

## ***ATTRITION POLICY***

Vide Cabinet Conclusion No. 1025 of July 7, 2014, this policy is now in effect.

### **1.0 INTRODUCTION**

Over the years, successive governments have grappled with rising debt and increasing current account deficits. This problem has been compounded by the global financial crisis of 2008. The Government, like many others around the world, has been facing unprecedented challenges in meeting its financial obligations. In response to the severe fiscal pressure, Government not only has a responsibility to reduce its deficit spending, but to focus on its mission, evaluate its priorities and invest in those programmes and projects that lead to an improvement in public service.

At present, 70 cents of every dollar collected go to wages and pensions. The remaining 30 cents are spent on debt forcing Government to borrow to support social and development programmes for its citizens. This situation is unsustainable and must be addressed immediately. The reality is that Government must do more with less!

In an effort to reduce deficit spending, Government must utilise a mixture of sound cost-cutting measures that promote efficiency in public service delivery and reduce wastage without compromising the quality or viability of the service. To accomplish this, Government will employ an attrition strategy as one of its measures to reduce the wage bill, a major component of Government's expenditure.

## **2.0 POLICY STATEMENT**

Government will implement a strict attrition measure across the Public Service. When persons leave a job for any reason the filling of this position will not be automatic.

On average, for every ten (10) persons leaving the Public Service, if deemed necessary, no more than three (3) will be replaced. This ratio of 70:30 will be determined by which positions are essential to deliver the Government's strategic priorities and the mandates of Ministries/Departments. This ratio will be calculated on the entire employee population. Each Ministry/ Department's contribution may differ based on the pre-determined criteria set out hereunder. In other words, particular cases may warrant higher or lower attrition rates but the overall attrition rate must be achieved.

## **3.0 OBJECTIVES OF POLICY**

The objectives of this Policy are to:

- a. reduce expenditure on the wage bill thereby lowering the proportion of Government revenue spent on wages and pensions;
- b. raise the overall efficiency of the Public Service through the optimal deployment of its human resources;
- c. communicate and build a shared commitment to the implementation of this Policy among senior managers, public officers, public sector unions, the Public Service Commission and the general public; and
- d. provide an established point of reference for use in formulating, reviewing and updating any related policy and procedures.

#### **4.0 INTERPRETATION**

Attrition refers to a natural reduction in the number of employees over time. It occurs through voluntary or involuntary means including resignation, retirement, termination, expiry of contracts or death.

#### **5.0 APPLICABILITY**

This Policy applies to all Ministries and Departments within the Public Service. The Disciplined Forces (Police and Prison) are exempt.

It extends to all positions falling under both the Established and Un-established categories of employment and employment types (temporary, permanent, contract and the like).

#### **6.0 GUIDING CRITERIA**

In order to determine which position will be retained the following criteria must be satisfied:

- a. contributes to a priority area of Government;
- b. critical to the core functioning of the Ministry/ Department and has both high strategic and operational impact (Appendix 1.0); and/or
- c. is an essential revenue generating position and can pay for itself.

## **7.0 MANAGERIAL CONSIDERATIONS IN IMPLEMENTING POLICY**

Critical managerial decisions must be made to effectively implement this Policy:

- a. before any recruitment action is considered, all Ministries and Departments are to carefully and objectively analyse the vacant position and whether it really needs to be filled to meet their statutory requirements and other obligations;
- b. examine the specific function of this position and the direct impact it has on the core and essential operations of the Ministry/ Department (Appendix 1);
- c. determine the negative impact, if any, on essential or critical operations if position is suspended or abolished;
- d. establish if there is a strong need for the renewal of an expiring contract or temporary appointment. There should be no automatic renewals;
- e. set out what options will be explored to avoid retaining position; and
- f. consider retraining or retooling to meet the need of strategic priorities.

## **8.0 REQUIREMENTS FOR SUCCESSFUL IMPLEMENTATION OF POLICY**

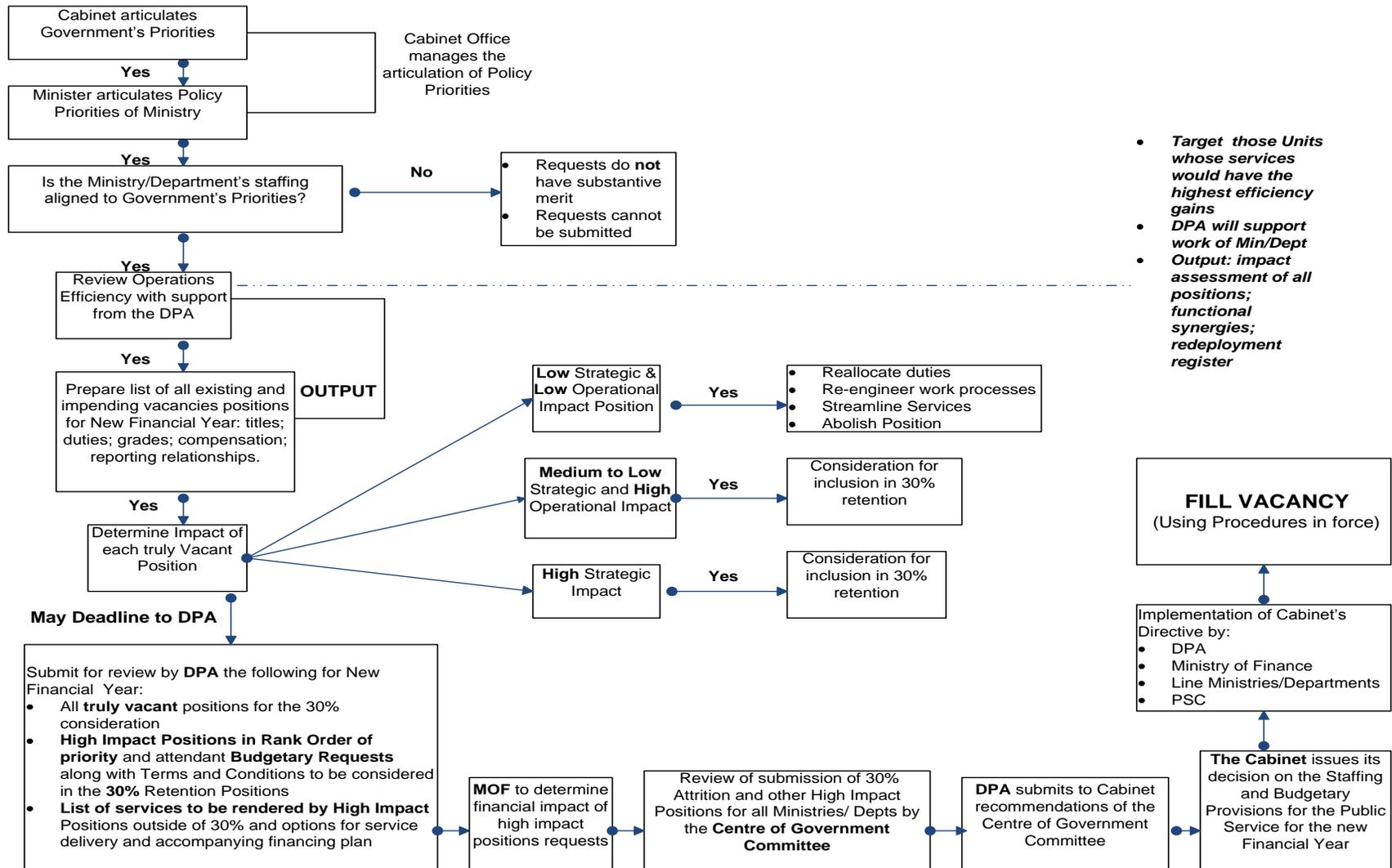
The implementation of this policy will not yield successful results unless it is supported by the following measures and actions:

- a. strategic and immediate abolition of at least 90% of all vacant positions commencing with those positions that have been vacant for one year or more with a focus on Government's priorities and the ability of Ministries/ Departments to preserve their critical capabilities;
- b. no new position will be permitted unless it could be set-off by another position or positions of equivalent monetary value elsewhere in the Ministry/Department;
- c. creating right job fit where the right person is selected for the right job;

- d. receiving commitment for the implementation of this Policy by senior managers, public officers, public sector unions, the Public Service Commission and the general public;
- e. setting and communicating smart performance targets and evaluating results both at the micro and macro levels;
- f. holding managers and all other officers and employees responsible accountable for their team and individual performance;
- g. developing a redeployment register of employees in low impact positions;
- h. strategic redeploying of workforce to maintain and improve the Government's ability to service the public from within the same Ministry/ Department or from another. This may call for creative human resource management initiatives including retraining and re-skilling existing staff to provide critical services.
- i. re-engineering work processes. This will involve some investing in information technology or training in relevant technologies to improve operations and provide critical services once provided by lost positions. Research shows that the ratio of secretarial/clerical positions to specialist/managerial positions is reducing resulting from the smart use of technology (Rein, 2014);
- j. enriching existing jobs;
- k. creating functional synergies;
- l. cost-effective outsourcing of some functions or tasks to external organisations;
- m. implementing Guidelines for Proper Management of Vacancies;
- n. implementing Criteria for the Proper Management of Un-established staff;
- o. engaging in open and honest dialogue with Public Sector Unions;
- p. frequent consultation among Public Service Commission, Cabinet Office and the Department of Public Administration;
- q. involving officers and employees in achieving the goals of this Policy;
- r. collecting and utilising timely and accurate data and information for manpower planning and forecasting; and

- s. adhering strictly to the provisions of this Policy and supporting Guidelines.

## 9.0 FLOW CHART: IMPLEMENTATION OF POLICY



## 10.0 RESPONSIBILITIES

Person/ Unit/ Division	Responsibility
Cabinet	<ol style="list-style-type: none"> <li>1. Approve this Policy or any proposed amendment.</li> <li>2. Adhere to the Provision of this Policy collectively and individually.</li> <li>3. Approve Staffing and Budgetary Provisions for a financial year.</li> </ol>
Public Service Commission (PSC)	<ol style="list-style-type: none"> <li>1. Facilitate the implementation of Government's policy.</li> <li>2. Consider and act on reports from Ministries/Departments on officers who have been in breach of the policy.</li> </ol>
Permanent Secretaries and Heads of Department, including the Chief Personnel Officer	<ol style="list-style-type: none"> <li>1. By way of circular, inform all Officers and employees in their respective Ministry/ Department of this Policy.</li> <li>2. Implement this Policy consistently.</li> <li>3. Provide the supporting mechanisms for implementation of Policy.</li> <li>4. Submit reports to the PSC where officers have been in breach of the Policy or institute disciplinary action against an officer/employee in breach of this Policy, as the case may be.</li> <li>5. Monitor and evaluate the impact of the Policy measures on the performance of their Ministry/ Department.</li> </ol>
Permanent Secretary, Ministry of Finance	<ol style="list-style-type: none"> <li>1. Monitor the application of this Policy to ensure compliance with the provisions and that it is being consistently applied.</li> <li>2. Monitor and evaluate the achievements against</li> </ol>

	<p>targets</p> <ol style="list-style-type: none"> <li>3. Evaluate the impact of the implementation of this Policy.</li> <li>4. Provide reports to Cabinet on the financial impact of the implementation of Policy and the achievements.</li> </ol>
Department of Public Administration	<ol style="list-style-type: none"> <li>1. Educate stakeholders on the provisions of this Policy.</li> <li>2. Facilitate the training of Line Managers/ Supervisors in relevant areas.</li> <li>3. Provide the supporting mechanisms for implementation of Policy.</li> <li>4. Monitor the implementation of this Policy and update as necessary.</li> <li>5. Monitor and evaluate the achievements against targets</li> <li>6. Monitor and evaluate the impact of the implementation of this Policy.</li> <li>7. Provide reports to Cabinet on the human resource impact of the implementation of Policy and achievement of targets.</li> </ol>
Officer responsible for Human Resource Management Function	<ol style="list-style-type: none"> <li>1. Educate stakeholders on the provisions of this Policy.</li> <li>2. Monitor the implementation of this Policy and report inconsistencies to the Permanent Secretary/ Head of Department, as necessary.</li> </ol>
All Line Managers and Supervisors	<ol style="list-style-type: none"> <li>1. Brief all members of staff on the provisions of this Policy.</li> <li>2. Apply this Policy in a consistent, fair and equitable manner.</li> </ol>

	<ol style="list-style-type: none"> <li>3. Provide the supporting mechanisms for implementation of Policy.</li> <li>4. Provide reports to the Permanent Secretary/ Head of Department on the impact of the implementation of Policy.</li> </ol>
Public Officers/Employees	<ol style="list-style-type: none"> <li>1. Comply with the requirements of this Policy.</li> <li>2. Comply with any lawful instruction given by his/her supervisor or Permanent Secretary/Head of Department, in support of this Policy.</li> </ol>

## **11.0 BREACH OF POLICY**

- a. Every officer/employee is required to comply fully with the provisions of this Policy. Any breach of this Policy by an officer or employee may result in disciplinary proceedings being instituted by the Public Service Commission, or a Permanent Secretary/ Head of Department or the Governor General, as the case may be.
- b. The Secretary to the Cabinet, Permanent Secretaries/Heads of Department including the Chief Personnel Officer will be personally liable for the due performance of their staff. The fact that these Managers did not personally do an act will not absolve them from any responsibility in this matter.
- c. All Managers/Supervisors are expected to exercise due diligence over their staff to ensure that they abide by the provisions set forth in this Policy. Failure to do so will be considered as failing to perform in a proper manner a duty imposed upon them or failure to comply with an official obligation.
- d. Where a person is employed outside of this Policy, that person's employment will be regarded as illegitimate and without legal authority. Any such illegitimate employment may be annulled by the responsible authority.
- e. An officer or employee responsible for such illegitimate engagement shall be considered as violating the provisions of this Policy and such behaviour shall warrant disciplinary action by the Public Service Commission or a Permanent Secretary or Governor General, as the case may be.
- f. Disciplinary action may result in penalties such as demotion or restitution to the Government for monies spent on salary payments and any allowances, or any other penalty in keeping with regulations in force from time to time.
- g. If a Ministry or Department fails to honour the deadline for submission of annual staffing requests to the Department of Public Administration, no consideration shall be given at a later date for any new staffing requests, even where funds can be made available.

## **12.0 MONITORING AND REVIEW OF POLICY**

This Policy will be reviewed and modified periodically by the Department of Public Administration in collaboration with the Ministry of Finance to ensure that it remains relevant.

### 13.0 FRAMEWORK FOR MONITORING IMPLEMENTATION

The Department of Public Administration (DPA) and the Ministry of Finance (MOF) have collective responsibility for monitoring different aspects of the implementation of this Policy. The Matrix below details the indicators that will be monitored.

Indicator (Monthly)	Baseline (as at)	Target (as at)	Result (as at )	Responsible Ministry/ Department	Requirements/Source of Information
1. Employment Numbers per Ministry/ Department				DPA	
2. Employment Numbers per category (Established and Unestablished)				DPA	
3. Employment Numbers per Employment Type (Permanent, Contract, Temporary, Daily Paid, Probationary and Acting)				DPA	
4. Number of Vacancies by Position Title				DPA	
5. Number of Positions by Title				DPA	
6. Wage bill (9.5% of GDP by 2016)				MOF	

## APPENDIX 1.0: IDENTIFYING HIGH IMPACT POSITIONS

Defining Characteristics	High Strategic Impact Positions	Medium to Low Strategic Impact, but High Operational Impact Positions	Low Strategic and Low Operational Impact Positions
<b>Critical Decision-Making Role</b>	<ul style="list-style-type: none"> <li>• Large influence on Ministry/Department's strategic success.</li> <li>• Problem-solving and decision making roles</li> </ul>	<ul style="list-style-type: none"> <li>• Has an indirect strategic impact and supports strategic positions</li> <li>• Specific processes or procedures are typically followed.</li> </ul>	<ul style="list-style-type: none"> <li>• May not be required for the Ministry/Department to function and has very little, if any, strategic impact.</li> <li>• Little discretion in work</li> </ul>
<b>Consequences of Abolishing Position</b>	<ul style="list-style-type: none"> <li>• Extremely costly to Ministry/Department</li> <li>• Inability of Ministry/Department to meet its strategic agenda and other obligations.</li> </ul>	<ul style="list-style-type: none"> <li>• Can hinder operations since it may be critical to operational excellence.</li> </ul>	<ul style="list-style-type: none"> <li>• Has little or no impact on operational or strategic success.</li> </ul>
<b>Consequences of Performance Errors</b>	<ul style="list-style-type: none"> <li>• May be very costly, especially if opportunities are missed.</li> </ul>	<ul style="list-style-type: none"> <li>• May be costly and can destroy value/reputation of Ministry/Department and Country.</li> </ul>	<ul style="list-style-type: none"> <li>• Not necessarily costly.</li> </ul>

<b>Consequences of Poor Hiring Decisions</b>	<ul style="list-style-type: none"> <li>• Significant expense in terms of lost training and other investment.</li> <li>• Work programme not achieved, resulting in tarnished reputation of Ministry/Department.</li> <li>• Employees are difficult to recruit and retain.</li> </ul>	<ul style="list-style-type: none"> <li>• Fairly easily remedied through hiring of replacement.</li> </ul>	<ul style="list-style-type: none"> <li>• Easily remedied through hiring of replacement.</li> </ul>
<b>Detecting Poor Performance</b>	<ul style="list-style-type: none"> <li>• Is immediately detected and cannot be tolerated.</li> </ul>	<ul style="list-style-type: none"> <li>• May be detected and tolerated overtime.</li> </ul>	<ul style="list-style-type: none"> <li>• Is not easily detected and poor performance is often tolerated.</li> </ul>
<b>Value Added</b>	<ul style="list-style-type: none"> <li>• Major revenue-enhancing or cost reducing impact.</li> <li>• Brings about positive transformation of operations.</li> <li>• Raises image and reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Performance beyond the acceptable standard has very little value addition.</li> <li>• More operational than transformational.</li> </ul>	<ul style="list-style-type: none"> <li>• Has little impact on value addition.</li> <li>• Has little discretion in work and procedures may be dictated by regulation.</li> <li>• Very little impact if any on operations and is not transformational.</li> </ul>

Source: Adapted from Becker, B., Huselid, R., and Beatty, W. (2009), "The Differentiated Workforce: Transforming Talent into Strategic Impact", *Harvard Business Review*, p. 60.

## 1. Definition of Terms:

- a. **Costly:** Used to describe monetary and non-monetary costs or losses. These may include loss of reputation and good image; loss of effectiveness; loss of efficiency and the like.
- b. **Hire Decisions:** Refer to recruitment and employment decisions, including the type of appointment issued.
- c. **Value Added:** Any contribution to a service perceived by customers as beneficial to them, as well as meeting expectations of citizens and elected officials in areas of efficiency, effectiveness, openness and accountability.

## 2. Ranking Position

A three-point scale should be used to rank the positions in order of impact to the Ministry/Department. Each defining characteristic (see Matrix above) should be valued using a scale from **1 to 3**. Each rating is defined below:

**1** = Low impact

**2** = Medium Impact

**3** = High impact

## REFERENCES

- Becker, B., Huselid, R., and Beatty, W. (2009), "The Differentiated Workforce: Transforming Talent into Strategic Impact", *Harvard Business Review*, p. 60.
- Rein, L (2014) 'As Federal Government evolves, its clerical workers edge toward extinction', *The Washington Position*, accessed January 17, 2014 [http://www.washingtonposition.com/politics/as-federal-government-evolves-its-clerical-workers-edge-toward-extinction/2014/01/14/ded78036-5eae-11e3-be07-006c776266ed\\_story.html](http://www.washingtonposition.com/politics/as-federal-government-evolves-its-clerical-workers-edge-toward-extinction/2014/01/14/ded78036-5eae-11e3-be07-006c776266ed_story.html)