"Organizational Sustainability: Talent acquisition and retention in a dynamic market
ZIHRM 8 Nov 2024

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#MyHeadSpace

Which headline resonates most with the challenges in you/r organization?"

1. "War for Talent in Africa: How Can Companies Compete?"
    - Subtitle: The fight for qualified candidates intensifies as Africa's youth population grows.

2. "Africa's Skills Gap: The Region's Biggest Growth Barrier"
    - Subtitle: High youth unemployment, but where are the skills?

3. "HR's Biggest Problem: Solving for Needed Talent"
    - Subtitle: As markets shift, the pressure is on HR teams to find the right fit.

4. "Does HR Have an Answer to the Skills Shortage?"
    - Subtitle: Leaders question if traditional talent acquisition methods are enough.

5. "I'm Looking for People that HR Can't Find!"
    - Subtitle: The growing challenge of uncovering hidden talent amidst skill gaps.

6. "Whose Job is it to Recruit? HR vs. Department Heads"
    - Subtitle: Should hiring be a company-wide responsibility?

Current State of Talent Management in Africa

Setting the Context

Purpose: Africa's emerging talent landscape has challenges posed by <u>talent acquisition</u> and <u>retention.</u>

Question:
"What is the biggest talent challenge in your organization?
    A) Skill gaps
    B) Retention
    C) Culture fit
    D) Youth unemployment."

Statistic: Africa has the world's youngest population, with 60% under the age of 25. Yet, youth unemployment is estimated at over 40% across many African countries *(AfDB, 2023).*

Tension is around
- skills gap,
- unemployment paradox,
- and the shortage of specific high-demand skills despite high youth unemployment.

Statistic:
According to the World Bank, 70% of jobs in Sub-Saharan Africa will require digital skills by 2030, but less than 20% of youth currently possess these skills.

**Case Study: ***Hollard – sourcing *Data & Analytics/ Actuaries*. How are the people who are on social media and think they know digital not have the skills

Question for the Audience: "Have you experienced a skills gap despite a large applicant pool?"

New Strategies for Talent Acquisition in Africa

1. **Skills Based Hiring**
- Emphasize skills over formal degrees in hiring, which is a necessity given education disparities.
- Case: MTN and Google Africa have implemented skills based assessments for hiring.

Quote: In Africa, skills are the new degree~ Strive Masiyiwa

Question: "How much weight does your organization place on formal degrees in hiring?"

2. **Partnering with Educational Institu**tions
Collaboration between organizations and local universities or vocational programs can bridge the skills gap.

Case: Equity Bank's Wings to Fly program in Kenya, which partners with universities to prepare students for job markets.

Question : "If your organization could partner with any African educational institution, which would it be and why?"

3. **Remote Work and Gig Economy Opportunities**
Remote work allows African organizations to tap into the gig economy and hire across borders.
Statistic: The gig economy in Africa is projected to grow by 30% annually (Frost & Sullivan, 2023)

Mining Within - A case of Hollard

Case for Change

1. Talent Management Strategy, Philosophy & Principles

- **Strategy**
  We create a **resilient organization** through leadership that is **powered by perspective** to **make Informed data driven decisions** pertaining to **Talent Attraction, development, deployment and retention**, resulting in Hollard becoming the **Country's favourite employer.**

Case for change

- Why
  Translating Purpose into the Organization
  - Meaningful Impact
  - Focused Competitiveness
  - Enabling Culture

- What
  Our manual Talent Review Process is evolving to a seamless digital approach that enables an integrated talent management

  Empowering Leaders with Perspective through data and analytics to make informed talent management decisions

3. Identifying Potential

- Revised 9 Box Matrix
- At Potential, Some Potential and High Potential
- Investment decisions based on calibrated Potential and Performance

2. High Potential vs High Professional

HI-PO
A Hollardite with the ability, **agility**, aspiration and engagement to rise to and succeed in more senior, critical positions, **significantly faster than their peers**

HI-PRO
A Hollardite who seeks depth, values certainty and delivers great results in their current area of strength or expertise.

Both HIPO's & HIPRO's are promotable and equally important to the sustainability of the organization

4. Talent Review Approach & Guidelines

- Insightful an Robust Talent Conversations
- All Talent Review discussions and actions should be done with the **business strategy as backdrop**
- **Succession guidelines to be applied**
- **7 Factors for discussion**

Talent Strategy, Philosophy & Principles

We create a **resilient organization** through leadership that is **powered by perspective** to **make Informed data driven decisions** pertaining to **Talent attraction, development, deployment and retention**, resulting in Hollard becoming the **Country's favourite employer.**

Our Hollard Talent Philosophy

1

Performance

We expect all Hollardites to consistently achieve or exceed expectations. Sustained low performance is not acceptable.

2

Differentiation

We differentiate our development investment, rewards and compensation based on employee performance, leadership potential & Key and Critical Skills.

3

Behaviours

High Performance and demonstration of the Hollard Purpose will influence pay and promotion.
Leaders are expected to effectively coach and develop the next generation of leaders and specialists.

4

Accountability

We hold leaders accountable to provide regular feedback and develop our people in ways that build bench strength, drive high performance and support our values. Hollardites are accountable to honour commitments, to continuously learn and apply new skills and knowledge to the job.

5

Transparency

Line Managers are responsible to share information with Hollardites about talent processes that personally affect them. We are candid with Hollardites about their future in the company, and what it takes to succeed and progress.

6

Commitment

We are committed to creating a sense of belonging for every Hollardite through driving and monitoring the implementation of our Diversity, Equity and Inclusion strategy.

Our Hollard Talent Principles

| Purpose & Value Driven | Strategically Aligned | Leader & Management Lead | DE&I Embedded | Internally Consistent | Global Mobility |

- Organizations looking to identify learning agile talent are prone to assuming they've already selected these Hollardites as part of a "top talent" pool or by promoting them into higher roles.

- But, job performance, professionalism, dedication, self-awareness, and on-the-job results aren't necessarily signs of someone who's learning agile. Instead, it's possible that our organization is mistaking "high professionals" for "high potentials."

- High potentials and high professionals often appear similar to one another because hey share some common qualities that make them valued talent. These include the following: (Mutually exclusive)

High Potential Can be/Considered	High Professionals Can be/Considered
• High (solid) performers • Dedicated learners • High in self-awareness and results orientation	• High (solid) performers • Dedicated learners • High in self-awareness and results orientation

But on closer inspection, some subtle—but nonetheless important—differences start to emerge:

High Potentials	High Professional
• Seek breadth • Embrace the unknown • Create new solutions • Seek exposure and new experiences • Rely on intuition and willingness to experiment • In low supply in most organizational settings • ("What if we . . . ?")	• Seek depth • Value certainty • Refine existing solutions • Seek status and recognition • Rely on knowledge and proven expertise • Forms the base in most organizational settings • ("We should . . . ")

Definition of Promotability

- Promotability refers to a Hollardites' suitability to be promoted to higher levels of leadership and or more complex roles

- Both High Potentials and High Professionals are promotable, however a High Potential reaches higher levels of leadership or complex roles faster than their peers.

- Potential thus refers to the rate of movement, rather than the readiness to move

- **Both HiPo's & HiPro's are equally important for the sustainability of the organization.**

Source: Hallenbeck, G., & Santana, L. (2019). *Great Leaders Are Great Learners*.

Potential Rating Considerations

Performance ≠ Potential

Only about 1 in 7 High Performers are also High Potential

What got you here may not get you there...

What's the difference?

Performance
Success in current role

- Delivery on objectives
- Impact on revenue or budget
- Demonstration of expertise or proficiency
- Mastery of competencies
- Contribution on key projects
- Customer satisfaction

Potential
Ability, agility, aspiration and engagement to advance to higher levels of leadership significantly faster than peers

- Broad and strategic thinking
- Desire for higher levels of responsibility
- Actively building new capabilities
- Seeking out challenges
- Adapting quickly
- Succeeding in new and difficult situations

4 Dimensions to Assess Potential

3

How many of these attributes does the person display ....?

Ability
Seen as highly competent in their current role

› Works well independently
› Seen as a go-to person by peers and others
› Stays up to date in their field
› Works well with others
› Solves challenging problems
› Get things done and consistently meets goals and objectives

None/Few   Some/Most   Almost All/All

Aspiration
Seeks greater responsibilities and rewards of more senior roles

› Willingness to lead others
› Willingness to take on more complex challenges
› Clearly expresses their ambitions and career goals
› Constantly asks for more responsibility

None/Few   Some/Most   Almost All/All

Agility
Has the willingness and ability to successfully take on new and unfamiliar challenges

› Gets up to speed quickly when facing new challenges or assignments
› Naturally curious about things outside their field of expertise
› Thrives during change
› Courage to take calculated risks
› Asks for and acts on feedback and coaching

None/Few   Some/Most   Almost All/All

Commitment
Has a genuine commitment and passion to the company our values

› Lives the Hollard Purpose
› Goes beyond of what is expected of them
› Acts in favor of team vs own gain
› Has a broad network of people to tap into
› Seen as a Brand Ambassador

None/Few   Some/Most   Almost All/All

! When identifying talent both performance and potential are critical to consider. It is important to distinguish between the two, they are not the same!

! A high potential employee demonstrates all four dimensions of potential

IQ — Intelligence Quotient

High IQ are seen as smart and can deal with a high level of cognitive complexity.

Senior jobs require the processing of a lot of information at high speeds, much of it incomplete. It requires a prodigious memory. It requires making connections others have not made before. It involves spinning future scenarios of possible outcomes. It requires crafting competitive-edge strategies that will win out over competitors.

TQ — Technical Quotient

High TQ is what allows leaders to manage ideas and projects, handle operations, and understand the technical parts of their jobs.

It's also easy to recognize and assess. We promote for it. We reward for it. So, most of the people who get to the top have demonstrated it in the past.

Ways in which low TQ might show up include a lack of initiative, accountability, or follow-through; overdependence on a single competency, or key skill deficiencies.

MQ — Motivation Quotient

High MQ people have high levels of personal motivation and drive. They are motivated to lead, achieve, and are prepared to sacrifice for their career. Long hours, assignments in remote locations, weekend time spent working or traveling to meetings.

It involves the willingness to work hard and the longing to get ahead. It also relates to the need to win.

They need to be the best. It speaks to the joy of success and achievement. It shows itself as perseverance and a drive for results.

XQ — Experience Quotient

High XQ people have learnt from a diverse range of experiences.

XQ represents the experiences one needs to build TQ, PQ, and LQ, and to a lesser extent, MQ, and even some IQ. People, no matter how much talent they have, don't come to organizations ready to handle everything.

Hardships are essential because real development involves pressure, emotional heat, and having a lot at stake.

PQ — People Quotient

High PQ people are self-aware and open to others.

They work well with, and through people. They are inspirational, create shared meaning, and can motivate people to work together to turn visions into reality.

They are the type of people whom others want to follow any- and everywhere. They handle conflicts well, not letting them fester, and ensuring the outcomes are viewed as win-wins.

LQ — Learning Quotient

High LQ people are able to detect the need for new behaviors and are able to deploy new approaches effectively to succeed in first-time situations.

LQ is being able and willing to derive meaning from all kinds of experience. It's figuring out what to do when you don't know what to do. Learning new ways to think, solve problems, behave, and manage is primarily LQ.

LQ is most important during transitional assignments when past skills are no longer the ones needed to do well.

Talent Segmentation Weighting Application (9 Box Potential Matrix)

4

Potential

Potential: High

INCONSISTENT PERFORMER HIGH POTENTIAL
Struggling to deliver results, but could grow and develop if given an opportunity elsewhere/could be developed to improve performance
Focus on coaching and solid dev plan. If in role for some time, may be serious issues

CONSISTENT PERFORMER HIGH POTENTIAL
<u>Deliver solid results consistently. Have the ability and willingness to grow and change to take on new challenges</u>.
Focus on increasing performance to HP/EP, after which greater challenge/ scope is likely

OUTSTANDING PERFORMER HIGH POTENTIAL
<u>Deliver great results consistently even when conditions change significantly</u>. Have the ability and willingness to grow and change continuously
Retention is critical. Enhance career with mobility opportunities/stretch assignments

Potential: Some

INCONSISTENT PERFORMER SOME POTENTIAL
Potentially new to role. Struggling to deliver results consistently, but could be developed to improve performance.
Focus on reasons for low performance and actions to improve. If no improvement, potential should be re-assessed and a PIP put in place

CONSISTENT PERFORMER SOME POTENTIAL
<u>Deliver solid results within their area of expertise.</u> **<u>Can adjust to changes that are not too different from current conditions</u>**.
Focus on increasing performance to high with further assessment of potential for growth

OUTSTANDING PERFORMER SOME POTENTIAL
<u>Deliver great results even if conditions change</u>. <u>Can adjust to changing conditions if not too different from current</u>.
Focus on specific gaps; i.e. what is needed to broaden scope / move to next level of responsibility.

Potential: At

LOW PERFORMER AT POTENTIAL
Consistently underperforms. No evidence of willingness or ability to grow and develop.
Focus should be on significant performance improvement or finding a more suitable role (internal/ external)

CONSISTENT PERFORMER AT POTENTIAL
<u>Deliver solid results if conditions stay stable. May find it difficult to adjust to new conditions.</u>
Focus on maximizing performance. Should performance decline, retention may be reviewed

OUTSTANDING PERFORMER AT POTENTIAL
<u>Deliver great results within their area of expertise. May find it difficult to adjust to new conditions.</u>
Engagement is important for continued motivation and retention. May be of real value for developing others.

LP/NI   SP   HP/EP

Performance

Legend:
High Potentials

High Professionals

3 Key Consideration for Talent Retention

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Building Pathways to Growth

1. Career Development and Learning

    - A study by LinkedIn found that 94% of employees would stay longer if a company invested in their career development.

    - Harvard Business Review emphasizes the importance of growth opportunities, noting that employees who perceive clear advancement paths are more engaged and committed to their organizations.

2. Leadership and Mentorship

    - Gallup research highlights that managers account for at least 70% of the variance in employee engagement, showing the importance of effective management training and development for retention.

    - The Association for Talent Development (ATD) suggests that mentoring programs increase employee satisfaction and retention by promoting strong, supportive work relationships.

3. Feedback for Continuous Improvement

    - A survey by Qualtrics found that organizations that gather regular feedback and take action on it report higher employee engagement scores and retention rates.

    - The concept of stay interviews, introduced by Beverly Kaye, is gaining traction for its proactive approach in understanding and meeting employees' retention needs before they consider leaving.

Fostering a Thriving Culture

1. **Engaged and Inclusive Culture**
   - Deloitte's Global Human Capital Trends report highlights that 79% of executives believe a sense of belonging is critical to their organization's success, underscoring the role of an inclusive and engaged culture.
   - Research by McKinsey shows that a purpose-driven work environment improves employee satisfaction, which can be crucial for retaining younger generations who prioritize meaningful work.

2. **Recognition and Rewards**
   - A SHRM (Society for Human Resource Management) survey found that companies with effective recognition programs have 31% lower voluntary turnover.
   - According to Gallup, public acknowledgment and peer-to-peer recognition contribute significantly to an employee's sense of value and belonging in the organization.

3. **Diversity, Equity, and Inclusion (DEI)**
   - McKinsey's 2020 report on diversity indicates that companies with diverse executive teams are   more likely to outperform their peers, and employees in such environments report higher job   satisfaction and engagement.
    - Research from the World Economic Forum suggests that inclusive cultures and fair opportunities are key drivers of employee loyalty and retention.

Flexibility and Compensation for Retention

1. **Compensation and Benefits**
- A survey by Willis Towers Watson found that competitive pay and benefits are top factors in employee retention, and companies that regularly adjust pay to market trends see lower turnover rates.
- According to Mercer's 2022 Global Talent Trends, a holistic approach to benefits—especially those supporting mental health and family—significantly enhances retention and engagement.

2. **Work-Life Integration (Balance and Flexibility)**
- The Harvard Business Review reported that flexible work arrangements reduce employee stress and improve job satisfaction, which are critical to retention.
- The Global Benefits Attitudes Survey by Willis Towers Watson found that companies offering flexibility and manageable workloads had up to 89% higher retention.

3. **Purpose and Belonging**
- PwC's Future of Work report notes that organizations aligning roles with a meaningful purpose experience higher employee engagement and lower turnover.
- Gallup research suggests that transparent communication and a clear alignment between organizational values and employee roles foster a sense of belonging and purpose.

Thank You - Questions
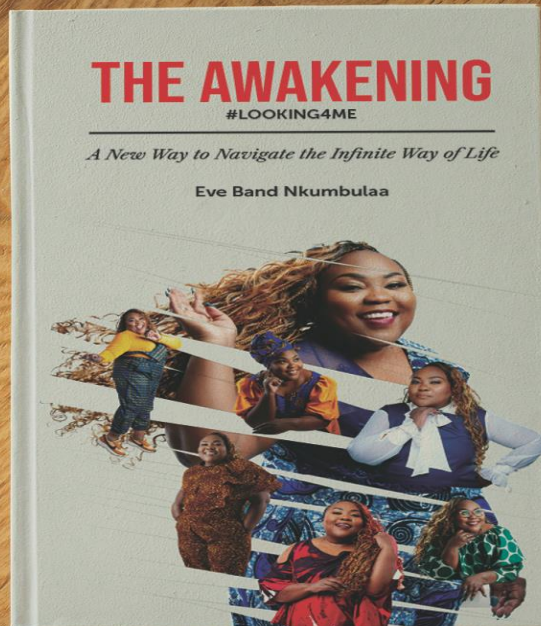
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