



# Human Resources Notes

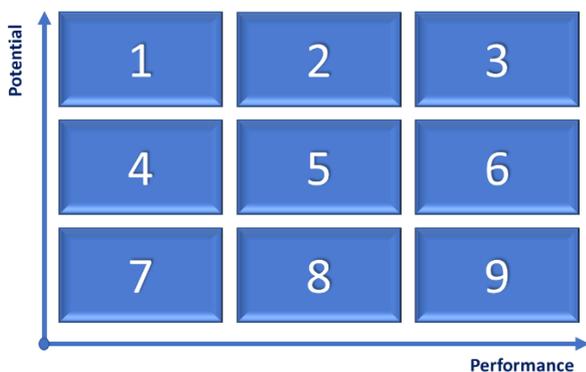
*“The aim of Human Resources Notes is to provide concise information on topical human resource management issues to guide effective people management practices.”*  
 Peter Fisher, Executive HR Consultant (THCS)

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## Identifying high potential (HiPo) employees for business success

Most organisations with a talent management strategy assess employees’ performance and potential to identify star employees who will fill the leadership positions necessary to sustain a path of profit growth and sustainability. The McKinsey 9-Box Talent Matrix<sup>1</sup> (see figure below) is a tool which can be used to categorise the talent pool constituents on dimensions of performance and potential.



McKinsey 9-Box Talent Matrix

Determining who the star performers are is relatively straight forward. Managers can objectively determine employees’ work performance with reference to accomplishments against performance goals. Figuring out who the high potential employees are, is more of a challenge. Managers must use indicators from current information to accurately predict stars of the future. Unfortunately, some resort to nominations based on subjective and intuitive reasons rather than scientific reasons.

Despite the difficulty of accurately identifying high potential employees, the importance of doing so is well established. Research has shown that organisations with stronger leaders can show twice the revenue and twice the profit growth. Only one in seven high performers are high potential employees. Filling a leadership development programme with high performers without separately determining their potential, places an organisation at risk of an under-supply of great leaders in future.<sup>2</sup>

The challenge to identify high potential employees is made more difficult by the fact that there is no single or unifying definition of what ‘high potential’ looks like. Many organisations have their own internal definitions. In one study by *People Measures*, of the 13 major organisations reviewed including Boeing, Dell, Hewlett Packard, Southwest Airlines, none had the same definition of potential. It is not uncommon for there to be significant differences of opinion within the same company among senior leaders. Even in the scientific research community, there is little consensus about the critical factors that must be in place before an individual can be identified as having high potential.<sup>3</sup>

A meta-study which reviewed the literature and the existing approaches to the measurement of high potential found that cognitive ability is the strongest predictor of future performance at work. Cognitive ability refers to a person’s capacity to deal with complexity/ambiguity, conceptual thinking and intellectual capacity. Further research identified the factors of social and emotional capacity; adaptability;

and achievement orientation as being valid indicators of high potential.<sup>4</sup>

*People Measures* recommend a multi method approach to the assessment of high potential so that a diverse range of evidence can be gathered to establish potential. Valid assessments include behavioural interviews, psychometric testing, ability tests, simulated presentations, role-plays, assessment and development centres.<sup>5</sup>

Leadership development is an important building block in an organisation's quest for success and sustainability. It represents a major long-term investment in the organisation's future. Successfully identifying high potential employees is a linchpin of the programme. Relying on intuition and gut feel to pick high potential employees must make way for rigorous behavioural assessment. ■

#### References:

1. Morrison M (2018) Nine Box Grids for Talent Management RapidBI (online) available at: <https://rapidbi.com/nine-box-grids-for-talent-management/> accessed 31 July 2018
2. \_\_\_\_\_ (2014) The HR Guide to Identifying High Potentials *CEB* (online) Available at: <https://www.ucop.edu/human-resources/management-development-program/2014/Donna%20Handout.pdf> Viewed on 23 July 2018
3. \_\_\_\_\_ HPIQ – Defining and Measuring High Potential *People Measures* (online) Available at: <https://static1.squarespace.com/static/5248dad5e4b0dcb066334568/t/528a9f75e4b029957baafcf6/1384816501015/People+Measures+-+High+Potential+Identification+Questionnaire.pdf> Accessed 24 July 2018
4. *ibid*
5. *ibid*

#### Quote:

“Winning companies win because they have good leaders who nurture the development of other leaders at all levels of the organization.” —Noel Tichy

## Employment equity compliance checklist

If you are a designated employer, there is more to complying with the Employment Equity Act than submitting an annual report (Forms EEA2 & EEA4) to the Department of Labour. Answer the following 25-point checklist to get a 'dipstick' reading of your compliance with this major South African employment law.

1. Is there an EEA1 form completed and on file for every employee in the organisation?
2. Has a senior manager been assigned to lead implementation of employment equity by the organisation?
3. Have the roles and the responsibilities of the senior assigned manager been spelled out in detail?
4. Have you established an employment equity consultative committee?
5. Is the committee representative of employees across job categories and job levels?
6. Is the committee representative of all races, genders and people with disabilities?
7. Has the employment equity committee been trained in its functions and responsibilities?
8. Does the employment equity committee meet at least quarterly?
9. Are comprehensive minutes of the employment equity committee meetings kept on file?
10. Has a thorough analysis been done of your employment policies, procedures and practices to identify employment equity barriers?
11. Have you analysed the composition of your workforce compared to relevant EAP statistics?
12. Is the employment equity analysis captured on an EEA12 form?
13. Have you put together an employment equity plan based on the employment equity analysis?
14. Is the employment equity plan of 1 – 5 years' duration, captured on an EEA13 form and signed by the CEO?
15. Have you developed new employment equity plans to follow current plans before they expire?

16. Does every employment equity barrier identified in your analysis have an affirmative action measure in the form of an actionable SMART goal?
17. As part of your employment equity plan, have you set numerical targets which will take you nearer to reflecting the country's economically active population?
18. Have you analysed your pay structure to establish that it is equitable and does not discriminate against members of designated groups?
19. Is the employment equity plan monitored?
20. Do you keep recruitment and selection records to prove a genuine effort to attain your numerical goals?
21. Have you submitted annual employment equity reports to the Department of Labour?
22. Do you have documentary evidence that you consulted with the employment equity committee on the equity analysis, plan and reports submitted to the Dep. of Labour?
23. Do the workforce profile tables in your employment equity reports in each case balance to the previous years' reports considering the staff movements that you have recorded?
24. Do your employees (beyond the equity committee) know what is in your employment equity plan?
25. Do employees have easy access to the employment equity plan?

If you did not answer yes to all the checklist questions, then you have a compliance risk. One further exercise in determining where you are at, is to take your workforce profile by job level, race and gender from 5 – 7 years back and compare it to your current workforce profile. The numbers will indicate your success in diversifying your workforce. ■



Once after work, my boss, a self-titled "email man," sent me a text message instructing me to check my email. I rushed over to my computer and pulled up the important missive. It contained two words: "Call me."

Source: <https://www.rd.com/advice/work-career/50-bad-bosses-you-d-never-want-to-work-for/>

## Correcting unsatisfactory work performance

The root cause of serious work performance problems can sometimes be traced back to supervisors or managers not dealing with issues while they were small. The causes of this may include a conflict avoidance management style, wishful thinking that a problem will self-correct, procrastination, and or a lack of skill in informal correction techniques.

This note addresses the last of the above causes by describing a skill advocated by Blanchard and Johnson (2015), which supervisors and managers can use to give feedback on an employee's mistake and to redirect the employee's performance. This helps the employee get back on track and achieve his or her goals. It helps the employee and the business succeed. The steps to take are:

### First

1. Redirect as soon as possible.
2. Confirm the facts first and review the mistake together – be specific.
3. Express how you feel about the mistake and its impact on results.

### Pause

4. Be quiet for a moment to allow the employee time to feel concerned about what they have done.

### Second

5. Let the employee know that he or she is better than their mistake, and that you think well of them as a person.
6. Remind the employee that you have confidence and trust in the employee, and that you support their success.
7. Ensure your behaviour shows that when the redirect (correction) is over, it is over.

This approach contributes to a productive work environment and a culture of respect and personal growth. It also minimises the danger that a small performance issue will escalate into a big problem. ■

Reference:

Blanchard, K. & Johnson, S. (2015) *The New One Minute Manager*. London: Harper Collins

## Stages in a disciplinary hearing

The Code of Good Practice – Dismissals which is Schedule 8 to the Labour Relations Act emphasises an informal approach to address employee misconduct. However, when allegations of serious misconduct have been made against an employee it is advisable to follow a structured procedure to ensure a fair outcome:

### 1. Opening of the hearing

The chairperson greets everyone in attendance and explains the process including language to be used; note taking responsibilities; objections by any of the parties present; checks that the employee understands the allegations and is ready. The chairperson must give the employee an opportunity to respond to the allegations.

If the employee denies wrongdoing, the chairperson must give each side an opportunity to make opening statements. Each side should briefly outline the evidence they intend presenting.

### 2. Presentation of the Employer's case

The company initiator must guide company witnesses in turn through their account of what happened. The initiator must get the witnesses describe any relevant objects or documents, which witnesses place before the chairperson.

Once a company witness has completed giving his evidence, the chairperson allows the alleged wrongdoer and his rep to cross-question the witness. Thereafter, the initiator may again address questions to the witness to clarify matters. The chairperson may ask questions at any time.

### 3. Presentation of the employee's case

The employee gets his turn to speak and ask questions once all the company's witnesses are finished. The same rules apply as to the company's case. The initiator may cross-question the employee and his witnesses. The rep or the employee can clarify issues dealt with under cross-questioning. The chairperson may ask questions at any time.

### 4. Concluding comments

Once all the witnesses have finished, the chairperson should ask the parties for 'closing arguments'. This gives both sides a chance to point out to the chairperson why he should accept their version.

### 5. Adjournment

An adjournment gives the chairperson an opportunity to make up his own mind whether the employee is guilty or not. This stage is not mandatory.

### 6. Finding and evidence on sanction

The chairperson reconvenes the hearing and tells the employee his findings. If the chairperson has decided the employee has committed misconduct, then he gives both sides the opportunity to address him on an appropriate disciplinary measure.

### 7. Adjournment

The chairperson should again adjourn the hearing, this time to make up his mind about a fair disciplinary measure.

### 8. Disciplinary measure

The chairperson reconvenes and advises the employee of the disciplinary penalty. The chairperson provides the outcome in writing and informs the employee of his right to refer a dispute to the CCMA if the company's procedure is exhausted.

The contents of Human Resources Notes do not constitute legal advice. For specific professional assistance tailored to your needs consult an expert.



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## HUMAN RESOURCES SERVICES

We advise and help clients implement HR practices for business success

**lower costs • reduced risks • productivity • growth  
longevity • competitive advantage • profitability**

We resolve clients' employee issues and harness the worth of employees

### Top 5 services

- |                          |   |
|--------------------------|---|
| 1. Outsourced HR partner | Regular on-site presence to identify, prioritise and proactively deal with employee issues affecting business performance.            |
| 2. HR strategy           | Identify people challenges and opportunities and implement initiatives to lever business performance.                                 |
| 3. Governance            | Implement a framework of policies, procedures and practices which are compliant with employment laws and support business operations. |
| 4. Training              | Develop and facilitate training in industrial relations, supervisory and management skills, negotiation, employment equity.           |
| 5. Fair dismissal        | Execute all aspects of the disciplinary process including investigation, charge formulation, initiation, chairing.                    |

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