

# **OPERATION STRUCTURE OF THE FUND**

## **(A PRESENTATION OF THE HUMAN RESOURCE AND ADMINISTRATION DEPARTMENT)**

### **1.0 INTRODUCTION**

#### **• MISSION STATEMENT FOR THE HUMAN RESOURCES AND ADMINISTRATION DEPARTMENT**

To support the Fund in fulfilling its mission by evolving coherent human resources & administration policies and implementing appropriate strategies and procedures

### **2.0 DEFINITION OF HUMAN RESOURCES MANAGEMENT**

• “HR Management (HRM) refers to the **Policies, Practices** and Systems that **Influence** employees’ **Behaviour, Attitudes** and **Performance**” (Noe, Hollenbeck, Gerhart & Wright (2003))

### **3.0 HR & ADMINISTRATION POLICY DOCUMENTS DEVELOPED**

- Recruitment and Selection Policy
- Administration Manual for Management and Non-Unionised Staff
- Disciplinary Policy and Grievance Procedures
- Staff Housing Scheme Policy and Procedures
- Human Resources Development Policy and Procedures
- Annual Corporate Training Plans and Strategies
- Guidelines to Performance Management
- Procurement Policy and Procedures
- Transport Policy and Procedures

### **HR & ADMINISTRATION POLICY DOCUMENTS STILL BEING DEVELOPED**

- Corporate values and ethics manual
- Staff Induction Manual
- Discipline, Appeals and Problem Solving at Work – Manager’s Guide
- Health or HIV/AIDS Policy and Procedures
- Contributory Medical Scheme Policy and Procedures
- Donations Policy and Procedures
- Review of Collective Agreement

## **4.0 STRATEGIC MANAGEMENT**

### **• THREE STRATEGIC QUESTIONS PRIOR TO THE DEVELOPMENT OF THE FIVE-YEAR STRATEGIC PLAN**

#### **o WHERE ARE WE NOW?**

SWOT and SLEPT analysis (in 2000)

#### **o WHERE DO WE WANT TO BE?**

Vision (2005)

\_Business positions management wanted to stake out

- **Financial** outcomes to achieve
- **Strategic** outcomes to achieve

#### **o HOW DO WE GET THERE?**

(The resources, policies, structures, systems and procedures etc we needed)

### **• DEVELOPMENT AND IMPLEMENTATION OF THE LASF FIVE-YEAR STRATEGIC PLAN**

It is argued that there are basically five variables which influence the success of strategy implementation

- Organisational Structure
- Types of Information (winning attitude)
- Task Design
- Selection, Training and Development
- Reward Systems

### **A. NEW ORGANISATION STRUCTURE**

+ Management acknowledged the fact that, the organization structure that existed prior to 2000 was not very effective in enabling the Fund meet its day to day operational requirements and achieve new developments and reforms in economy.

+ Similar organisations in the country had streamlined the functions of the treasury and pension administration in their structures aimed at improving efficiency.

#### **o Old Organisation Structure**

The breakdown of labour strength under the old structure was as follows:

Executive 03  
Accounts dept 20  
Human Resources 03  
General Administration 12  
Internal Audit 05  
Estates 14

o New **Organisation Structure**

Management, therefore, embarked on the exercise to review the Fund's organisation structure aimed at strengthening internal controls, having clearly defined separation of responsibilities to promote accountability for functions performed and established of the operations departments to manage the core business of the Fund.

In terms of organisation and staffing the key changes which have taken place to achieve the intended objectives include:

i. Right-sizing the organisation in order to efficiently discharge its functions

Directors/Executive 03  
Finance 11  
Pensions Administration 12  
Human Resources & Admin. 21  
Legal Services 01  
Internal Audit 03  
Public Relations  
Information Technology 03

ii. Flattening organisation structure and ensuring that it is supported with Administrative Systems and new technology leading to:

> Quicker decisions  
Reduction in red tape

iii. Defining job requirements for all employees

> New Role Profiles (job descriptions)

> Design grading and pay systems that are relevant to the organisation outside of the constraints of Central Government Human Resource policies and hierarchies.

**o SEPARATIONS AND ENGAGEMENTS 2000 - 2004**

<b>Department</b>	<b>Separations</b>	<b>Engagements</b>
Executive	3	1
Finance	6	6
Pensions Administration	-	3
Human Resources & Administration	6	10
Internal Audit	-	1
Public Relations	-	1
Legal	-	1
Information Technology	2	1
<b>Totals</b>	<b>17</b>	<b>24</b>

**B. HUMAN RESOURCES TRAINING AND DEVELOPMENT**

•• The rapid changes and great competitions in the pension business environment demand that the strategies to be implemented in staff training and development must be effective and efficient

> The Fund faces enormous challenges to achieve mission.

•• Management has resolved to be

> Target oriented in staff training and development

> Innovative and

> Make decisions that meet the complex and changing business environment

o **STATUS OF TRAINING ACTIVITIES 2000**

<b>Programme</b>	<b>Full Time</b>	<b>Part-Time</b>	<b>Total</b>
ACCA	1	1	2
ATD	-	1	1
CIMA	-	1	1
IMIS	2	1	3
DFA	1	-	1
Diploma in Electronics	1	-	1
Total No. of Employees studying	5	4	9

o **STATUS OF TRAINING ACTIVITIES -2004**

<b>Programme</b>	<b>Full Time</b>	<b>Part-Time</b>	<b>Total</b>
ACCA	-	7	7
MBA	-	3	3
CIMA	-	2	2
IMIS	-	3	3
Diploma in HRM	-	1	1
Ass. of Corporate Treasurers	-	1	1
Diploma in Purchasing	-	1	1
Principles of Law (Advanced)	-	1	1

ICSA		1	1
Project Management		1	1
Certificate in Public Relations		1	1
<b>Total No. of Employees studying</b>		22	22

## o OBJECTIVES OF TRAINING ACTIVITIES

+ Promoting and investing in continuous learning of staff with specific knowledge and skills.

- The Fund is committed to differentiate its market through its Human Resources.
- The Fund is Confident of gaining a strong competitive advantage through having better-trained staff.
- Better trained staff in the Fund are expected to exhibit these six important characteristics:

**i. Competence:** they possess the required skill and knowledge

**ii. Courtesy:** they are friendly, respectful and considerate.

**iii. Credibility:** they are trustworthy.

**iv. Reliability:** they perform the service accurately and consistently.

**v. Responsiveness:** they respond quickly to customers' requests and problems.

**vi. Communication:** they make an effort to understand the customer and communicate clearly.

## o APPROACHES TO HR TRAINING AND DEVELOPMENT

+ Programmes to bring the Fund's members of staff to the right level of competence with regard to pension management have been designed.

+ Acquisition of pension management skills is matter of priority for management.

+ In order to contain costs related to staff training and development, the upgrading of staff skills and knowledge is done through:

### 1. In-house workshop for all categories of staff in the following areas:

- > Customer care
- > Record management
- Supervisory skills
- Management development skills
- > Computer appreciation/skills, etc

## **2 Attendance of International Conferences and training courses organised by:**

- > World Bank
- > International Social Security Association (ISSA)
- > International Labour Organisation (ILO)
- > Other relevant Conferences and Meetings

## **3. Attachments to well established pension schemes in English- Speaking African countries.**

### **C. EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM**

- In line with the five-year strategic plan, Management has made tremendous progress in its efforts to establish systems and work process that will ensure that employees' activities and output are congruent with the Fund's set goals;
- In response to major challenges posed by the pensions business environment, Management developed an all inclusive performance management system to enable it manage the behaviour and results of all employees.
- The new system:
  - o defines standards of performance for each employee
  - o measures performance for each employee
  - o feeds back performance information to each employee
- The strategic purpose of the system is to link employee activities with the Fund's goals as set out the Strategic plan
- The system is also assisting Management to establish and communicate its corporate culture and values following the liberalization of the pension industry
- Management is using the system in many administrative decision such as salary administration, promotions, retention, termination and recognition of individual performance
- Through the feed back to be given during the performance evaluation

process which will pinpoint the employee's weaknesses, the system will seek to help employees not performing well to improve performance

#### **4.0 CONCLUSION**

- + In the rapidly changing world of work, the management of human resources is crucial to the success of any business.
- + The human dimension of competitiveness has, therefore, become a key success factor in modern economies of the world.
- + In order for LASF to maintain and gain its market share in the pension industry, Management has put in place policies, practices and systems that continue to influence employees' behaviour, attitudes and performance
  
- > The objective of the reform programme is to make the Fund operate more efficiently
- > Management is confident that with the continued support and guidance of the Fund's Governing Board, the Fund will be transformed into a better scheme which will meet the needs of its members efficiently and effectively.