

Share company profits with workers – Union  
By CYNTHIA MWALE

THE trade union movement have called on companies to embark on a profit sharing scheme with their workers.

Zambia Congress of Trade Unions (ZCTU) and Federation for Free Trade Union of Zambia (FFTUZ) noted that such schemes will promote efficiency and reduce thefts. ZCTU president Leonard Hikaumba said in Lusaka that the aspect of sharing profit was good as it improved productivity.

Mr Hikaumba said the scheme was a way of motivating workers, citing the Railway Systems of Zambia Limited (RSZ) that it shared a profit of three per cent with its employees annually.

The RSZ is one of the firms in the country which share an annual profit of three per cent with its employees.

Mr Hikaumba, however emphasized the need for transparency to develop and build confidence among the workers.

"This is one way to motivate the workers and I urge other companies to emulate RSZ. It is however important that the share must be significant and not implemented for the sake of it," he said.

And supporting Mr Hikaumba, FFTUZ president, Joyce Nonde also commended the gesture because it creates a sense of belonging and hence workers guarded company assets.

Ms Nonde said that apart from the appraisal schemes, allowances and bonuses, companies should motivate their employees in such a manner.

Apart from RSZ, Ms Nonde said the scheme was common in financial institutions.

The profit sharing scheme is where part of a company's profits are paid to employees as a reward for their loyalty and contribution to the company's success. The reward may be given via cash, shares or a combination of both.

A range of pre-determined financial and service targets must be met and the employee must perform satisfactorily.

Employees who improve the company's efficiency, productivity and quality of service are also recognized.