

Our people

World-class technology is essential, but it's not just a technical exercise – people, Eskom employees and contractors and their combined human capital assets, form the lifeblood of the organisation.

Reliable electricity supply in Eskom is dependent on many factors, but mainly on people with the necessary expertise to research and design global practices, provide leadership and enable strategies, processes, systems and practices in the various functional areas of the business.

Eskom is in an extremely challenging but exciting phase of its 85-year existence. We are in a growth phase where major capital expansion projects are being planned and implemented. At the same time, we have to maintain production and ensure its reliability and availability. This offers individuals an opportunity to embark on a rewarding career in Eskom.

A vast array of technologies – from renewable energies to nuclear, gas, hydro and coal-fired power stations – form part of the opportunities individuals will have to contribute to the business.

As such, the organisation is facing major challenges in terms of key-skills planning, attraction, development and retention – given that major build projects are happening simultaneously in South Africa and everyone is sourcing the same skills-sets.

Eskom will continue to develop its employee value proposition to ensure it remains an employer of choice.

The human resources function engages the organisation as functional experts and business partners to ensure the attainment of strategic objectives. An important role is to monitor and measure critical factors relating to people management. A human resources sustainability index (HRSI) was established some years ago, measuring relevant areas that are also contracted into leadership performance compacts.

The areas of measurement and measurement criteria are reviewed on an annual basis to ensure applicability. These can be summarised as employee satisfaction, employee competence, equity and employee health and wellness categories.

The HRSI score for the past year was 82,3% (2007: 83,4%) against a target of 80,0%. The performance figure is lower than the previous year mainly due to an increase in staff resignations, an increase in days to fill vacancies, aggravated by the current national skills shortage, and a more challenging disability target. However, the performance does indicate that our human resources interventions are largely relevant and generally meet the needs of our people and organisation.

Eskom is a constantly evolving organisation that provides the lifeblood of our economy. We need the right people for the right job, and the right time is now. Every effort is being made to ensure that we employ and retain the skills needed to ensure a reliable electricity supply for generations to come.

Skills

Eskom's manpower numbers show a net growth of 2 208 over the reporting period. A combination of internal development, internal promotions, learner pipelining, external recruitment and contracting constitute the skills resourcing strategy. National and international recruitment expos were held during the year. The initial international focus has been on South Africans living abroad.

Given Eskom's formidable new build programme, additional recruitment practitioners have been appointed and trained. Long-term skills requirements have been determined in terms of critical workforce segments as well as core, critical and scarce skills. The recruitment section on the Eskom website (www.eskom.co.za) has been improved considerably to make it easy for job seekers to find opportunities in our organisation.

An integral part of retaining current staff and recruiting new people is establishing Eskom as an employer of choice. Key activities in this regard were:

- incentives: motivating people by looking at reward and recognition strategies. Where there is a shortage of core, critical or scarce skills, we will pay competitive salaries and fringe benefits and review the latest remuneration principles and practices

Eskom needs 1 431 core, critical and scarce skills for 2009 alone.

→ employee engagement: meaningful engagement through effective organisational communication and ensuring that people are given work that is challenging and motivating, while having a work/life balance

An annual performance bonus scheme is in place for all Eskom staff, excluding senior general managers and above. The scheme is governed by a predetermined set of rules and targets, which are approved annually by Exco. The actual performance of each employee is assessed at the end of the year and those employees who have achieved or exceeded their performance contracts are eligible to claim from the bonus pool relative to their performance, salary and grading.

The total bonus pool payable is determined by actual company performance relative to these targets. Performance measures include technical, people-related, customer, social and financial performance. Allocation of this bonus pool is based on division/department and individual performance.

2 958 additional core, critical and scarce skills need to be recruited or developed cumulatively over the next five years to replace losses and cater for Eskom's new build programme.

Cumulative projected additional core, critical and scarce skills requirements

	2009	2010	2011	2012	2013
Skills required (number)	1 431	1 712	2 054	2 465	2 958

Eskom is not unique: there is a general technical skills shortage in the global market. Given the global electricity expansion programmes, Eskom will continue to face a challenge in terms of skills. The likes of China and India are also competing for technical skills internationally.

We will continue international and national recruitment drives. However, resourcing options do not only include permanent employment. We are also seriously considering contracting in skills via agencies for specific projects. This also calls for more flexible remuneration packages.



We actively support the "take a girl child to work" initiative.

Training interventions

Training has always been a major focus area in Eskom – to such an extent that many outside organisations make use of our training facilities. We have 28 facilities with 244 training venues spread across South Africa, which can accommodate a maximum of 3 300 students. There are approximately 540 teaching staff with 153 instructors and in excess of 1 600 courses in Eskom's course catalogue.

These facilities, staff and programmes are used to support the development of new employees and of existing employees, in accordance with individual development plans, to ensure optimal performance in the work environment.

Eskom's total training investment per year

	Unit of measure	Actual 2008	Actual 2007
Total training costs	Rm	784,2	747,7

Furthermore, development plans have been established for critical and scarce skills to ensure appropriate succession management. Currently, for the purposes of knowledge transfer, we are also using the skills of highly experienced former and current employees. This includes involving the extremely valuable experience of Eskom pensioners in a formal mentorship programme.

Last year, Exco approved the implementation of an Eskom university. This resulted in the appointment of a university council consisting of managing directors and general managers. A chief learning officer was appointed as well as the university management team.

Performance review continued

The university will co-ordinate and integrate all learning throughout Eskom, focusing on business needs, and will cater for all facets of the learning value chain, covering strategy and planning, learning design and development, learning delivery, learning administration, as well as learning operations, supported by a quality management process. Four faculties have already been created.

The key focus will be on engineers and artisans for the future. We have 5 368 learners in the pipeline – 85% of them studying in engineering and technical fields. Once they have completed their training they will be absorbed into the business as engineers or graduates-in-training.

The Eskom Learning Institution (ELI) drives artisan and technician training and development across Eskom. ELI's role has become increasingly important, as the skills challenge continues to mount. In response, ELI has embraced e-learning and formed learning partnerships with various organisations, independent individuals and learning providers.

ELI responds to immediate learning needs within functional areas and to strategic imperatives such as Eskom's commitment to Asgisa and, specifically, the need for accelerated skills development and transfer to drive Eskom's new build and maintenance programmes.

Employment equity

	Unit of measure	Group			Company	
		Target 2008	Actual 2008	Actual 2007	Actual 2008	Actual 2007
Race:						
– Black ¹ staff at managerial ² level	%	61,1	65,9	62,5	66,4	63,0
– Black staff at all levels	%	n/a	73,7	71,0	74,5	71,8
Gender:						
– Women at managerial level	%	32,8	34,1	32,7	34,8	33,3
– Women at all levels	%	n/a	27,5	26,0	28,2	26,5
People with disabilities	%	2,9	3,1	2,7	3,3	2,8
Internal promotions						
– Black staff at all levels	%	n/a	79,1	75,9	78,6	76,5
– Women at all levels	%	n/a	36,0	35,9	37,7	36,8

¹ Black, Asian and coloured South Africans.

² Managers, professionals and supervisors – CU to F band on the Paterson grading; TASK grading 11 to 18 plus F Bands in Eskom.

Focus on leadership

As part of continually improving our leadership echelons, a leadership direction and support unit was created. The unit focuses on

- the accurate assessment of leadership performance
- proper selection and placement of leaders in the organisation
- assessment and development of leadership potential and capability
- developing leadership talent in the organisation

During the 2007/08 year, 1 592 managers and professionals were trained in the theory and application of Situational Leadership II. "Leading in Times of Crisis" e-learning material was developed and activated and a "Vision Dialogue Initiative" partly rolled out.

Diversity

Eskom continues to be a leader in driving employment equity, which has enabled us to achieve a staff complement that reflects South African diversity.

We will continue with the affirmative action drive, the promotion of women and the focus on employment equity for people living with disabilities, not because it is required of us by statute, but because we believe that it is the right thing to do. It is also a business imperative.

We have 5 368 learners in the pipeline of whom 85% study technical fields.

Highlights

- on 13 June 2007, in New York, Eskom was recognised by the Global Business Coalition (GBC), under the category "Counselling and Testing at the Workplace", for having one of the best models for the provision of voluntary counselling and testing (VCT) at the workplace and for having more than 50% of our employees knowing their HIV status
- the HR Shared Services unit has been visited by other organisations in the past year to learn from Eskom's experiences with the implementation of the unit, highlighting Eskom as a successful case study
- the occupational health and safety project commenced to establish occupational risk exposure profiles (OREPs) of employees within 12 high-risk job categories, such as live-line workers. We have started with performing risk assessments on all the 12 job categories. The next steps will be to confirm the man-job specifications, and to then review and conduct risk-based medical and psychological surveillance on all the employees within these job categories
- no man-hours were lost due to industrial action at Eskom in the last year. Good communication is a feature of the industrial relations environment. There are direct lines of communication with managers and professionals and consultation in the bargaining unit through recognised trade unions. Cosatu called for a public service solidarity strike in support of the public services unions wage demands, but this had no impact on Eskom. Eskom concluded a two-year salary and conditions of service agreement with trade unions during 2007. The next round of negotiations begins in May 2009
- the grading, assessment, and remuneration positioning project (GARP) was implemented with effect from 1 November 2007. GARP achieved the conversion of job evaluation in Eskom from the Paterson broadband system to the TASK (tuned assessment of skills and knowledge) system. This also involves a "close-to-market" approach in remuneration positioning

Refer to www.eskom.co.za/annreport08/044 for details of medical and health services.



Eskom's workforce remains highly committed during this challenging period.

Eskom staff turnover and age distribution

Company	Actual 2008	Actual 2007
Employees at start of year	30 746	29 697
Add: Recruitment	4 385	2 738
Less: Resignations	(1 370)	(1 050)
Deaths	(260)	(268)
Dismissals	(85)	(76)
Retirements	(447)	(309)
Other	(15)	14
Total employees at end of year	32 954	30 746
Employee turnover rate, %	6,9	5,9

Company	Actual 2008 %	Actual 2007 %
Age distribution of workforce – end of period		
18 – 20 years	0,05	0,01
20 – 29	19,35	15,90
30 – 39	25,60	24,20
40 – 49	28,40	33,10
50 – 59	23,50	23,80
Over 60	3,10	2,99