



LEARNING NOTES

TALENT MANAGEMENT WORKSHOP

26 JANUARY 2016

GO DURBAN BOARDROOM

FACILITATOR: M. Marincowitz

1. INTRODUCTION

The eThekweni Municipality has positioned itself to develop a comprehensive and integrated Talent Management Programme to avoid an imminent and potential catastrophic crisis – an aging workforce in certain critical departments charged with service delivery; a shrinking work force with scarce skills leading to an increased competition for talent; an experience workforce that will retire (loss of institutional memory); a lack of strategy to deal with this problem and so on. As a result of rapid transformation in the municipality, a youthful and less experienced workforce will constitute a majority in the near future. At the moment, highly strategic and knowledge intensive positions are mostly filled by “baby boomers” who will retire in the not so distant future. If nothing is done, the skills and knowledge they hold in their heads will leave with them, and the capability of the municipality will slip away. **The municipality is racing toward a demographic cliff edge, and Talent Management will provide the only parachute.** The municipality, therefore, needs to direct its effort to Talent Management as an organizational driver that will reduce the risk and increase competence. The purpose of the workshop was to take an organizational wide look at the risk and the urgency, prioritise activities and individuals for talent management activities, and put in place a planned and monitored approach to talent and the transfer of skills and knowledge to “talented” employees.

2. OPENING AND WELCOME

Ms Kim Makhathini, Head: HR Services welcomed all participants present. In her opening address, she outlined the objectives of the workshop. Talent Management (TM) is an important component of HR. She reiterated the fact that senior management needs to consider that failure to develop and implement a comprehensive and integrated TM framework and strategy is a risk to the municipality. She further stated that as a collective, the participants/team need to raise the profile of the HR department.

3. DEFINITION OF TALENT MANAGEMENT

3.1 Key Points from Presentation by Siwe Dlamini

There are four areas TM, namely, Talent Acquisition; Succession, Development and Retention.

- **ACQUISITION** (i.e. recruitment, attraction etc.) is about obtaining scarce skills such as Engineers and Nurses. The municipality needs to consider reviewing existing policies and interview processes (e.g. head hunting; skills, experience, and attitudes) and requirements.
- With regards to **DEVELOPMENT**, HR needs to engage with the Skills Development Unit to advance employees, particularly with critical and scarce skills. Assisted education, for example, should target critical and scarce skills and not general studies. TM is about meeting the strategic objectives of the organization, and therefore it needs to be aligned with the Integrated Development Plan (IDP). The 80/20 principle applies in the corporate world. Generally, TM targets the 20% that needs to be developed to take over strategic positions. However, an argument has been forwarded that everyone is talented and can be classified as either low, medium to high risk. Often talent and ability is confused in the definition of the concept of TM. The argument with regards to talent is based on the fact that the world is evolving as technology is advancing rapidly. TM is a strategic organisational and business driver of specialized areas and core talent. The TM strategy and definition was workshopped with senior management with the view of obtaining buy in and support. Due to the nature of the municipality, TM has to have compelling criteria that is similar to the criterion used for critical and scarce skills. Talent must be geared towards “mission critical” post (MCP) and the existing criteria must also be reviewed. With the alignment of TM with the strategic objectives of the municipality it needs to be considered as a futuristic programme that projects into the future and is aligned to vision 2030.
- **SUCCESSION PLANNING** is linked directly with EE and a subject of the normal recruitment process. SP is not only about retirees but also “high risks HIPOs”. SP must create competition amongst employees to perform and must not be limited to certain employees – there must be succession pools. It therefore means, TM must also become a change management process aimed at line department’s mindsets and perceptions. EE is also a challenge to SP in cases where the targeted race and gender is not available. The issue of critical skills is a national imperative and is impacting directly on the TM processes of the municipality.
- **RETENTION** can be related to competitive salaries available in the market, mobility, culture and flexibility.

3.2 Key Points from Presentation by Reggie Mkhize (Governance, Economic Development & Planning and OCM)

The Governance, Economic Development and OCM clusters do not have critical posts but instead have mission critical posts (MCPs). The biggest issue,

and perhaps a major challenge, is the filling of vacant positions. The second issue is the grading of positions. Line departments see HR, Skills Development and Organisational Development as one department but we are working in silos and there are no existing partnerships even at a project level. Another issue is the fact that HR practitioners making requests to attend workshops often do not get approval from management. An opportunity for development in HR is limited and this is further exacerbated by the reality that there are no promising promotions available in the present organizational structure. The definition of HIPOs is also cause for concern and must be reviewed. Furthermore, a discussion between Leadership and the TM committee must be organized and perhaps top of the agenda can be an issue of women and PWD development that also needs to be recognized as a special subject. In response to a set of questions, Mkhize responded as follows:

A short Q & A session.....

- With regards to vacancies in MCPs, the issue is funding arrangements which are impacting on filling the positions. Treasury is not closing vacant non critical positions that have been vacant over a period of time to cross fund MCPs. Furthermore, the municipality is becoming “notorious” for incomplete structures, the overemphasis of EE, people not yet developed to fill positions etc.
- On the issue of HIPOs, the city’s recruitment process is based on people’s potential and not performance. HIPOs are about performance and potential requires coaching and mentoring, training, support, exposure, and lifelong learning opportunities. Even in that process, candidates are not scored correctly. This then suggests that there is gap whereby HIPOs can miss a chance of being employed.
- As mentioned earlier, the criterion for MCPs is not clear and needs to be reviewed. The issue of critical versus scarce skills is well documented but some HR practitioners might not be fully aware. HR must, therefore, be proactive and share information with regards to strategies, plans and policies even with line departments. HR also needs to be afforded “airtime” and management must grant them that opportunity to voice their concerns in an attempt to alleviate existing challenges. Moving forward different “things” must be instituted to make HR move forward and be relevant otherwise; line departments will not take HR seriously.

Presentation by Pinky Kunene – Finance Cluster

Line departments lack an understanding of TM and how it is aligned to the organizational strategy as well as its impact. There is no criterion and hence things are just happening by default. TM must be aligned with EE targets and principles otherwise it will lose its focus. At the moment TM is raising expectations and undue competition among employees for positions. TM

committees need to be re-established to formalize TM. A position of a Property Valuer, for example, is a critical post but it is close to impossible to fill the vacancy because there are no institutions that offer training for them in Durban or KZN at large. Available schools are based in Cape Town and the Skills Development Policy does not cover travel and accommodation. Some employees have been obtaining responsibility allowance for a long time and as a result of union interference and EE these positions cannot be filled. There is an urgent need to identify MCPs and scarce skills in order to have a clear picture in the Finance Cluster – it remains outstanding. That picture can be presented to line departments because currently they are not receptive of TM. Line departments must be capacitated to understand the impact of TM (and must be linked to performance monitoring and evaluation criteria). The caliber of people (#babyboomers) has been in Council for long and many years are often resisting change, therefore making it difficult to change mindsets about TM.

Presentation by Sinazo Gwambe – Community and Emergency Services Clusters

Clarification is still needed with regards to the criteria for HIPOs. The benefits of TM need to be marketed and sold. The concept of TMs must be relaunched and started afresh with a new approach. Currently, the identification of HIPOs is causing concerns amongst employees. It is viewed as an unfair process, therefore, the criteria needs to be reviewed and workshopped. “Talent Pools” versus appointments’ need a structured and integrated programme to rollout TM

Presentation by Gideon Vundla - Human Settlements and Infrastructure

The city realized that they do not have successors (e.g. Heads for Water and Sanitation as well as Housing). However, management buy in still remains the biggest issue and is absolutely critical. There is also a need to capacitate politicians to understand TM because it needs to be commonly understood by both leadership and management. TM is not a standing item of the DCMs Forum and when placed on the agenda remains a last item if ever it has to be discussed. Decision making and influence pertaining to certain positions occurs at the interface of political leadership and administration, and HR has to abide regardless of existing policies and plans. The erstwhile City Manager established an outreach programme in an attempt to solicit critical skills. However, the competition for Engineers is high and the private sector is poaching them at unprecedented scales. There needs to be a common and shared understanding of TM across all clusters, units and departments. There also needs to be shared views within HR. Head hunting is still an issue and therefore the recruitment process must be followed. In the meantime, the private sector is employing most of the people with scarce skills.

Some collective discussion points.....

- Human Resource Forums should be used as a vehicle to advance Talent Management.
- There is a need to offer an education programme and provide extensive training to line departments about TM
- There is a need to relook at HIPOs criteria and existing pools
- The city needs to create a conducive environment for progression and development
- EE targets are a temporary measure, and male employees need to be kept motivated because the morale is low.
- Skills development policy needs to be reviewed in order to be supportive to TM. For example, Assisted Education does not pay for travel and accommodation; hence we cannot keep up with the competition from the private sector.
- Labour needs to provide support to Talent Management
- Retired Engineers must mentor and transfer skills and knowledge to candidate Engineers over a period of two years. The existing Retired Engineers are staying for extended periods and therefore the impact is questionable. Head hunting is still an outstanding matter because there is no support from management, leadership and labour. The proposed solution is to get a service provider to source scarce skills. The criterion of registered Engineers also needs to be considered. The private sector appoints non registered engineers and out sources signing off duties.
- Talent is very mobile. However, there are systems to track talent. Skills development needs to undertake an Audit, develop a strategy, plans and a framework

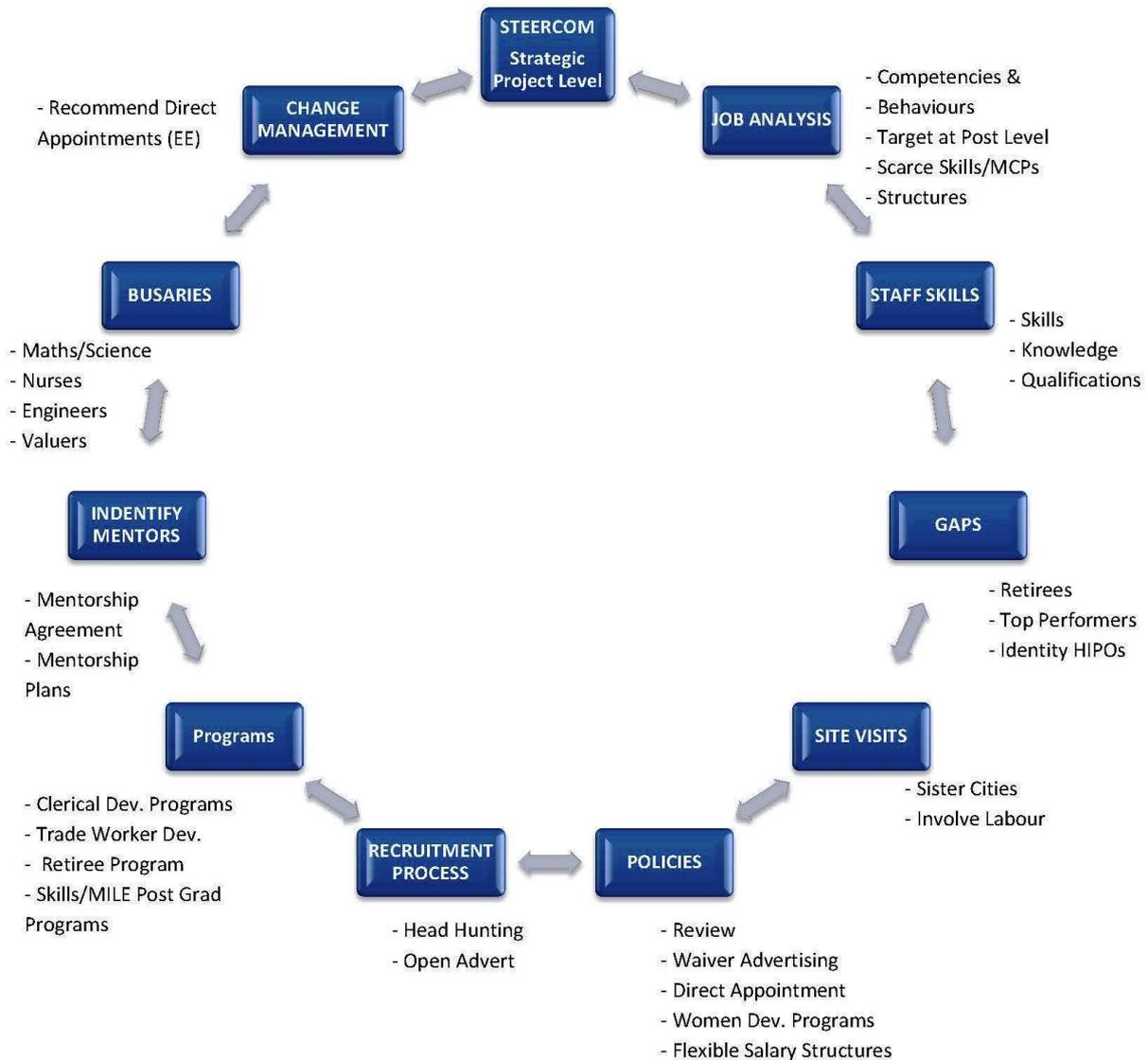


Figure 1: Proposed Framework

Some of the main challenges identified.....

1. Lack of Talent Management education and training in HR and Line departments
2. The composition of Employment Equity and Talent Management lack integration
3. Lack of buy in and support from labour, management and leadership
4. The environment and culture is not conducive for Talent Management
5. Talent Management Committees are currently not functioning
6. Poor identification of mission critical posts
7. Poor criteria used to identify HIPOs
8. Lack of purpose driven Female development programmes
9. Unknown Coaches and Mentors
10. Lack of Talent Management System to track talent in the municipality
11. Slow pace of response to environmental issues and changes

12. Political intervention and unhealthy interface between politicians and administration
13. Slow finalization of new structures and institutional review processes
14. Inflexible policies – recruitment, head hunting, SCM, salary, recruitment packages

Some proposed solutions.....

At least 16 key Talent Management challenges in the City that was identified, and now the focus was on the possible solutions. Previously, it was agreed that these challenges would be circulated to HR Operations members for discussion with their respective teams in respect of proposed solutions to these challenges and that a further session would be held on 09 February 2016 after the HR Strategy meeting, to finalise the solutions and way forward in respect of Talent Management (TM).

At the session, some proposed solutions/way forward were agreed and are recorded in the table below. In respect of those challenges where solutions were not discussed, it was agreed that the TM team would send out this document to HR Operations members for their further input and the TM team would thereafter finalise the document, including the respective timeframes for each action item.

No	Key Challenges	Action and Way Forward	By Whom
1	Lack of Leadership buy-in to TM.	<ul style="list-style-type: none"> • TM presentation to be undertaken at Cluster meeting; • TM report to be forwarded to DCM: HR Cluster • CM to reconvene DCM's TMC; • Convene StratMan All; • D/Heads to drive with DCM's, assisted by TM Team,(TMC's have met in Corporate &HR, Governance and C&ES, so is some progress). • Quarterly review meetings to be reconvened 	<ol style="list-style-type: none"> 1. Head: HR; 2. DCM: Corporate & HR; 3. TM Team; 4. D/Heads: HR
2	Need for education/training/change management iro TM.	<ul style="list-style-type: none"> • Present to MPAC and Governance & Corporate HR Committee; • Require info on current programs/initiatives in Units. • Host Talent Awareness Day • Present at to all portfolio committees • Alternatively, invite portfolio chairs/deputy chairs to TMCs, MPAC • Develop standard reporting tool and processes • Obtain information on 	<p>TM Team/Head: HR TM send request/ Senior HR Managers.</p>

		current/existing programmes/initiatives undertaken by various departments e.g. electricity and engineering	
3	Environment/culture not conducive to implementation of TM.	<ul style="list-style-type: none"> • Re-introduce TM as a change management process, compile a proposal and preferably obtain the services of an external service provider 	TM Team.
4	Political influence.		Covered in 2 above.
5	TM/EE/PM/Skills integration is lacking; EG, Composition of succession pools due to EE Plan & lack of promotion is one of the integration issues.	<ul style="list-style-type: none"> • Integration of TM and Skills Development to be discussed by respective Heads. • Initiate discussion forums with all departments 	Head: HR.
6	Inflexible legislation and policies; Examples are salary package regulations; Recruitment, Head Hunting & SCM Policies.	<ul style="list-style-type: none"> • Give notice of withdrawal of EPPA & implement Recruitment Policy, via Principals and B/Council; • Fast track minor amendment to TM/OAP structure. 	Manager: LR and D/Head: HR(Services); Head: HR.
7	TMC's are not functioning.	<ul style="list-style-type: none"> • Covered in 1, 2 and 3 above 	See 1, 2 and 3 above.
8	Have not identified mission critical posts. Criteria are in TM Strategy.	<ul style="list-style-type: none"> • Needs to be done at some stage but need to look at resolving key issues above before any perceived value in carrying out exercise at this stage. 	Nil at this stage.
9	Need to re-visit "HIPO"		

	criteria and implementation thereof. Criteria are in TM Strategy.		
10	Need integrated TM System that has information across the Municipality. System was developed but was not implemented.		
11	Need suitable assessment & career pathing tools. (Need competencies for all posts and tools for measuring competencies).	<ul style="list-style-type: none"> • Need to look at what has been done and what is available and identify gaps and formulate plan to meet gaps. 	D/Head: HR (P&D), TM & OAP.
12	Need to identify and utilise suitable mentors and coaches. Refer to Coaching/Mentoring Project.		
13	Need developmental programs for internal females.		
14	Need to consult and train Labour iro TM. Did consult with Labour leadership in 2010.		
15	Lack of finalisation of institutional review.		
16	Slow pace of response to key HR environmental issues.		

