

Labour productivity strategies for sustainable mining in Zimbabwe

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1. Presentation Focus in Brief

My talk seeks to look at people factors that impact on labour productivity improvement. I will not focus a specific case studies but will look at labour productivity improvement from an applied perspective and where possible comparison with other mining ventures outside Zimbabwe shall be made.



2. Introduction

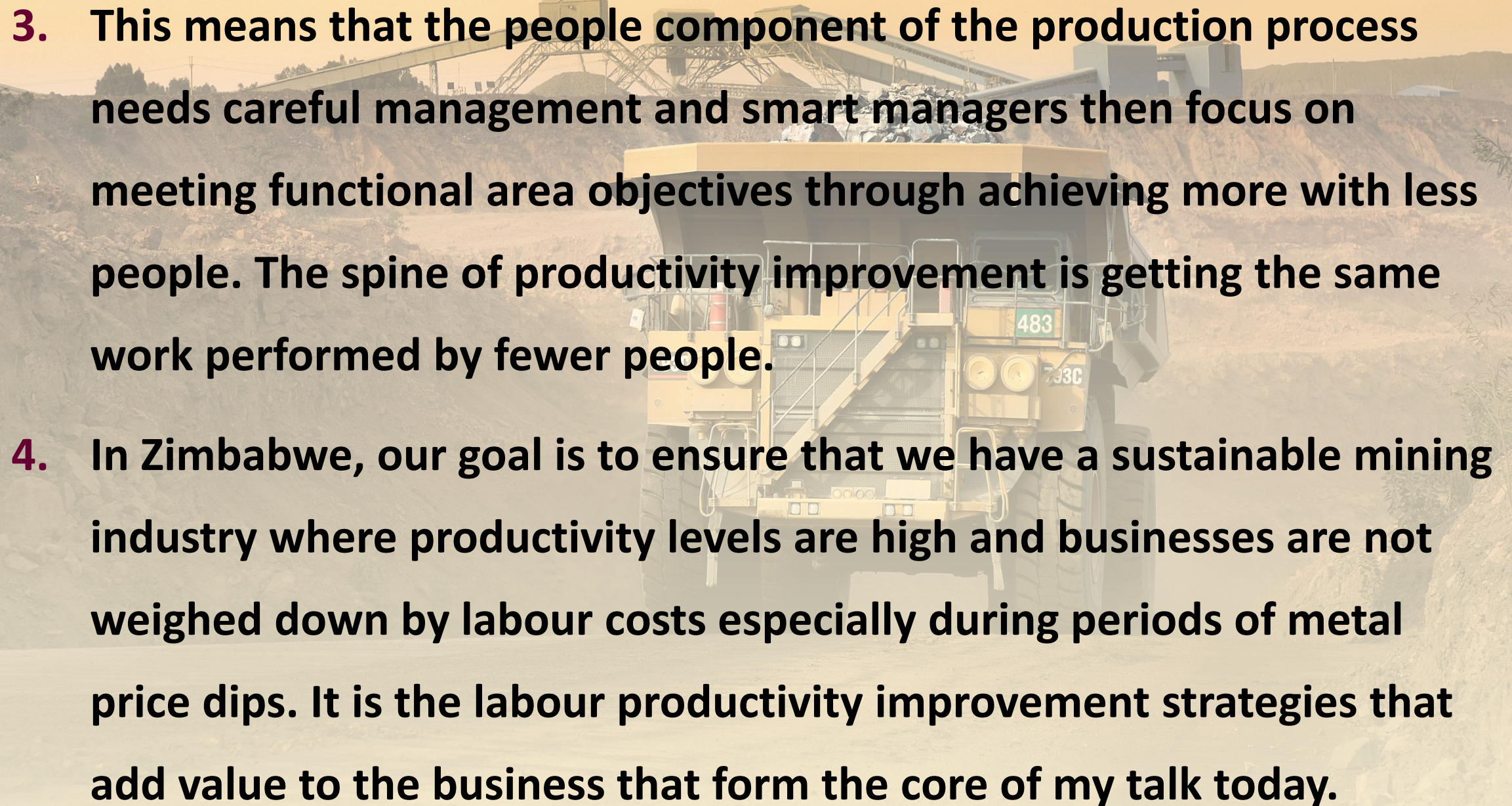
While lack of accurate data on labour productivity in Zimbabwe is our worst enemy, it is estimated that operating costs for most underground mines in the world, labour costs range between 40 and 60% meaning that Zimbabwe also falls within that range. For open pits, the percentage is much lower due to the nature of mining and generally higher levels of mechanisation.



The mining environment and productivity

- a) It is an industry that is “notoriously conservative” when it comes to innovation thus loosing out on performance improvement**
- b) It is an industry that has serious skill shortages in some disciplines caused by globalization and rapid technological changes that are not matched by human capital development.**



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- 3. This means that the people component of the production process needs careful management and smart managers then focus on meeting functional area objectives through achieving more with less people. The spine of productivity improvement is getting the same work performed by fewer people.**
- 4. In Zimbabwe, our goal is to ensure that we have a sustainable mining industry where productivity levels are high and businesses are not weighed down by labour costs especially during periods of metal price dips. It is the labour productivity improvement strategies that add value to the business that form the core of my talk today.**

3. Warming Human Resources Benches

In one mine there are three benches outside the human resources offices and at any given time there are 10 to 15 workers waiting to be served by the HR staff. On a few occasions, supervisors stop outside HR offices and ask their subordinates why they are visiting the Human Resources department. A few supervisors would follow subordinates and order them to go back to their work stations. At the end of the month when hours spent in human resources are aggregated theoretically approximately 23 workers are paid to sit outside the human resources department offices every month.



- 1. Why should your people visit the human resources department without your knowledge and/ or instruction?**
 - 2. When your people go to human resources without your knowledge or permission they are saying; “boss as far as this issue is concerned, you are useless.”**
 - 3. What effect does this have on productivity?**
 - 4. Can it be arrested?**
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4. How strong are core institutions?

1. Does the chamber of mines thread labour productivity into the strategic plan?
2. Is the NEC capacitated to create the necessary framework for labour productivity improvements via productivity improvement focused CBAs?
3. The NEC being a body made of equal-unequal partners, is the union not being bullied to a level where workers lose faith in it to an extent that workers seek refuge in anything they think will give them job security in the process collapsing the foundation required for a stable mining industry base from where productivity improvement can be driven.



5. How well threaded into the organisation's strategic plan are labour productivity matters.

- 1. Are there clear robust employee training and development programmes whose impact can be objectively evaluated?**
- 2. Are policies and procedures known and productivity improvement focused?**
- 3. Are standard operating procedures clear and known to employees?**
- 4. Is the performance management programme adding value or its one of the boss's "pet-programmes"?**
- 5. Are bonus and incentive programmes productivity improvement drivers.**



6. The great human capital question

1. Does your skills mix talk to the strategic plan and do workers understand it and have they committed to make it succeed ?
2. Have you given the workers the tools to meet set productivity targets?
3. IS your human capital acquisition method effective or it just adds more passengers?
4. Does your skills development plan talk the to strategic direction of the organisation and challenges outside in terms of labour productivity improvement. – Will the skills you have cope with change?

The toolkit of labour productivity strategies for sustainable mining in Zimbabwe.



7. The toolkit starts with dealing with problem children such as:

1. Late starts and getting to worksites after scheduled starting time.
2. Unauthorised breaks
3. Unauthorised abandoning of worksites.
4. Authorised breaks that eat into working time.
5. In-mine travel for various reasons.
6. Early knocking off.



8. Productivity improvement drivers (It starts and falls with the supervisor)

Well trained managers in areas such as:-

1. Team leadership
2. Team participation
3. Follow up skills
4. Coaching skills
5. Analytic skills
6. Decision making skills
7. Negotiation skills
8. Discipline handling skills
9. Grievance handling skills
10. Motivation skills
11. Meetings management skills.
12. Record keeping skills
13. Work management
14. Others



8.2 Aggressive bonus and incentive schemes

The schemes must be able to:-

1. Drive workers to work to set standards.
2. Push all to attend work daily and work while keeping time.
3. Drive cost containment.
4. There must be something in it for the individual workers.
5. Must not reward those not at work for whatever reason.
6. Must be transparent.
7. Must be able to survive legal scrutiny.



8.3 Above all the bonus and incentive schemes must be:

1. Capable of easy communication and understanding by workers.
2. Must not reward free riders
3. Must be sensitive to departmental disparities
4. Capable of modification to meet changed circumstances on the ground.
5. Capable of being withdrawn or replaced if it ceases to add value



9. Executive team productivity improvement drivers

1. Have contracts linked to productivity improvement
 2. Have project completion bonuses in place
 3. Have cost containment bonuses in place.
 4. Can use profit sharing or other gain sharing programmes.
 5. Others
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10. Crafting productivity improvement programmes.

- 1. There is no one size fit all in productivity improvement programme, they are crafted to specifically meet needs of each organisation and some are organisation wide, others are department wide others are individual focused**
- 2. For success of productivity improvement programmes they must sit on a solid foundation and all enabling forces must come to the party.**

**Ladies and gentlemen, in the time allocated these are the main pillars
of labour productivity improvement.**



THANK YOU

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