



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.”
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Skills development planning

In South Africa, this is a time when Skills Development Facilitators are busy co-ordinating the compilation of Annual Training Reports and Workplace Skills Plans in time for the 30 April 2018 deadline for statutory reports to SETAs to qualify for mandatory grants. The ATR|WSP submission is also a pre-requisite for BBB-EE ratings.

To implement a training curriculum which adds more value than a tick in a statutory compliance box, a thorough planning process is key. In this note, I summarise 4 key considerations in skills development planning. (See Figure 1 below.)

1. Business strategy

Business plans set out strategies for sales, marketing, manufacturing, logistics or other value chain elements. From these strategies general training needs within an organisation may be indicated. A continuous improvement or quality management programme in a manufacturing environment may, for example, be more effective if problem solving skills

training is rolled out in the production department. Every significant business strategy initiative should be accompanied by a training plan to maximise its effectiveness.

2. Individual needs

The linchpin of any training plan is to address the training needs of individual employees. The needs of an individual employee are determined by an analysis of the gap between the individual’s competencies and the competencies necessary for excellent performance in the individual’s job. Skills audits, performance one-on-ones, career discussions, exit interviews and team feedback can reveal competence gaps. An organisation’s training needs can be understood by aggregating the training needs of all employees.

Talent management programmes involve identifying future leaders in an organisation. To build a talent pipeline, organisations may go beyond training employees to master current jobs and implement learning programmes which develop the leadership skills of high potential employees.

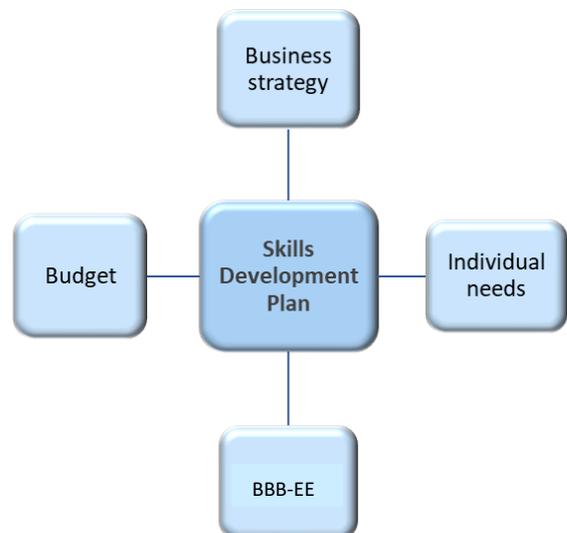


Figure 2: Skills Development Planning

3. BBB-EE

Through a schedule of obligations in five business elements of (1) ownership, (2) management control, (3) skills development, (4) enterprise and supplier development, and (5) socio-economic development, Broad Based Black Economic Empowerment (BBB-EE) legislation aims to transform the South African economy by increasing the participation of previously disadvantaged Black citizens in the economy as business owners and leaders. An organisation's performance on the independently audited BBBEE scorecard will in most cases be very influential in the ability of an employer to win business with state entities and corporate companies.

With reference to the BBBB-EE Generic Scorecard, 20% of the total scorecard points are skills development points. The implication is that any organisation aiming to get a good BBB-EE rating should optimise the points scored through training & development. The legislation is very prescriptive in how the points can be achieved. In a nutshell, the number of Black people (reflective of the EAP demographics) who attend training which contributes towards SAQA accredited qualifications, should be maximised. Learnerships, apprenticeships and internships are particularly valuable because the salaries of the learners can be included in training spend calculations.

4. Budget

No organisation has unfettered capacity to implement training for every identified training need or want. Time is a constraint. As training is increased, a point will be reached where the volume of employees away from their jobs on training will be dysfunctional to operational performance. The second major constraint on the amount of training is financial. Training budgets, the bane of many a learning and development manager's life, should instil disciplines in prioritising and implementing training programmes.

Some common signs of poor budgeting when it comes to training are: an inflation-based increase to the previous financial year spend, and under-spending or over-spending compared to budget. Unfortunately, to hear managers say, "we can't train

because the budget is exhausted" or conversely, "what courses can we send employees on because we still have unspent funds in the budget", is not uncommon.

Managers can optimise money spent on training by applying a broad understanding of what constitutes training or development. Training is more than sending employees on a classroom-based course at a cost per day fee. Some examples of developmental initiatives, which are not necessarily expensive are: peer coaching • mentoring • inhouse roleplays • challenging work assignments • action learning • acting in more senior roles.

Training is a HR process which positively affects business profitability. By properly planning skills development an organisation can confidently expect outcomes which reflect on its bottom line. ■

Reference:

- (1) _____ (2014) Simanya Current dti codes vs Amended dti codes. Slide presentation available on
- (2) Meyer, M. Mabaso, J. Lancaster, K. (2002) *ETD Practices in South Africa*. Durban: Lexis Nexis Butterworths p.76

Motivating employees

A motivated workforce means better company performance. Research by a Harvard University team showed that four basic emotional needs or drives motivate employees' behaviour. Additionally, there is a distinct organisational lever which meets each need.

Four drives and primary levers for motivation:

- (1) People have a **drive to acquire** scarce physical goods like food, clothing, housing and money as well as intangibles like promotions, travel and entertainment. The 'goods' bolster a sense of well-being.

Lever – the reward system. A company must effectively differentiate good performers from average and poor performers, tie rewards to

performance and give the best people opportunities for advancement.

(2) People have a **drive to bond** which is associated with positive emotions such as love and caring. In the workplace employees want to feel like they belong to the organisation.

Lever – culture. A company can meet employees' drive to bond by creating a culture that promotes teamwork, collaboration, openness and friendship.

(3) People want to make sense of the world around them. This is a **drive to comprehend**, which in the workplace manifests as a desire to make a meaningful contribution. Employees are motivated when their jobs challenge them and enable them to learn.

Lever – job design. A company needs to design jobs that are meaningful, interesting and challenging. Employees should feel that their jobs are important and contribute to the company's success. Investment in training and development contributes to fulfilling employees' drive to comprehend.

(4) It is natural for people to defend themselves, their property and accomplishments, their family and friends and ideas and beliefs against external threats. This **drive to defend** may show in a quest to create institutions that promote justice and participation.

Lever – performance management and resources allocation processes. Fair, trustworthy and transparent processes for performance management and resource allocation help to meet employees' drive to defend.

The research added two more keys to unlocking employee motivation. A company can best improve overall motivation by satisfying all four drives at the same time. Neglecting any one drive substantially diminishes the impact of high scores on the other three.

Secondly, employees attribute as much importance to their direct managers' meeting their four drives as to the organisation doing so. A company's policies and practices must meet the drives *and* managers

must address all four drives within the policy and practice framework. ■

Reference:

1. Nohria, N. Groysberg, B. Lee, L. (2008) Employee motivation: a powerful new tool. *Harvard Business Review* (July – August), 78 - 84

Delay in NMW implementation

In February 2017, agreement was reached at NEDLAC, which has representatives of government, unions, employers and civil society) to implement a National Minimum Wage in South Africa. It was an agreement based on compromise rather than consensus. COSATU did not sign the pact but their non-signature was not based on an objection to the content. NUMSA an ex-COSATU affiliate called the minimum wage "not fit for Ramaphosa's dog". Despite this type of sentiment, a bill was prepared based on the agreement and it was due to be passed into law for a symbolic start on Workers' Day, 1 May 2018. President Ramaphosa mentioned the imminent launch of the NMW law in his first State of the Nation speech on 16 February 2018. Significant details of the law are:

- R20 per hour minimum wage.
- Agricultural sector 90% of R20 per hour with a two-year period to increase to the national minimum.
- Supersedes all Sectoral Determinations

Government has realised that it will not be able to get the bill through the general assembly and the national council of provinces in time for the 1 May start date. On 26 March 2018, the minister of Labour told the media that she had informed the president of the delay. The minister declined to set a new launch date deadline and gave a noncommittal indication that the delay may be around two months.

Reference:

1. Magubane, K. (2018) No minimum wage deal by Workers' Day – Oliphant Fin24 (Online) Available at: <https://www.fin24.com/Economy/no-minimum-wage-deal-by-workers-day-oliphant-20180326-2> Accessed 27 March 2018

A fair disciplinary response to serious misconduct at work

When a disciplinary hearing chairperson finds that an employee has committed serious misconduct as alleged by an employer, then the chairperson must decide on an appropriate disciplinary measure. It is a separate step in ensuring substantive fairness.

Before making the decision, the disciplinary enquiry chairperson must offer the employee and / or the employee's representative as well as the employer's case initiator to give input on a fair disciplinary response to the misconduct. Typical disciplinary measures for serious misconduct are final written warnings and dismissal. A chairperson can impose suspension without pay or demotion as an alternative to dismissal. A chairperson should only consider suspension without pay and demotion in exceptional circumstances and only after getting expert advice.

The chairperson must consider the following before imposing a disciplinary measure:

1. *The misconduct*

The chairperson must consider a measure which is proportionate to the seriousness of the misconduct. Most companies have a disciplinary code which sets out a grid of different kinds of misconduct and corresponding disciplinary measures, which should guide a chairperson.

A chairperson should also keep in mind that the Code of Good Practice for Dismissal promotes the concept of corrective or progressive discipline. Corrective warnings should be applied in preference to dismissal unless the misconduct is serious and of such gravity that it makes a continued employment relationship intolerable. Examples misconduct warranting dismissal are: gross dishonesty or wilful damage to the property of the employer, wilful endangering of the safety of others, physical assault on the employer, a fellow employee, client or customer, and gross insubordination.

Not all dishonesty by employees justifies dismissal. Telling a 'white lie' in panic to avoid getting into trouble has been held in the labour court not to constitute dishonesty meriting dismissal.

If the misconduct is serious and the chairperson concludes that the employee can no longer be trusted or that it is impossible to continue the employment relationship, then dismissal will be a fair disciplinary measure.

2. *Mitigating factors*

These are factors which would indicate to a chairperson that a less severe disciplinary measure is appropriate, such as

- Long service
- A clean disciplinary record
- Difficult personal circumstances, such as sole breadwinner with many dependants
- Remorse / apology
- Extenuating circumstances, such as provocation in an assault case

The chairperson should bear in mind that mitigating factors, no matter how strong they are, cannot repair an employment relationship where trust is broken. The Labour Appeal Court has said that an employer is not required to consider mitigating circumstances merely because they evoke sympathy. The test is whether, taken individually or cumulatively, they serve to indicate that the employee will not repeat the misconduct.

In the same case, in relation to remorse as a mitigating factor the Labour Appeal Court stated, "Acknowledgement of wrongdoing is the first step towards rehabilitation. In the absence of a recommitment to the employer's workplace values, an employee cannot hope to re-establish the trust which he himself has broken."

3. *Aggravating factors*

Aggravating factors are those that may lead a chairperson to impose a harsher disciplinary measure than would otherwise be the case. They may include:

- Short service
- A poor disciplinary record
- Circumstances of the offence, such as use of a weapon to assault someone
- Deliberate disregard of the employer's rules

Generally, a hearing chairperson can only consider earlier warnings when deciding on a fair measure for a later misconduct if the misconduct for which the company issued the previous warnings is related. John Grogan writes that a company can group offences under the following headings to establish whether a connection exists between current and past misconduct: those related to time, those related to dishonesty, those related to negligent work performance, and those related to unacceptable conduct in the workplace.

4. Consistency

The principle is that an employer should treat "like cases" alike. This does not mean however, that the company must rigidly enforce rules. A chairperson must weigh the requirement of consistency against the circumstances of a case.

Written warnings imposed in the past for collective misconduct (such as an unprotected strike) should not be considered in deciding on an appropriate disciplinary measure in a current individual misconduct case and *vice versa*. ■

Reference:

1. Grogan, J. (2015) *Dismissal* (2nd Ed) Cape Town: Juta pp. 192 – 212
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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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