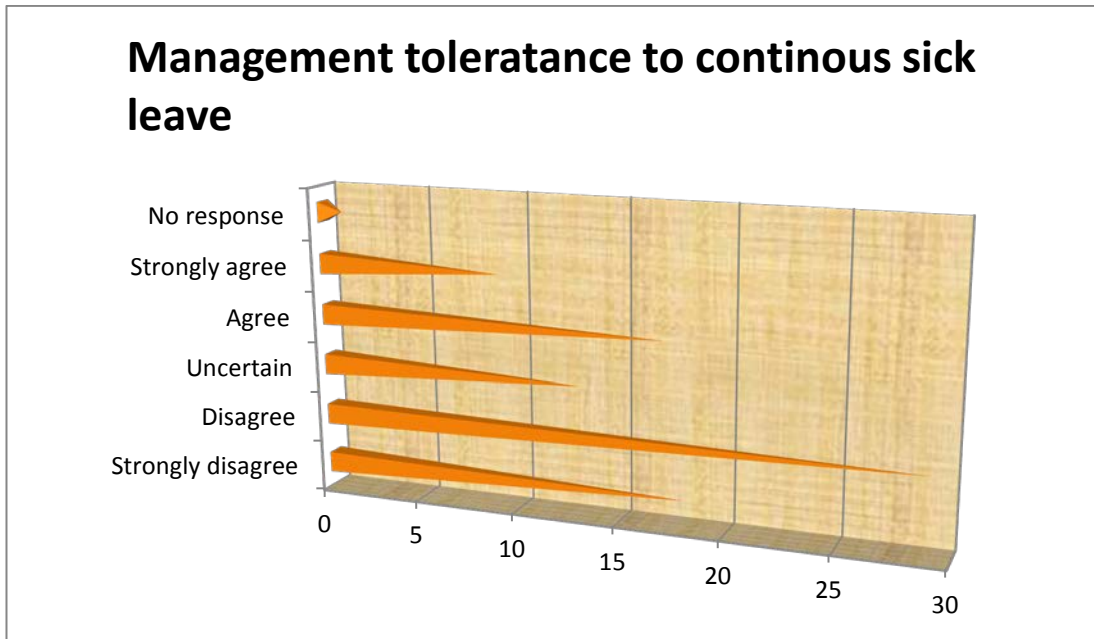


Figure 4.57: Management tolerance to frequent sick leave

6.14 HR Benefits staff refers employees who constantly take sick leave for further specialist medical examination.

Eight (9%) of the respondents indicated that they strongly disagree that HR Benefits staff referred employees who constantly took sick leave for further specialist medical examination, 20 (23%) disagree, 27 (31%) were uncertain, 19 (22%) agree, 10 (11%) strongly agree while 3 (3%) did not respond to the question. From these statistics, one third of respondents felt that *HR Benefits* staff referred employees who constantly took sick leave for further specialist medical examination. On the flip-side of the coin nearly another third replied in the negative. This makes it difficult for an outsider to know the real facts on this subject. The analysis from face to face, open-ended interviews and primary documents that follows in the next section will shed more light on the subject.

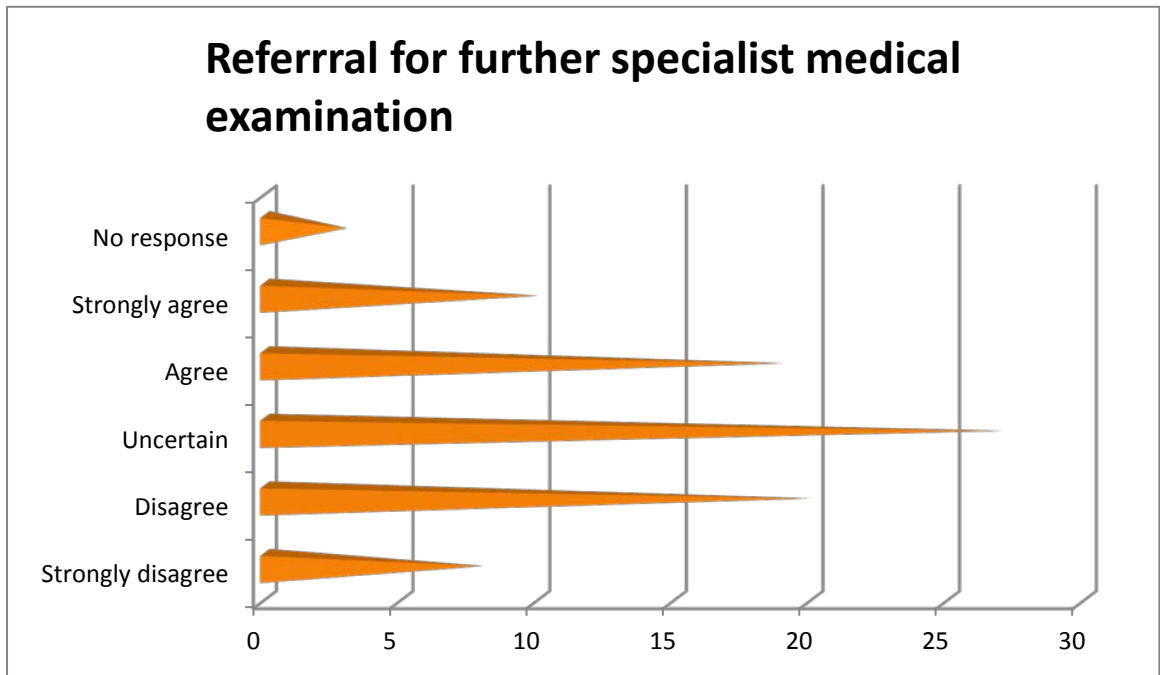


Figure 4.58: Referral for further specialist medical examination.

6.15 HR Benefits staff advises employees with known prolonged illnesses about incapacity leave.

Three (3.4%) of the respondents indicated that they strongly disagree that employees with known prolonged illnesses about incapacity leave were advised about incapacity leave, 3 (3%) disagree, 19 (22%) were uncertain, 36 (41%) agree, 23 (26%) strongly agree while 3 (3%) did not respond to the question.

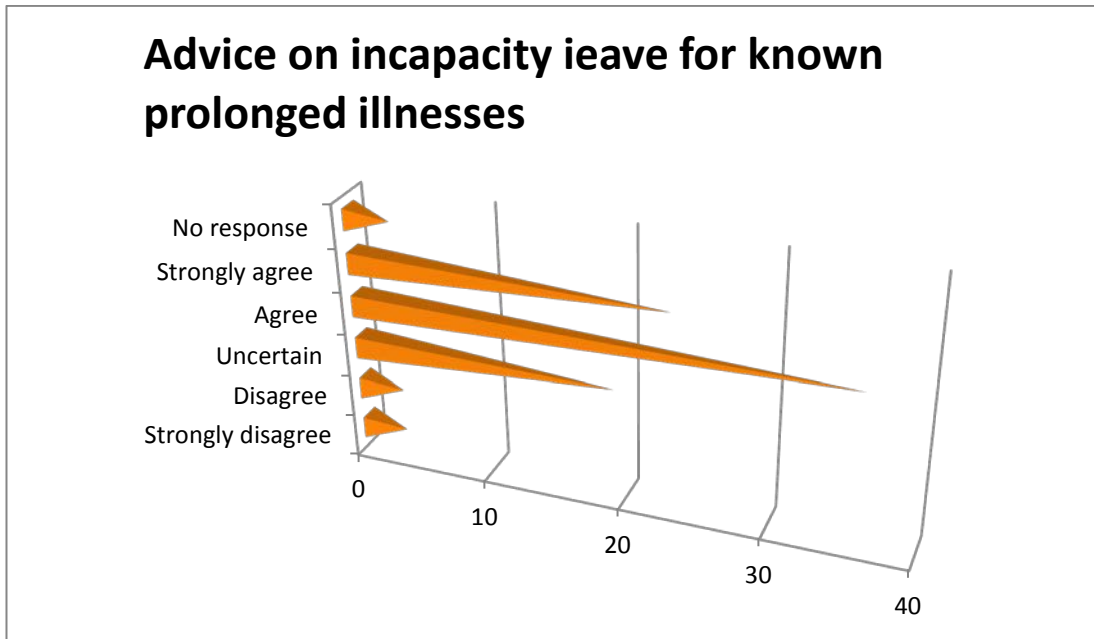


Figure 4.59: Advice on incapacity leave for known prolonged illnesses

6.16 The high rate of sick leave is due to lack of job control

Ten (11%) of the respondents indicated that they strongly disagree that the high rate of sick leave was due to a lack of job control, 24 (28%) disagree, 18 (21%) were uncertain, 26 (30%) agree, while 9 (10%) strongly agree.

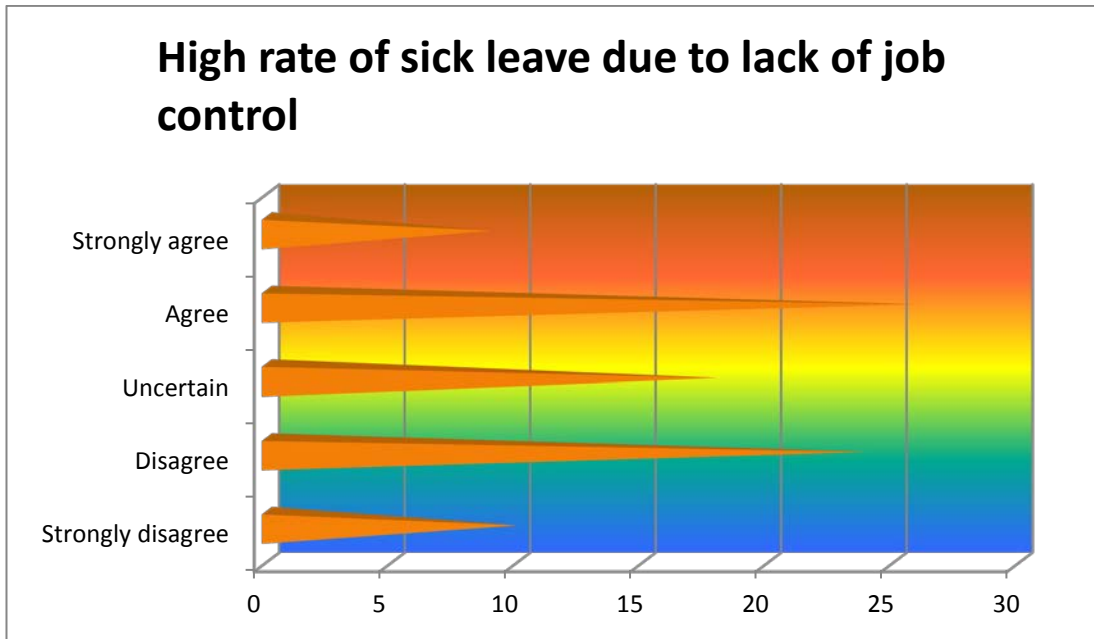


Figure 4.60: High rate of sick leave due to lack of job control

6.17 Employees are allowed to accumulate unused medical aid benefits on an annual basis.

Twenty-five (29%) of the respondents indicated that they strongly disagree that employees were allowed to accumulate unused medical aid benefits on an annual basis, 31 (36%) disagree, 25 (29%) were uncertain, 4 (5%) agree while 2 (2%) strongly agree.

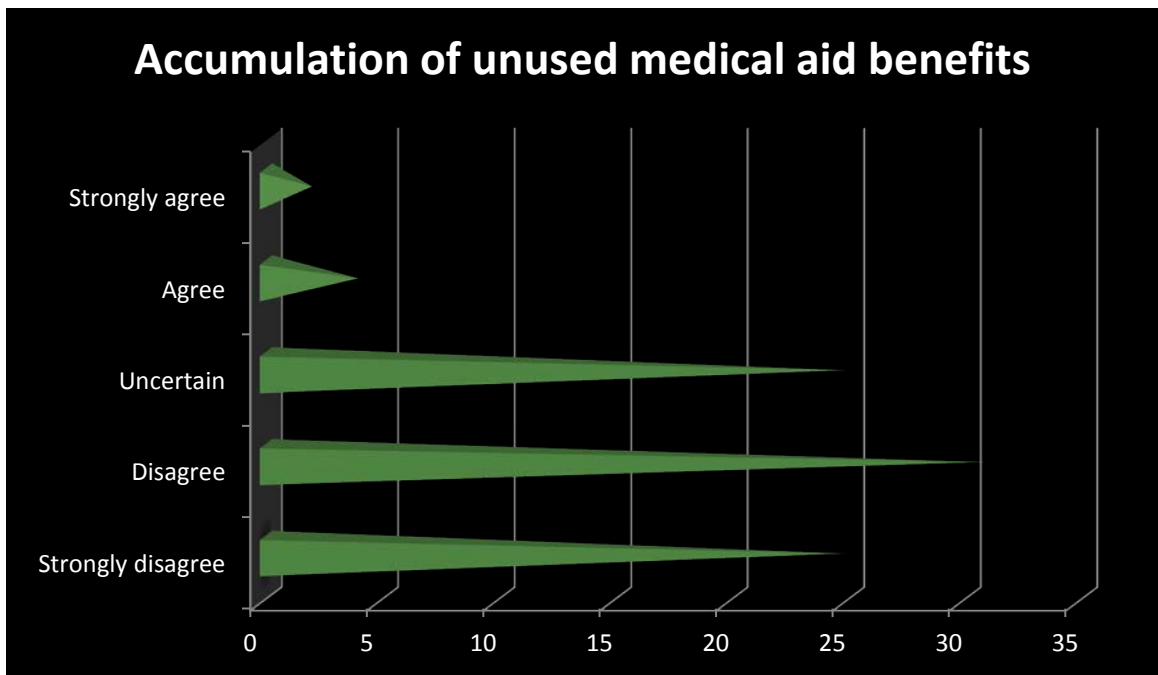


Figure 4.61: Accumulation of unused medical benefits

6.18 HR Benefits Section has an arrangement where medical aid companies provide personal annual statements to employees on the utilisation of their medical benefits.

Fourteen (16%) of respondents indicated that they strongly disagree that HR Benefits Section had an arrangement where medical aid companies provided personal annual statements to employees on the utilisation of their medical benefits, 29 (33%) disagree, 28 (32%) were uncertain, 11 (13%) agree, 3 (3%) strongly agree while 2 (2%) did not respond to the question.

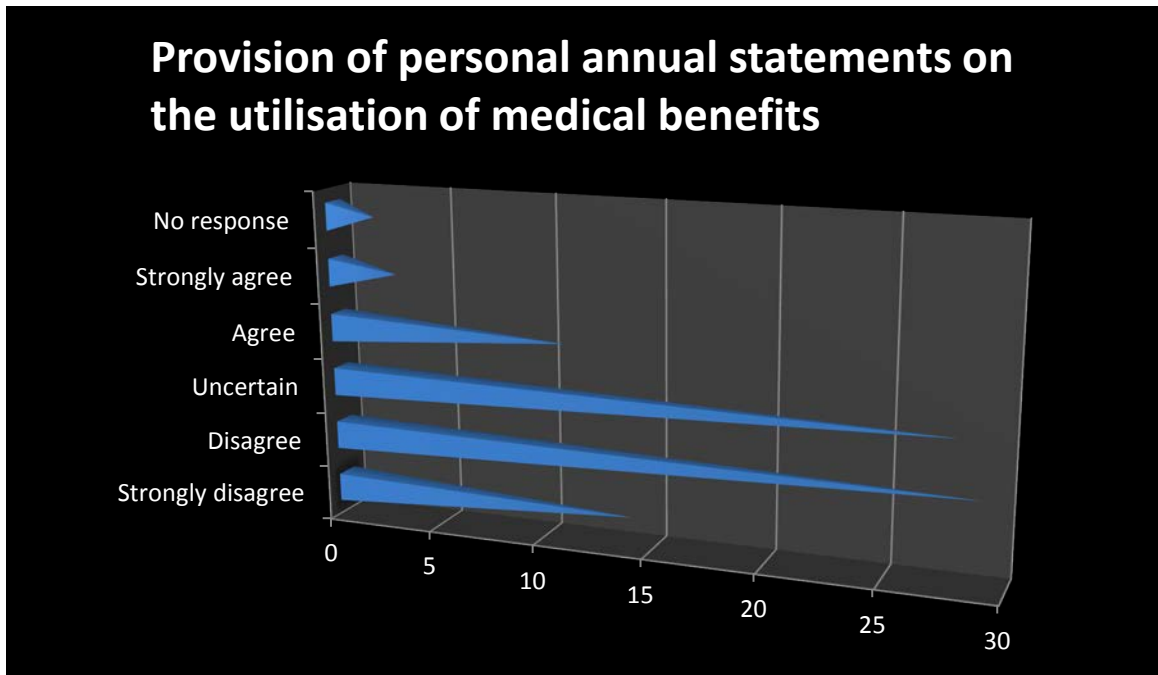


Figure 4.62: Provision of personal annual statements for medical benefits

6.19 HR Benefits staff is involved in pre-retirement planning for retiring employees.

Thirteen (14.9%) of respondents indicated that they strongly disagree that HR Benefits staff was involved in pre-retirement planning for retiring employees, 18 (20.7%) disagree, 38 (43.7%) were uncertain, 16 (18.4%) agree, 1 (1.1%) strongly agree while 1 (1.1%) did not respond to the question.

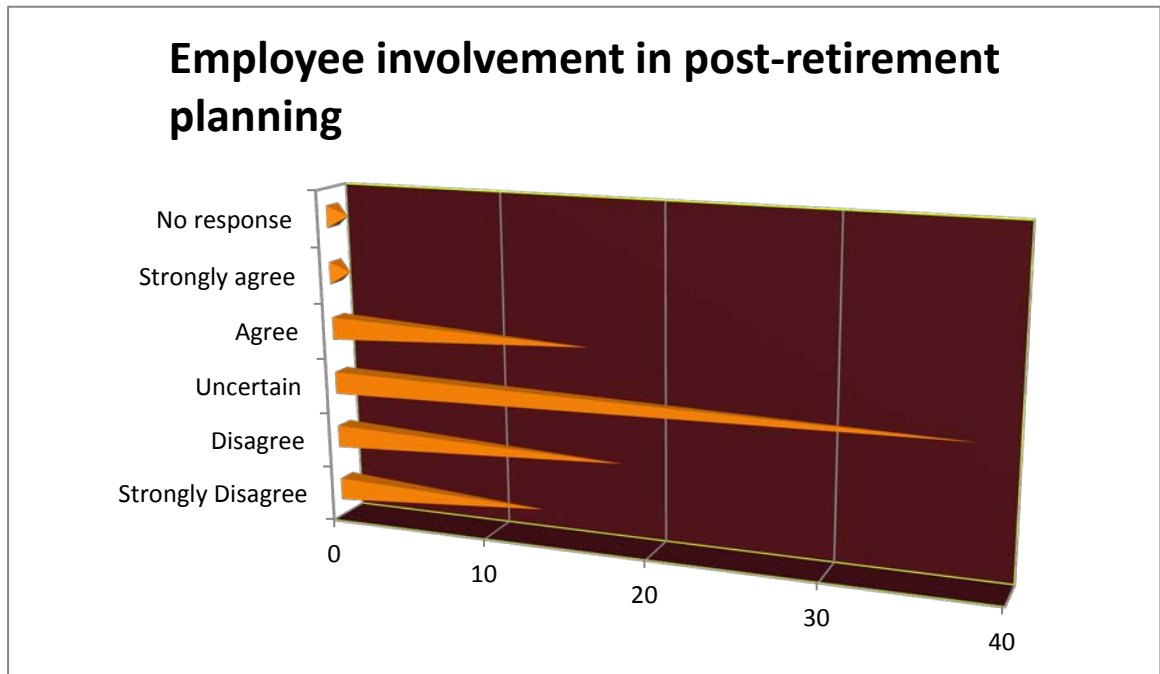


Figure 4.63: Employee involvement in post-retirement planning

7.1 How would you rate management of housing allowance as practiced in the Department?

Seven (8%) of respondents rated the management of housing allowance as practiced in the Department as very poor, 12 (14%) poor, 30 (34%) average, 29 (33%) good, pointing out that the persal system was helping in this regard, 8 (9%) excellent while 1 (1%) did not respond to the question. Those who rated the management of housing allowance as very poor argued that the allowance was too small to assist employees to meet monthly instalments towards their accommodation costs, that there were no workshops to impart more knowledge about the housing allowance and that the information

provided by employees was not verified and the criterion to access the allowance was not watertight.

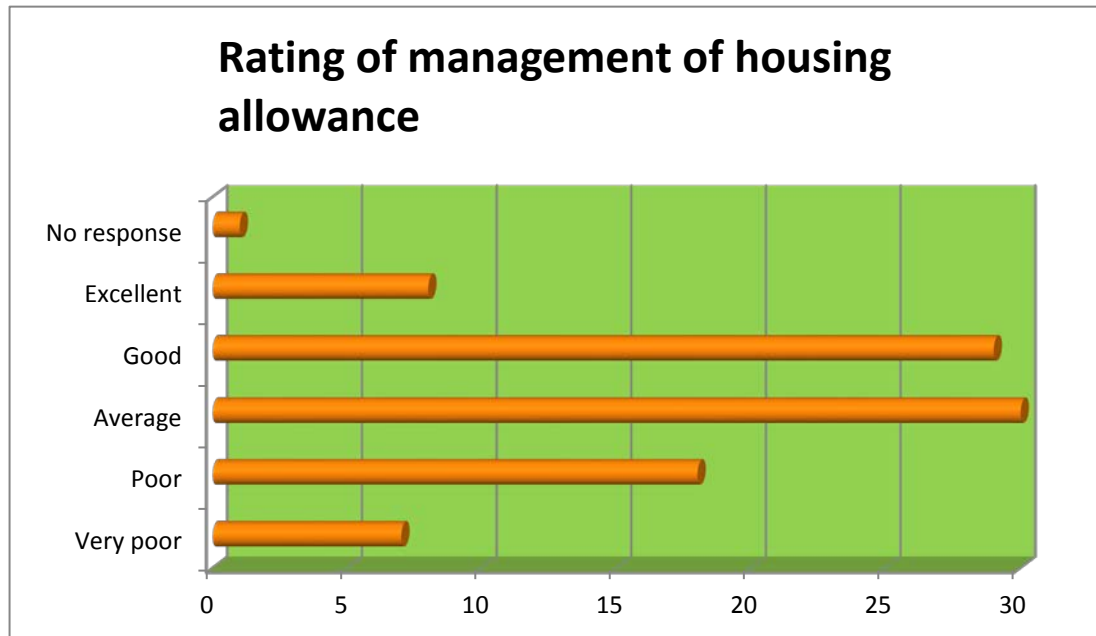


Figure 4.64: Rating of the management of housing allowance

7.2 How would you rate management of leave?

Two (2.3%) of respondents rated management of leave as practiced in the Department as very poor, arguing that line managers did not take responsibility of managing absenteeism while most of the employees applied for leave after they had taken leave, 10 (11.5%) poor, 27 (31%) average, 36 (41.4%) good, citing the monitoring of leave registers and utilisation, registration and capturing of leave on a daily basis and referral of queries to the relevant SBU as the main reasons for their choice, and 12 (13.8%) excellent.

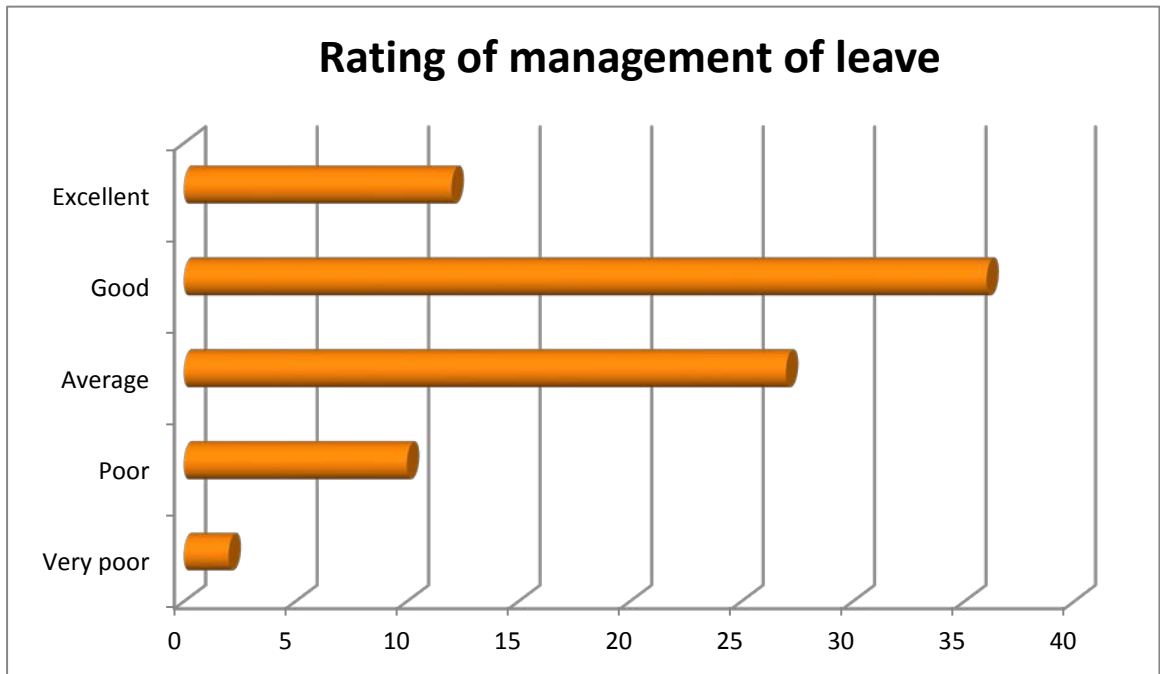


Figure 4.65: Rating of management of leave

7.3 How would you rate management of medical aid?

Four (5%) of respondents rated management of medical aid as practiced in the Department as very poor, arguing that the annual increment of monthly contributions was too high, 16 (18%) poor, 32 (37%) average, due to lack of workshops on medical aid, 28 (32%) good, 3 (3%) excellent while 4 (5%) did not respond to the question.

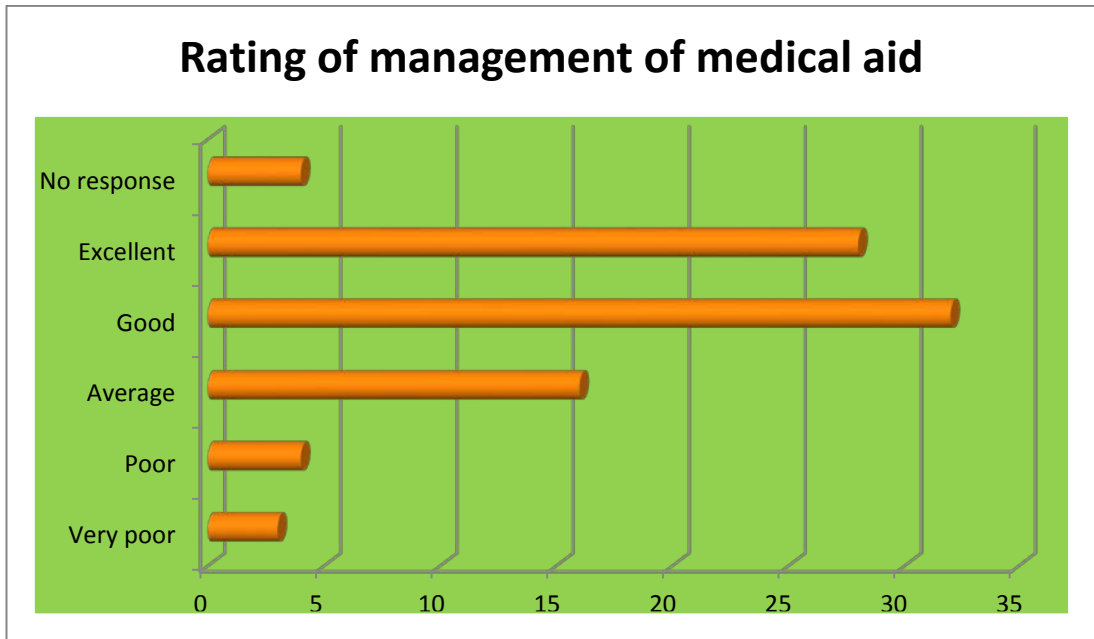


Figure 4.66: Rating of management of medical aid

7.4 How would you rate management of pensions?

Three (3%) of respondents rated management of pensions as practiced in the Department as very poor, 16 (18%) poor, 29 (33.3%) average, pointing that they did not know about pension pay-outs, percentages and how pension were paid including the formulas used, 25 (28.7%) good, 10 (11.5%) excellent while 4 (5%) did not respond to the question. Given questions around the authenticity in the previous sections, it is not clear as to the validity of the responses of the respondents. One could argue that the authenticity of the responses of the respondents could have been tested through confirming if they attended GEPF pension briefings. A corollary question might be as to whether or not respondents were privy to the GEPF

pension briefings. These questions will be clarified during the analysis of the findings from face-to-face, open-ended interviews and primary documents.

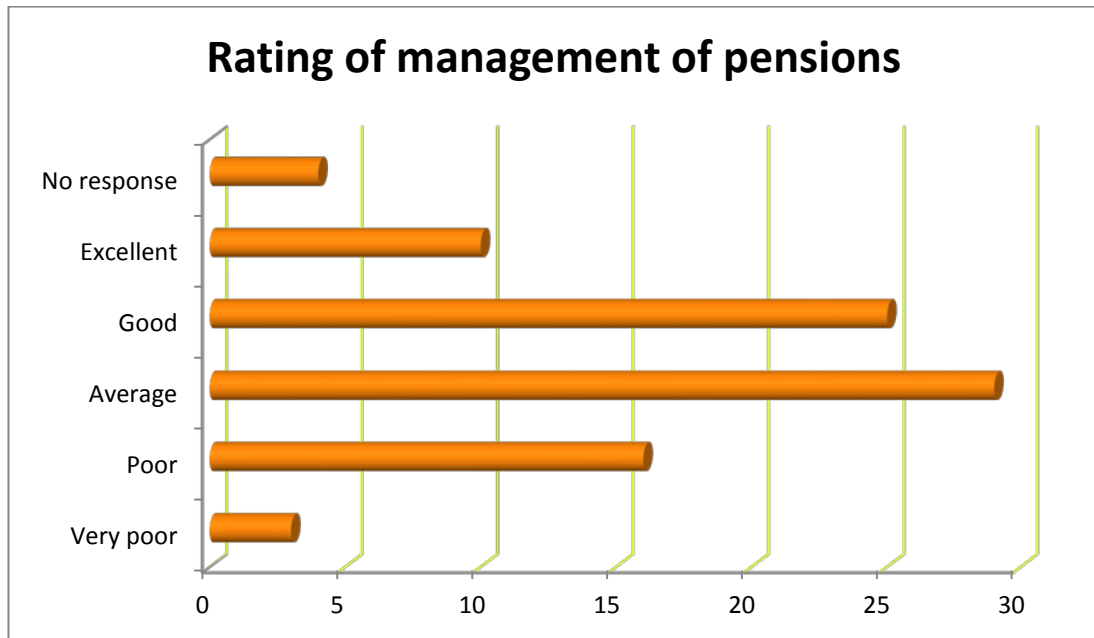


Figure 4.67: Rating of management pensions

7.5 How would you rate management of performance bonus?

Three (3.4%) of respondents rated management of performance bonus as practiced in the Department as very poor, 9 (10.3%) poor, 26 (29.9%) average, arguing that the system had a weakness of paying under- or average performers and that the moderation committee was ineffective, 22 (25.3%) good, 26 (29.9%) excellent while 1 (1.1%) did not respond to the question.

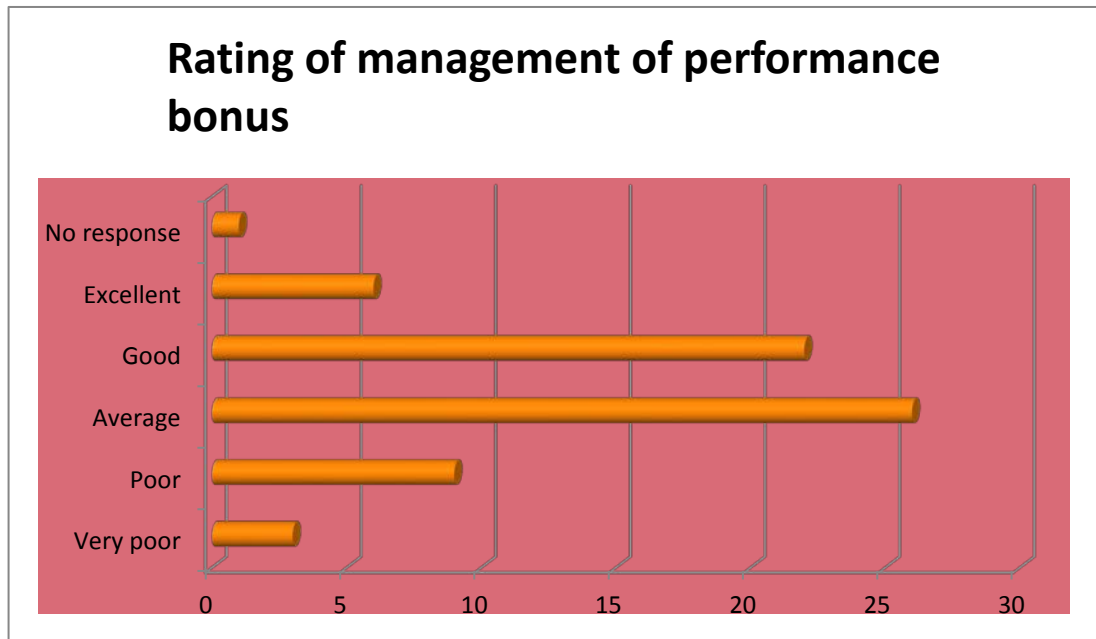


Figure 4.68: Rating of management of performance bonus

On the whole, while the respondents generally rated the management of leave and PMS highly, there were mixed feelings among employees regarding the rating of the management of housing allowance, medical aid and pensions. On average, one third of respondents rated these benefits as average and another third as good. This makes it difficult for an outsider to have a clear cut view on the subject. The picture will become much clearer in the next section.

8.1 Officials in *HR Benefits* Section administer housing subsidy with favouritism.

Twenty-six (30%) of the respondents indicated that they strongly disagree that officials in *HR Benefits* Section administered housing subsidy with favouritism, 26 (30%) disagree, 20 (20%) were uncertain, 4 (5%) agree, 9 (10%) strongly agree while 2 (2%) did not respond to the question.

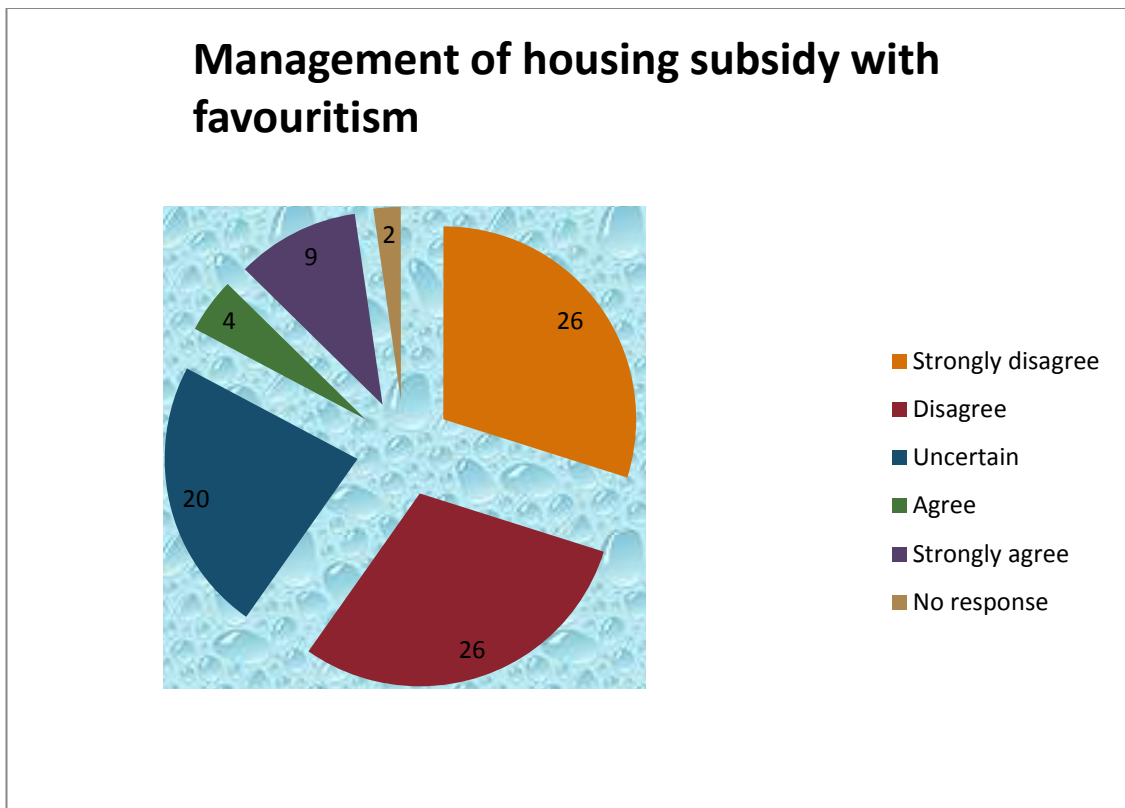


Figure 4.69: Management of housing subsidy with favouritism

8.2 Officials in HR Benefits Section administer leave with favouritism.

Twenty-nine (33%) of the respondents indicated that they strongly disagree that officials in HR Benefits Section administered leave with favouritism, 27 (31%) disagree, 16 (18%) were uncertain, 7 (8%) agree and 6 (7%) strongly agree while 2 (2%) did not respond to the question.

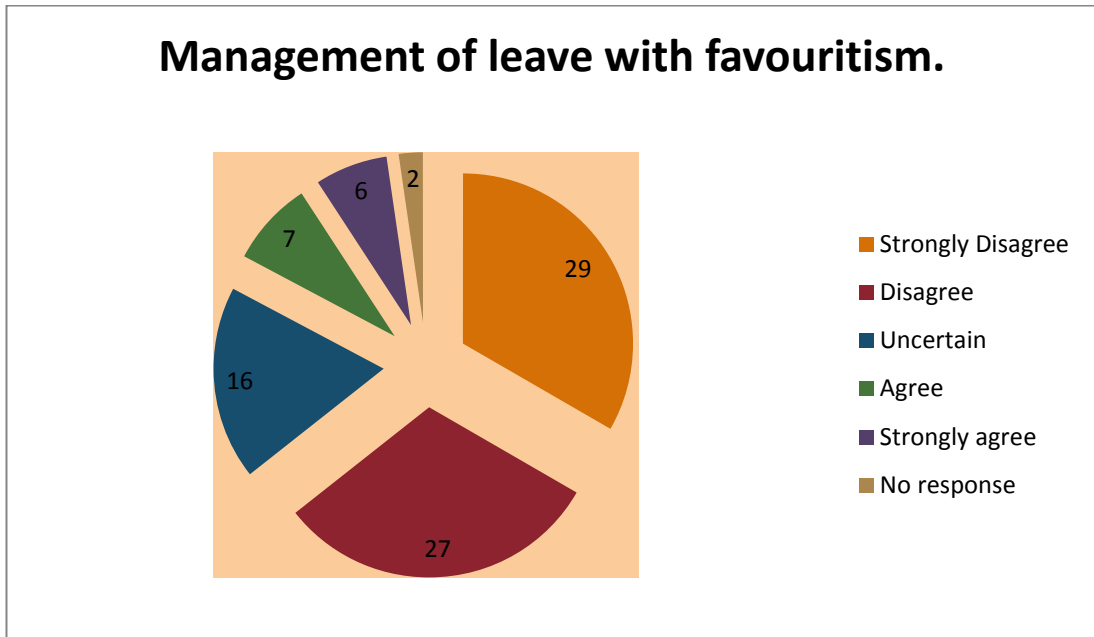


Figure 4.70: Management of leave with favouritism

8.3 Officials in HR Benefits Section administer medical aid benefits with favouritism.

Thirty-five (40%) of the respondents indicated that they strongly disagree that officials in the *HR Benefits* Section administered medical aid with favouritism, 29 (33%) disagree, 16 (18%) were uncertain, 3 (3%) agree, 3 (3%) strongly agree while 1 (1%) did not respond to the question.

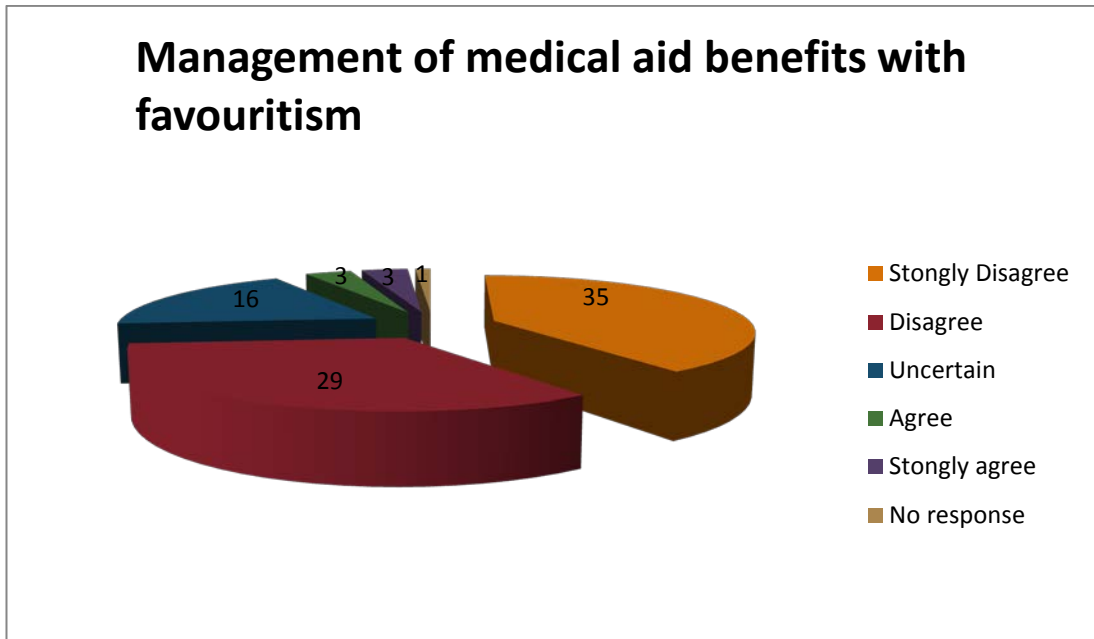


Figure 4.71: Management of medical aid with favouritism

8.4 Officials in HR Benefits Section administer pensions with favouritism.

Thirty-three (38%) of the respondents indicated that they strongly disagree that officials in the HR Benefits Section administered pensions with favouritism, 24 (28%) disagree, 21 (24%) were uncertain, 6 (7%) agree while 3 (3%) strongly agree.

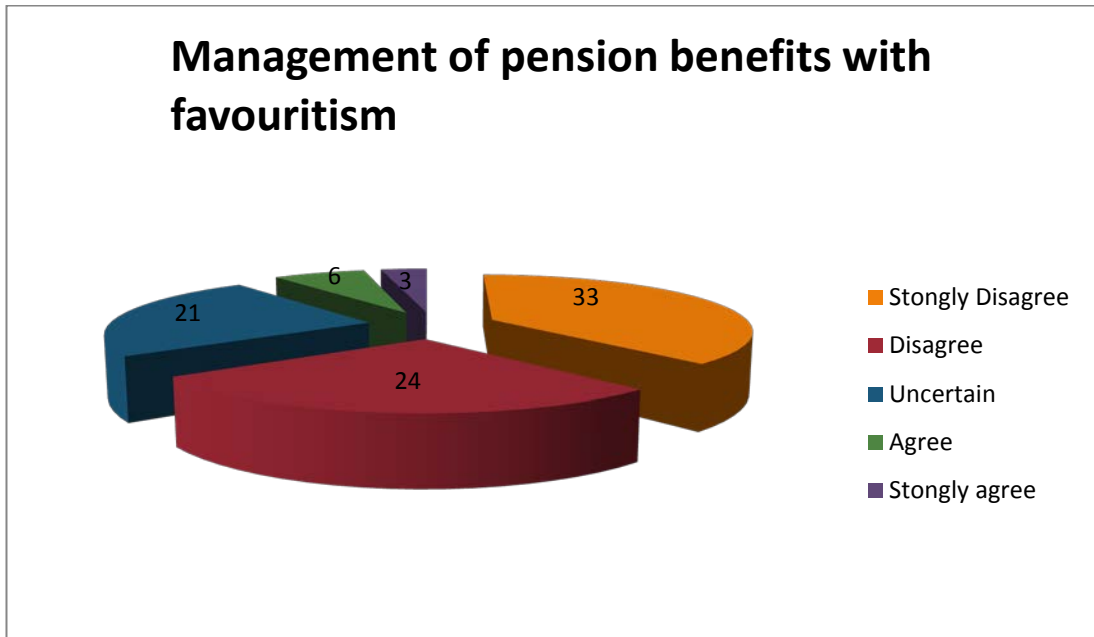


Figure 4.72: Management of pension benefits with favouritism

From the above statistics, it is clear that on average two thirds of the respondents felt that officials in the *HR Benefits* Section did not administer housing allowance, leave, medical aid and pensions with favouritism

8.5 Supervisors at various sections of the Department assess the performance of their subordinates for performance bonus with favouritism.

Fifteen (17%) of the respondents indicated that they strongly disagree that supervisors at various sections of the Department assessed the performance of their subordinates for performance bonus with favouritism, 16 (18%) disagree, 26 (30%) were uncertain, 21 (24) agree, 7 (8%) strongly agree, arguing that the performance of some employees was found to be

inconsistent with the overall performance of the Department or SBU and that some employees were rated highly even though they did not perform well while 2 (2) did not respond to the question.

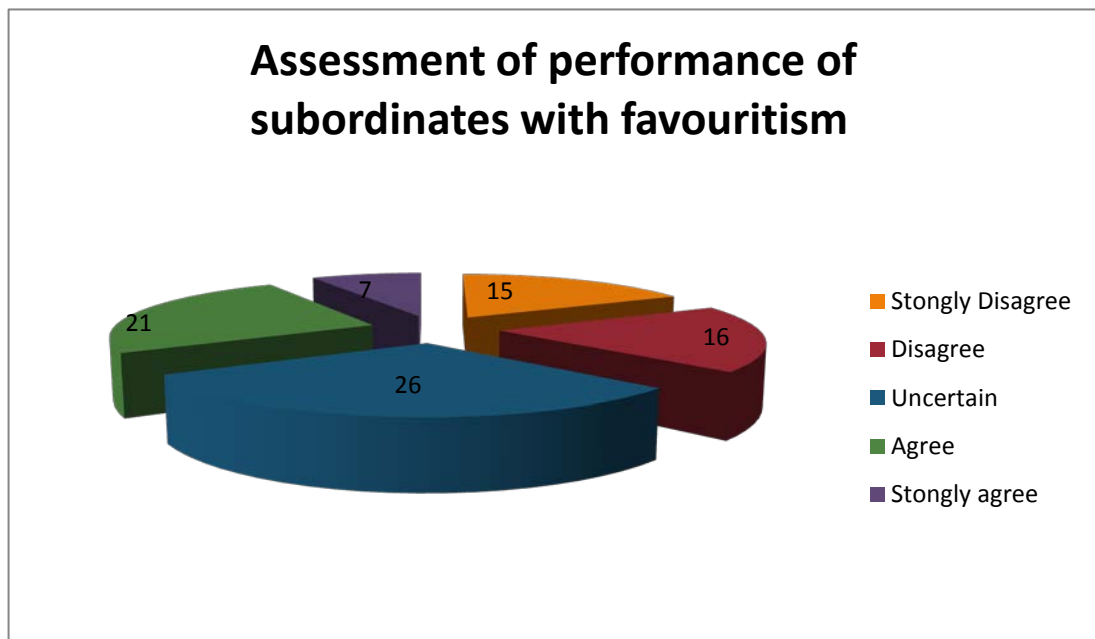


Figure 4.73: Assessment of performance of subordinates with favouritism

8.6 Officials in HR Benefits Section administer housing allowance with fear. Twenty-four (28%) of respondents indicated that they strongly disagree that officials in HR Benefits Section administer housing allowance with fear, 30 (34%) disagree, 22 (25%) were uncertain, 9 (10%) agree, 1 (1%) strongly agrees while 1 (1%) did not respond to the question.

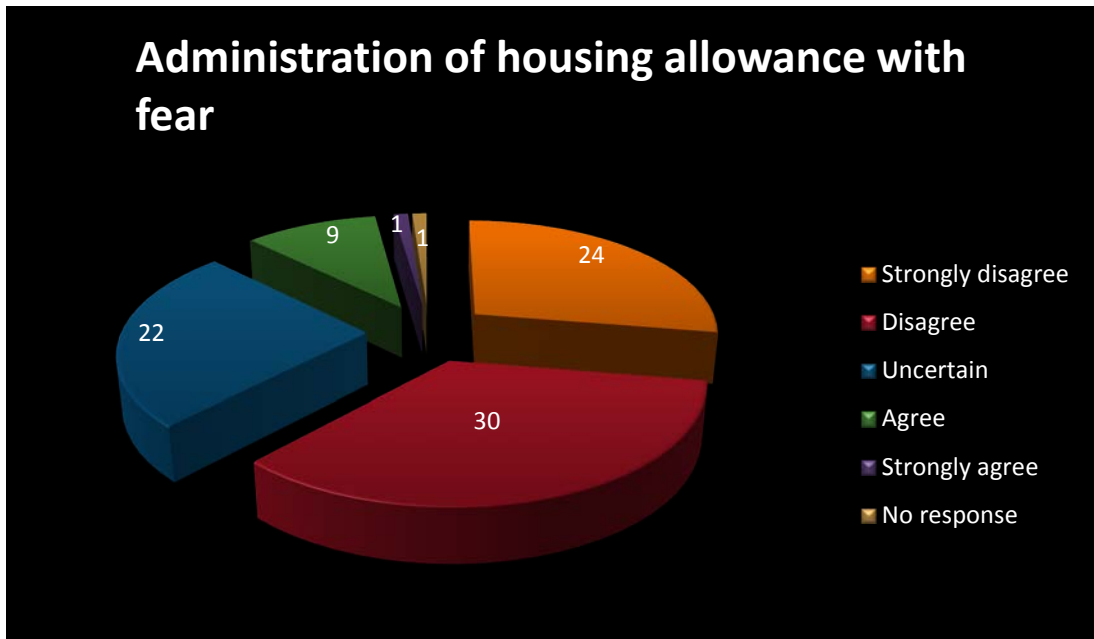


Figure 4.74: Administration of housing allowance with fear

8.7 Officials in HR Benefits Section administer leave with fear.

Twenty-seven (31%) of respondents indicated that they strongly disagree that officials in HR Benefits Section administered leave with fear, 33 (38%) disagree, 18 (21%) were uncertain, 6 (7%) agree, 2 (2%) strongly agree while 1 (1%) did not respond to the question.

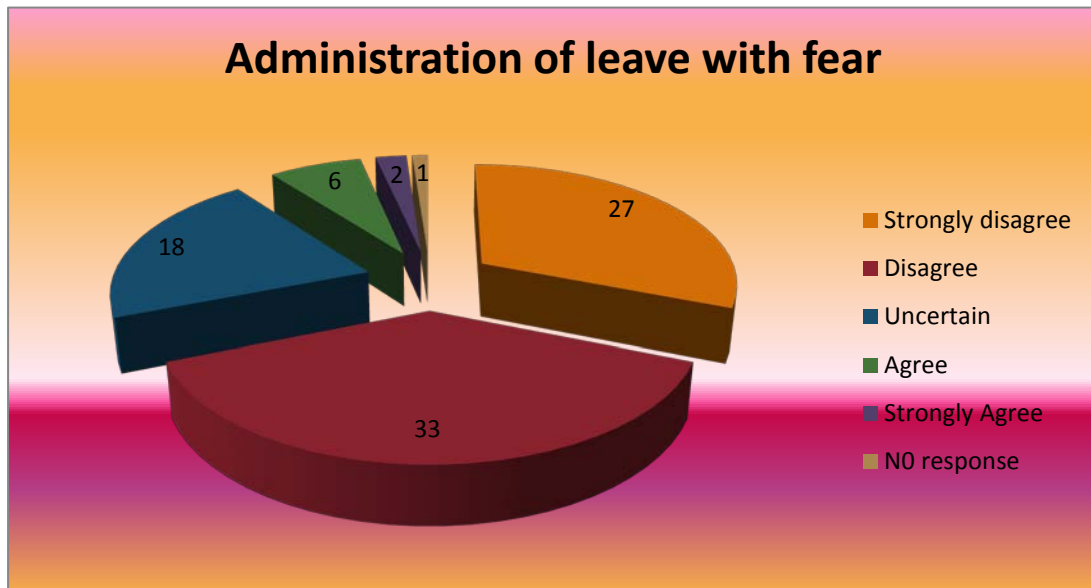


Figure 4.75: Administration of leave with fear

8.8 Officials in HR Benefits Section administer medical aid with fear.

Twenty-three (26%) of respondents indicated that they strongly disagree that officials in HR Benefits Section administered medical aid with fear, 31 (36%) disagree, 24 (28%) were uncertain, 6 (7%) agree, 2 (2%) strongly agree while 1 (1%) did not respond to the question.

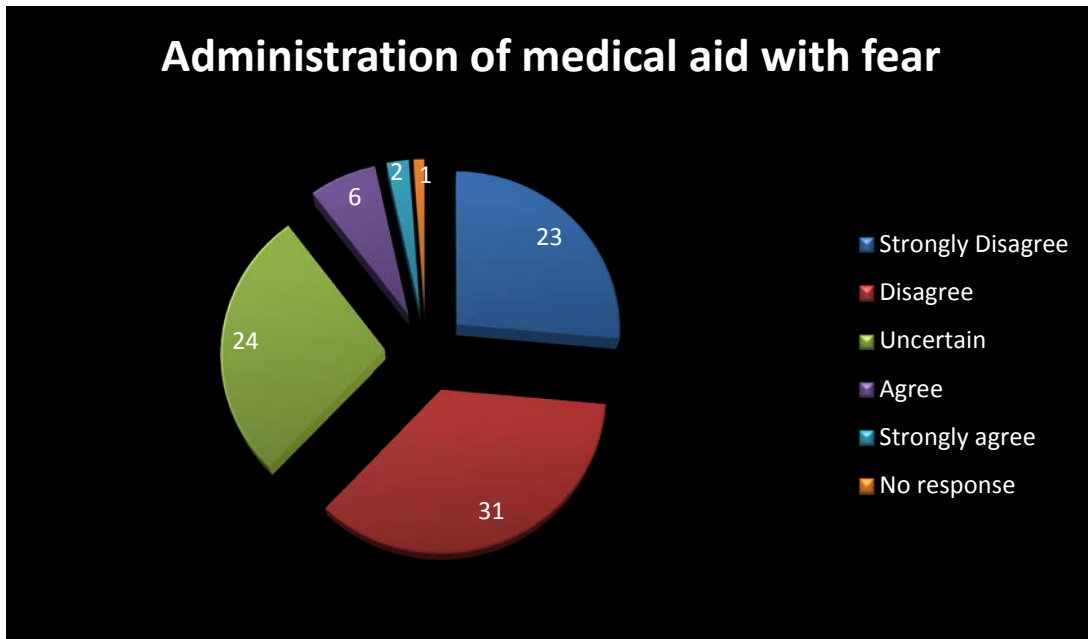


Figure 4.76: Administration of medical aid with fear

8.9 Officials in HR Benefits Section administer pensions with fear.

Thirty-three (37.9%) of respondents indicated that they strongly disagree that officials in HR Benefits Section administered pensions with fear, 24 (27.6%) disagree, 21 (24.1%) were uncertain, 6 (6.9%) agree while 3 (3.4%) strongly agree.

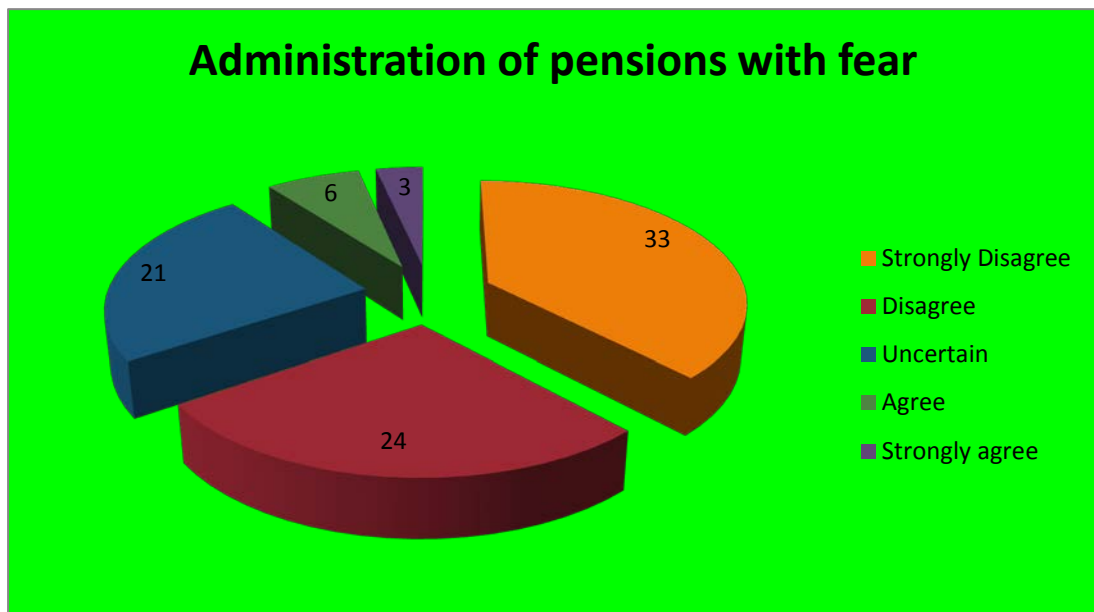


Figure 4.77: Administration of pension benefits with fear

8.10 Supervisors at various sections of the Department fear negative reaction from their subordinates whenever they assess their performance for purposes of payment of performance bonus.

Twelve (13.8%) of respondents indicated that they strongly disagree that supervisors at various sections of the Department fear negative reaction from their subordinates whenever they assess their performance for purposes of payment of performance bonus, 21 (24.1%) disagree, 30 (34.5%) were uncertain, 21 (24.1%) agree, especially in cases where the supervisor had to moderate the scores below those allocated by the employee, given that supervisors were threatened by subordinates with the labour unions while some supervisors simply wanted to be in the good books of some employees, 2 (2.3%) strongly agree while 1 (1.1%) did not respond to the question.

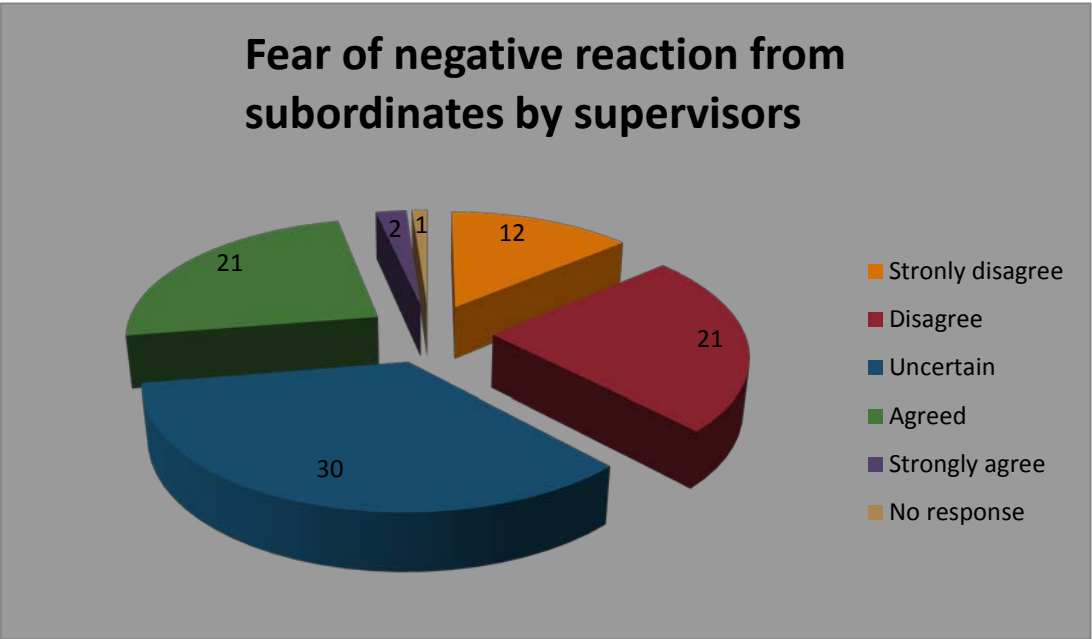


Figure 4.78: Fear of negative reaction from subordinates by supervisors

8.11 There are delays in the payment of performance bonuses in the Department.

Thirty-nine (44.8%) of respondents indicated that they strongly disagree that there were delays in the payment of performance bonuses in the Department, arguing that the PMDS Division was number one in the province in terms of performance, 26 (29.9%) disagree, 9 (10.3%) were uncertain, 6 (6.9%) agree, 5 (5.7%) strongly agree while 2 (2.3%) did not respond to the question.

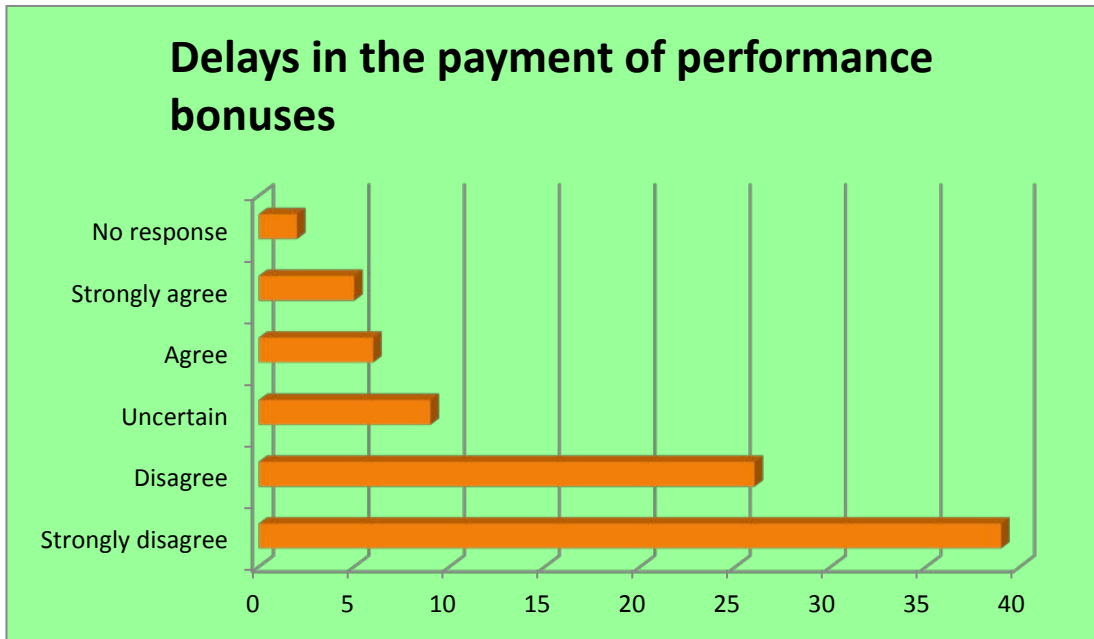


Figure 4.79: Delays in the payment of performance bonus

8.12 In addition to cash bonus and pay progression, non-monetary rewards are used as incentives to enhance good performance among employees in the Department.

Twenty (23%) of respondents indicated that they strongly disagree that non-monetary rewards were used as incentives on top of cash bonus and pay progression to enhance good performance among employees in the Department, 25 (28.7%) disagree, 21 (24.1%) were uncertain, 18 (20.7%) agree and 3 (3.4%) strongly agree.

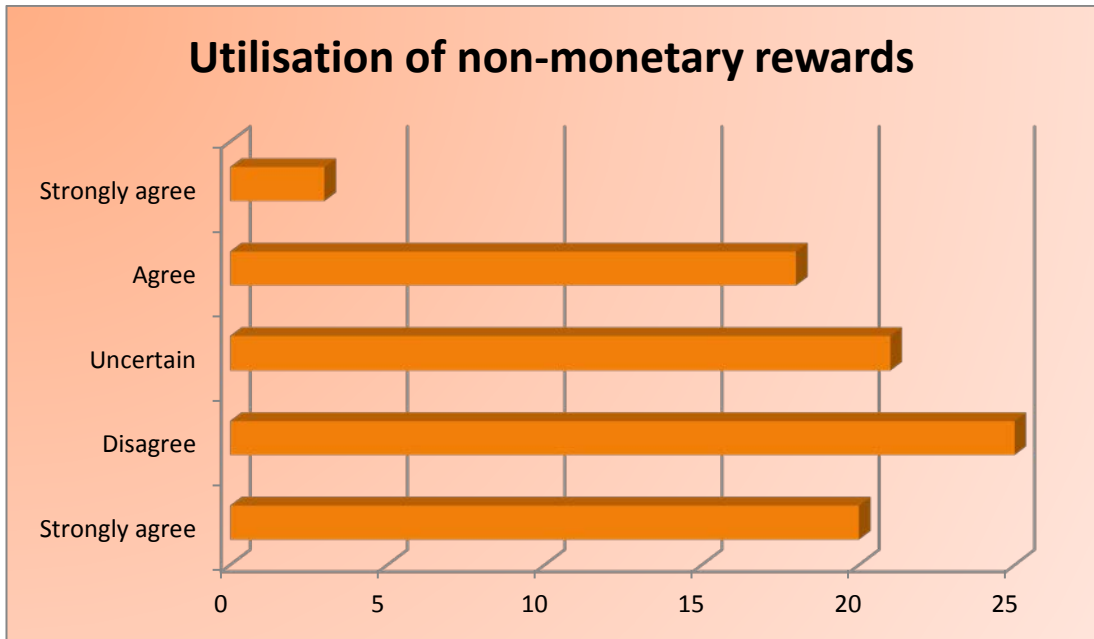


Figure 4.80: Utilisation of non-monetary rewards

8.13 Senior management interferes with the final scores that are allocated to employees by supervisors at various sections of the Department for payment of performance bonus.

Nine (10.3%) of respondents indicated that they strongly disagree that senior management interfered with the final scores that were allocated to employees by supervisors at various sections of the Department for payment of performance bonus, 23 (26.4%) disagree, 17 (19.5%) were uncertain, 27 (31%) agree, 9 (10.3%) strongly agree while 2 (2.3%) did not respond to the question.

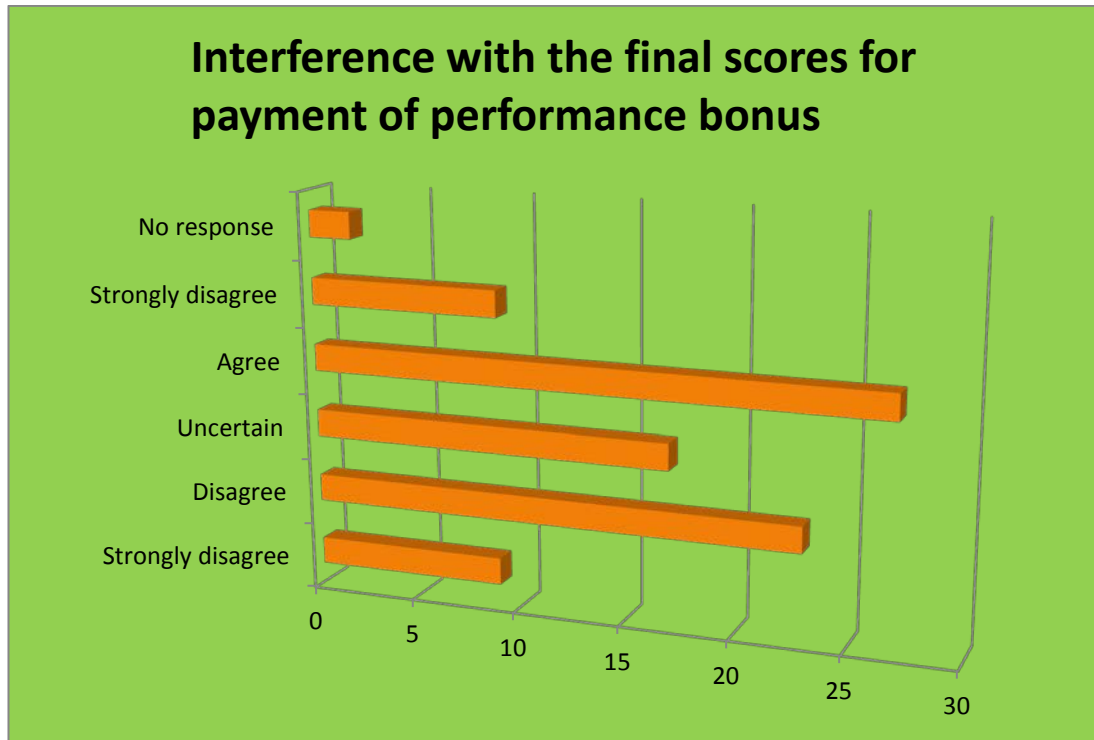


Figure 4.81: Interference with the scores by supervisors

8.14 Senior management in the Department cuts performance bonuses owed to employees in order to reduce costs.

Four (4.6%) of respondents indicated that they strongly disagree that senior management in the Department cut performance bonuses owed to employees in order to reduce costs, 19 (21.8%) disagree, 33 (37.9%) were uncertain, 21 (24.1%) agree, arguing that the reduction was done by the HoD after the recommendation of the moderation committee, the reason being to ensure that the available PMS budget covered all qualifying employees, 8 (9.2%) strongly agree while 2 (2.3%) did not respond to the question.

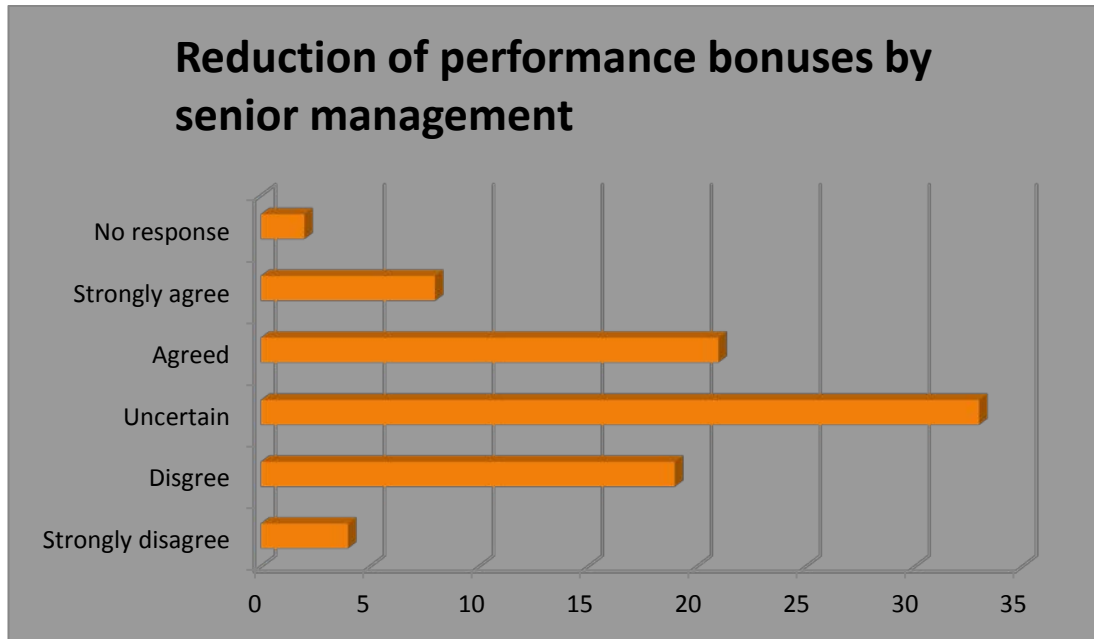


Figure 4.82: Reduction of performance bonuses by senior management

8.15 The practice of reducing payment of performance bonus by senior management in the Department affects the morale of employees.

Seven (8%) of respondents indicated that they strongly disagree that the practice of reducing payment of performance bonus by senior management in the Department affected the morale of employees, 8 (9.2%) disagree, 21 (24.1%) were uncertain, 31 (35.6%) agree, arguing that reduction of the performance bonus of employees made them to lose hope as the majority value money very highly, 17 (19.5%) strongly agree while 3 (3.4%) did not respond to the question.

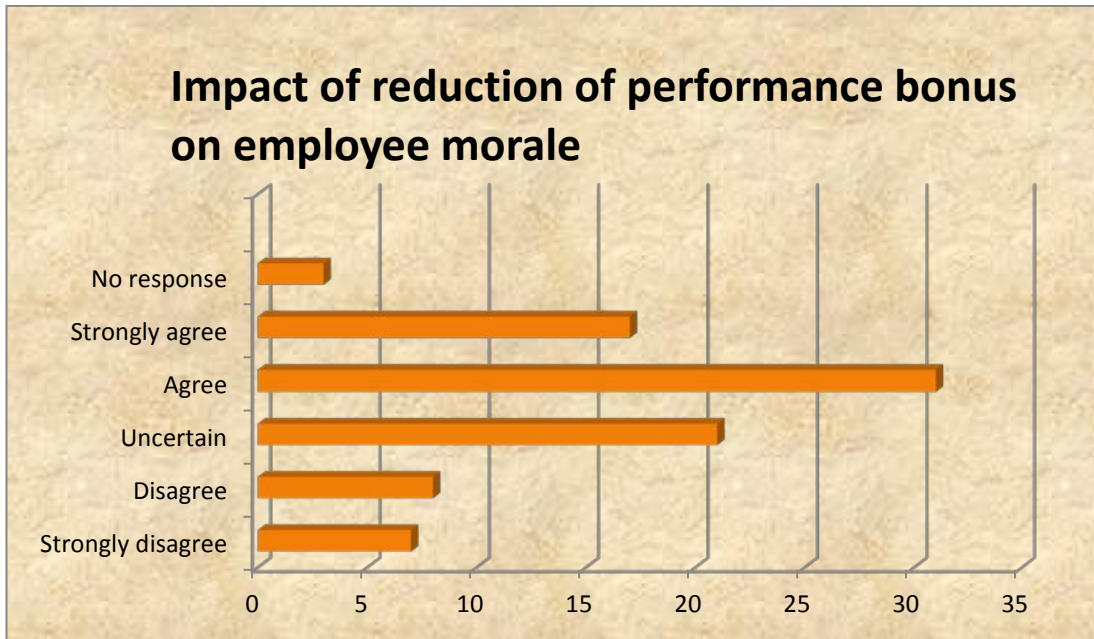


Figure 4.83: Impact of reduction of performance bonus on employee morale

8.16 Supervisors at various sections of the Department celebrate good performance by their subordinates.

Eleven (12.6%) of respondents indicated that they strongly disagree that supervisors at various sections of the Department celebrated good performance by their subordinates, some arguing that supervisors at times did not take necessary steps to make their subordinates aware about their performance and how to improve it, 18 (20.7%) disagree, 26 (29.9%) were uncertain, arguing that it varied from section to section since some celebrated good performance by their subordinates while others did not, 25 (28.7%) agree, 6 (6.9%) strongly agree while 1 (1.1%) did not respond to the question. On average, a third of respondents suggested that supervisors at various sections of the Department celebrated good performance by their subordinates while another third held a contrary view. This makes it difficult for an outsider to formulate a true opinion on the matter. It is anticipated that the findings

from face-to-face, open-ended interviews and primary documents will shed more light on the subject.

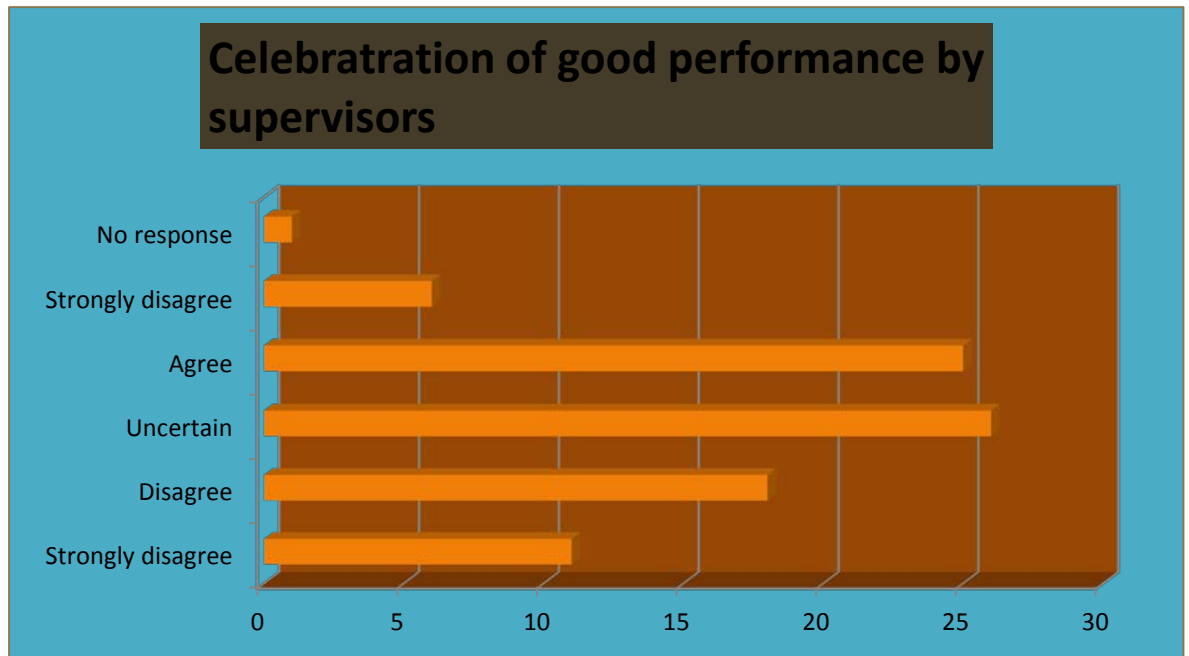


Figure 4.84: Celebration of good performance by supervisors

F. Compliments regarding management of employee benefits.

9.1 In your opinion, what are the positive aspects about the management of HR Benefits in the Department?

The respondents listed the following as positive aspects about the management of *HR Benefits* in the Department: work commitment, proper control and consistency in the management of benefits by *HR Benefits* staff, positive response employees receive from HR Benefits personnel, the ability to assist employees with benefits due to them in reasonable time, eagerness to learn the best practices on the part of *HR Benefits* officials and the accuracy of the persal system that enhances proper monitoring.

9.2 In your understanding, what contributes to the positive aspects concerning management of *HR Benefits*?

Respondents cited as key drivers of positive aspects of the management of *HR Benefits* motivation, positive attitude and preparedness to learn on the part of *HR Benefits* staff as well as time management.

G. Possible recommendations in improving the management of employee benefits.

10.1 Medical aid should also make provision for employees to consult traditional health practitioners.

Twenty-two (25.3%) of respondents indicated that they were very unlikely to recommend that medical aid should also make provision for employees to consult traditional health practitioners, 26 (29.9%) unlikely, 14 (16.1%) were undecided, 13 (14.9%) likely, 7 (8%) highly likely while 5 (5.7%) did not respond to the question.

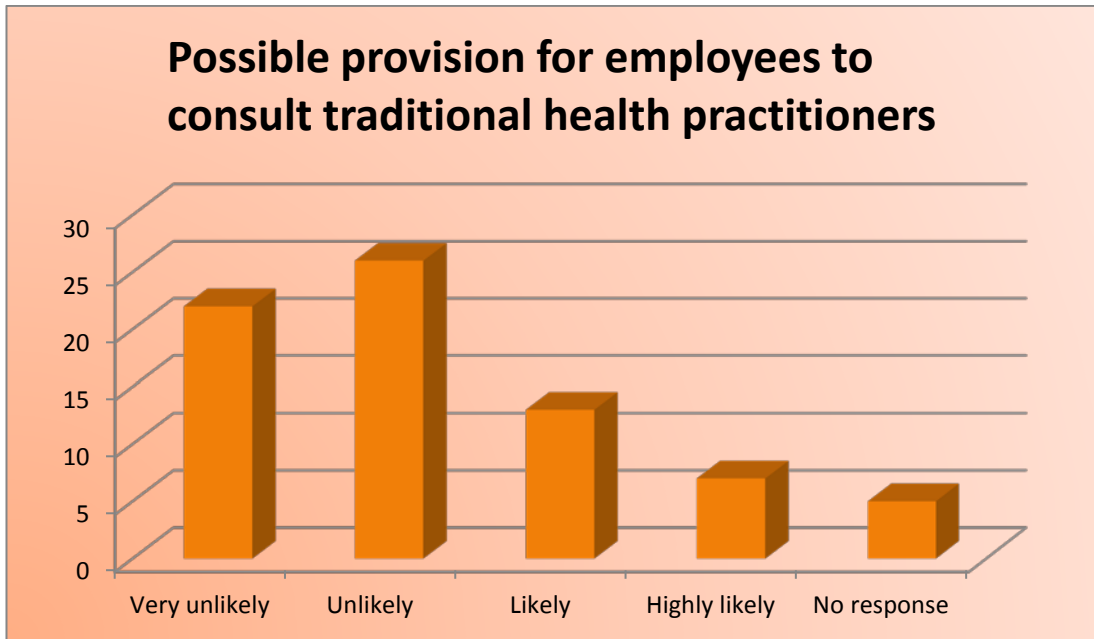


Figure 4.85: Possible provision for employees to consult traditional health practitioners

10.2 Sick notes from traditional health practitioners should also be recognised.

Twenty-two (25.3%) of respondents felt that sick notes from traditional health practitioners should also be recognised, 26 (29.9%) indicated that they were unlikely to recommend that sick notes from traditional health practitioners should also be recognised, 14 (16.1%) were undecided, 13 (14.9%) likely, 7 (8%) highly likely while 5 (5.7%) did not respond to the question. It should be noted that the arrangement for submission of sick notes is not restricted to CoGHSTA but spans the entire public service.

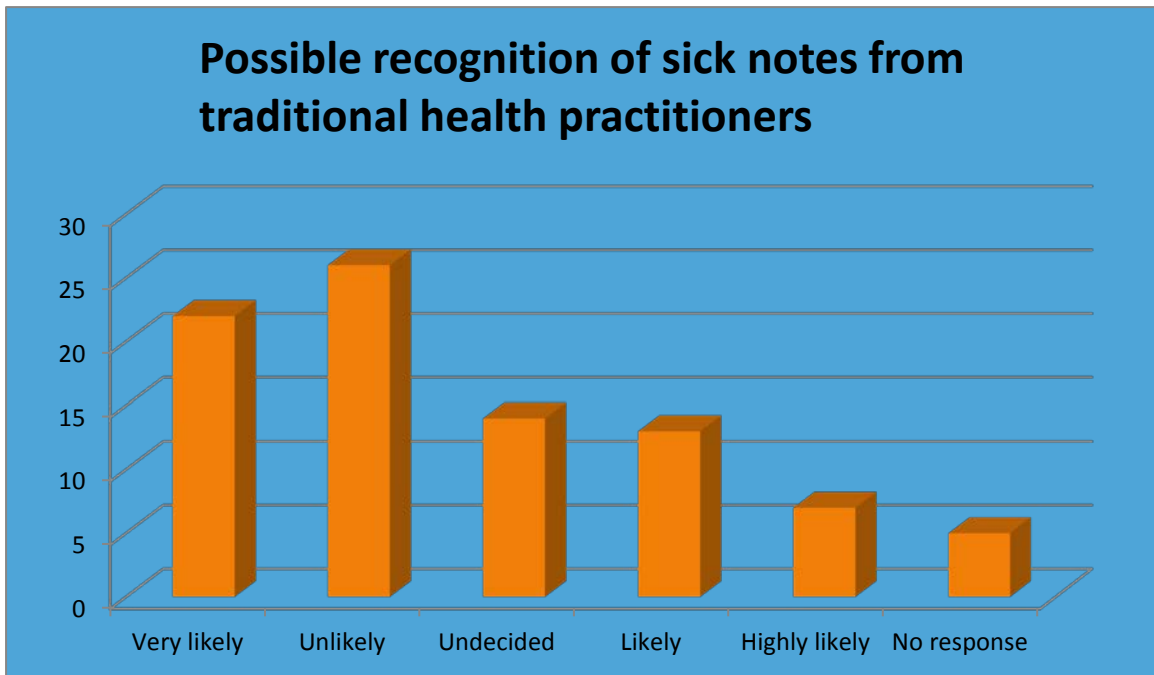
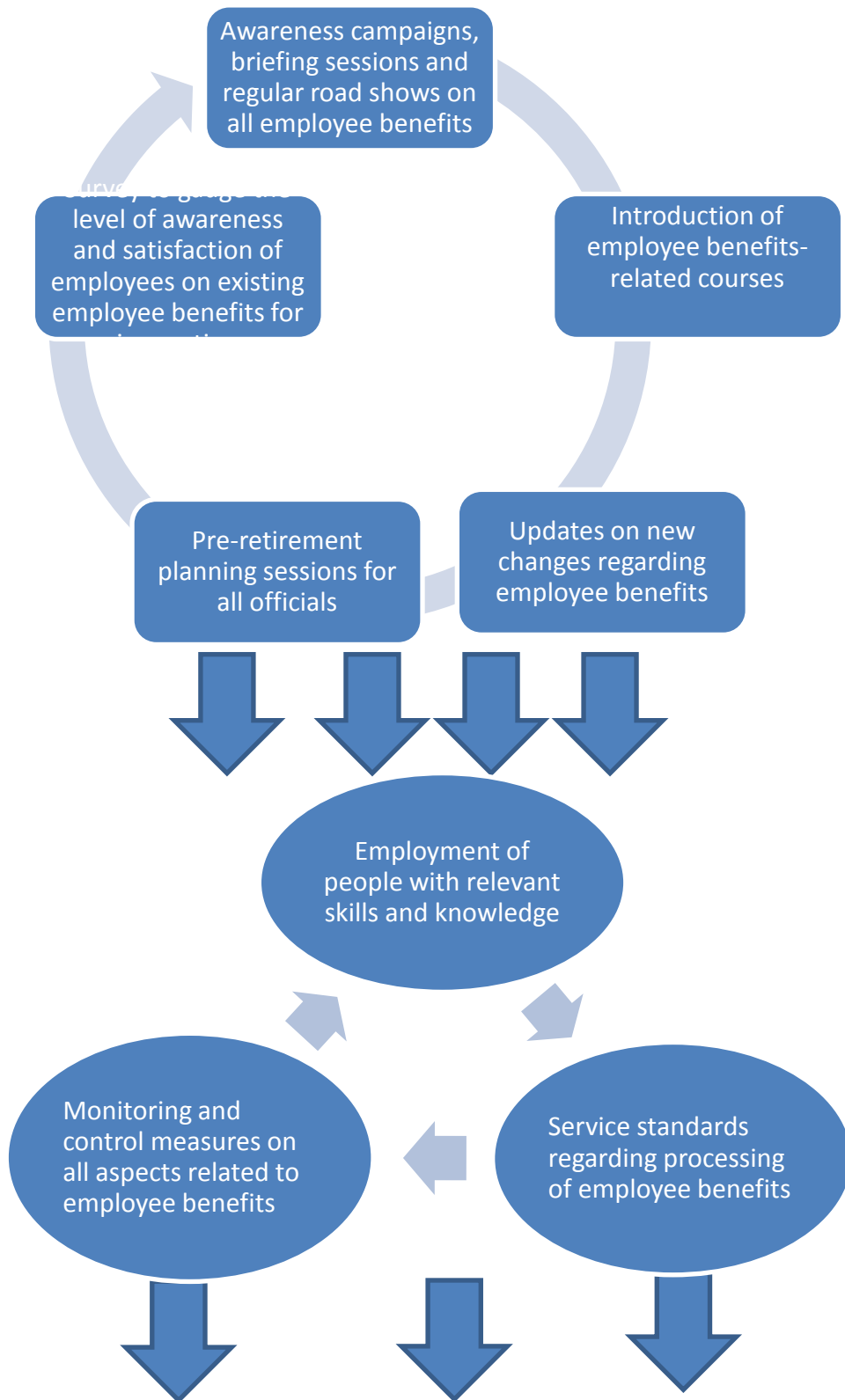


Figure 4.86: Possible recognition of sick notes from traditional health practitioners.

10.3 In your view, what could be done to improve the overall management of HR Benefits in the Department?

The possible remedies to improve the overall management of HR Benefits in the Department as suggested by the respondents were as per Figure 4.87 below.



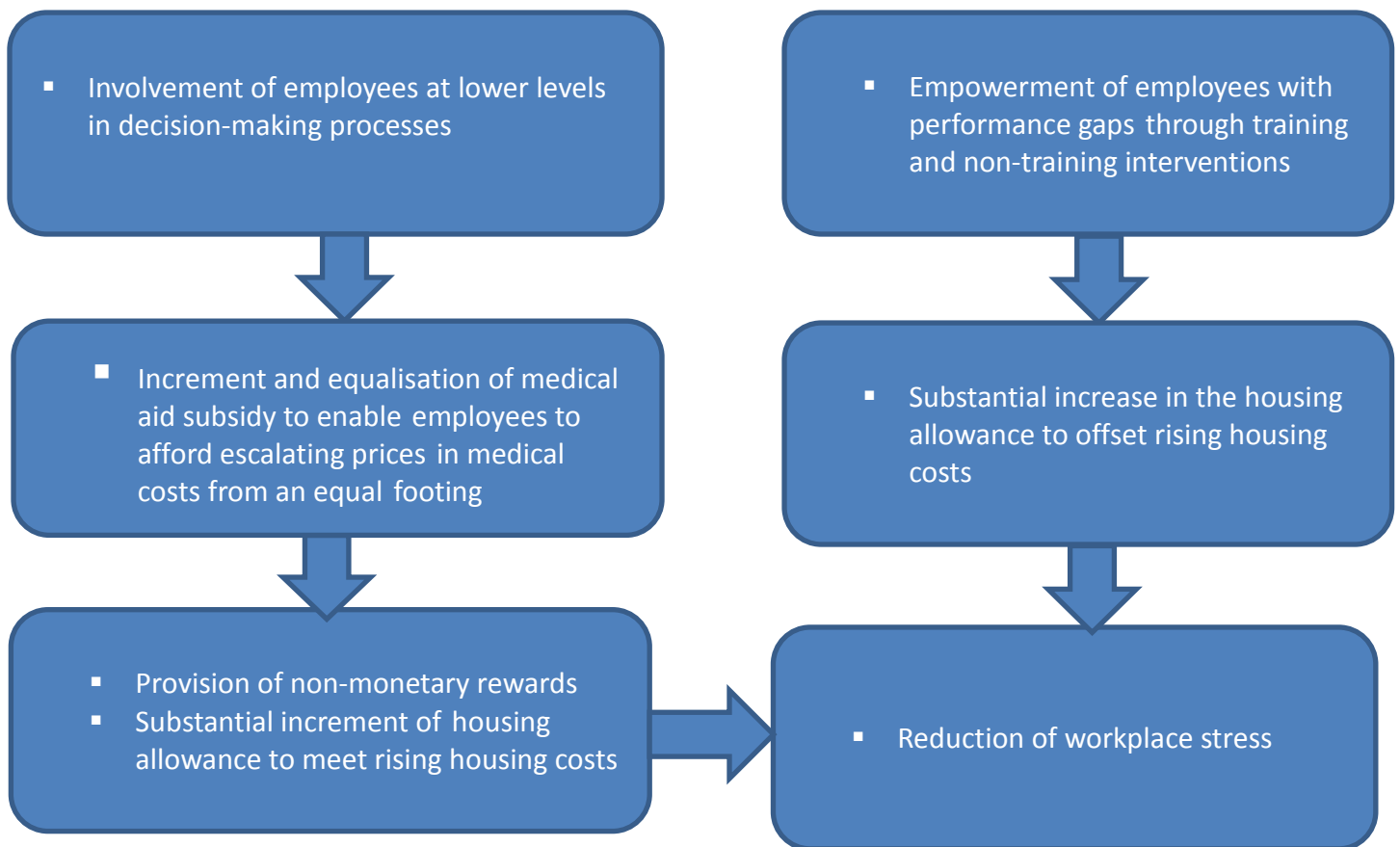


Figure 4.87: Possible recommendations for improvement of HR Benefits

The recommendations by respondents as reflected in Figure 4.87 above authenticate Smit and Gronje’s (2002) assumption that promoting the happiness of workers can enhance efficiency in the organisation or institution.

4.3. Interviews and primary documents findings and analysis

4.3.1 HR Benefits generally

Awareness of employee benefits

According to the Manager responsible for *HR Benefits*, the HRD Sub-Branch Unit (SBU) conducted orientation and induction programmes for newly

appointed employees (personal communication, HJ Nkuna, Manager: *HR Benefits*, 14.08.2012). It was during these programmes which normally lasted two to three days that all divisions within the SBU including *HR Benefits* and other SBUs orientated and inducted newly appointed employees about the physical office layout and how different benefits and SBUs operated and managed their affairs (personal communication, Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 7.9.2012). The problem with this arrangement was that the HRD SBU did not organise these programmes on a consistent basis due to lack of communication between HR Recruitment Division and other Divisions such as PMS and HR Benefits (personal communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). To make matters even worse, *HR Benefits* personnel did not conduct workshops on existing *HR Benefits* beyond the orientation and induction programme due to workload within the Division (Personal communication – Ebago Motloutsi, Personnel Practitioner: PMS Division, 5.9.2012 and Mpho Molomo, Principal Personnel Practitioner: HR Benefits, 7.9.2012). This effectively meant that *HR Benefits* were not routinely communicated to all staff. The end result was that *HR Benefits* personnel only explained existing benefits and services when approached by individual employees (*ibid.*).

HR Benefits officials also failed to encourage employees to read policies governing *HR Benefits* (personal communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). As a result,

employees knew very little about existing *HR Benefits*. For instance, very few employees were aware about the existence of the funeral benefit such that their next of kin became aware of this benefit when they had a death case (personal communication – HJ Nkuna, 23.08.2012). This can be ascribed to the fact that many of the families of employees who passed on under the employ of the Department lodged claims for funeral benefits only after they received information about this benefit from the Department.

Process Improvement Performance Programme

As a result of lack of awareness campaigns on existing benefits, more often than not, employees learnt about different *HR Benefits* from their colleagues after a long time (personal communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). It was only during February-March 2012 that HR Benefits staff embarked on an awareness campaign on existing *HR Benefits* and to impart knowledge on procedures and processes on these benefits through Process Improvement Performance Programme (PIPP) (*ibid.*; also see Department of Cooperative Governance, Human Settlements & Traditional Affairs, Response to Auditor-General's Management Report dated 31 March 2011, 3 October 2012). The main flaw with this measure was that it was only targeted at employees that were based at district offices, Traditional Affairs offices and Community Development Workers (CDWs) in municipalities in an endeavour to enhance compliance and prevent audit queries. This was after the transfer of the Traditional

Affairs and Community Development components from the Office of the Premier to CoGHSTA.

HR Benefits handbook

As the Deputy Manager responsible for HR Benefits captured it, the Department did not even have a handbook on HR Benefits (personal communication – Anna Nkitla Molepo, Deputy Manager: *HR Benefits*, 14.08.2012). At the time of writing this research report, however, the Organisational Transformation (OT) SBU officials were busy consulting the staff from all divisions about the work that they perform with a view to compile a handbook on employee benefits and services. It remains to be seen whether such efforts will bear fruits.

Recruitment and redeployment of staff

The hiring of incompetent and unqualified candidates for jobs in the public service in general was another challenge that confronted the Department (personal communication, Phuti Sishuene, Manager: *HR Benefits* Division, 7.9.2012). This can be attributed to the fact that it was only those who knew the right people in the right places in the public service who were fortunate to access available job and entrepreneurial opportunities (City Press, 15 May 2011). There was a deep-seated belief that like their counterparts in other provincial departments, political office-bearers and administrative officials colluded and used the system of patronage as a good way to secure support

for themselves and their faction in the ruling party and thereby advance their political careers.

The challenge of hiring incompetent and unqualified personnel was compounded by the redeployment process when the new administration took over after the 2009 general elections. The restructuring of top management in the Department did not match the skill levels of the affected managers to the posts in which they were being redeployed. In the *HR Benefits* Division, for example, both the Senior Manager and General Manager were redeployed from the respective positions into which they were formally appointed to the Division (*HR Benefits*) without the requisite skills relevant for the current positions of redeployment. This anomaly meant that senior management within *HR Benefits* Division had to take time to learn from their juniors and adapt to the operations within the division before they could even start to effect necessary changes. Obviously, this had a negative bearing on the rendering of effective service to the clients who were unfortunately employees of the Department and other stakeholders such as other government departments, financial institutions, pensioners and their beneficiaries, etc. This was much more so considering that the Senior Manager was in charge of the SBU while the General Manager was responsible for the branch. The effect of this anomaly was that the problems that were referred to senior management by employees remained unresolved (personal communication – Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 14.08.2012).

4.3.2 Housing allowance

In terms of Determination on Housing (2005), employees who were in the employment of the public service on a permanent basis or fixed-term contract were entitled to receive a housing allowance. Employees who were staying in bonded houses were obliged to submit offers to purchase and those in rental houses lease agreements and affidavits stating their tenancy status from commissioners of oath as a condition for processing their housing allowance which had been increased from R800 to R900. As the Manager responsible for PMS Division put it, the housing allowance was not even worth half the amount of the bond or rental (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). For instance, a normal bond for a three bedroom house costs R3000 per month while an average rental cost in the region of R1800 per month (personal communication – Esther Budeli, Principal Personnel Officer, 7.9.2012). It therefore does not encourage home ownership, a preferred housing model in South Africa (personal communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012). It also disorganises employees with rural links from consolidating in the rural areas as identified by Huchzermeyer (2004) and Affordable Housing Institute (2005) and thereby forces them to utilise their housing allowance for payment of rental in town or other household needs other than housing.

Due to a lack of dissemination of housing-related information on the part of *HR Benefits* staff, employees spent a very long time, even years, before they did apply for a housing allowance (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). Although the housing subsidy tended to be available to all staff as suggested by Perkins and White's (2008) albeit to a certain extent, lack of information related to housing subsidy meant that the housing allowance was not accessible to all employees. Worse still, the system did not provide for compensation in the form of arrears for monies spent on payment of bond or rental prior to approval of housing allowance of an employee. Married couples who were staying in one property felt disadvantaged because only one spouse was allowed to receive the housing allowance. This contradicts Perkins and White's (2008) assertion that the housing subsidy tended to be available to all staff because it discriminated employees on the basis of marital status. The system that was used to prevent married couples who were staying in one property from receiving two subsidies could only detect that both spouses benefit if they submit the same title deed during application for a housing subsidy (personal communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012). *HR Benefits* personnel failed to identify couples who cheated the system by providing false affidavits stating that they were not staying in the same house with their spouses or partners.

4.3.3 Leave

Types of leave

Like the rest of the employees in the public service, employees of the Department were entitled to five types of leave, i.e., family responsibility leave, paternity leave, sick leave, incapacity leave and vacation leave. In the past, government employees were entitled to a maximum family responsibility leave of five days, three and two days for death and illness cases respectively. According to the secretary of the local branch of NEHAWU at CoGHSTA, COSATU unions – of which NEHAWU forms an integral part – identified family responsibility leave and paternity leave allocated to male employees, i.e., 3 days, as insufficient to meet the household needs of public service employees (personal communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). This could be attributed to the fact that employees were in most cases forced to return to work and leave their sick children at home (*ibid.*). COSATU and other independent unions advocated for an increase of the sick component of family responsibility leave from 2 to 5 days and paternity leave from 3 to 5 days which demands were granted by government as the employer with effect from 31 July 2012 (*ibid.*).

As far as sick leave is concerned, in terms of the Determination of Leave of Absence in the Public Service, employees who failed to report for duty for a period of one to two days due to illness were not required to submit medical certificate(s) to the employer. However, employees who absented themselves

from duty in such a fashion during a period of eight weeks were required to submit medical certificates to the employer. The only medical certificates that were recognised were those issued by medical practitioners or persons who were registered with a professional council established by an Act of Parliament such as the Health Professions Council of South Africa (HPCSA), Allied Health Professions Council of South Africa and South African Nursing Council (personal communication, HJ Nkuna, 23.08.2012; also see Republic of South Africa, 1997: 13 and Determination on Leave of Absence in the Public Service, 2005).

The fact that “medical practitioners or persons who were registered with a professional council established by an Act of Parliament” excluded traditional health practitioners meant that the latter were effectively not recognised in the entire civil service. This contradicted the provisions of the country’s constitution which recognises traditional beliefs and practices some of which were strongly held by those who subscribed to them and regarded them as part of their lives (Lavery Modise and Boitomelo Khosa, ‘Culture wins case in court’, The Sowetan, Tuesday, March 12, 2013). According to Lavery Modise and Boitomelo Khosa, the lesson to be learned from the recent ruling of the labour court was that employers ‘have to be sensitive to the religious and cultural beliefs of their employees’ (*ibid.*).

As for family responsibility leave, an increase of family responsibility leave from 3 to 5 days will not scratch the surface i.e. will not make a significant

change given that it still deprived male employees an opportunity to nurture the newly born babies and their partners (Personal communication, Onismus Manamela, Manager: PMS Division, 6.9.2012). This view is shared by the representative of the Public Servants Association (PSA) who argued that the increase of paternity leave was far from being enough, adding that it should at least be increased to 15 days (Personal communication, Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012). This deprivation served to perpetuate discrimination against men in a country that is regarded as a trend setter in the African continent in so far as the question of gender equity is concerned (Personal communication, Jimmy Selemela, 14.08.2012). It also affected the productivity of partners of new mothers because they reported for duty physically while their minds remained at home (Personal communication, Onismus Manamela, Manager: PMS Division, 6.9.2012).

4.3.4 Leave management and intervention strategies

Leave policy

While government departments administered leave through the Determination of Leave of Absence in the Public Service of 2005 and subsequent amendments, they were expected to craft special leave policies for their employees. In terms of this piece of legislation, any deviation from the policy such as late submission and capturing of any form of leave is not allowed. CoGHSTA relied on the Provincial Leave Policy as it had not developed its special leave policy despite recommendations from the

Auditor-General to do so (Auditor-General Regularity Audit Report, 7 June 2011).

In the past, the Department granted employees full tuition bursaries for studies that had a bearing on present or future work which served as an inducement for employees to seek further education (personal communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). For unknown reasons, senior management stopped bursaries for studies for employees who pursue their second degrees and higher degrees in favour of undergraduate studies with effect from the beginning of 2011 (*ibid.*). This was further curtailed to core studies such as scarce skills courses and cancellation of time-off for those employees whose sections were not characterised as the core with effect from the beginning of 2012 (*ibid.*). By so doing, senior management contradicted Miner and Crane's (2003) characterisation of continuing education of the workforce as a key to progress.

Dissemination of information

Information regarding any type of leave was disseminated through an induction and orientation programme and other means such as e-mails and circulars. However, senior managers did not monitor attendance registers known as Z8 Registers and thus afforded delinquent employees the opportunity to manoeuvre the system to take unauthorised leave. In this way, delinquent employees took more leave than they were entitled to and thereby

caused financial loss to the Department. The *HR Benefits* staff failed to conduct workshops for employees about the Procedure on Incapacity and Ill-health Retirement (PILIR) such that employees with either short- or long-term illnesses unduly received their income without proper procedures being followed (personal communication – Mpho Molomo, Principal Personnel Officer, 7.9.2012).

Taking of leave and submission of leave forms

In order to avoid disruptions of work, employees were not allowed to take leave simultaneously (personal communication – Esther Budeli, Principal Personnel Officer, 7.9.2012). This supports Perkins and White's (2008) contention that not all employees are allowed to take vacation leave at the same time. Despite policies and circulars governing the taking of leave, some employees still submitted leave forms for vacation leave late and thereby took vacation leave prior to approval of leave forms (Auditor-General Regularity Audit Report, 7 June 2011). This was caused in the main by the use of paper- and hard file-based approach of applying for leave which was riddled with inefficiencies and flaws, lack of proper control of applications for leave of absence on the part of supervisors in various SBUs and poor management of leave by the *HR Benefits* personnel (personal communication – Esther Budeli, Principal Personnel Officer, 7.9.2012). This problem was worse at the district offices than at head office owing to lack of facilities such as transport, email and faxes (*ibid.*). Field workers did not

submit leave forms at all as they normally reported at head office after a period of three months (*ibid.*).

Capturing of leave

In terms of the DPSA circular 17/6/P, 8/7/2008, the employee must obtain prior approval of his or her leave before he or she could absent himself or herself from duty. In addition, HoDs were required to see to it that all leave taken was captured on the day on which it was received and there were no leave backlogs in respect of each annual leave cycle (*ibid.*). Generally, leave was captured late on the system due to the high number of leave forms received at any given time owing to shortage of personnel in the *HR Benefits* Division, misplacement of some leave forms during the process of capturing, deactivation of the leave function of the persal system during the period late December- early January each year (personal communication – Ebago Motloutsi, Personnel Practitioner: PMS Division, 5.9.2012 and Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 7.9.2012; also see Department of Local Government and Housing, Communication 13 of 2011, 9 June 2011). This problem was also complicated by lack of transport facilities from offices of Traditional Councils to the Head Office of CoGHSTA (Auditor-General, Regularity Audit Report, 7 June 2011; also see Department of Local Government and Housing, Response to Auditor-General's Management Report dated 31 March 2012, 3 October 2012). Although *HR Benefits* personnel captured leave in the persal system on the basis of approved leave applications, in most cases, they only relied on

signatures of supervisors or managers and ignored recommendation and approval columns (Department of Local Government and Housing, Annexure 5, 2010/08/10). In doing so, they effectively ended up capturing leave without proper authorisation from supervisors or managers.

Confronting the challenge of absenteeism

Employees across all the SBUs and male employees in particular, took advantage of the provision that allowed public service employees not to submit sick notes if they spent one to two days from duty on account of illness. This system encouraged employees to continuously absent themselves from work, especially on Mondays and Fridays, after long weekends and holidays and during pay days, even though they were not necessarily sick, to address their personal problems or family commitments (personal communication, Jimmy Selemela, 14.08.2012; also see Moloko Mashamaite, Tabakgolo Program, 13 April 2011 and Metropolitan Health Risk Management, Sick Leave Trends, undated). This trend was as if the Department had employed the sickling (personal communication, Phuti Sishuene, 7.9.2012). The reason why this truancy was rife on Mondays and Fridays and pay day as well as after long weekends and holidays among male employees can be ascribed to alcohol abuse and the resultant hang-over as well as exhaustion among the elderly (personal communication, Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012). Some employees abused sick leave merely because they wanted to rest (Anonymous 2, Tabakgolo program, 13 April 2011). This problem was exacerbated by the

random issuing of medical certificates by some doctors (Anonymous 1, Thobela FM, Tabakgolo program, 13 April 2011). In addition, some employees at most surgeries in Polokwane City issued fraudulent certificates to their friends and relatives while some employees deliberately visited doctors' surgeries for purposes of obtaining medical certificates in exchange for cash in the form of admission or consultation fees (Anonymous 1, Thobela FM, Tabakgolo program, 13 April 2011; also see Makua, Tabakgolo program, 13 April 2011 and Ronald Mphephu, Tabakgolo program, 13 April 2011). Poor working relations between the employee and his or her supervisor propelled the former to habitually take sick leave (Matome Lediga, Tabakgolo program, 13 April 2011). The failure on the part of *HR Benefits* personnel to insist on submission of sick leave notes, employ the means to establish the trend of sick leave and to enforce the eight week rule also aggravated matters (personal communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012). *HR Benefits* officials also failed to check medical certificates properly and investigate dubious medical certificates.

Monitoring and control of taking of leave

According to the officer responsible for management of *HR Benefits*, more often than not, *HR Benefits* staff did not request for persal reports to detect the sick leave patterns or whether employees had exhausted their sick leave days or not so that they could notify affected employees timeously (personal communication – Mpho Molomo, Principal Personnel Officer, 7.9.2012).

This problem was compounded by the inefficiency of the persal system to detect employees who were affected by the eight week rule and reject their leaves from being captured in the system. Consequently, it took time to realise that employees abused their sick leave days (personal communication, Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012). Further, the Health Risk Manager took long to process applications for incapacity leave as opposed to within a period of 30 days as provided for in the legislation such that some employees died before their applications could be finalised (personal communication – Esther Budeli, Principal Personnel Officer, 7.9.2012).

Accumulation of leave

In order to enhance productivity, the system did not allow for accumulation of leave days to afford employees paid time to rest (personal communication, Gordon Vhukeya, Manager: Chairperson: PSA CoGHSTA Branch, 9.9.2012). This impacted negatively on service delivery more so that service delivery requirements were no longer considered around the month of June each year as people took leave en masse for fear of forfeiting remaining leave days (personal communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012).

Payment of leave gratuity and long service award

The *HR Benefits* Division generally took long to process payment of leave gratuity to beneficiaries (Department of Local Government and Housing,

Response to Auditor-General's management report dated 31 March 2012, 3 October 2012). According to the Manager responsible for this Division, the main cause of the delay was the fact that the entire process involved 'the auditing of leave files, the circulation of debt recovery forms to SBUs such [as] Human Resource Development, Risk and Security, Supply Chain Management SBU, Departmental Expenditure and Housing Finance SBU, and SARS Tax Directive' (*ibid.*). As for payment of long service award, the problem of underpayment and overpayment occurred albeit on a small scale (Department of Local Government and Housing, Communication No. 31 of 2011, 29 June 2011). Any form of shortfall or extra payment was mainly caused by miscalculation or improper use of formulas that were used to calculate the service bonus of public sector employees on the part of *HR Benefits* personnel (Auditor-General, Communication No. 31 of 2011, 24 June 2011). Overpaid amounts were recovered through completion of debt recovery forms while underpaid employees were reimbursed according to their shortfalls (Auditor-General, Communication No. 31 of 2011, 24 June 2011).

4.3.5 Medical aid subsidy

Public service employees were not subsidised equally in so far as medical aid is concerned. For instance, an employee who had enrolled with Government Employees Medical Scheme (GEMS) was subsidised at 75% while those who belonged to other medical aid schemes were offered 66% (personal communication, Albert Phalanndwa, Senior Personnel Practitioner,

8.9.2012). This medical aid scheme was designed specifically for public service employees. Unlike in the past when government employees could choose a medical aid scheme of their choice, newly appointed employees were only referred to GEMS for information regarding medical aid and enrolment while old employees were urged to switch from their medical aid schemes to GEMS. Old employees were reluctant to abandon their medical aid schemes in favour of GEMS for the simple reason that various medical aid companies offered unequal benefits (personal communication - Nthakwana Evelyn Mogale, 15.08.2012). This was much more so given that the medical aid funds from GEMS usually got exhausted before the end of the year (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). On enquiry, affected beneficiaries were sent from pillar to post until they spent their monies to pay for consultation, medication or hospitalisation costs (personal communication - Esther Budeli, 7.9.2012). A further problem was that the increase in medical aid costs lagged behind the increase in medication prices. In order to ameliorate this problem, public sector unions had been pushing the demand for equalisation of medical aid on the bargaining agenda for the past three years without success (personal communication - Nthakwana Evelyn Mogale, 15.08.2012). Whether this demand will address the failure by medical aid schemes to cover all medical costs of public service employees remains to be seen.

Officials in *HR Benefits* Division failed to disseminate information on free medical aid to levels 1 and 2 employees offered through GEMS (personal

communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). Moreover, these officials did not know how the various medical aid companies differ from each other in terms of benefits and operations (personal communication - Nthakwana Evelyn Mogale, 15.08.2012). As a result, they referred employees to their respective medical aid companies for clarity on any medical aid-related question (personal communication - NE Mogale, 15.08.2012 and Esther Budeli, 7.9.2012).

4.5.6 Pensions

Awareness programmes

Although the HRD Sub-Branch Unit (SBU) conducted orientation and induction programmes for newly appointed employees, the *HR Benefits* Division did not conduct awareness campaigns or workshops or issue circulars to clarify to the staff pension-related issues such as how pension funds operate, retirement annuities, divorces and nomination of beneficiaries (personal communication, Onismus Manamela, Manager: PMS Division, 6.8.2012). In addition, the Division neither invited GEPF personnel to shed light on these issues nor arranged pre-retirement workshops to prepare employees for life after retirement (personal communication, Mpho Molomo, Principal Personnel Practitioner, 7.9.2012). As a result, most employees ended up not knowing how much they contributed towards their pension funds and employer contributions notwithstanding the fact that the GEPF held its briefings yearly (personal communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012; also a personal communication, HJ

Nkuna, 23.08.2012). Hence, employees learned about the *HR Benefits* through the grapevine or when they encountered particular problems or incidents (personal communication, Pandelani Harry Munzhedzi, Deputy Manager, 7.9.2012). These facts confirm Brynard and Fisher's (2004) argument that civil servants were not aware at what levels they contributed to the GEPF, what their benefits were and how to access these benefits despite the fact that they were aware of their contributions to the GEPF. In addition, these facts support Brynard and Fisher's (2004) assertion that contributing members and/or beneficiaries only showed interest in pension benefits when they were able to source these benefits from the GEPF for reasons associated with retirement, illness, dismissal or death. These facts also corroborate Brynard and Fisher's (2004) contention that civil servants were oblivious to the existence of toll-free telephone numbers, the web-site, walk-in centres such as the satellite office in Polokwane and newsletters that were provided by the GEPF as channels of communication for beneficiaries as well as hand-outs and brochures for employees to read and equip themselves with knowledge regarding pension benefits and operations and management of the pension scheme (personal communication, Jimmy Selemela, 14.08.2012).

As one of the Deputy Managers responsible for the *HR Benefits* pointed out, it was only recently that the Division embarked on an awareness campaign on existing *HR Benefits* including pensions through the PIPP during February-March 2012 (*ibid.*). The Division contemplated engaging the services of the GEPF officials to conduct briefing sessions on the operations

and administration of the government employee pension scheme for the quarter ending September 2012 to no avail (*ibid.*). The envisaged intervention was predicated on the fact that public service employees without exception were obliged to become members of the GEPF (*ibid.*). Further, the agency discouraged government employees from using their pensions as security to settle their debts as the practice was regarded as suicidal (personal communication, Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012). As a result, employees only accessed their pensions when they passed on or exited the system (Phuti Sishuene, Manager: *HR Benefits* Division, 7.9.2012). Of the 2 622 employees who were transferred to municipalities, only the pensions of 60 employees were outstanding (personal communication, HJ Nkuna, 23.08.2012). However, employees who had been transferred to municipalities were always sent from pillar to post before they could access their pensions on retirement (personal communication, Gordon Vhukeya, PSA CoGHSTA Branch, 9.9.2012).

Preparation for retirement

With regards to preparatory sessions for employees who were about to retire, the OT SBU was supposed to arrange workshops for these employees especially those who were in the 55-65 age group bracket on an annual basis (personal communication, HJ Nkuna, 23.08.2012). However, the OT SBU did not carry out this function but outsources it once in a while (personal communication, Onismus Manamela, Manager: PMS Division, 6.9.2012). In addition, the *HR Benefits* Division neither offered debt counselling, post-

retirement planning or financial advice to prepare employees for life after retirement nor encouraged them to contribute more towards their pensions to boost their pension pay-out (personal communication, Jimmy Selemela, 14.08.2012). Without financial advice, some employees indulged themselves in a lot of debt in anticipation of lump sum pension pay-outs even before they went on pension such that their pension pay-outs were ultimately consumed by debts. As a result, the living standards of such employees plummeted further at retirement more so that pensioners received half the amount of their normal earnings after retirement (*ibid.*). This supports Blaine's (2010) argument that employees experience a big drop in their standard of living during retirement. Further, most pensioners spent much of their time idling due to the fact that they were not prepared for life during retirement. Consequently, they indulged themselves in alcohol abuse to an extent of worsening their health conditions while others even passed on. While this is the unfortunate reality, both NEHAWU and the PSA had dismally failed to pressurise the Department to provide post-retirement planning to retiring employees.

Nomination of beneficiaries

Although pensions were supposed to be processed within 60 days upon receipt of applications in terms of GEPF standards, employees were not paid their leave gratuity and pensions on time due to internal bureaucratic processes and the fact that *HR Benefits* personnel wait until the last day before they processed pensions of retiring employees (personal

communication - Nthakwana Evelyn Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.08.2012). This confirms Blaine's (2010) observation that there are delays in the payment of withdrawal benefits by the GEPF (Blaine, 2010). In case of death, the delays were caused in the main by failure on the part of beneficiaries to submit their nominated beneficiaries whilst still alive either due to lack of awareness or failure on the part of the *HR Benefits* Division to pursue the main beneficiaries to submit their nominees (personal communication, Onismus Manamela, Manager: PMS Division, 6.8.2012 and Esther Budeli, Principal Personnel Officer, 7.9.2012). Another cause of the delay was untraceable beneficiaries and disputes among family members and spouses or partners of the main beneficiaries (personal communication, Jimmy Selemela, 14.08.2012 and Esther Budeli, Principal Personnel Officer, 7.9.2012). Although such disputes were resolved through joint mediation by the *HR Benefits* Division and Employee Wellness Division personnel, the Department took time to locate the beneficiaries (personal communication, Onismus Manamela, Manager: PMS Division, 6.8.2012). Family members were advised to refer unresolved disputes to the courts for resolution (*ibid.*). Both the *HR Benefits* staff and the GEPF did not apply the mechanism of referring the children born out of wedlock for DNA-tests to the letter as a tool to determine whether these children were indeed biological children of the main beneficiary.

4.3.7 Performance bonus

Dissemination of PMS-related information

PMS Division officials disseminated PMS-related information to employees generally through e-mails and electronic Performance Management Information System (PERMIS) on a quarterly basis (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). They also conducted briefing sessions and workshops to empower senior managers on PMS as and when the need arose (personal communication – Ebago Motloutsi, Personnel Practitioner: PMS Division, 15.08.2012). To crown it all, the PMS Division personnel effected payment of performance bonus on time (personal communication, Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012).

Management of the Performance Management System

Although the Department through its PMS Division became the first department in the Limpopo Province to effect payments for a performance bonus in 2008 and had since scooped the provincial awards in 2011 and 2012 and received the national award in 2012, much still needs to be done to improve the management of PMS at CoGHSTA (personal communication, Pandelani Harry Munzhedzi, Deputy Manager, 7.9.2012). The Deputy Manager responsible for PMS cited as impediments towards effective management of PMS system in the department, understaffing, non-compliance regarding submission of quarterly assessments, lack of

understanding of PMS by supervisors and subordinates alike, and lack of support from the management (personal communication, Pandelani Harry Munzhedzi, Deputy Manager, 7.9.2012). According to the Secretary of the local branch of NEHAWU at CoGHSTA, NEHAWU handled many Performance Management System (PMS)-related cases (personal communication - Nthakwana Evelyn Mogale, 15.08.2012).

Although moderation committees served as watchdogs to mitigate the problem of subjective assessment of employee performance, supervisors tended to undermine their effectiveness and thereby negated the purpose of PMS (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). This can be ascribed to the fact that, more often than not, supervisors scored their subordinates on the basis of subjectivity (personal communication, Esther Budeli, Principal Personnel Officer, 7.9.2012). For instance, in most cases, some supervisors scored their subordinates high even though they performed far below the required standards due to favouritism or fear of a backlash from their subordinates (personal communication – Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 14.08.2012). Comparison to what happened to their colleagues impacted negatively on employee feelings about performance reviews. These factors confirm Gerber's (1998) argument that there were shortcomings with performance bonuses owing to implementation issues such as poor measurement of performance and resentment of supervisory feedback due to unfair allocation of scores during performance reviews. These factors also confirm Luthans'

(2008) contention that monetary incentives can only be effective on the proviso that the organisational reward system was objective and fair and administered on the basis of good performance.

Further, supervisors generally did not appreciate inputs from their subordinates, reduced their scores during quarterly performance reviews and submitted progress reports without engaging them (personal communication - Nthakwana Evelyn Mogale, 15.08.2012). This anomaly owed much to the supervisors' general lack of understanding regarding the policy governing PMS and knowledge about how to compile PMS reports (personal communication – Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 14.08.2012). In addition, employees generally lacked the basic understanding that the performance bonus was based on the employee's output and therefore viewed the system as a money-making scheme (personal communication – Ebago Motloutsi, Personnel Practitioner: PMS Division, 5.9.2012).

In terms of the PMS policy, it was the responsibility of the individual employee to submit his or her performance agreement (PA) and quarterly performance review on time. Due to the intervention of the local branch of NEHAWU at CoGHSTA, PMS policy had been amended to include sanctions on those supervisors who failed to submit Performance Agreements (PAs) and quarterly performance reviews on time (personal communication - NE Mogale, 15.08.2012). This sanction was introduced to curb the late

submission of quarterly performance reviews by supervisors, a factor which hampered subordinates from qualifying for performance bonus. In cases where the relationship between the supervisor and his or her subordinate was poor, the former assessed the performance of the latter with impartiality. The converse was the case in a situation where the relationship is good.

Payment of performance bonus

Bureaucratic red tape, where memoranda for approval of payment of performance rewards took long to be processed by senior management delayed payment of performance bonus (personal communication – Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 14.08.2012). Annual adjustments also caused delays in the implementation of pay progression (personal communication – Mpho Molomo, Principal Personnel Practitioner: *HR Benefits*, 14.08.2012). To rub salt into the wound, more often than not, the Head of Department (HoD) scaled down the percentages scored by employees through recommendations from the moderating committee which consisted of Senior Managers (SMs), General Managers (GMs) and Senior General Managers (SGMs) to accommodate the wage bill which increased by a small margin each year (personal communication – Onismus Manamela, Manager: PMS Division, 6.9.2012). In the long run, this intervention on the part of top management dampened the self-esteem of employees who put extra effort into their work (*ibid.*). This factor supports Gerber's (2008) and Luthans's (2008) argument that bonus cuts coupled with feelings of unfair compensation hurts employee morale and thereby adversely affected

employee performance. This is much more so given that at the end of the day, employees perceived performance bonus as not worth striving for since management harboured the habit of reducing performance bonuses of employees in an effort to reduce costs.

Non-monetary rewards

Other than cash rewards, there were no forms of rewards for good performance for individual employees (Phuti Seshuene, Manager: *HR Benefits* Division, 7.9.2012). Only the team that performed better than the rest of the teams in the Department received a certificate of good performance during excellence awards at the end of the year (personal communication, Pandelani Harry Munzhedzi, Deputy Manager, 7.9.2012). As if that was not enough, top management recognised and celebrated performance of senior managers at the expense of levels 1-10 employees, the very people who carried out the actual work on the ground (*ibid.*). These factors validate Luthans' (2008) and Smit and Gronje's (2002) argument that non-financial rewards such as verbal and nonverbal recognition were often overlooked despite the fact that they served as powerful stimulus of good performance as compared to monetary rewards such as performance bonus.

Interventions towards improvement of performance

Supervisors did not address issues that led to poor performance of employees (*ibid.*). More often than not, no intervention was made after the discovery of training or non-training gaps following performance reviews (personal

communication, Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012). In addition, PMS Division officials did not conduct surveys among employees to evaluate strengths and flaws associated with the system of performance reviews (personal communication – Nthakwana Evelyn Mogale, 15.08.2012).

4.5 Conclusion

In this chapter of the research report, data obtained by means of triangulation method was used, discussed and analysed. The information that was acquired from the semi-structured questionnaires was tested against data obtained through face-to-face, open-ended interviews and primary documents to determine whether these methods would yield the same results. While most facts obtained through these different methods were similar in many respects, it emerged that certain facts from the questionnaires were diametrically opposed to those acquired through face-to-face open-ended interviews and primary documents. More illumination on points of agreement and difference amongst these methods of enquiry follows in the main conclusion which follows in the next chapter.

Chapter 5

Conclusion and recommendations

5.1 Introduction

In the previous chapter, data obtained through questionnaires, face-to-face open-ended interviews and primary documents coupled with personal observations was discussed and analysed. In this chapter, concluding remarks will be made in relation to the problem statement and the research questions posed. To this end, key gaps that were identified in the management of *HR Benefits* are summarised and a possible road map charted to enhance effective and efficient management of employee benefits in the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA).

5.2 Conclusion

Information from both the questionnaire and face-to-face, open-ended interviews revealed that the induction / orientation programme in and workshops on all aspects of employee benefits and pensions in particular were not conducted on a consistent basis in the Department since some received it while others did not receive it. This could be attributed to lack of communication between HR Recruitment Division and other Divisions such as PMS and *HR Benefits*. Consequently, the majority of employees did not comprehend the basic details of employee benefits and how various employee benefits operated including their contributions to medical aid and pensions and their rights. Worse still, some employees did not know about

the existence of certain HR benefits. For instance, more than a quarter of respondents indicated that they had not applied for housing allowance, some did not belong to any medical aid scheme, others were not aware that an employee might make an additional contribution towards his or her pension fund while some level 1 and level 2 employees were not aware of free medical aid offered through GEMS due to lack of information. This was evidence enough that the Department did not have what Gerber (1998) and Miner and Crane (2003) refer to as an effective or stimulating benefits communication programme on existing employee benefits, a prerequisite for operating an effective benefit and service programme, to the detriment of employees.

Over and above nominal and inconsistent provision of the induction and orientation programme and workshops, information from both the questionnaire and face-to-face, open-ended interviews has also confirmed the absence of what Miner and Crane (2003) refer as a handbook explaining the details of current employee benefits in the Department. The fact that more than a quarter of employees in the Department were oblivious to this reality is cause for concern.

What became succinctly clear out of information from the semi-structured questionnaire and face-to-face, open-ended interviews was that although it was available to all staff, irrespective of grade including frontline employees, middle and top managers, service or age, the housing subsidy was not enough

to help employees meet housing costs. While this was the case, there was no effective mechanism in place to prevent one of the couples from benefitting from the housing allowance in line with the policy. Neither was there a mechanism to monitor whether employees utilised the housing allowance strictly for housing purposes such that some employees exploited it for other household needs such as clothing, education, furniture, grocery, transport as well as payment of telephone, water and electricity bills.

Another challenge was the failure by supervisors or managers to monitor and control the Z8 Register. This weakness encouraged delinquent employees to take advantage of the situation by taking unauthorised leave without any trace. As if that was not enough, *HR Benefits* officials failed to employ the means to establish the trend of sick leave. Consequently, these officials were unable to enforce the eight week rule for employees with a pattern of continuously taking sick leave for one or two days. In the midst of these problems, some employees used sick leave for other purposes such as child care, attending to household chores, study, vacation, extending weekends and relaxing with friends over alcoholic beverages. This corroborates Suleman's (2004) view that sick leave was not necessarily an indicator of ill health but a conscious choice of an employee that was driven by factors that encouraged or discouraged absence or presence at work.

In addition, contrary to stated policy, some leave days that were taken by employees were not captured on the day on which they were received due to

shortage of personnel in *HR Benefits* Division. To make matters even worse, some leave days were captured on the system on the basis of signatures alone even in cases where supervisors or managers did not indicate whether they recommended, approved or disapproved of leave concerned in the columns provided for this purpose. A further challenge was that employees were not allowed to cash unused vacation leave days. Neither were they allowed to accumulate unused sick leave days or granted annual bonuses for unused sick leave. Another drawback was that applications for incapacity leave were not processed promptly by the Health Risk Manager. So was payment of leave gratuity to the affected employees by *HR Benefits* personnel. Another challenge which is corroborated by official documents was that the Department had hopelessly failed to develop its special leave policy despite numerous queries and advice from the Auditor-General.

By failing to enlighten employees about available options to prepare employees for retirement, *HR Benefits* officials negated Perkins and White's (2008) deep-held view that pension schemes ensure continued source of income for retired employees to maintain approximately the same standard of living as before.

Although more than half of respondents identified performance bonus as their most preferred benefit on the basis that it motivated employees to improve their performance, there was a deep-seated perception among employees in general that assessment of employee performance for the

performance bonus was largely based on the relationship between the employee and his or her supervisor as opposed to employee output. This perception dampened employee morale and had a knock down effect on employee performance. This fact supports Gerber's (1998) and Luthans' (2008) view that feelings of unfair compensation huts the self-worth and value of employees to the organisation and thereby adversely affect their performance. Further than that, the delays in the payment of performance bonus detracted the recipients from linking these performance rewards directly to performance as postulated by Swanepoel (2008).

Information from the questionnaire has shown that close to two thirds of respondents would not recommend recognition of medical certificates from traditional health practitioners. This owed much to lack of awareness campaigns on employee benefits and their rights as well. It should be noted that to deny any individual his or her right to health practitioner of his or her cultural or religious belief was in conflict with the constitution, the supreme law of the land.

Information from questionnaires and face-to-face, open-ended interviews has also revealed that, like the housing allowance, the medical aid subsidy was inadequate to assist employees to meet medical costs. For example, some employees did not belong to any medical aid scheme due to lack of affordability or failure by medical aid schemes to meet their expectations. The Department has dismally failed to adopt measures to help employees to

afford these basic needs. Over and above that, no provision has been made for employees to accumulate unused annual medical aid benefits. In addition, there is no mechanism in place to force medical aid companies to provide employees with feedback and personal annual statements in particular on the utilisation of their medical benefits.

A further challenge was that the *HR Benefits* Division failed to pursue the main beneficiaries to submit their nominees for pension funds. In addition, the Division was not consistent in sending children born out of wedlock for DNA-tests to resolve disputes over access to pension money after the death of the principal beneficiary. The Division also relied on the GEPF to render pre-retirement planning for retiring employees and did very little to provide this service to its employees.

From the questionnaires, it emerged very clear that the existing call centre in the Department did not answer questions related to various aspects of employee benefits. It also became apparent that *HR Benefits* officials did not conduct benefits surveys to gauge the level of satisfaction of employees on existing benefits including the strengths and challenges associated with the system of performance reviews. Even after the discovery of performance gaps during performance reviews, no attempt was made to address these gaps through training or non-training interventions. As a result, issues that led to poor performance of employees were not addressed.

Information from the questionnaires corroborated Miner and Crane's (2003) contention that differences in life-styles and personal situations cause various employees to value benefits differently and Nel *et al.*'s (2008) view that the existing benefit structure leads to employee dissatisfaction because it does not cater for the various benefit needs of all employees. It also supported Miner and Crane's (2003) assertion that older workers tend to value retirement plans more than younger ones and Nel *et al.*'s (2008) contention that employees without dependents do not attach much value on medical aid benefits relative to those with dependants.

On the flip-side of the coin, information from the questionnaire revealed that officials in the *HR Benefits* and PMS Divisions did not administer housing allowance, leave, medical aid, pensions and performance bonus with favouritism and/or fear. However, evidence from face-to-face, open-ended interviews pointed to the existence of subjective assessment of employee performance by supervisors. It also revealed that supervisors did not comply with leave policies due to preferential treatment. Although these practices might not be happening on a large scale, favouritism and any subjective assessment of employees not only dampened employee morale but also impacted negatively on the feelings and attitudes of employees towards performance appraisal.

The information from the questionnaire revealed that the vast majority of employees regarded performance bonus as their most preferred benefit on the

basis that it motivated employees to improve their performance. However, the Department did not couple this incentive with non-monetary rewards to enhance good performance among employees. Another contradiction between information from both questionnaires and face-to-face interviews concerns the delay in the payment of performance bonuses. On the one hand, information from the questionnaires revealed that there were no delays in the payment of performance bonuses in the Department. However, they claimed that senior management interfered with the final scores that were allocated to employees by supervisors at various sections of the Department as far as payment of performance bonus is concerned. In their view, this practice dampened the morale of employees and thereby reduced their output. Further, top management scaled down the percentages scored by employees to accommodate the wage bill. This practice also dampened the morale of employees who worked doubly hard to score high points during performance reviews with a view to earn a performance bonus and thereby increase their notches. This undermines Smit and Gronje's (2002) assertion that efforts at promoting the happiness of workers can help enhance efficiency in the institution.

Another challenge is that appointments were not based on merit. It should be noted that understaffing and employment of staff without requisite qualifications, skills and experience had a negative bearing on the management of the *HR Benefits*.

Amongst other positive aspects about the management of *HR Benefits* in the Department as identified by the respondents generally were work commitment, motivation, positive attitude and the ability to learn good practice on the part of *HR Benefits* staff, time management, prompt response to the needs of employees regarding benefits due to them, consistency in the management of employee benefits, positive response received from *HR Benefits* staff by employees as well as proper monitoring and control.

In summary, the nature and extent of the problems identified through the research methods adopted for this study, i.e., questionnaires, face-to-face-open-ended interviews and primary documents corroborated Gerber's (1998) contention that benefits and services were often wrongly managed. As a way forward, data from this study should serve as a guide to interventions the Department may adopt for effective and efficient management of employee benefits. Nevertheless, it should be emphasised that the research findings obtained through these methods were specific to CoGHSTA and therefore cannot be generalised for other provincial departments or the entire public sector for that matter. This suggests that problems encountered in different departments could be overcome in specific ways. It stands to reason therefore that future studies should be conducted in other departments or different provinces to help draw lessons for improved performance. In light of the research findings highlighted above, the following propositions are recommended for possible improvement of management of employee benefits at CoGHSTA.

5.3 Recommendations

5.3.1 Awareness on existing employee benefits

An effective communication programme

The *HR Benefits* Division should embark on awareness campaigns, briefing sessions or regular road shows on all *HR Benefits* and conduct training workshops in partnership with stakeholders such as GEPF, GEMS and other medical aid schemes, Health Risk Manager, etc., to empower employees in terms of interpretation of *HR Benefits* policies, processes and practices and to prepare them for life after retirement. In addition, the Process Improvement Performance Programme needs to be intensified to cover all district and traditional offices and the Head Office as well to inform employees about the basic details of *HR Benefits*. The Organisational Transformation (OT) SBU should also expedite the process of compiling a handbook on employee benefits and services to complement efforts at employee awareness. Survey forms should also be distributed among employees to gauge awareness of existing employee benefits, gather perceptions of employees about specific *HR Benefits*-related matters and determine the level of satisfaction of employees within the Department for innovation and improvement on major aspects.

5.3.2 Staffing and redeployment of personnel

In order to address the problem of understaffing which has a negative effect on the effective management of *HR Benefits*, efforts should be made to adequately staff personnel within the *HR Benefits* and PMS Divisions. In

order to enhance efficiency, appointments to positions must be based on merit, experience, skills and capabilities as opposed to cronyism. In addition, placement and redeployment of personnel should be based on skills and competency to address the problem of underperformance.

5.3.3 Decision-making

Employees should be granted full involvement in decision-making processes that have a bearing on the determination and running of the *HR Benefits* as they are in a better position to choose benefits that they prefer and value and input on better ways of improving the implementing of these benefits.

5.3.4 Improvement of housing allowance and medical aid benefits

The housing allowance should be substantially increased to mitigate rising costs. Government must subsidise employees in various medical scheme equally so as to help them meet medical costs on an equal footing.

5.3.5 Processing of employee benefits

The *HR Benefits* and PMS Divisions should stick to time frames of processing employee benefits to expedite the processing of *HR Benefits*.

5.3.6 Monitoring and control of attendance register and taking of leave

Senior managers should monitor the Z8 Register to the letter to prevent delinquent employees from taking unauthorised leave. In addition, disciplinary steps must be taken against an employee who fails to submit his

or her application form within the stated time-frames and any immediate supervisor who fails to properly manage applications for leave of absence. Every employee must be made to record his or her utilisation of annual vacation leave to ensure that he or she does not use more leave than he or she qualifies for. Before a supervisor or manager appends his or her signature on the leave form, he or she should make sure that the blocks on the recommendation columns are marked. Failure to comply must be regarded as a serious offence.

Over and above this, the IT personnel in the Department must perfect the persal system to detect the sick leave patterns of those employees who take sick leave for one or two days at various intervals or those with a pattern of regular sick leave on Mondays, Fridays, pay days, long weekends and public holidays. The *HR Benefits* officials must always request for persal reports to detect the sick leave patterns of such employees, monitor sick leave notes, enforce the eight week rule from time to time and refer victims of substance abuse to employee wellness programs for counselling, reference to rehabilitation centres etc. In addition, supervisors should assist in the process of identifying dubious sick leave certificates. This can be done by checking medical certificate for consistency of illness and the doctor who issues the certificates. *HR Benefits* officials must put burning issues such as late coming, absenteeism and sick leave patterns high on the agenda during monthly meetings. Last but not least, paternity leave should be increased to be on par with accouchement leave to afford male partners the opportunity to

care for their newly born babies and loved ones on an equal footing with their partners.

5.3.7 Capturing of leave

In order to curb late capturing of leave, leave should be captured on the system immediately after receipt and approval of leave forms. In addition, leave capturing must not be based only on signatures of supervisors or managers but also on their clear recommendations or approvals.

5.3.8 Processing of applications for incapacity leave

The Health Risk Manager must expedite the process of processing applications for incapacity leave. The same applies to *HR Benefits* personnel concerning payment of leave gratuity to the affected employees.

5.3.9 Recognition of medical certificates from traditional health practitioners

The Basic Conditions of Employment Act should be amended to include medical certificates from traditional health practitioners to be in line with the constitution regarding the cultural rights of every individual. This will help uproot simmering seeds of discontent among those who subscribe to cultural and traditional beliefs and practices and thereby save employers and employees from potential losses through litigation. The monitoring of the Z8 register by supervisors and managers alike will help improve the rate of reporting for duty among employees.

5.3.10 Nomination of beneficiaries

HR Benefits personnel must pursue the main beneficiaries to submit their nominees for pension funds from time to time to avoid unnecessary disputes after death or to refer unresolved disputes to the courts for resolution. In order to prevent cheating in so far as access to pension money is concerned, *HR Benefits* personnel should refer children born out of wedlock for DNA-tests without fail whenever disputes around access to pension money occur. In addition, *HR Benefits* staff must offer pre-retirement planning to retiring employees. They must also process pensions within 60 days upon receipt of applications as per GEPF standards.

5.3.11 Quarterly reviews and annual assessments

Assessments for performance bonuses should be conducted without any favouritism to reduce unnecessary workplace stress. Moderation committees should be empowered through training workshops to mitigate the problem of subjective assessment of employee performance by supervisors.

5.3.12 Non-monetary rewards

While money is instrumental in satisfying a number of the most pressing needs of employees, a highly tangible method of recognising their worth, thus improving their self-esteem and gaining the esteem of others, financial rewards such as performance bonuses should be coupled with non-monetary rewards such as praise, a pat on the back or shoulder and publication of names of good performers in the

achievement list or articles in the organisation's newspaper or newsletter to enhance employee performance and loyalty and thereby help build employees' pride.

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Jimmy Selemela, Deputy Manager: HR Benefits, 14.8.2012

NE Mogale, Secretary: NEHAWU CoGHSTA Branch, 15.8.2012

HJ Nkuna, Manager: HR Benefits, 23.8.2012

Ebago Motloutsi, Deputy Manager: PMS Division, 5.9.2012

Onismus Manamela, Manager: PMS Division, 6.9.2012

Esther Budeli, Principal Personnel Officer: HR Benefits, 7.9.2012

Mpho Molomo, Principal Personnel Practitioner: HR Benefits, 7.9.2012

Phuti Seshuene, Manager: HR Benefits, 7.9.2012

Albert Phalanndwa, Senior Personnel Practitioner, 8.9.2012

Gordon Vhukeya, Chairperson: PSA CoGHSTA Branch, 9.9.2012

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Matome Lediga, Listener, Tabakgolo, 13 April 2011

Moloko Mashamaite, Program Host, Tabakgolo, 13 April 2011

Ronald Mphephu, Human Resource Manager: SABC, Tabakgolo, 13 April 2011

ANNEXURE “A”

SEMI-STRUCTURED QUESTIONNAIRE

Questionnaire/Data Capture Form for a study on HR Benefits in the Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) in Limpopo Province.

Introduction

This questionnaire serves as a tool of gathering information regarding your knowledge and experience about HR Benefits notably Housing Allowance, Leave, Medical Aid, Pensions and Performance Bonus in the Department of Cooperative Governance, Human Settlements and Traditional Affairs (COGHSTA) in Limpopo Province with a view to improve performance regarding management of these benefits. The questionnaire is divided into seven sections that cover the following aspects:

A) Personal details, B) Awareness of existing employee benefits and communication system, C) Employee attitudes to HR Benefits, D) Utilisation of existing employee benefits, E) Management style in the implementation of existing employee benefits, F) Compliments regarding management of existing employee benefits, and G) Possible recommendations towards improving management of existing employee benefits. The information provided will be treated as strictly confidential and under no circumstances will completed questionnaires be accessed by the employer or its representatives. In addition, all the information contained in returned questionnaires will be utilised for the purposes of this study only. Some questions require you to place a tick (✓) in an appropriate box to reflect your experiences regarding specific items. Other questions require you to put both a tick and further explanation to motivate your answers. Kindly ignore the numbers that are located inside the boxes because they represent the codes that are assigned per question for analytical purposes. Please feel free to provide answers to the best of your knowledge and elaborate where required. Also feel free to provide more information on any question that you wish to clarify. The researcher would like to sincerely thank you in advance for your assistance and cooperation in this study.

A. PERSONAL DETAILS

1. Personal details (please tick (✓)the appropriate box unless otherwise indicated), e.g., Nationality	
American	<input type="checkbox"/>
Egyptian	<input type="checkbox"/>
German	<input type="checkbox"/>
South African	<input checked="" type="checkbox"/>
Zambian	<input type="checkbox"/>
1.1 Title	Miss <input type="checkbox"/> 1

	<p>Mrs <input data-bbox="1171 312 1245 384" type="text" value="2"/></p> <p>Mr <input data-bbox="1149 472 1223 544" type="text" value="3"/></p> <p>Dr <input data-bbox="1149 608 1223 679" type="text" value="4"/></p> <p>Prof <input data-bbox="1149 751 1223 823" type="text" value="5"/></p> <p>Other (please specify <input data-bbox="1149 887 1223 959" type="text" value="6"/></p>
1.2 Gender	<p>Male <input data-bbox="992 1054 1066 1126" type="text" value="1"/></p> <p>Female <input data-bbox="992 1174 1066 1246" type="text" value="2"/></p>

1.3 Age (Please fill in number of years in the box provided).	<input data-bbox="992 336 1066 411" type="text"/>																		
1.4 Highest qualification.	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">ABET</td> <td style="width: 10%; text-align: center; padding: 5px;"><input data-bbox="1066 461 1140 536" type="text" value="1"/></td> <td style="width: 30%;"></td> </tr> <tr> <td style="padding: 5px;">Grade 1- 11</td> <td style="text-align: center; padding: 5px;"><input data-bbox="1066 608 1140 683" type="text" value="2"/></td> <td></td> </tr> <tr> <td style="padding: 5px;">Matric</td> <td style="text-align: center; padding: 5px;"><input data-bbox="1066 727 1140 802" type="text" value="3"/></td> <td></td> </tr> <tr> <td style="padding: 5px;">Diploma/Degree</td> <td style="text-align: center; padding: 5px;"><input data-bbox="1066 903 1140 978" type="text" value="4"/></td> <td></td> </tr> <tr> <td style="padding: 5px;">Honours/Masters/PhD</td> <td style="text-align: center; padding: 5px;"><input data-bbox="1066 1035 1140 1110" type="text" value="5"/></td> <td></td> </tr> <tr> <td style="padding: 5px;">Other (Please specify</td> <td style="text-align: center; padding: 5px;"><input data-bbox="1066 1174 1140 1249" type="text" value="6"/></td> <td></td> </tr> </table>	ABET	<input data-bbox="1066 461 1140 536" type="text" value="1"/>		Grade 1- 11	<input data-bbox="1066 608 1140 683" type="text" value="2"/>		Matric	<input data-bbox="1066 727 1140 802" type="text" value="3"/>		Diploma/Degree	<input data-bbox="1066 903 1140 978" type="text" value="4"/>		Honours/Masters/PhD	<input data-bbox="1066 1035 1140 1110" type="text" value="5"/>		Other (Please specify	<input data-bbox="1066 1174 1140 1249" type="text" value="6"/>	
ABET	<input data-bbox="1066 461 1140 536" type="text" value="1"/>																		
Grade 1- 11	<input data-bbox="1066 608 1140 683" type="text" value="2"/>																		
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Honours/Masters/PhD	<input data-bbox="1066 1035 1140 1110" type="text" value="5"/>																		
Other (Please specify	<input data-bbox="1066 1174 1140 1249" type="text" value="6"/>																		

Marital status	Married	<input type="text" value="1"/>
	Divorced	<input type="text" value="2"/>
	Widow/Widower	<input type="text" value="3"/>
	Single with dependents	<input type="text" value="4"/>
	Single without dependents	<input type="text" value="5"/>
	Other (Please specify):	<input type="text" value="6"/>
Number of children	None	<input type="text" value="1"/>
	One	<input type="text" value="2"/>
	Two	<input type="text" value="3"/>
	Three	<input type="text" value="4"/>

	Four	5
	Five or more	6
1.5 Employment category	Level 2-6 (Operational workers)	1
	Level 7-8 (Lower Management System)	2
	Level 9-12 (Middle Management System)	3
	Level 13-16 (Senior Management System)	4
1.6 Place of residence	Countryside/Rural area	1
	Township/Semi-urban area	2
	Town or City	3

1.7 Type of residence	Parental house	<input type="checkbox"/>
	Rental house	<input type="checkbox"/>
	Bond house	<input type="checkbox"/>
	Own house	<input type="checkbox"/>

B. AWARENESS OF EXISTING HR BENEFITS AND COMMUNICATION SYSTEM

2. Awareness of HR Benefits and communication system (Please tick the appropriate box to reflect your knowledge about the following employee benefits). Also answer follow-up questions where requested.

2.1 Have you ever received information about the following benefits during induction/orientation programme?

2.1 (a) Housing Allowance	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.1 (b) Various aspects of Leave	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.1 (c) Medical Aid	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.1 (d) Pensions	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.1 (e) Performance Bonus	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.2 Do HR Benefits personnel conduct workshops on the following HR Benefits?			
2.2 (a) Housing Allowance	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.2 (b) Various aspects of Leave	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>

2.2 (c) Medical Aid	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.2 (d) Pensions	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.2 (e) Performance Bonus	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.3 Does the Department have a handbook that explains current HR Benefits (If your answer is Yes, please answer the next question).	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>
2.3 (a) If your answer is Yes, list the specific employee benefits that are covered in the HR Benefits handbook.			
2.4 Do HR Benefits staff members give information on the contributions	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Uncertain <input type="checkbox"/>

of employees to Medical Aid?			
2.5 Do HR Benefits staff members give information on the contributions of employees to the Government Employees Pension Fund (GEPF)?	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
2.6 Do HR Benefits staff members give information on the basic details of the benefits of the GEPF?	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
2.7 Do HR Benefits staff members give information about pension rights to employees leaving the employ of the Department?	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
2.8 Do existing Medical Aid schemes provide equal benefits to government	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3

<p>employees? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 2.8 (b)).</p>			
<p>2.8 (a) If your answer is Yes, what kind of medical benefits are equal among the Medical Aid schemes that you know.</p>			
<p>2.8 (b) If your answer is No, how do medical benefits differ from one Medical Aid scheme to another.</p>			
<p>2.9 Are government employees entitled to equal pension benefits? (If your answer is Yes, please go to the</p>	<p>Yes <input data-bbox="969 1214 1043 1286" type="text" value="1"/></p>	<p>No <input data-bbox="1357 1214 1431 1286" type="text" value="2"/></p>	<p>Uncertain <input data-bbox="1778 1214 1852 1286" type="text" value="3"/></p>

<p>next question. If your answer is No, please skip the next question and go directly to question 2.9 (b)).</p>			
<p>2.9 (a) If your answer is Yes, please describe the way in which employees receive equal pension benefits.</p>			
<p>2.9(b) If your answer is no, please state the reason for the difference in pension benefits among government employees</p>			
<p>2.10 Is paternity leave enough for male employees to meet the maternity needs of their partners? (If your answer is Yes, please go to the next question. If your answer is No, please</p>	<p>Yes <input data-bbox="969 1066 1043 1137" type="checkbox"/> 1</p>	<p>No <input data-bbox="1359 1066 1433 1137" type="checkbox"/> 2</p>	<p>Uncertain <input data-bbox="1765 1066 1839 1137" type="checkbox"/> 3</p>

<p>skip the next question and go directly to question 2.10 (b)).</p>			
<p>2.10 (a) If your answer is Yes, please explain how paternity leave is enough for male employees to meet the maternity needs of their partners.</p>			
<p>2.10 (b) If your answer is No, please suggest how paternity leave can be improved to meet the paternity needs of male employees.</p>			
<p>2.11 Is your medical aid subsidy enough to assist you in the payment of medical costs? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next</p>	<p>Yes <input data-bbox="969 1066 1043 1137" type="checkbox"/> 1</p>	<p>No <input data-bbox="1359 1066 1433 1137" type="checkbox"/> 2</p>	<p>Uncertain <input data-bbox="1789 1066 1863 1137" type="checkbox"/> 3</p>

question and go directly to question 3			
2.11 (a) If your answer is Yes, please explain how your medical aid subsidy assists you to meet your medical costs to your satisfaction.			

C. EMPLOYEE ATTITUDES TO HR BENEFITS

<p>Rank the following employee benefits in the order of your personal preferences. Write 1 in the box provided to indicate Very least preferred HR Benefit, 2 least preferred HR Benefit, 3 moderate preferred HR Benefit, 4 second most preferred HR Benefit, and 5 most preferred HR Benefit.</p>					
3 Funeral benefit	Very least preferred <input data-bbox="656 1262 728 1334" type="text" value="1"/>	Least preferred <input data-bbox="936 1262 1008 1334" type="text" value="2"/>	Moderate <input data-bbox="1198 1262 1270 1334" type="text" value="3"/>	Second Most preferred <input data-bbox="1444 1262 1516 1334" type="text" value="4"/>	Most preferred <input data-bbox="1787 1262 1859 1334" type="text" value="5"/>

4. Please provide reasons for your choice in the appropriate columns for the following benefits:					
4.1 Housing Allowance	Very least preferred <input type="text" value="1"/>	Least preferred <input type="text" value="2"/>	Moderate <input type="text" value="3"/>	Second Most preferred <input type="text" value="4"/>	Most preferred <input type="text" value="5"/>
4.1 (a) Please provide reasons for your ranking concerning Housing Allowance.					
4.3 Leave	Very least preferred <input type="text" value="1"/>	Least preferred <input type="text" value="2"/>	Moderate <input type="text" value="3"/>	Second Most preferred <input type="text" value="4"/>	Most preferred <input type="text" value="5"/>
4.2 (a) Please provide reasons for your ranking					

concerning Leave.					
4.3 Medical Aid	Very least preferred <input type="text" value="1"/>	Least preferred <input type="text" value="2"/>	Moderate <input type="text" value="3"/>	Second Most preferred <input type="text" value="4"/>	Most preferred <input type="text" value="5"/>
4.3 (a) Please provide reasons for your ranking concerning Medical Aid.					
4.4 Pensions	Very least preferred <input type="text" value="1"/>	Least preferred <input type="text" value="2"/>	Moderate <input type="text" value="3"/>	Second Most preferred <input type="text" value="4"/>	Most preferred <input type="text" value="5"/>
4.4 (a) Please provide reasons for your ranking concerning Pensions.					
4.5 Performance Bonus	Very least preferred <input type="text" value="1"/>	Least preferred <input type="text" value="2"/>	Moderate <input type="text" value="3"/>	Second Most preferred <input type="text" value="4"/>	Most preferred <input type="text" value="5"/>

<p>4.5 (a) Please provide reasons for your ranking concerning Performance Bonus.</p>	
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D. UTILISATION OF EXISTING EMPLOYEE BENEFITS

<p>5. Utilisation of existing employee benefits (Please tick the appropriate box to describe your usage of HR Benefits).</p>			
<p>5.1 Do you receive housing allowance? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.1 (b)).</p>	<p>Yes <input data-bbox="826 944 900 1019" type="checkbox"/> 1</p>	<p>No <input data-bbox="1272 944 1346 1019" type="checkbox"/> 2</p>	<p>Uncertain <input data-bbox="1776 944 1850 1019" type="checkbox"/> 3</p>
<p>5.1 (a) If your answer is Yes, do you use your housing allowance for payment of a bond, rental or renovations of your own</p>			

house?			
5.1 (b) If your answer is No, what prevents you from receiving the housing allowance?			
5.2 Are there employees that use their housing allowance for other household needs? (If your answer is Yes, go to the next question).	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
5.2 (a) Mention other household needs that employees use their housing allowance for.			
5.3 Do you take sick leave strictly for illness purposes (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.3 (b)).	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
5.3 (a) If your answer is Yes, what type of illnesses do you often take sick leave for?			
5.3 (b) If your answer is No, for what other reasons			

do you take sick leave?			
5.4 Besides sickness, do employees take sick leave for non-illness or other purposes/reasons? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.4 (b)).	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
5.4 (a) If your answer is Yes, please specify the purposes for which employees take sick leave			
5.4 (b) If your answer is No, what type of illnesses do employees often take sick leave for?			
5.5 Are employees forced to report for duty even though they are ill? (If your answer is Yes, please answer the next question).	Yes <input type="checkbox"/> 1	No <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3
5.5 (a) If your answer is Yes, please specify the reasons that force employees to report for duty even though they are sick.			

5.6 Do you belong to a Medical Aid scheme? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.6 (b)).	Yes <input data-bbox="824 322 900 395" type="checkbox"/> 1	No <input data-bbox="1265 322 1341 395" type="checkbox"/> 2	Uncertain <input data-bbox="1765 322 1841 395" type="checkbox"/> 3		
5.6 (a) If your answer is Yes, tick the Box next to your Medical Aid Scheme.	Bonitas <input data-bbox="750 619 826 692" type="checkbox"/> 1	Meddent <input data-bbox="981 619 1057 692" type="checkbox"/> 2	Hosmed <input data-bbox="1220 619 1296 692" type="checkbox"/> 3	GEMS <input data-bbox="1478 619 1554 692" type="checkbox"/> 4	Other (Please specify) <input data-bbox="1908 619 1984 692" type="checkbox"/> 5
5.6 (b) If your answer is No, what prevents you from having Medical Aid?					
5.7 Do existing Medical Aid schemes provide equal benefits to government employees? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.7 (b)).	Yes <input data-bbox="824 842 900 916" type="checkbox"/> 1	No <input data-bbox="1265 842 1341 916" type="checkbox"/> 2	Uncertain <input data-bbox="1765 842 1841 916" type="checkbox"/> 3		
5.7 (a) If your answer is Yes, please describe equal medical benefits that you know.					
5.7 (b) If your answer is No, how do medical aid					

benefits differ from one Medical Aid schemes to another.			
5.8 People resign from their jobs to cash in on their pension benefits in order to settle their debts and then find another job, which allows them to start contributing towards their pensions from scratch.	Yes <input data-bbox="826 432 900 507" type="text" value="1"/>	No <input data-bbox="1272 432 1346 507" type="text" value="2"/>	Uncertain <input data-bbox="1765 432 1839 507" type="text" value="3"/>

<p>5.9 Do you anticipate any possibility of experiencing a drop in living standards during retirement? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.9 (b)).</p>	<p>Yes <input data-bbox="826 320 900 395" type="checkbox"/> 1</p>	<p>No <input data-bbox="1272 320 1346 395" type="checkbox"/> 2</p>	<p>Uncertain <input data-bbox="1765 320 1839 395" type="checkbox"/> 3</p>
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<p>5.9 (a). If your answer is Yes, what would cause a drop in living standards during retirement?</p>			
<p>5.9 (b). If your answer is No, how would you maintain your living standards during retirement?</p>			
<p>5.10 Will you require financial help from your children during</p>	<p>Yes <input data-bbox="826 1136 900 1211" type="text" value="1"/></p>	<p>No <input data-bbox="1272 1136 1346 1211" type="text" value="2"/></p>	<p>Uncertain <input data-bbox="1765 1136 1839 1211" type="text" value="3"/></p>

<p>retirement? (If your answer is Yes, please go to the next question. If your answer is No, please skip the next question and go directly to question 5.10 (b)).</p>			
<p>5.10 (a) If your answer is Yes, why would you need help from your children during retirement?</p>			

<p>5.10 (b) If your answer is No, why would you not need help from your children during retirement?</p>			
<p>5.11 Besides your mandatory monthly contributions, do you make any additional contributions to your pension fund? (If your answer is Yes, please go to the</p>	<p>Yes <input data-bbox="826 767 900 839" type="text" value="1"/></p>	<p>No <input data-bbox="1272 767 1346 839" type="text" value="2"/></p>	<p>Uncertain <input data-bbox="1765 767 1839 839" type="text" value="3"/></p>

<p>next question. If your answer is No, please skip the next question and go directly to question 5.11 (b)).</p>					
<p>5.11 (a) If your answer is Yes, why do you make an additional contribution to your pension fund?</p>					
<p>5.11 (b) If your answer is No, what prevents you</p>					

from making an additional contribution to your pension fund?					

E. MANAGEMENT STYLE IN THE IMPLEMENTATION OF EMPLOYEE BENEFITS

6. Management of employee benefits (Please tick the appropriate box whether you Strongly Agree, Agree, are Uncertain, Disagree, or Strongly Disagree with the following statements).					
6.1 The existing call centre in the Department answers questions related to various aspects of Leave.	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5
6.2 The existing call centre in the	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5

Department answers questions related to Housing Allowance.					
6.3 The existing call centre in the Department answers questions related to Medical Aid.	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5
6.4 The existing call centre in the Department answers questions related to Pensions.	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5
6.5 The existing call centre in the Department answers questions related to Performance Bonus.	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5
6.6 HR Benefits Section conducts benefits satisfaction surveys to gauge the level of satisfaction of employees on existing benefits.	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5
6.7 HR Benefits Section provides employees with their personal annual statements on utilisation	Strongly Disagree 1	Disagree 2	Uncertain 3	Agree 4	Strongly Agree 5

of various types of leave days.					
6.8 Employees are allowed to accumulate unused Vacation Leave.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.9 Employees are allowed to cash unused Vacation Leave days.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.10 Employees are allowed to accumulate unused Sick Leave days.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.11 Employees are allowed to cash unused Sick Leave days.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.12 Employees are paid annual bonuses for unused Sick Leave.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.13 Management tolerates employees who continually take Sick Leave.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.14 HR Benefits staff refers employees who constantly take sick leave for further specialist medical examination	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5

6.15 HR Benefits staff advises employees with known prolonged illnesses about Incapacity Leave	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.16 The high rate of Sick Leave is due to lack of job control.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.17 Employees are allowed to accumulate unused Medical Aid benefits on an annual basis.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.18 HR Benefits Section has an arrangement where Medical Aid companies provide personal annual statements to employees on the utilisation of their medical benefits.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
6.19 HR Benefits staff is involved in pre-retirement planning for retiring employees.	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
7. Rating of management style applied in the Department concerning HR Benefits. How would you rate management of HR Benefits listed below on a scale form of 1 to 5, 1 being Very poor, 2 Poor, 3 Average, 4 Good and 5 Excellent? (Please tick the appropriate box to indicate the word(s) that best describe your feelings about management of the following HR Benefits). Also					

provide reasons for your answers in the space provided below:					
7.1 How would you rate management of Housing Allowance as practised in the Department?	Very poor <input type="text" value="1"/>	Poor <input type="text" value="2"/>	Average <input type="text" value="3"/>	Good <input type="text" value="4"/>	Excellent <input type="text" value="5"/>
Please state reasons for your choice in item 7.1 above:					
7.2 How would you rate management of Leave	Very poor <input type="text" value="1"/>	Poor <input type="text" value="2"/>	Average <input type="text" value="3"/>	Good <input type="text" value="4"/>	Excellent <input type="text" value="5"/>
Please state reasons for your choice in item 7.2 above:					
7.3 How would you rate management of Medical Aid	Very poor <input type="text" value="1"/>	Poor <input type="text" value="2"/>	Average <input type="text" value="3"/>	Good <input type="text" value="4"/>	Excellent <input type="text" value="5"/>

Please state reasons for your choice in item 7.3 above:					
	Very poor <input type="checkbox"/> 1	Poor <input type="checkbox"/> 2	Average <input type="checkbox"/> 3	Good <input type="checkbox"/> 4	Excellent <input type="checkbox"/> 5
Please state reasons for your choice in item 7.4 above:					
7.5 How would you rate management of Performance Bonus	Very poor <input type="checkbox"/> 1	Poor <input type="checkbox"/> 2	Average <input type="checkbox"/> 3	Good <input type="checkbox"/> 4	Excellent <input type="checkbox"/> 5
Please State reasons for your choice in item 7.5 above:					

8. How employee benefits are administered (Please tick the appropriate box whether you Strongly Agree, Agree, are Uncertain, Disagree, or Strongly Disagree with the following statements).					
8.1 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Housing Subsidy with favouritism.	1	2	3	4	5
State reasons for your answer in 8.1 above:					
8.2 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Leave with favouritism.	1	2	3	4	5
State reasons for your answer in 8.2 above					
Some employees are granted study leave without all required requirements					
	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
	1	2	3	4	5

State reasons for your answer in 8.3 above:					
8.4 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Pension benefits with favouritism.	1	2	3	4	5
State reasons for your answer in 8.4 above:					
8.5 Supervisors at various sections of the Department assess the performance of their subordinates for Performance Bonus with favouritism.	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
	1	2	3	4	5

State reasons for your answer in 8.5 above					
8.6 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Housing allowance with fear.	1	2	3	4	5
State reasons for your answer in 8.6 above:					
8.7 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Leave with fear.	1	2	3	4	5
State reasons for your answer in 8.7 above:					
8.8 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Medical	1	2	3	4	5

Aid with fear.					
State reasons for your answer in 8.8 above:					
8.9 Officials in HR Benefits	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
Section administer Pension benefits with fear.	1	2	3	4	5
State reasons for your answer in 8.9 above:					
8.10 Supervisors at various sections of the Department fear negative reaction from their subordinates whenever they assess their performance for purposes of payment of Performance	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
	1	2	3	4	5

Bonus.					
State reasons for your answer in 8.10 above:					
8.11 There are delays in the payment of performance bonuses in the Department	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
Please state reasons for your answer in 8.11 above:					
8.12 In addition to cash bonus and pay progression, non-monetary rewards are used as incentives to enhance good performance among employees in the	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5

Department.					
State reasons for your answer in 8.12 above:					
8.13 Senior management interferes with the final scores that are allocated to employees by supervisors at various sections of the Department for payment of Performance Bonus	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5
State reasons for your answer in 8.13 above:					
8.14 Senior management cuts performance bonuses owed to employees in order to reduce costs	Strongly Disagree <input type="checkbox"/> 1	Disagree <input type="checkbox"/> 2	Uncertain <input type="checkbox"/> 3	Agree <input type="checkbox"/> 4	Strongly Agree <input type="checkbox"/> 5

State reasons for your answer in 8.14 above:					
8.15 The practice of reducing payment of performance bonus by senior management in the Department affects the morale of employees.	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
	1	2	3	4	5
State reasons for your answer in 8.15 above:					
8.16 Supervisors at various sections of the Department celebrate good performance by their subordinates.	Strongly Disagree	Disagree	Uncertain	Agree	Strongly Agree
	1	2	3	4	5

State reasons for your answer in 8.16 above:

F. COMPLIMENTS REGARDING MANAGEMENT OF EMPLOYEE BENEFITS

9. (Please answer the questions that follow in the space provided).

9.1 In your opinion, what are the positive aspects about the management of HR Benefits in the Department?

9.2 In your understanding, what contributes to the impressive aspects concerning management of HR Benefits in the Department?

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G. POSSIBLE RECOMMENDATIONS IN IMPROVING MANAGEMENT OF EMPLOYEE BENEFITS

10. Possible recommendations regarding management of HR Benefits (Please tick the appropriate box to indicate whether you are Very unlikely, Unlikely, Undecided, Likely or Highly likely to choose the following recommendations to improve management of employee benefits in the Department).

	Very unlikely 1	Unlikely 2	Undecided 3	Likely 4	Highly likely 5
10.1 Medical Aid should also make provision for employees to consult traditional health practitioners.					

10.2 Sick notes from traditional health practitioners should also be recognised.	Very unlikely <input data-bbox="658 347 730 416" type="text" value="1"/>	Unlikely <input data-bbox="1003 347 1075 416" type="text" value="2"/>	Undecided <input data-bbox="1263 347 1335 416" type="text" value="3"/>	Likely <input data-bbox="1491 347 1563 416" type="text" value="4"/>	Highly likely <input data-bbox="1778 347 1850 416" type="text" value="5"/>
10.3 In your view, what could be done to improve the overall management of HR Benefits in the Department?					



LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF LOCAL GOVERNMENT & HOUSING

Ref: SP/Sepuru PP
Persal 81442441
Enq: Mphahlele MS

2 August 2012

Mrs. Sepuru PP
P.O. Box 52
737 LEBOWAKGOMO

APPLICATION FOR APPROVAL TO CONDUCT RESEARCH ON THE
MANAGEMENT OF HR BENEFITS IN CoGHSTA

In reply to your application dated 13 April 2012 on the above matter, please be informed that the Department has approved that you conduct research on the management of HR Benefits on condition that the Risk and Security Management SBU clears the research documents.

7 
HEAD OF DEPARTMENT