



UNIVERSITY OF WESTERN CAPE (UWC)

EXIT POLICY

DATE OF LAST APPROVAL: C2007/2



UNIVERSITY *of the*
WESTERN CAPE

A place of quality, a place to grow, from hope to action through knowledge

HR POLICY DOCUMENT

EXIT POLICY

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1. EXECUTIVE SUMMARY

This document outlines the ways in which a working relationship can be terminated, either by the employer or the employee. The following differentiations can be made:

- The employer may end the relationship due to the conduct or capacity of the employee or the employer's operational requirements;
- The employee may end the relationship by way of resignation or abscondment
- The employment relationship may come to an end through effluxion of time such as the expiry of the contract, by reaching the normal retirement age or death.

The document outlines the procedures to be followed in each instance.

2. CORE PURPOSE, OUTCOME, IMPACT AND VALUE OF POLICY

An effective Exit Policy can:

- inform ways in which the employment relationship can be terminated by both the employer and the employee
- enable an institution to determine why its employees are terminating the working relationship
- help provide a harmonious termination of the employment relationship
- assist with the retention of knowledge and intellectual property.

3. CORPORATE GOVERNANCE AND RULES OF THE POLICY:

The following guidelines govern the exit of employees from the employment of the University.

3.1 TERMINATION BY THE EMPLOYER:

3.1.1 Dismissal:

In terms of section 188 (1)(a) of the Labour Relations Act (LRA), Act 66 of 1995, an employer might legitimately dismiss an employee on one of the following grounds: the conduct of the employee; the capacity of the employee; the operational requirements of the employer. Furthermore, in terms of section 2(1) of schedule 8 (Code of

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Good Practice: Dismissal) of the LRA, such a dismissal is regarded as unfair if it is not effected for a fair reason and in accordance with a fair procedure. Such dismissal will still be regarded as unfair even if it complies with any notice period in a contract of employment or in legislation governing employment.

The dismissal of University employees for misconduct is guided by the University's **Code of Conduct** which was approved by Council on 3 December 2004 (C2004/5).

3.2 TERMINATION BY THE EMPLOYEE:

3.2.1 Abscondment:

In terms of section 1.12 of the Code of Conduct, an employee who absents him/herself from duty without leave or a valid reason would be regarded as having absconded. Abscondment is regarded as a form of misconduct and should be dealt with in terms of the Disciplinary procedures spelled out in clause 6 below.

3.2.2 Resignation:

Any employee who wish to resign from the University is required to give due notice in terms of their contract of employment. Different procedures and policies in this regard apply for academic, administration and support staff members. See section 6.2.1 below for procedures to be followed.

3.3 EFFLUXION OF TIME

An employment contract or relationship may terminate through the effluxion of time such as the death of the employee, an employee reaching the normal retirement age or the expiry of a fixed term contract.

4. RELEVANT STATUTE AND COMPLIANCE

The Exit Policy should at all times comply with the following statutory laws and general policy provisions:

- UWC Conditions of Service Manual of 1984.
- Department of Labour, Draft Human Resources Code of Good Practice of 2004.
- Basic Conditions of Employment Act (BCEA), Act 75 of 1997.¹
- Pension Fund Act (PFA), Act 24 of 1956.
- Unemployment Insurance Act (UIA), Act 63 of 2001.
- Unemployment Insurance Contributions Act, Act 4 of 2002.
- Labour Relations Act (LRA), Act 66 of 1995.
- Employment Equity Act (EEA), Act 55 of 1998.

5. DEFINITION OF TERMS WITHIN THE POLICY

Dismissal - the employer terminates the employment relationship based on valid and fair reason.

Retrenchment - the employer terminates the employment relationship due to the employer's operational requirements (economic, technological, structural or similar needs).

Resignation - the employee terminates the employment relationship.

Abscondment - the employee wilfully absents him/herself without notice, permission or valid reason and is regarded as a form of misconduct.

Effluxion - natural flow of time to the end.

Exit interview - conducted by the institution with departing staff members to discuss their working experiences and reasons for leaving.

¹ Section 37 of the BCEA which governs resignations

6. POLICY PROCEDURES

6.1 TERMINATION BY THE EMPLOYER

6.1.1 Dismissal for misconduct

- The Code of Conduct paragraph one (1), which clearly describes the forms of misconduct, is applicable to all employees of UWC, whether the employee falls within the NEHAWU Bargaining Unit or not.
- The Disciplinary Procedure in the University Disciplinary Code and Procedures, applies to all employees of UWC except those employees falling within the NEHAWU Bargaining Group.
- The disciplinary procedures contained in "Annexure D" of the Recognition Agreement between the University and NEHAWU apply with regard to administrative and support staff within the bargaining unit (grades 9 to 16)
- In terms of the Universities Disciplinary Code and Procedures applicable to both (employees and employees of the NEHAWU Bargaining Unit), dismissal may be warranted where:
 - An employee has failed to respond to corrective action (e.g. continues to misconduct him/herself while a final written warning is currently on file); or
 - The misconduct is so serious that the employment relationship cannot be continued.
- Where the recommended sanction is one of dismissal, the Rector of the University shall give effect to the sanction by signing the dismissal letter, or refer the matter back to the inquiry for re-consideration.
- A dismissed employee shall be paid out in relation to any notice period contained in their contract of employment. However, where there has been gross misconduct or a complete breach of the employment contract (e.g. theft or fraud), an employee may be summarily dismissed. Dismissal is then with immediate effect and the employee shall be paid up to the date of the dismissal only.

6.1.2 Dismissal for capacity

- In the absence of any approved procedure, Schedule 8 of the LRA (Code of Good Practice: Dismissal) will apply.
- The capacity procedures contained in "Annexure F" and "Annexure G" of the Recognition Agreement between the University and NEHAWU apply with regard to administrative and support staff within the bargaining unit (grades 9 to 16)

6.1.3 Dismissal for Operational requirements

- In the absence of any approved procedure, Schedule 8 of the LRA (Code of Good Practice: Dismissal) and clause 189 of the LRA will apply.
- The retrenchment procedures contained in "Annexure J" of the Recognition Agreement between the University and NEHAWU apply with regard to administrative and support staff within the bargaining unit (grades 9 to 16)

6.2 TERMINATION BY THE EMPLOYEE:

6.2.1 Resignation

There are different requirements for the resignation of academic, administration and support staff members.

Academic staff:

- Staff member must inform the Chairperson of the department in writing of his/her intention to resign from the University, and must give three (3) months' notice (or the notice period in terms of their contract of employment)
- S/he should inform the Chairperson of his/her intention to apply to the relevant senior management committee for leave to resign within a shorter period of notice. The committee may decide to accept shorter notice if the circumstances warrant it. S/he must submit the application to leave before notice period to the Dean at least two (2) months before the last day of employment and one (1) month before the relevant senior management committee meeting preceding the last day of work.

- The Dean of the Faculty submits the resignation to the Faculty Appointments Committee (FAC), together with:
 - his/her recommendation
 - an indication of the replacement arrangements
 - an indication of the impact of the resignation on the academic programme of the department.
- A copy of the resignation is sent to the Human Resources Department where the HR consultant arranges the payment of benefits and removes the staff member from the university human resource system (e.g. stops salary).

Administrative and support staff:

- A permanent staff member must give one (1) month's written notice (or the notice period in terms of their contract of employment).
- The resignation letter is submitted to the FAC, who in turn submits it to the relevant senior management committee.
- A copy of the resignation is sent to the Human Resources Department where the HR consultant arranges the payment of benefits and removes the staff member from the HR system (eg. stops salary).
- The HR Department arranges service certificate and unemployment form if applicable.
- The relevant senior management committee may accept a shorter notice period if circumstances warrant it. Such notice must be recommended and supported by the Dean and Chairperson of the department of which the employee is a member.

6.2.2. Abscondment:

The normal University disciplinary procedures in dealing with misconduct will therefore apply. See section 3.2.1 above.

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6.3. EFFLUXION OF TIME

6.3.1 Death

The death of an employee terminates the employment relationship. The procedure following the death of an employee is as follows:

- Once the HR consultant receives the death certificate, s/he will remove the staff member from the HR system.
- The benefits consultant will contact the family of deceased to discuss the distribution of benefits.
- A proposal is taken to the Board of trustees and the claim submitted to the relevant funds for payment.

6.3.2 End of contract:

The employment relationship is automatically terminated when the fixed term contract comes to an end. No notice period is therefore required from either party. The procedure following the end of a fixed term contract is as follows:

- The HR consultant will remove staff member from the system and pay out any leave that is due.
- A UI9 form has to be completed in terms of the Unemployment Insurance Fund (UIF) provisions in the Unemployment Insurance Act.

6.3.3 Retirement

Normal employee retirement from the university takes place at age 65. Early retirement is possible from the age of 55 to 59 in terms of the Incentivised Early Retirement Policy of the University. (Refer to section three (3) and four (4) of the policy). In terms of the Pension Fund Rules, an employee forfeits 0,25% of pension benefits for each month that the person retires before the age of 60 (i.e. member retires at age 55 would forfeit/lose 15% of potential pension benefit).

Early retirement in terms of the provident fund is also possible from the age of 55. In terms of the fund, member receives his/her fund values as at retirement date.

The procedure following the intention to retire from service is:

- The staff member informs Chairperson, Dean or the relevant senior executive committee in writing of the intention to leave the university at normal retirement age. Support staff gives one (1) month notice and academics gives three (3) months notice (or the notice period in terms of their contract of employment), to retire at the end of a semester.
- The relevant senior management committee will then approve the retirement and inform the Human Resources Department.
- Staff member should indicate to the benefits consultant how the retirement benefit should be paid. This could either be paid out in a lump sum withdrawal or transferred to another retirement vehicle.
- The Benefit consultant would then inform the Fund administrator of the benefit payment option (cash payment or transfer to another retirement vehicle) chosen by the staff member.
- The funds administrator facilitates payment/transfer.
- The HR consultant removes staff member from the system.

6.4 EXIT INTERVIEWS

Staff members leaving the employment of the University should be invited to take part in exit interviews. These should be entirely voluntary and confidential. Staff members should be encouraged to discuss their working experiences freely and frankly. In this way exit interviews can help identify problem areas within the workplace. The information generated in the interviews can be evaluated, patterns identified and the necessary steps taken to resolve raised issues and problems.

The procedure for facilitating exit interviews is as follows:

- The departing staff member is asked to complete a questionnaire. Special provision is made in the interview questionnaire where the departing employee may make any comment.

- The exit interview should have at least two panel members - one nominated by the HR Department, the other by the departing staff member
- The findings of a general nature that arise from the exit interviews may be reported to the relevant senior management committee by members of the panel. Where the distinctions between specific and general findings are unclear, the staff member being interviewed should be asked whether s/he has any objection to the information being reported to the relevant management committee. Confidential or personal information may be reported to the Rector by the panel.

7. IDENTIFICATION AND MEASUREMENT OF RISK

Description of risk	Direct or indirect risk	Severity of the risk	Impact (on what and how)	Measurement	Control
Short notice (Academic Staff).	Direct	1	Impact on the students and the University.	Staff to give three (3) months notice.	Following the correct procedure according to the policy. Any resignation not conducted in terms of the rules of the policy may amount to a breach of contract. Such a breach will render the employee liable for payment of damages to the University.
Non- payment of staff debt such as loans and relocation expenses owed to the University	Direct	1	Impact on the universities intellectual property.	Staff to sign an undertaking to repay all moneys owed to the university at the same time that notice to leave the university is given.	Compliance with the relevant policies should strictly be adhered to. Consultation should also take place with the Finance Department in order to ensure that the university does not loose

					unnecessary money.
Record keeping Redeployment.	Direct	1	The purpose of record keeping and analysis of trends will enable barriers to be identified. It will also identify areas of discriminatory, arbitrary or inconsistent application of discipline that can undermine employment equity objectives.		
Unfair Dismissal based on substantive or procedural fairness.	Direct	1	Employee and the University.	Proper compliance with the Universities fair dismissal guidelines and that of the LRA.	Formulation and implementation of proper disciplinary policies and Procedures within University.

1 = high risk (virtual collapse of the Policy)

2 = medium risk (medium risk, but there is a work-around for a short period of time)

3 = low risk

8. REVISION CYCLE AND MAINTENANCE

The Human Resources policy board, policy owners and process owners will be responsible for the regular revision of this policy and should be reviewed as legislation changes.

9. FEEDBACK LOOPS

Quarterly reports should be drawn up to highlight the trends that emerged during exit interviews. This should also include the barriers experienced by the departing employees from designated groups. These quarterly reports should be compiled by an appointed person and submitted to the relevant Senior Management Committee who will direct further communication and action. The Committee should take the necessary steps to eradicate barriers that are highlighted during the exit interviews. The University should consider benchmarking their staff turnover rates against similar jobs in other higher education institutions. Should there be any discrepancies; recommendations should be made to Senior Management of the University.

10. FUTURE TRAINING IN RESPECT OF THE POLICY

New guidelines, rules or amendments should be communicated to all staff members.

11. TECHNOLOGICAL REQUIREMENTS

This policy is managed through the Information Technology System (ITS)

12. CONTACTS

Policy owner: Beverly Walker-Thomas Tel: (021) 959-3435

13. BIBLIOGRAPHY

UWC Conditions of Service Manual of 1984; Draft Human Resources Code of Good Practice; Department of Labour of 2004; Basic Conditions of Employment Act (BCEA), Act 75 of 1997; Pension Fund Act (PFA), Act 24 of 1956; Unemployment Insurance Act (UIA), Act 63 of 2001; Unemployment Insurance Contributions Act, Act 4 of 2002; Labour Relations Act (LRA), Act 66 of 1995; Employment Equity Act (EEA), Act 55 of 1998.

14. ANNEXURE / APPENDICES

(i) HR 3 - Resignation Form (ii) HR 4- Resignation Checklist (iii) Exit Interview Questionnaire

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