

The current method of organization in the system of “Electric Power Industry of Serbia”, which consists of JP EPS and 13 companies, is inefficient and irrational. There are about 600 senior managers and middle management level and about 50 heads of departments, say in EPS.

The biggest inefficiency is having the same admin work done 14 times in all companies, in PE Electric Power Industry of Serbia, instead having it done of once for the whole system, as they say in EPS.

It is estimated that having the central management in business finance, law, IT, procurement, human resources and public relations, would save 36 million euros per year. By performing a series of operations on the same level throughout the system, instead of keeping these jobs in each separate company, business operations of EPS would be more rational and efficient.

A public company, they say, has no authority to organize the work within the subsidiary companies, nor to determine the number of employees in their organizational units, because each subsidiary is organized under its own founding act, which does not recognize the EPS as a whole, but as a set of independent economic entities.

By the reconstruction of the company, which has about 32,000 employees, it will be clear who is responsible and many irrationalities, including the number of directors will be eliminated.

Until EPS corporatization done it, is not possible to assess the necessary number of employees in total, including the management positions. Currently there are 650 managers with average monthly net salary is 87,000 dinars, said in EPS.

The first step in the process of corporatization is to change the founding legislation of subsidiary companies, and then to introduce the uniform procedures and optimization of costs and jobs.

Only once corporate management is introduced, a unique process for EPS as a whole and unique performance of the finance, legal, IT, human, resources, procurement and public relations for the entire system in Electric Power Industry of Serbia, it will be possible to determine the number of employees.

That is why the Government of Serbia brought Baselines for the reorganization of EPS which provides for corporatization of the Electric Power Industry of Serbia.

The first step following the changes of the founding legislations of subsidiary companies, would allowed the introduction of corporate governance, and more effective, rational and transparent business system of Electric Power Industry of Serbia.

Source; Serbia Energy