

CONTACT DETAILS

HEAD OFFICE: MIDRAND

Private Bag 235, Midrand, Gauteng, 1685
International Business Gateway, Cnr New and Sixth Roads, Midrand, 1685
Tel: +27 (0) 11 848 5300
Fax: +27 (0) 11 848 5555

CAPE TOWN

70 Edward Street, Edward III Building
Room 202, 2nd Floor, Tyger Valley, 7536
Tel: +27 (0) 11 848 5450
Fax: +27 (0) 11 848 5562

DURBAN

PO Box 47600, Greyville, 4023
91- 123 Problem Mkhize Road, Suite 201 Cowey Park Centre
Essenwood, Durban, 4000
Tel: +27 (0) 31 268 9770
Fax: +27 (0) 31 268 9777

EASTERN CAPE

34 Mangold Street, Newton Park, Port Elizabeth, 6000
Tel: +27 (0) 11 848 5091



turnaround@productivitysa.co.za

BUSINESS TURNAROUND & RECOVERY PROGRAMME

productivity sa
Inspiring a Competitive South Africa

BUSINESS TURNAROUND & RECOVERY PROGRAMME

INTRODUCTION TO PRODUCTIVITY SA

Productivity SA is a Schedule 3A Public Entity of the Department of Employment and Labour. It is established in terms of Section 31 (1) of the Employment Services Act, No. 4 of 2014 as a juristic person with a mandate to promote employment growth and productivity. Productivity SA is responsible for fulfilling an economic or social mandate of government, which is to promote employment growth and productivity thereby contributing to South Africa's socio-economic development and competitiveness.

BUSINESS TURNAROUND & RECOVERY PROGRAMME:

The Business Turnaround and Recovery Programme (BT&R) has its origin in the Declaration of the Presidential Jobs' Summit in October 1998. Its mandate is derived from the Employment Services Act with specific relevance to Section 32 (g) which is to *'Support initiatives aimed at preventing job losses'* and furthermore empowered through Section 5 (d) of the Unemployment Insurance Act.

The BT&R vision is ***'To save jobs and create conditions conducive for job retention and job creation'***. BT&R capacitates and enables companies and employees to be more vigilant about issues relating to job retention and to mitigate against poor performance or productivity decline that increases the likelihood of job losses.

The programme capacitates employees to be agents of change and to be equipped to identify early-warning signs. The programme is intended to provide non-financial assistance to different companies across all sectors; facing financial and/or operational distress with a focus on increasing productivity, profitability, and services, as well as to save and retain existing jobs.

Criteria

The following compliance criteria is applicable for companies wishing to participate in the programme:

- ◇ Must be a registered entity and must be in operation for at least two years.
- ◇ UIF stamped UI 19 forms or EMP 201 full report.
- ◇ Have a valid tax pin.
- ◇ Have at least two years most recent financial statements and/or management accounts.

Process overview

- ◇ Qualifying enterprises are funded 100% by the UIF for non-financial services with no cost implications to the client.
- ◇ The duration of the programme is approximately 9 – 12 months.
- ◇ Roles are allocated and agreed strategies are implemented in the declining organisation to reverse the challenges experienced.
- ◇ Implement the planned strategy and achieve a successful turnaround.
- ◇ Ensure the company's ability to continuously improve productivity and competitiveness and to collaborate on job security.
- ◇ Ensure the company has clear strategies for exploiting opportunities and future sustainability.

Value-add

The value-add of the turnaround solutions to the client is based on the size of the enterprise, the challenges experienced, and time spent on the enterprise. Below is the guideline used:

- ◇ Small (average of 20 employees) R282 800 per enterprise.
- ◇ Medium (average of 50 employees) R453 800 per enterprise.
- ◇ Large (average of 80 employees) R624 800 per enterprise.