

Provision of Skilled Services to the SAAF

Presented to the
Parliamentary Committee on Defence

8 Oct 2013

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Introduction

- Adverse FY2010/11 AG audit opinion
- AMG contract did not conform to current governing framework
- Terminated on 31 March 2013
- DOD concluded an interim Skilled Services Agreement (SSA) with Denel to mitigate the effects of an abrupt termination
- Retained critical and scarce skilled services (139 of 523 personnel)
- Selected by a technical workgroup with Officers Commanding

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Aim

- To report on measures employed to address the consequences of the cancellation of the AMG contract

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Scope

- SAAF own capability plan
 - Skills transfer plan
- Progress
 - Skills transfer
 - Recruitment and development
 - Retention
- The way forward

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Own capability plan

- Skills transfer plan
- Continued and targeted recruitment
- Optimisation of
 - SAAF logistics structure
 - Technical personnel development, motivation and utilisation e.g. technical WOs to perform as master technicians
- Utilising foreign training opportunities (Defence Commissions)
- Greater integration with strategic technical partners (Denel Aviation, SAA Technical, SA Express)
- Establishment of a specialist service system
- Implementation of the DOD remuneration strategy

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Skills transfer plan

- Contractually and individually enforceable
- Targeted to the transformation imperatives
- Regulating mechanisms:
 - Explicit skills transfer plans per resource
 - Inclusion in individual contractual deliverables
 - Motivational and attitudinal interventions
 - On-the-Job training and mentorship schemes
 - Linkage to Denel performance management and bonuses (counts 50%)
 - Enforceable remedial and disciplinary action
 - Up to and including dismissal, if required.
 - Regular review of progress at unit, director, operational and strategic management levels
 - Regular reporting of progress

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Progress - skills transfer (1)

- SAAF has identified personnel to receive skills transfer, except for:
 - 18 SSA engineers and related personnel, due to a recent high loss rate of SAAF engineers
 - 16 scarce skilled and vacant posts
- Skills transfer started in all other cases
- Theory mostly complete, On-the-Job training continuing
- 2/3rds trained in skills transfer, mentorship, positivism
- No evidence of resistance from SSA personnel
- Technical WOs will perform as master technicians

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Progress – skills transfer (2)

- In less complex domains, skills transfer will conclude 31 Mar 2014
- In 53 more complex cases, up to two more years will be required
- A relatively permanent solution must be found for the 14 remaining SSA engineers (due to the very long lead time to produce replacements), the SAAF museum curator (since there is no such mustering in the SAAF) and other similar specialisations (a total of about 20). Options include closer integration with Denel

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Progress – recruitment & development

- Most short-term objectives are being met
- Challenges:
 - CHR instruction to remain in allocated HR budget
 - Reduced recruitment targets
 - Reduction of contract renewals
 - Recruitment for 13/14 curtailed below optimal levels
 - Except for engineering recruits
- Mitigation:
 - DPBEC presentation of 09 Sep 13, making good the shortfall on HR expenditure

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Progress - retention

- Aviation artisans (qty 2088 – 90% of posts)
 - Average post-qualification experience 10+ years
 - Retention: stable – depending on economy
- Technical officers (qty 248 – 80% of posts)
 - Retention: stable, some junior resignations
- Graduate engineers (qty 49 – 44% of posts)
 - Average post-graduate experience 5 years
 - Recent 22% per annum resignation rate
 - Outside opportunities and remuneration challenges
- Market-related technical remuneration is still a challenge (Defence Force Service Commission expected to address)

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Need for sustained engineering capability

- SAAF, as a smart buyer and operator, is mandated to maintain independent capability to:
 - Specify its requirements comprehensively
 - Confirm that they are correctly contracted
 - Generally supervise execution
 - Accept delivery
- SAAF/DOD requires a sustainable specialist solution:
 - Able to source from outside or internal
 - Keep in the same job for extended periods
 - Keep motivated
- Partial mitigation: making use of the extensive engineering capacity Denel Aviation maintains to honour its Design Authority obligations
 - Significant collateral source of expertise on virtually any aviation speciality
 - Primary employment remains with Denel Aviation

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The way forward

- SSA to be extended by up to two years to cover longer term skills transfers from some 53 members
- SAAF to develop a relatively permanent solution for the 14 SSA engineers and other similar specialisations (a total of about 20) with very long replacement lead times, and a lasting solution for the need for own specialists

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Discussion

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