

Looking ahead

As we formalise talent management structures across the group, we aim to retain the empowering culture that has benefitted Imperial in the past, and is derived from the entrepreneurial origins of the group.

With the talent management process for the Executive Forum members almost fully embedded, the second phase of the process will shift focus to our next level of leaders, with the aim of accelerating black candidates into senior roles.

The implementation of effective integrated people practices will require upfront expenditure however will achieve staff cost and efficiencies savings over the next three to five years. Once comprehensive job profiling is complete, we will implement a consistent and clearly defined performance management

framework across the group, which will assess the technical and behavioural performance of employees, enable effective goal-setting and identify where learning and development interventions are required. Annual salary benchmarking will also be conducted across the group.

Our people data reporting capability is expected to improve, facilitating strategic workforce planning and talent decisions, as well as the ability to track, manage and report employee-related cost and investment.

Strategic workforce planning will enable us to implement recruitment initiatives such as graduate programmes, school leaver bursaries, and vacation work to target and attract the required skill in a market where demand for skilled labour far exceeds supply. Not only will this help us to build skills within the group, but enhanced brand positioning as a multinational organisation that offers developmental opportunities will also contribute to Imperial’s attractiveness as an employer of choice.

PROMOTING WORKFORCE DIVERSITY

With 74% of our employees located in South Africa, it is imperative that our workforce increasingly reflects the demographics of the talent pools we select our employees from, as this enables us to understand the diverse needs of our domestic market.

OUR APPROACH

<p>ORGANISATIONAL EFFECTIVENESS FRAMEWORK</p> 	<p>As we have grown through the acquisition of generally white-owned businesses, our employment equity performance is impacted by the rate of employee attrition. To sustainably achieve our transformation objectives, our Organisational Effectiveness Framework will focus on promoting talented black employees into management positions when these positions become available. Based on the demographics of a particular skill set in the market, we give preference to black candidates when recruiting externally.</p>
<p>EMPLOYMENT EQUITY TARGETS</p> 	<p>Employment equity plans for each division set out employment equity targets and the initiatives in place to meet these targets. Performance against annual employment equity targets is monitored by divisional transformation committees and at group level by the social, ethics and sustainability committee.</p>
<p>GENDER FOCUS IN GERMANY</p> 	<p>A key focus for Logistics International is to voluntarily increase the quota of women representation at senior level.</p>
<p>EXECUTIVE AND SENIOR MANAGER PERFORMANCE INCENTIVES</p> 	<p>Growth in black representation at senior and middle management level is linked to the performance and remuneration incentives of South African-based executive and senior managers. For Logistics International, gender diversity is linked to performance and remuneration incentives.</p>

Our performance

Turnover at senior management level is low with senior leaders having deep specialisation in their areas of business. During the year, we completed a review of our employment equity practices in South Africa and are addressing gaps identified in our target setting process and external recruitment. The actions taken in response to the review have informed the broader talent management initiatives discussed on page 4.

At June 2016, black representation at top and senior management levels was 19,4% (2015: 17,5%) and 24,3% (2015: 21,2%) respectively. Women representation in the South African operation was 16,5% (2015: 18,3%) and 20,8% (2015: 21,0%) at top and senior management respectively. In Germany, one executive member out of 22 executives at Logistics International is a woman and female representation at senior level is 10%.

 More information on our transformation progress in South Africa can be found on page 5 of the demonstrating social value section, and at divisional level in the Logistics and Vehicles sections.

Employment equity in South Africa

Occupational levels	Male				Female				Foreign nationals		Total	
	A	C	I	W	A	C	I	W	Male	Female	2016	2015
PERMANENT EMPLOYEES												
Top management	4	1	6	74	1	4	4	6	1	2	103	120
Senior management	30	9	45	321	13	5	23	66	2	0	514	529
Professional specialist/ mid-management	246	188	303	1 319	170	115	156	797	12	10	3 316	3 330
Skilled junior management	2 366	967	800	2 398	1 015	417	273	1 319	72	14	9 641	9 627
Semi-skilled	9 909	1 742	599	784	2 685	849	389	1 090	89	15	18 151	17 501
Unskilled	3 828	521	66	57	1 005	118	7	37	34	6	5 679	6 069
Total permanent employees	16 383	3 428	1 819	4 953	4 889	1 508	852	3 315	210	47	37 404	37 176
Non-permanent employees	118	29	19	42	86	18	7	27	0	0	346	478
Total	16 501	3 457	1 838	4 995	4 975	1 526	859	3 342	210	47	37 750	37 654¹

A = African, C = Coloured, I = Indian, W = White
¹ Total number of employees in South Africa.

TRAINING AND DEVELOPMENT

We operate in complex environments which place increasing demands on our employees. In addition, the lack of job opportunities in South Africa means that young people are not able to acquire employable skills, creating a skills shortage. These factors require that we focus on the continuous development of our people to ensure that we are able to meet our business objectives.

OUR APPROACH

EMPLOYEE ASSESSMENTS



As part of the performance management process, employees are assessed by the Imperial Psychometric Assessment Centre for developmental and promotional purposes. The assessment process will be revised going forward to align to the Organisational Effectiveness Framework.

TRAINING FACILITIES AND DEVELOPMENT PROGRAMMES



Together with interactions between our leaders and the human resources function, employee assessments enable us to introduce focused and relevant programmes, and on-the-job training that meets skills gaps in areas ranging from technical training through to executive development. A variety of learning techniques are used to ensure that learning is delivered effectively.

Our Management Development and Dealership Management programmes support the promotion of employees into middle management. Newly appointed middle managers are supported in their new roles through orientation and personal mastery programmes delivered by accredited providers of education. The development of senior managers and executives is delivered through the University of Cape Town’s business school.

The group operates three academies: The Imperial Logistics Academy; and in the Vehicles division, the Imperial Technical Training Academy (the largest provider of automotive technical trades training in South Africa) and the Imperial Retail Academy.

 *Training interventions specific to each division are set out in more detail in the Logistics and Vehicles sections.*