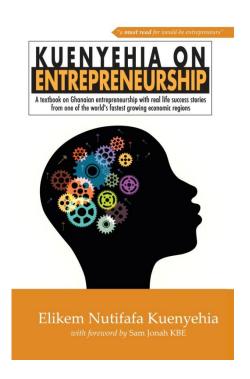


# Employee Management in Ghana

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#### Introduction

The value of any business comes down to the people it employs. Ensuring they are properly motivated and are encouraged to give their best is critical to the growth of any company. Elikem Nutifafa Kuenyehia, a Ghanaian Lawyer by profession, highlights the importance of having a robust system to recruit the best talent, identify the training needs of each employee and most importantly how to retain your staff.

#### How to Guide: Employee Management

It cannot be overemphasised that your people are your most important assets. An enterprise may have excellent products or services, a good marketing plan, and a sizable customer base. However, if it does not have good people to deliver on the objectives of the enterprise, the enterprise cannot survive. It is therefore imperative for every employer to acknowledge and appreciate the impact of employees and their ability to make or break the enterprise.

Employee management involves identifying, attracting, managing, developing, and retaining people who are the right fit for the enterprise. To ensure excellent human resources therefore, the employer must invest in processes and structures that attract the most competent people, and then equip them, when they join the enterprise, with the necessary tools to enable them deliver. When your employees are well equipped with the resources they need, they have no excuse not to be efficient and effective.



#### **Needs Assessment**

Before you embark on bringing new people into your enterprise, conduct a needs assessment to determine whether you really need an additional person on your team.

It is easier to know whether each employee is working at their optimum if you have a job description for every role and ensure that that person performs the functions in the job description. In addition to giving general guidelines on the person's role, you also need to have specific key performance indicators which are measurable to show whether or not the person is doing what that person has been recruited for. Similarly, you must draw up a job description for the new role to know exactly what the additional team member will be required to do. If it is possible to add the additional responsibility to an existing employee's, or to re-assign an existing employee to the proposed new role, it may be better to do that that to employ a new person.

You must also determine whether the enterprise has the capacity to pay the new recruit. Many employers think about the work to be done without thinking about the commensurate financial burden on the enterprise when a new person joins. You do not want to find yourself in a situation where you are unable to pay your employees. Hence, make sure your budget and expected revenues adequately provide for the addition of a new person.

Where the company has an organogram, know where the new person will fit in the structure of the company, who the person will report to, and what the career path for the person will be.

Finally, draw up an engagement letter or an employment contract that will govern the employment relationship.



#### Recruitment

Now that your needs assessment has justified the addition of a new employee, you may proceed to recruitment. The recruitment stage of employee management is perhaps the most important stage of all because if the employer gets it right, all the other stages can be handled more easily. In recruiting, the employer should have a form of system to help with finding people who are competent for the role. Typically, it will follow this format:

- a. Request for applications and CVs.
- b. Shortlist qualified applicants from the applications received.
- c. Invite the shortlisted candidates for an aptitude test (optional).
- d. Invite (further) shortlisted candidates for interviews.
- e. Select finalists and make them an offer of employment.

During the stages set out above, most recruiters focus on the educational qualifications of applicants, aptitude test scores if any, and interview scores in order to select the finalists. Thus, the most 'qualified' person out of the whole pool may get the job. This is however not the best way to determine whether an applicant will be a good fit for your organisation, because a good fit may not always be the one who best met the objective selection criteria. In addition to competence therefore, employers must consider whether the applicant is best suited to the enterprise's culture and ethos, existing structure, values and aspirations, and possesses the hard and soft skills required for the role. Where you find such a person who incidentally is not the highest scorer on the test scores and interviews, do not be afraid to offer the job to that person instead. You are more likely to get better results with an employee who is competent and a good cultural fit, than one who is very competent but not a good cultural fit.

Although it is not easy to know whether you will find an employee who is a good cultural fit from a pool of applicants, it might be good to use a referral system to get people in your network to recommend suitable candidates for you. You may also call up the referees provided by applicants to interview them on those parts of the applicant that is not evident on their application and CV.





#### Orientation and onboarding

When you recruit new people, you must conduct an orientation for them. The orientation need not be a formal affair. However, you must ensure that you speak with the new employee about the vision of the enterprise and how that person fits into the vision. You must tell the person how you like to do business and what you expect on a daily basis. You must also explain the culture of the enterprise to the new member. Remember that some people may have worked in other places so will join you with their personal idiosyncrasies. It is usually through orientations that you are able to direct their minds to your way of doing business and your expectations of them.

When people receive adequate orientation before starting work, they usually fit in much easier than those who do not. Thus, you kill two birds with one stone – by telling the new person your expectations, and enabling the person to settle in more comfortably.





#### **Training & Development**

Once a person joins your enterprise, you must not leave the person without constant upgrading. You may find a mentor or a coach for the person. A coach is usually the person's direct manager and is expected to help the employee with acquiring know-how through day-to-day direct management. The coach works closely with the person and gets to know that person's strengths and weaknesses, thereby giving them assignments that play up their strengths while helping them to minimise the weaknesses. Also, regular training exposes your employees to best practices in your industry and enables them to stay cutting edge. Training is also an attractive tool for making stay with your enterprise because they are assured of professional development through the training they receive.



#### Retention

Ensure that your employees are engaged and involved in the running of the enterprise. You must make them feel like a part of the enterprise and their opinions should matter. Create an environment where employees are not afraid to speak up. The best way to do this is to keep clear communication lines with your employees. Listen to both what the employees say, and do not say, and act on their needs in a timely manner. Do not victimise people for politely disagreeing with you. Where employees feel their input does not matter, they will leave you.

Research shows that many employees stay with organisations because of the quality of leadership. If you are a leader who inspires and commands the respect of your employees, you are more likely to retain them than if you do not provide good leadership. You must therefore provide a level of leadership that keeps your team confident that the enterprise has a future.

Employees generally want to be challenged. Therefore, give them an opportunity to work on exciting and meaningful assignments that gives them visibility within the enterprise and provides them an opportunity to contribute meaningfully to the growth of the enterprise as well as their own growth. This is a great and easy way of keeping your people.

Your compensation package should be attractive and commensurate with the output of the employee. Therefore, as much as possible, do not overwork your staff members and pay them little, even when they are not complaining. Remuneration need not be only salary. It may involve other elements like leave, health insurance, meals at work, and a share in profits. Where employees feel their compensation does not reflect their skills and experience, they may leave you. Your remuneration package must thus be competitive enough to make your employees stay.

As mentioned earlier, training is another way of retaining your employees. For an employee, an overt way for an employer to show interest in the personal development of the employee is to invest in training that person. You should therefore develop a training schedule for all your team members and keep to it. Training need not be external training and could include on the job training as well.

You must also endeavour to learn about your employees and to treat them as individuals rather than as part of a team. You must understand what makes each employee tick and adapt your management style to that person's temperament in order to get the best out of the employee. When



this is done, it makes the employee see the role not as just a job but as one which is adapted just for that person.

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# Most employees will not leave your enterprise if they know you see them for who they are.

Importantly, you should give your employees feedback on their performance and give them due recognition for their positive contributions. Whether feedback is negative or positive, it must be given to the employee so that the employee will course correct if it is negative, or keep at it if it is positive. Many employees complain that they do not know how they are doing at work because of lack of feedback and this may drive a person to leave an enterprise. Thus, ensure that your feedback system is set in place and followed. When giving feedback however, start with the positives before going on to the negatives. Also, end by giving concrete advice on how the employee can improve.

Where there is no progression route or where it is unclear what a person needs to do in order to progress within an enterprise, most good employees will leave. This is because employees are better motivated if they know there is a progression plan for them. If you do not have a progression plan and the benchmarks one needs to reach in order to move from one level to another, you need to put one in place.



#### **Resignation/Termination**

Although many people do not like to think about it, employers must consider the processes for parting ways with employees. The Labour Act, 2003 (Act 651) provides for the grounds on which a termination of an employment contract may occur. They include the following:

- a. Incompetence or lack the qualification in relation to the work for which the worker is employed;
- b. Proven misconduct of the worker;
- c. Redundancy under section 65;
- d. Legal restrictions imposed on the worker which prohibits the worker from performing the work for which he or she is employed.

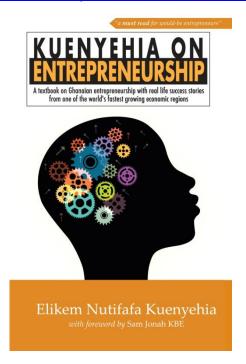
The employment contract may also provide for a termination mechanism for both employees and employers. These may be in addition to the provisions of the Labour Act. It is important for the employer to always follow the due process when terminating an employee's contract. Also, where the employee resigns, the contract should provide how it is to be done and that process must be followed in order to prevent a breach of contract.





## Thank you for reading!

Please find more information on how to grow and strengthen your business in Ghana via Elikem Kuenyehia's book on Entrepreneurship.



Readers of this guide also found the following IIA report useful:

- Embedding strong governance structures
- o Meeting tax and accounting regulations

<sup>\*</sup>Special thanks to Thelma Tawiah for her significant contribution to this report