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ORGANISATIONAL DEVELOPMENT POLICY

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The signatories hereof, confirm acceptance of the contents, recommendation, and adoption hereof.

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INDEX

1.	DEFINITIONS AND ACRONYMS.....	4
2.	PREAMBLE.....	5
3.	PURPOSE.....	5
4.	OBJECTIVES.....	5
5.	SCOPE.....	6
6.	DETERMINATION OF STAFF ESTABLISHMENT	6
7.	OVERALL GUIDING PRINCIPLES FOR REVIEW OF STAFF ESTABLISHMENT.....	7
8.	ORGANISATION DESIGN MAIN FUNCTIONS	7
9.	DEVELOPMENT, REVIEW AND AMMENDMENT TO THE ORGANISATIONAL STRUCTURE.....	7
10.	CREATION OF NEW PERMANENT POSITIONS/ ADDITIONAL POSITIONS ...	8
11.	ABOLISHING EXISTING PERMANENT POSITIONS.....	9
12.	LEGISLATIVE AND REGULATORY FRAMEWORK	9
13.	STAKEHOLDER ENGAGEMENT.....	10
14.	IMPLEMENTATION: ROLES AND RESPONSIBILITIES.....	10
15.	MONITORING, EVALUATION AND REPORTING	10
16.	CONCLUSION	11
17.	REVISION DATE.....	11
18.	ANNEXURES	11

1. DEFINITIONS AND ACRONYMS

1.1 Statutory and Regulatory

This Procedure applies to the following meanings and interpretations:

#	TERM	DESCRIPTION
1.1	Job description	mean a description of the content and duties of a post in terms of criteria and guidelines determined
1.2	Job evaluation	Means the systematic process of assessing the job content and ranking jobs according to a consistent set of job characteristics to create a job worth hierarchy that determines and illustrates where each job fits in the municipality relative to other jobs in the municipality
1.3	Staff establishment	Means the approved jobs and number of posts created for the normal and regular requirements of a municipality, also referred to as the organisational structure or organogram
1.4	Organisational Structure	Means a system that determines how specific activities are carried out, coordinated and supervised within an organisation.

1.2 ACRONYMS

#	TERM	DESCRIPTION
2.1	IDP	Integrated Development Plan
2.2	SALGBC	Sout African Local Bargaining Council
2.3	LLF	Local Labour Forum
2.4	MFMA	Municipal Finance Management Act
2.5	TLM	Thulamela Local Municipality

2. PREAMBLE

- 2.1 The municipality should provide value adding service delivery to the community, it is essential that effective organizational structure that drives the implementation of the IDP should be developed.
- 2.2 Within this backdrop the municipality should embark on a process of reviewing all its components with the aim of developing strategies and plans that will lead to improvement of service delivery to an optimum level and build an organisation that is completely responsive to needs of the citizens.
- 2.3 Optimal efficiency of the policy is to encourage Thulamela Local Municipality to design and align the organizational structure wherein the beginning of the 5-year cycle is carefully mapped with priorities and co-dependencies. On that note, an exercise in zero-based budgeting with mechanism to monitor operational budget and operational requirements can be conducted which can then be reviewed for effectiveness, adaptations, and necessary changes to ensure this policy and its processes remains responsive.
- 2.4 All departments within the municipality must be encouraged to look for opportunities of income/revenue generation to become the key enabler of transversal management in the organisation. Organisational priorities must mirror the service level offerings and standards while minimizing support functions.

3. PURPOSE

- 3.1 The purpose of this policy is to outline the guidelines and framework of the organisational development initiatives within the municipality which will enhance overall performance of the municipality.

4. OBJECTIVES

The Objective of this policy is to:

- 4.1 Provide a framework for ensuring an objective organisation structural design, development of Job description, workflow improvement and re-engineering of business process.
- 4.2 Serve as a mechanism that will support the designing, reviewing, implementation and maintenance of the organisational structure in the institution provide for organizational

structure review procedures that will assist the municipality with decision-making to avoid unnecessary delays.

- 4.3 Advance towards integrated and coordinated planning by ensuring linkages and proper alignment of structures between various levels of the municipality.
- 4.4 To define a methodology for managing structural design that addresses the uniqueness of the service delivery needs (work-study investigations, business process re-engineering/management, business process mapping, staffing norms.
- 4.5 To compel collaborative working of line functions with a view to amending conflicting or duplication of functions and minimize silo-based mentality.
- 4.6 To ensure that on-going human resource development within the municipality enables innovation and improved performance.

5. SCOPE

- 5.1 The policy applies to all employees of the municipality as regulated by South African Local Government Bargaining Council (SALGBC) i.e permanent and contract employees.

6. DETERMINATION OF STAFF ESTABLISHMENT

- 6.1 The organisation design metrics with the four key dimensions of the organisation design as set out in the table below must be applied by a municipality when determining the staff establishment

Table 1: OD Metrics

Dimension	Category C
Structural layers	• Five to Six (5-6) layers
Structural shape	• Strategic: 1% • Managerial: 5% - 15% • Specialist: 30% - 55% • Operational: 15% - 30%

Span of control	• Municipal Manager: 6 - 8 • Directors/HOD: 5 - 6 • Divisional Managers: 4 – 5 • Managers: 4 – 5 • Supervisors: 9 – 12
Core to support employee ratio	• Core to support employee ratio of 70:30. The ratio is based on actual headcount and not number of roles.

7. OVERALL GUIDING PRINCIPLES FOR REVIEW OF STAFF ESTABLISHMENT

7.1 In reviewing the staff establishment of the municipality, the municipal manager should look for opportunities to:

- 7.1.1 Remove redundant management layers and, where necessary, increase span of control;
- 7.1.2 Create posts that explicitly define and streamline roles and responsibilities;
- 7.1.3 Reduce duplication of activities, especially administrative support functions;
- 7.1.4 Defer ad hoc requests for creation of posts, unless appealing reasons exist;
- 7.1.5 Eliminate non-value added or waste activities;
- 7.1.6 Improve the way the municipality operates across functions and business units.

8. ORGANISATION DESIGN MAIN FUNCTIONS

- 8.1 To work organization and structural designs by undertaking proactive and reactive investigations, maintaining the structure, monitor and evaluate the implementation and effectiveness of the structure.
- 8.2 Improvement of workflow, work process and procedures by analyzing and improving existing work processes and procedures, re-designing forms and conducting investigation on the efficiency of office allocation.

9. DEVELOPMENT, REVIEW AND AMMENDMENT TO THE ORGANISATIONAL STRUCTURE

- 9.1 The municipal manager must develop a staff establishment for the municipality and submit to council for approval in terms on the Municipal Systems Act 32 of 2000).

9.2 A Municipal Manager must review its staff establishment under the following conditions:

9.2.1 After election of a new council;

9.2.2 Adoption of a Municipal IDP; or

9.2.3 When there are changes to the boundaries of a Municipality or its functions.

9.3 Organizational Structure (organogram) will include filled positions and vacant budgeted positions, unbudgeted proposed positions must be excluded to avoid high vacancy rate and bloating of organizational structure.

9.4 The Municipal Manager must, as soon as he/she has finalized the organizational structure of the municipality, or effected any changes to the structure by submitting:

9.4.1. Presentation by the Departments to the Municipal Manager & Corporate Services as Secretariat.

9.4.2. Top Management and Local Labour Forum (LLF) for consultation.

9.4.3. Proposal for consultation to the Portfolio Committee.

9.4.4. Proposal to Executive Committee for recommendation.

9.4.5. Proposal to the Council for approval.

9.5 Municipal Manager shall in terms of Section 66 of the Local Government: Municipal Systems Act, 2000 (Act No 32 of 2000 as amended) ensure that there is a job description for each post on the staff establishment of the municipality.

10. CREATION OF NEW PERMANENT POSITIONS/ ADDITIONAL POSITIONS

10.1 Head of Department wishing to create new permanent position in his/her department must submit a written application to the Senior Manager: Corporate Services for determination and the approval of Municipal Manager.

10.2 An application for creating a new permanent position or additional position must contain the following information:

10.2.1. Clear Job Description detailing more than three (3) core functions of the proposed position in accordance with the TASK job evaluation system.

10.2.2. The need for the post:

10.2.3. The alternative solutions that were considered for performing the proposed functions allocated to the position including reorganization of work rather than creating the position.

10.2.4. The reasons why each of the alternatives have been rejected.

10.2.5. If provision in the budget has been made for the proposed position.

10.3 Any application for proposed position or additional position that does not meet requirements stipulated in Section 43.2 above will not be accepted and new/additional position will not be created/added to the municipality proposed organizational structure.

11. ABOLISHING EXISTING PERMANENT POSITIONS

11.1 Head of Department wishing to abolish an existing permanent position in his/her department must submit a written application to the Senior Manager: Corporate Services and to the Manager responsible for Human Resources development to investigate and provide recommendation to the Municipal Manager.

11.2 An application regarding the abolishing of an existing position must state.

11.2.1. The reasons for abolishing the position.

11.2.2. Measures that must be taken to ensure that functions relating to the position would continue to be performed, if necessary.

11.3 No filled position will be abolished, only vacant position/s will be abolished in terms of clause 11.1 above.

12. LEGISLATIVE AND REGULATORY FRAMEWORK

12.1 The Constitution of the Republic of South Africa, 1996

12.2 The White Paper on Transforming Public Service Delivery (Batho-Pele) (1997)

- 12.3 The Municipal Systems Act, 2000 (Act 32 of 2000)
- 12.4 Municipal Finance Management Act, 2003 (Act 56 of 2003)
- 12.5 MFMA Circular No. 13 – Service delivery budget implementation plan.
- 12.6 Municipal Performance Regulation for Municipal Managers and Managers directly accountable to MM's (R805, Aug 2006)
- 12.7 Municipal Planning and Performance Management Regulations (R796, Aug 2001)
- 12.8 Local Government: Regulations on appointment and conditions of employment of senior managers (R21, Jan 2014)
- 12.9 Framework for Managing Programme Performance Information (2007)

13. STAKEHOLDER ENGAGEMENT

- 13.1 All the relevant stakeholders internal and external will be consulted through the development and implementation of this policy.

14. IMPLEMENTATION: ROLES AND RESPONSIBILITIES

14.1 MUNICIPAL MANAGER

- 14.1.1. Ensure oversees execution of the policy as the Accounting Officer

14.2 SENIOR MANAGER: CORPORATE SERVICE

- 14.2.1. Ensures compliance with the policy.

14.3 MANAGER: HR

- 14.3.1. Ensure implementation of the policy.

14.4 ORGANISATIONAL DEVELOPMENT OFFICER

- 14.4.1 Ensure that the Organisational Development policy is updated.

15. MONITORING, EVALUATION AND REPORTING

- 15.1 On a continuous basis this policy will be accessed to determine its relevance and effectiveness and to assess whether it has achieved the intended objectives.

15.2 All jobs in a Municipality must be graded through a job evaluation process (JE System).

15.3 Jobs must be evaluated-

15.3.1. Upon completion of the review of the staff establishment.

15.3.2. Within six months of material changes to the job content or job requirement;

15.3.3. before a new post is filled.

15.4 A detailed job description needs to be available before initiating the process of job evaluation.

15.5 Job evaluation must be conducted based on actual and current activities of the job and not on future projections.

16. CONCLUSION

16.1 In conclusion, the Organizational Development Policy outlines critical matters raised in the purpose and the objectives. The provisions in the policy contents highlights the need for municipality to adhere to the key issues narrated which will address challenges encountered and lead to effective and efficient implementation of the policy.

16.2 Thulamela Local Municipality commits to make resources available, monitor and evaluate the effectiveness of the policy, thus encouraging all relevant stakeholders to familiarise themselves with the policy.

17. REVISION DATE

17.1 This policy shall be reviewed after 3 years or as on when the needs arise.

18. ANNEXURES

18.1 Business process map

18.2 Standard operating procedures