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FIRST DRAFT PAPER ON INCENTIVES IN THE ANC

INTRODUCTION

DEP was given the task of drawing up a draft policy on Incentives to be presented to the O.T.G. sectorial for discussion and further elaboration. The main incentive to work for the ANC is the political commitment. The question of material incentives to attract membership and sympathizers to work for the organisation and to remain within it, has never been fully addressed.

It seems now that other kinds of Incentives have an important influence on the membership. A comprehensive review of existing Incentives such as welfare schemes, opportunities for personal upgrading, better working conditions as well as the possibilities to involve the workers in full participation in planning and management process, in order that ordinary workers should feel more responsible in accounting for their end result. This could be one way to address this issue.

The role of improving the performance of deployed cadres is not a new phenomenon in the movement. The debate over issues surrounding the financial implications of a monetary incentive have been going on for some time now.

What is in question is no longer the validity of having an incentive scheme but the mechanics of how this system works. There are questions as to who should receive any incentives. The fact that certain categories of workers receive an incentive poses the question as to why not the others. It is quite apparent that the basis of selection of workers to receive an incentive is not based on a universally applicable basis thereby becoming a more or less ad-hoc arrangement for production workers and teachers.

On the other hand, the scheme does not have specific target, other than getting more members to be involved in the projects or in teaching. It operates more like a flat salary rate for all categories of workers involved, with a vague provision of review after an unspecified period. The end result of the application of this system, is a routine of handing out the same amount to different grades of workers irrespective of qualifications or quality of work performed. The moral incentive is only applied to cadres in the camps or students in our schools. The way in which it operates is also not universal. Only at certain instances are rewards given for distinguished service or performance of tasks. A consistent application of the scheme is also not the case.

WAGE SYSTEM

Wages system should be introduced to all ANC projects. The main purpose is to raise efficiency at work, improve production output and to prepare our cadres to easily adopt to the real economic situation at home. Wages should be paid according to grades and categories as follows.

- qualification
- experience on the job
- period of service
- skilled, semiskilled, unskilled
- type and condition of labour
- consider production output, quality, time cost

All members of the ANC presently deployed under projects should be entitled to monthly allowance like any member plus wages for their active participation in project work. Our movement should acquire sponsorship to pay ANC workers full wages if possible.

1. MATERIAL ASPECT

The material incentive main purpose is to stimulate worker's interest in the end result of the production. Wages serve as a motivating factor to achieve certain goals. The material incentives are designed to motivate performance in a very direct way. They form and its results. As an incentive for better performance the scheme rewards good work over and above the normal earning for normal performance. It also serves to punish shoddy or below normal performance, that is, more money is earned for better performance, and more is subtracted from normal wage for bad performance. Material incentives are said to be the most primary form of stimulation for workers to perform better. These do not only affect political active cadres but they are the main means of motivating the backward worker to perform better. These revolve around the principle of improved livelihood through better work.

2. MORAL ASPECT

The other means by which the performance of workers can be enhanced is through the presentation of awards in the form of titles. These awards are based on the principle that human beings value the appreciation of their work and contribution from other members of society.

It has been found that politically based appreciation through presentation of symbols by the political organization through its leadership has the effect of a morale booster to the recipient of the award. This influences the recipient to maintain or improve on what has already been done. To a political movement on the other hand, the appreciation of somebody's political contribution through better understanding and application of political principles can serve to solidify the political base of the organisation and improve the general performance of the movement. These awards can be for outstanding performance over a long period of time, or it can be over a short period where specific targets are met, e.g. "The best worker or mechanic of the month."

The main factors to be considered when emulating outstanding workers.

- check attendance and punctuality
- daily performance
- individual input in production

Other aspects include spiritual needs of workers as a collective and as an individual. It is the task of the movement to improve the well-being of its entire membership in respect to standard of life.

- encourage departmental study tour in the host country or abroad to gain experience.
- be given a chance of upgrading their skills. e.g. long or short course, job attachment.
- ensure that workers have few days rest. (approx. 14 days per year)
- organize workers social gatherings, also mark important days. e.g. 1 May

MATERNITY LEAVE

- working female comrades are entitled to maternity leave for a duration of one year.
- full wages should be paid during that period.

SCALE METHOD;

The parameters of stimulation differ in accordance with the goals to be achieve. The main parameters frequently used are quantity of goods produced per unit time or service rendered in unit time. The other indication frequently used, is the quality of service or work performed. The system works in the following two ways.

1.1 PERFORMANCE INDEXED WAGE SCALES;

In cases where an agreed wage has been set between the worker and management, there is an percentage increase in earnings for performance viz if the normal wage is 100 lots then for quantity of goods above the set production norm, the worker will receive, say, 1% of the wage for every 1% extra work performed. The usual practice is to double the extra earnings from 105% fulfillment. For performance below 95% of the norm, there is a progressive deduction from the normal wage in the same magnitude as the increases are. The increases in performance should all be clearly attributable to the effort skill and motivation of the worker. ~~Changes that result from improved technology should be re-evaluated in accordance with new performance rating on new technology.~~

1.2 BONUS FOR EXCEPTIONAL PERFORMANCE;

Exceptional performance is the above average output of a worker or a team of workers in terms of quality of product and its volume. The way to motivate this type of performance by material means is normally through a bonus scheme or presentation of material awards. The bonus scheme is based on the norm fulfillment system, whereby the consistent fulfillment of production targets over a period of time is rewarded through payment of lump sum of money to the deserving team or individual. In other instances the award takes the form of a valuable commodity which the team or the individual will appreciate.

1.3 COST ACCOUNTING;

ANC projects should be managed on business like in order to achieve efficiency, high productivity, be self-sufficient and bring income or be beneficial to the movement as a whole.

Steps to be taken to fulfill this task;

- every department should submit its detail budget at the beginning of the fiscal year to the O.T.G./Regional Treasury.
- every department should have their separate account under O.T.G./Regional Treasury.
- a feedback be given to each department on their monthly performance.
- any labour service rendered to the movement by any production project should be charged to the treasury.
- any labour service rendered to the non-member of ANC should be paid in cash to the treasury or the project department involved.

- products supplied by any project department (from the farm, furniture stores, garment factory.), should be involved to our treasury.
- those projects department working above the 50% profit, should be given 5% profit shares to the collective bonus for outstanding performance.
- If in position production projects should be encouraged to sell their products to the local population and trading licence be obtained if necessary.

Two categories of projects:

- 1) Fund generating project
- 2) Non-generating project

Categories of projects should be considered in applying incentives in different projects.

Fund Generating Project;

- 1) Profit-sharing that give workers a more direct interest in the prosperity of project.
- 2) Piece-rate workers receives fixed payment for a definite, measurable amount of work.
- 3) Unmeasurable units (e.g. drivers, clerical work), annual increment over a period of year or by bonus based on the value of their sales\ output.
- 4) Encourage competition based on individuals\ teams, the best will be rewarded by special award, welfare schemes (e.g. short-holidays, study-tours, opportunities for upgrading.).

Non-Fund Generating Project

- 1) Piece-rate the workers receives a fixed payment for a definite, measurable amount of work.
- 2) Unmeasurable units (e.g. drivers, clerical work) annual increment over a period of year
- 3) Encourage competition for individuals\ teams, the best will be reward by special award, welfare schemes (e.g. short-holidays, study-tours, opportunities for upgrading.).
- 4) Promotion of outstanding workers.

WORKING COMMITTEE;

Workers committee should be established in every region where ANC projects exist. The office bearers of the committee must be elected by workers as their representatives.

The committees main task;

- to save guard worker's interest.
- to ensure that decisions concerning the welfare of the workers are implemented.
- ensure good performance, attendance at work, high efficiency and high output production.

RECOMMENDATION FOR ZAMBIA;

Alpha Garage, Jacaranda Butchery, Star Furniture and Chongela Farm are

accounting must be introduced, so that workers in different projects should be kept informed on monthly basis about their performance. Regular general meetings of workers and head of projects should be held in order to solve workers problems. Incentive to be realistic and effective should be flexible and adjusted to the inflation rate.

- regional treasury office must insure that meat and cigarette allowance is given to workers deployed in the projects.
- lunch money allowance should only be given to those workers who are not provided a free lunch at work.
- as moral booster workers should be invited to participate in departmental seminars, workshops and other function in the movement.
- workers should be supplied with free powder soap (e.g. garage), uniform, regular transport (e.g. butchery, furniture).
- the logistic department must inform different working-places, what is available at the stores (e.g. radios, watches and house-hold).
- there should be one medical officer based at the farm.
- upgrading of workers should be proceed through their respective departments.
- after two year hard-work, workers should be entitle to short-holiday.
- k50.00 incentive should be raise to a more realistic figure of k2 500.00 per month.

The following projects were visited Chongela Farm, Alpha Garage, Jacaranda Butchery, and Star Furniture.

RECOMMENDATION FOR TANZANIA;

The main problems faced by comrade were shortage of basic needs, for examples male cloths, shoes for both female and male. In terms of nutrition the food supplied is not well balanced diet. About 80% of deployed comrades in our projects are unskilled labour.

The following recommendation are to be implemented as soon as possible in order to improve hard conditions faced by our community in Tanzania. At present sh 1000 incentive is not realistic to Tanzanian standard of living.

- we suggest starting wages for unskilled labour sh 3000
- " " " " " skilled labour and long experience workers sh-4000.
- " " " " " qualified labour sh 5000
- wages to be fixed to a dollar rate due yearly devaluation of shilling.
- we recommend that all different projects in East Africa wage system be introduced as first preference to other regions.

If sponsors are prepared to pay our cadres full salary their must be encouraged by the OTG. At present known cases of sponsorship who are prepared.

- 1) Teachers - UNESCO
- 2) Doctors & nurses - UNDP, WHO
- 3) Mazimbu farm - SIDA
- 4) Vuyisile Mnini Factory - ISF (N.G.O. from Finland)

Upgrading/training schemes should be introduced into projects department. Workers deployed in projects should be supplied with working cloths and washing soap.

There is a waste on the side of the treasury by buying rotten vegetables. There is also no constant supply of vegetables and fruits. We recommend that each

member In East Africa especially In Mazimbu/Dakawa be given sh 2500 per month for vegetables and fruits (except students). We strongly support that a vegetable shop be built within the complex of Mazimbu and Dakawa. If our farm can't cope with the demand of the community, then Tanzanian traders can be invited to sell their products in our complex and be made to pay rent.

It is advisable that when financial problems and food shortage occur, the community as a whole should be informed to ~~care~~ *care* discontent through the following structures;

- workers committee
- zonal political committee
- principle of schools
- co-ordinator of Dakawa

CONCLUSION

In the ANC, the use of incentives should be implemented after a survey of individual work places and the nature of tasks has been made. Care should be taken to ensure that similar tasks are rewarded on a common basis even in different localities. The system should be clearly understood by all and be simple enough to be understood and implemented.

Funding of incentives should be looked at on the basis of the cost effectiveness of the scheme. Wherever possible it should not come from the capital advanced, but from the proceeds of productive activity to ensure that such schemes should not become a drain on the main funds of the Movement. Non-productive units should also be made eligible to incentives from the general proceeds of productive units to make sure that productive and non-productive units can feel part of each other. The final draft will need that other regions must be visited where other projects are situated. (eg Angola, Zimbabwe and etc.).

