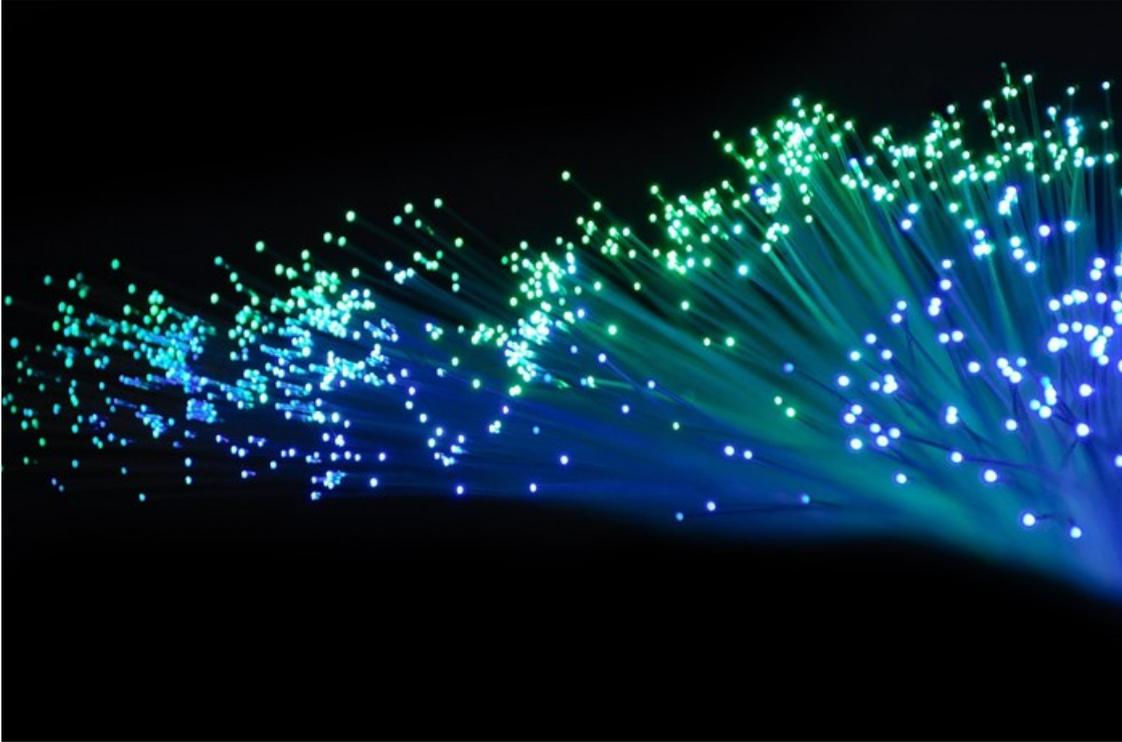


Dark Fibre Africa announces a plan to retrench staff

According to several reports, Dark Fibre Africa (DFA) has informed its staff that it will begin a restructuring programme that will include retrenchment. CEO of the company Andries Delpont declined to say how many employees will be affected by the restructuring, saying exact numbers will be determined through the consultation process.



Source: [Fxabay](#)

Delpont confirmed to [TechCentral](#) that DFA has initiated a consultation process under the Labour Relations Act that will lead to a not-insignificant reduction in the company's 660-strong headcount.

The planned retrenchments come two months after Vodacom announced a deal to acquire a 30% co-controlling stake in Vumatel and DFA for a total transaction value of R10.2bn. *TechCentral's* report states that Delpont, who was previously Vodacom's group chief technology officer, denied that Vodacom's investment is the driver behind the cost-cutting exercise. "It's unrelated to Vodacom or anything else. This is a plain business decision by DFA," he said.

Delpont said DFA has too many employees and its cost structure is too high in what has become a highly competitive market. Internal benchmarking against competitors has borne this out, he added.

The restructuring won't simply be about retrenching staff, Rather, employees will be given the opportunity first to apply for voluntary separation packages. He emphasised that the company will not let go of key skills, Delpont told *TechCentral*. He emphasised that the company will not let go of key skills. It will also work at providing "mutual separation agreements". Only after this will DFA retrench employees in terms of section 189 of the Labour Relations Act.

TechCentral said it can reveal that DFA will issue a media statement on Tuesday that states the following:

DFA must continue to evolve its business operations to ensure that the company is able to enhance its competitive ability, focus on its core capabilities and optimise its organisational structure.

This will enable the company to continue to deliver high-speed connectivity infrastructure in an efficient and competitive manner to the market.

This evolution towards a leaner and more agile organisation, which is significantly more efficient, has been largely dictated by the ongoing impact of Covid-19, a contraction in economic growth and the addressable market for services, as well as inflationary cost pressures, coupled with aggressive price competition in the market.

We will continue to review our processes and efficiency levels and align organisational structure to ensure increased network expansion opportunities. This will allow us to meet the changing needs of our clients who operate in a highly dynamic and competitive environment.

Considering these factors, DFA will be rationalising its headcount complement. We will be engaging and consulting with the affected employees on a range of restructuring options, that are expected to be concluded by the end of March 2022.

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