

# Black job-hopping not all about the money

**J**OB-HOPPING: mention it to human resources managers and they have something to say about it — with many claiming that affirmative action has led to an increase in job-hopping by black talent.

While the phenomenon is by no means unique to South Africa, the theory is that it is exacerbated here by the combined effects of transformation imperatives and a scarcity of black talent.

In fact, few comprehensive statistics exist to prove or disprove this perception, but in the minds of many there is little doubt that young black talent in this country is restless and highly mobile.

The problem, of course, is that job-hopping is damaging and costly to corporates. It is expensive to recruit and train talented individuals, only to lose them a short while later.

Recent research by the Unilever Institute at the University of Cape Town found that a significant number of black employees — 65% — had changed jobs at least once within the past three years.

This is well short of the five-year period most human resources managers would aim to retain people in their jobs.

It can cost upwards of R80 000 in commission and advertising alone to place a person earning between R400 000 and R600 000 a year. Then there are training costs and the associated opportunity costs of taking people out of their ordinary function to train a newcomer.

Hardly surprising, then, that the topic at the top of most human resources managers' minds is, "What is driving this black talent and how can we hang onto it?"

New research launched this week by Cape Town-based market research company, the Consumer Insight Agency, is shedding some light on the matter. The research seeks to get beyond the statistics and the speculation to reach a deeper understanding of how and why personal drivers (factors driving black talent) are in conflict with what corporates are offering.

And it has confirmed what many of us have known for a long time — that the personal drivers are far more complex than just the lust for ever-greater salaries. It's a common misconception that money is the main motivation of job-hoppers — and it's a belief that has led to many corporates paying a premium for a black employee over a white one. According to a recent report, this premium can be as much as 40%.

Undoubtedly the money is attractive. According to figures from the South African Institute of Race Relations, income trends have seen the movement of black South Africans into high-income brackets accelerate since 1998 (35.7% of black South Africans had migrated to the bracket of those earning more than R153 601 a year by 2004). But many corporates are now finding that, far from having the effect of securing employee loyalty, salary premiums may actually be contributing to job-hopping.

The research offers fresh insight into why this is the case. It identifies a number of additional drivers

## COMMENT

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that corporates would do well to note if they want to be more successful in holding on to black talent.

Top of the list is the spirit of entrepreneurship. The research found that almost all respondents dream of starting their own business. Driving this is a series of complex motives, including the desire to "call the shots" and to set the tone of organisational culture, as well as the desire to give something back to their communities and to create a legacy.

"Many respondents voiced the feeling that they had been previously barred from accumulating significant wealth or resources for themselves and their families and communities," says project manager Claudia Cruz.

"There was a strong sense that giving back is a major contributor to the desire for success and, in particular, the desire to start and run their own successful business."

What is startling about this finding, Cruz adds, is that few are dreaming about climbing the corporate ladder in the narrow sense to become the next chief executive or chairman of the board.

This is not a typical Western dream of individual career success. It is a different kind of thinking entirely — one that is informed by our history of discrimination and the spirit of ubuntu.

Personal growth also plays a key role in people's desire to move between jobs, says Cruz.

"People want to be constantly challenged — to gain skills across a broad range of disciplines — often because they see themselves skilling up to the point where they will be able to start their own business and because they feel that they have a finite window of opportunity, approximately 8-10 years, in which to do this."

Cruz believes that moving between roles is a good way to build networks, which are perceived to be useful in the longer term for going solo.

For these people it's all about aspirations, opportunity, adding value and feeling worthwhile. The most important factor in deciding whether to accept a job — and stay in it — is how challenging it is.

In addition to the pull of self-employment and self-actualisation, black employees also experience

significant "push" factors within corporates that lead them to switch jobs. According to Cruz, there was a strong message from those interviewed that culture clash and hostile environments are major contributors to job-hopping.

Stifling corporate cultures that seek to stamp out difference, perceptions of tokenism, open resistance from line managers, and being sidelined, are all issues that researchers encountered.

"Many [respondents] spoke of a fear of failure — they feel that whereas white colleagues are allowed to fail, their own failure is taken as proof that they are incompetent and token employees," says Cruz.

This places undue pressure on individuals to perform without failure, which is absurd. After all, don't business people around the world learn and grow through taking risks and making mistakes?

Too often empowerment and affirmative action carry with them an undercurrent of paternalism, which leads to a tendency to underestimate the talent and ability of individuals. But not giving them the chance to perform on an equal footing means their personal growth suffers and worse, it is bad for the company and ultimately the country.

Making mistakes can be costly, but mistakes can also lead to innovation and ultimately to sustained business success. It's a philosophy that the likes of Jack Welch are intimately familiar with.

Professor Chris Breen, who runs a course on embracing complexity and diversity at the UCT Graduate School of Business, thinks that this inability to let black talent develop and shine amounts to a failure on the part of big business to take advantage of a major tool for competitiveness.

"South Africa's business landscape is dominated by a drive to enhance the workforce diversity in our companies," Breen says. "Diversity is becoming a key factor for competitiveness globally, with analysts increasingly highlighting that, for organisations operating in intensely competitive and complex conditions, having a diverse workforce that adds flexibility and real-time problem-processing power is critical."

"This is a performance aspect that may be obscured in South Africa if we continue to focus only on getting the numbers right."

Many South African corporates are already doing innovative things to attract and retain black talent and it is not surprising that these companies usually appear somewhere near the top of the list of the best organisations to work for.

The challenge for all of us involved in business in South Africa, surely, is to learn from and emulate these successes while finding new ways of getting the balance right so that black individuals and big business can get along together for the greater benefit of us all.

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