

Human resources

The success of the Altron group of companies is dependent on the operations' ability to attract, motivate and retain key skills, particularly in the technical fields.

The group companies continue to invest in the development of human capital and have instituted long-term strategies to ensure a readily available talent pool, while continuing efforts to ensure a workplace reflecting the demographics of the country.

Employment equity

Altron is committed to meeting its internal targets, aligned with the codes and ensuring equitable representation in all occupational categories and levels in the workplace. This is driven by co-ordinating committees and progress is regularly reported to the Altron board and executive committee.

The following table reflects the demographics of the employee base in the Altron group extracted from the most recent submissions to the Department of Labour.

Occupational levels	Male			Female				White male	Foreign nationals		Total
	African	Coloured	Indian	African	Coloured	Indian	White		Male	Female	
Top management	5	2	1	1	0	0	6	50	1	0	66
Senior management	6	12	24	4	7	8	56	279	0	0	396
Professionally qualified and experienced specialists and mid-management	89	78	110	32	23	34	246	749	5	0	1 366
Skilled tech. and acad. qualified workers, junior management, supervisors, foremen, and superintendents	922	497	413	353	197	239	741	1 490	6	1	4 859
Semi-skilled and discretionary decision-making	1 398	464	72	341	145	63	255	156	2	1	2 897
Unskilled and defined decision-making	862	117	71	310	61	62	20	35	1	0	1 539
Total permanent	3 282	1 170	691	1 041	433	406	1 324	2 759	15	2	11 123
Non-permanent employees	289	49	406	74	18	91	30	47	1	0	1 005
Total	3 571	1 219	1 097	1 115	451	497	1 354	2 806	16	2	12 128



Altron launched an Adult Basic Education Training (ABET) programme last year. Pictured above are Altron's graduates with their proud classmates:

Left to right (standing): Kenneth Nicya (Lecturer), Patricia Mpange, Wilheminah Makamo, Chatiki Banda, Cynthia Molefe, Rose Mahapa, Kenneth Khoza.

(Seated): Percy Graham, James Ramoloko, Carol Mimana and Sophie Malekane.

The maths and science academy

This Powertech Battery Group project in Port Elizabeth involves 90 high school learners from previously disadvantaged communities, attending mathematics and science classes over a period of 10 weeks. The main focus of the project is to assist these learners with examination preparation in these subject areas.



Employee turnover experienced during the period was in line with previous years with the Information Technology sector noting fairly high turnover rates, particularly at the lower levels, where learnerships granted have been completed and where junior employees having gained basic knowledge and experience seek other opportunities in the industry. The general scarcity of experienced specialists within the IT industry has also contributed to the turnover with these employees being highly mobile.

At 28 February 2007, the total number of permanent SA employees in the group was 11 123 compared to 11 038 at the end of February 2006. This increase in staff numbers is attributable to mergers and acquisitions concluded during the year.

Skills training and development initiatives

To contribute to redressing the country's critical skills shortage and ensure that all employees have access to relevant learning opportunities to

enable them to grow in their careers, Altron companies annually allocate at least 1% of payroll to training and development, particularly for previously disadvantaged South Africans. In the reporting period, this was some R38 124 161, which represents 1.4% of remuneration or the leviable amount. This expenditure is in addition to the skills development levy which equates to a further R27.3 million.

On a per capita basis, spend in improving the skills base of our employees equates to an average of R5 583 per employee. Skills development, targeting priority skills as identified and required in the various businesses, and at a national level as required by the codes will remain a focus area. The codes require that an amount of 3% in addition to the skills levy be spent on training. The group recognises that in view of the challenges around the employment and retention of black people and black women throughout the group, a continued focus on skills development is critical to the ability of the group to reach its employment equity targets, as well as build a core base of skilled black people.

Throughout the group, initiatives are under way to accelerate progress

towards our goals for skills development. These include bursary programmes, management trainee schemes, experiential learning projects, learnerships and educational assistance. In many companies, mentorship programmes are being implemented to add practical experience to academic knowledge and fully prepare candidates for the business world.

All Altron companies have based their skills development programmes on the national qualifications framework (NQF) and are working closely with their sector education and training authorities to ensure that learnerships have lifelong benefits for the learner.

Throughout the group, employees are encouraged to further their education, and group operations provided financial assistance to employees to the value of R3.2 million for the year. The Bytes Bursary Programme follows a long-term company policy of development and placement of young, highly skilled talent. Currently, the programme has six bursary students studying at South African universities and actively supports a further 210 learnerships. All the bursary students have been placed in full-time employment with Bytes.

Leaverships

Recognising the value to the economy of the country as a whole, leaverships are actively pursued throughout group operations.

In 2006 **Bytes** completed the first leavership programme for disabled people in the ICT sector with 50 disabled learners who started at the NQF3 level. This programme was not only costly but time consuming to run as it required additional resources, specialised attention, additional trainers and often different classroom aids. The initial group was well accepted in the workplace part of the training, with most learners impressing with their enthusiasm and attitude. Following on the success of the 2006 intake, a further group has been selected for training in 2007. The initial intake will continue training but at the higher NQF4 level. It is expected that this intake will progress to the highest NQF level, level 5, in 2008.

Performance and career reviews

Performance and career reviews are an integral part of the management of human capital ensuring the required skills for the business and developing



A fun activity was held for learners involved in various leaverships at Bytes People Solutions recently. The courtyard flowerpots were in need of a fresh coat of paint, so the task to decorate them using an ethnic theme was assigned to the leavership students.

Learners were divided into teams comprising of a combination of the System Support Engineering, System Development and Vodacom End User.

employees. Formalised systems are in place in a number of group operations including **Altech Autopage**, **Aberdare** and **Altech UEC**, with performance and career aspirations of employees in these operations being reviewed on a regular basis. An estimated 55% of the Altron staff complement is currently subject to formal performance reviews. While certain operations do not as yet have formal review systems in place, employees are counselled from time to time.

The formalisation and implementation of performance and career development review systems, where these are not as yet in place, are being addressed.



Leadership development

The availability of management and leaders within the human resource pool of South Africa is generally limited and recognising this, as well as the requirement to have management and leadership possessing the correct skills and attributes and understanding the culture of the Altron group, the Altron **Young Presidents' Club** was established some 17 years ago. Through interaction with group

executives and academics, each a specialist in their own field, the potential of promising managers is honed and mentorship provided. A similar leadership development forum has been established in **Powertech**, through its Leadership Process where, in addition, aspiring leaders participate in formalised tuition provided by the Gordon Institute of Business Science.

Employee benefits

Across the group employees participate in both medical aid schemes and pension or provident funds. The group has an established in-house medical aid scheme, pension fund and provident fund. Catering for the needs of all employees, industry-



Altron YPC members on tour of the Greenhills facility (from left) Winston Anderson (Bytes Systems Integration), Neels Bester (Aberdare), Masechaba Noge (Bytes Document Solutions), Dominique Fox (Altech Autopage), Shayne Mitchel (Altech Autopage).

related medical schemes and retirement funds are recognised to which members may belong. It is a condition of employment that all employees belong to a medical aid.

Additional benefits provided by group operations include, at **ABB Powertech**, housing loans, personal loans for sickness and death, study loans, and an employees' children study grant, and at **Battery Group**, a housing subsidy for hourly paid employees.

Career endings

Where appropriate, employees who are ending their careers or are being made redundant, receive counselling from a qualified social worker on formal retirement planning. Through Alexander Forbes, the administrator of the Altron Pension Fund and Absa, the administrator of the Altron Provident Fund, the services of a financial planner are made available to guide and assist employees making correct and informed decisions in respect of retirement. In addition, **Aberdare** provides preferential opportunities for re-employment of retrenched employees, while both **Destra Power Matla** and **Battery Group** allocate funding towards the retraining of redundant employees.

Worker participation

Altron encourages employees to develop their full potential in a participative environment. Consultative structures, established with trade unions and other employee representatives in our operating companies, handle issues that affect employees directly and significantly and support constructive dialogue, information sharing and conflict resolution.

Cordial relations with organised labour were maintained during the review period and all matters brought to the table were concluded to the satisfaction of all parties.

TARGETS

Human resources

- Increase the number of black people in senior management positions throughout the group
- Increased spend on development of priority skills as identified and required in the various businesses and at a national level, as required by the codes
- The formalisation and implementation of performance and career development review systems, where these are not as yet in place
- Increasing the number of quantitative human resources performance indicators