



CAPABILITY APPRECIATION

A general principle is that people tend to grow or shrink their role to their own level of work complexity – i.e. where they are comfortable to operate.

The understanding of capability is based on the work of Dr Elliott Jaques and associates, specifically Prof Gillian Stamp. Elliott Jaques, author of *The Requisite Organisation* and *Human Capability* pioneered work on human information processing. He identified, in summary, that increasing levels of information processing by adults could be differentiated and corresponds to a natural hierarchy of work in organisations. He defined a seven-level model of work complexity which is a natural, nested hierarchy of increasing variables, uncertainty, risk, time span and other factors. This model is referred to under a variety of titles such as Stratified Systems Theory, Levels of Work, Matrix of working relationships and included in *Requisite Organisation* as well as *Requisite Enterprise*

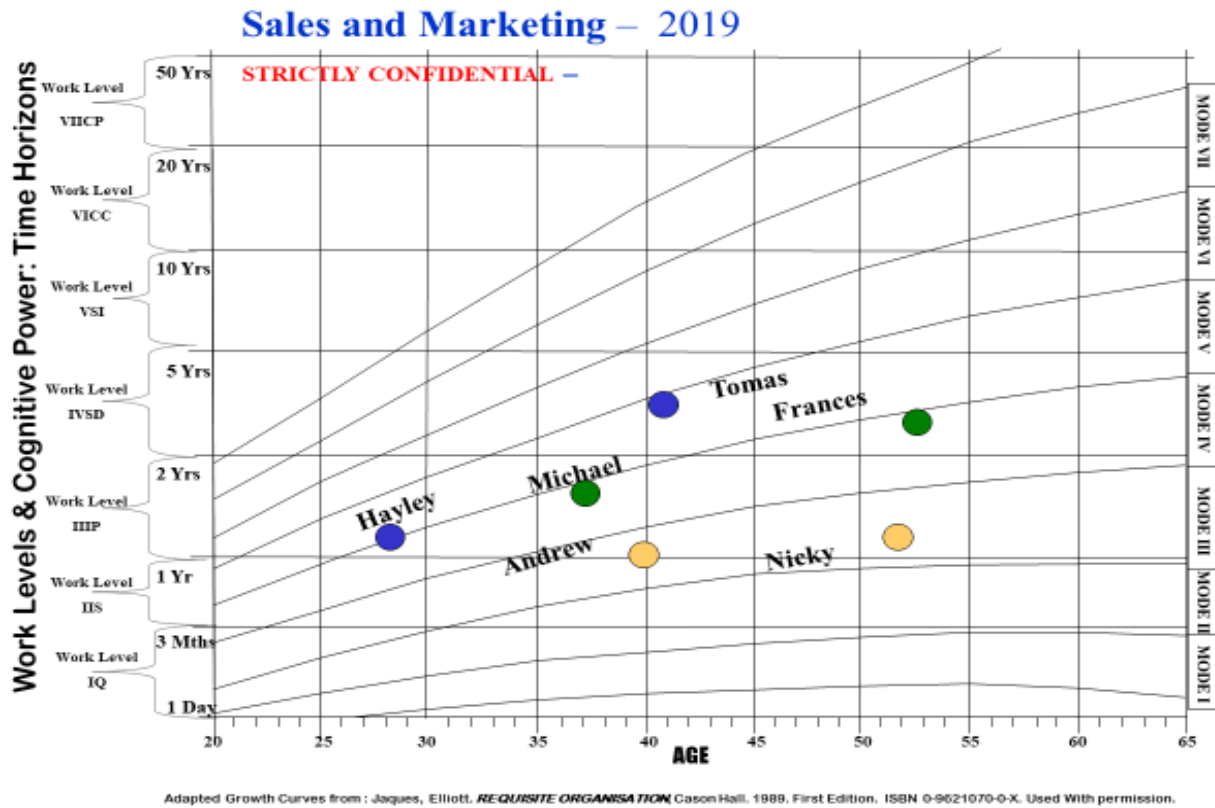
Capability refers to the decision-making process of an individual and includes an understanding of the level of complexity an individual is comfortable to generate and work within. It touches on an individual's ability to deal with ambiguity and uncertainty, how they can envisage and deal with impact as well as their frame of reference in making decisions.

Its what we do when we don't know and can't know what to do

Jaques also found that each person's capability (potential) increases in a predictable way throughout life from childhood to old age. In line with the growth of complexity it is an "include and transcend process" i.e. as one grows and develops complexity is added to what is established and broadens to a different approach and horizon.

This model is underpinned by a set of Growth Curves (see Figure 1) that predicts the rate of cognitive growth of an individual to process information and to handle the different levels of work complexity. By ascertaining a person's current level of capability, his or her growth curve (sometimes referred to as mode) can be determined and using this information insights are given as to what their Working Journey may look like in the future (Jaques and Hall, 1994). This can provide information for diverse purposes, such as recruitment, succession planning, individual career planning, organisational talent pool management and managing individual well-being (Olivier, 2003).

Figure I – Example Growth Curves



This model of human capability has been applied in cultures where there is no concept of western work and is thus an independent construct and one that does not seem to be affected by gender, race or cultural background. (Stamp & Retief 1996).

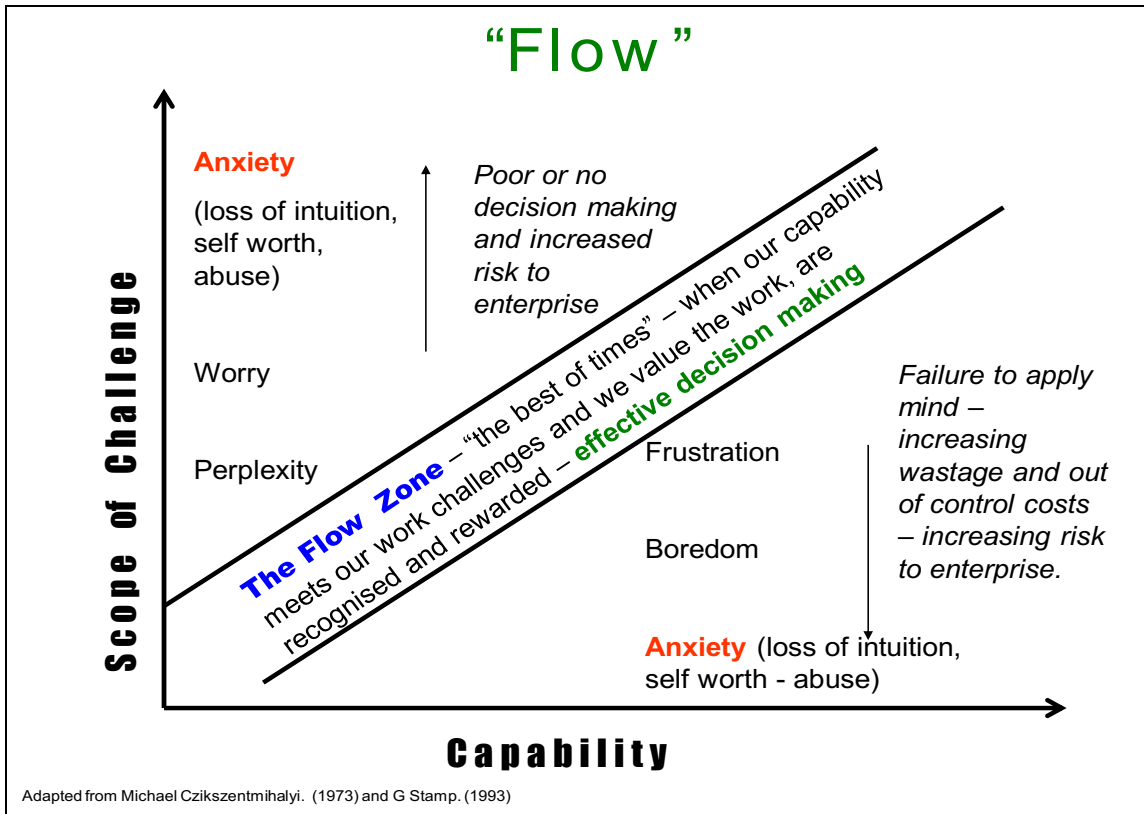
2.1 Flow

As our capability grows, our needs for challenge change and we in response seek different roles with greater scope, complexity and challenge. We move through different **transition** points as we enter and grow into new levels of cognitive complexity. Entry and exit points from these cycles can be traumatic, exciting, frustrating and fulfilling according to the context we find ourselves in . If there is no opportunity for more challenge in the organization this will result in underutilization; if there is too much complexity in work or change in role it may feel overwhelming. If we are inflow, meaning we are challenged and enjoying what we are doing, we hardly notice this transition. Flow is a state when we tend to really be connected with our work challenges and find life is fun, stimulating and often reflects periods we look back at with fondness or highlights in a career.

For an organisation having people in flow with their work represents optimal conditions for performance and creativity. Out of flow conditions (underutilisation and overextension) have significant consequences for the individual and the organisation, both resulting in wasted resources, opportunities, dollars, frustration and stress. See Figure II below.

The optimal conditions are where individual flow is matched by work challenges.

Figure II - Flow



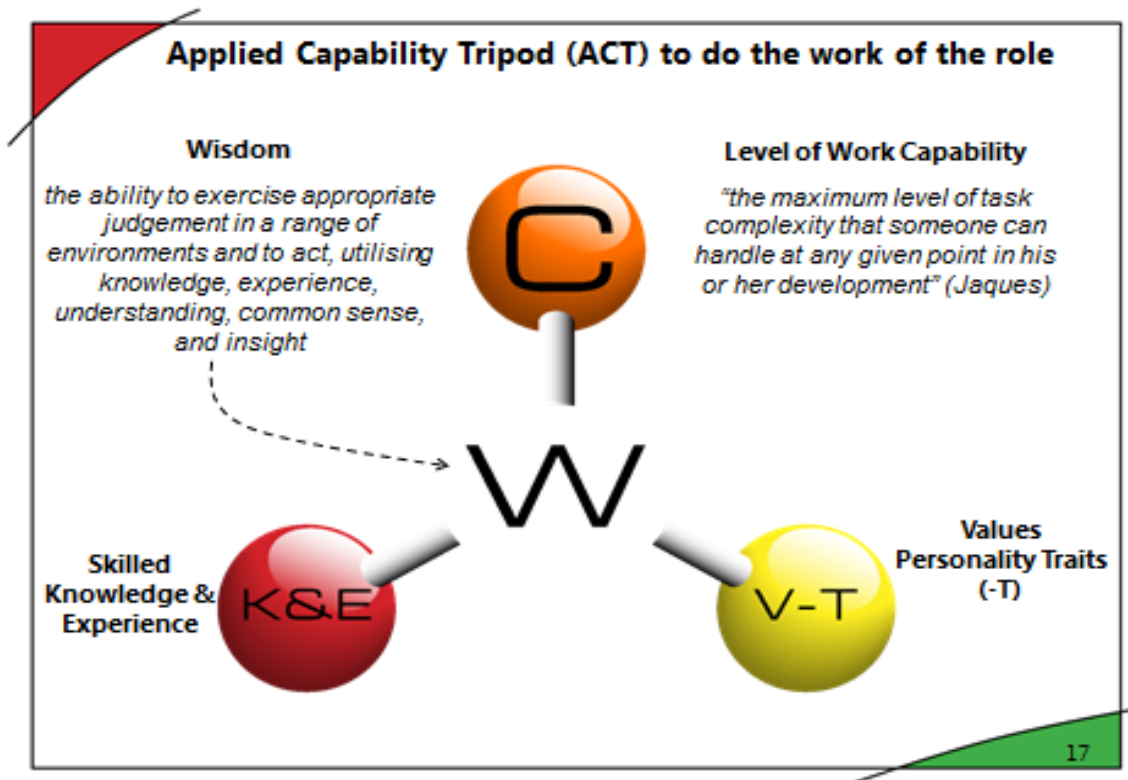
The methodology proposed for identification of capability is the Modified Career Path Appreciation® (MCPA®); a structured interview aimed at the analysis of the respondents views to different questions. These processes are based on the understandings of human capability as articulated by Dr Elliott Jaques and Prof Gillian Stamp. Everyone receives personal feedback and a report and are asked to agree that their information be shared in a confidential and sensitive manner with the organisation. Contained in the report are comments taken from respondents that are relevant to their development, aspirations and well-being.

This type of appreciation is used by enterprises globally for mapping and managing talent. Some organisations have used it for more than four decades. Identification of high mode individuals can be a crucial source of competitive advantage as these have been shown to make up less than 1% of the known international talent pool (BIOSS, 2012).

2.2 The Applied Capability Tripod

Figure III illustrates how Capability fits into the overall equation for individual effectiveness at a particular work level. Refer to (C) in Figure III below. The MCPA not only provides this, in many cases it is predictive of future levels of work theoretical potential. The process does not look at education, skills, knowledge, experience or personality.

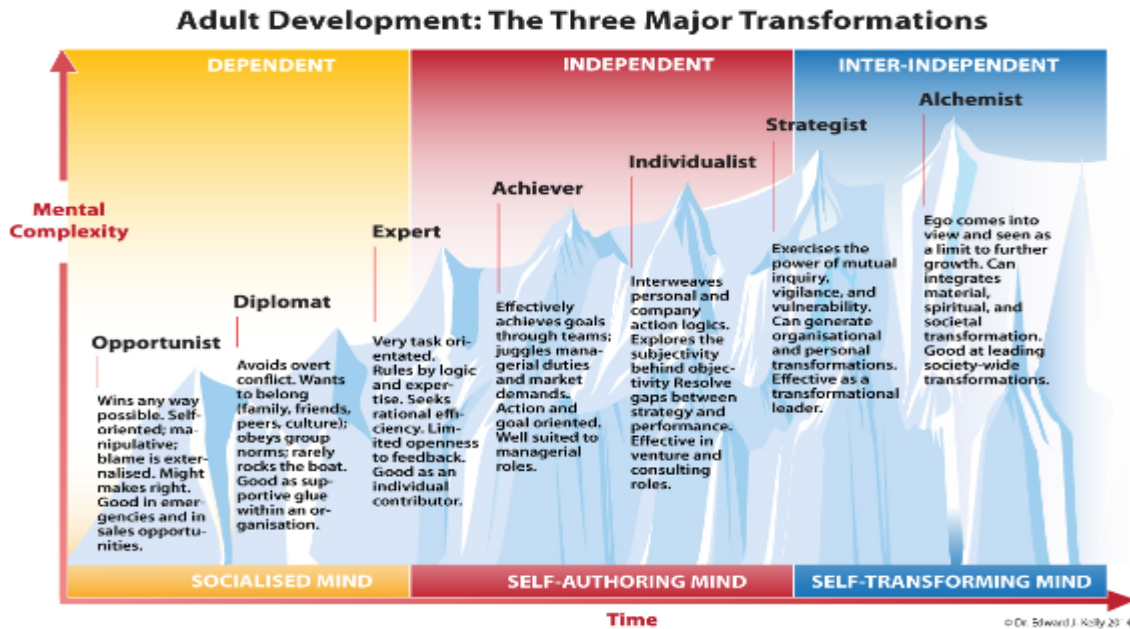
Figure III – Determinants of Individual Effectiveness



We use the Capability Tripod to describe the factors that need to be present for an employee to be effective in a Work Level and allow an individual to understand their own working journey as well as provide some insights to their future potential.

We also have used Loevinger's ego development theory and more recent research by Cook-Grueter and others to understand adult development and meaning making throughout life. This gives further insight into applied capability and the Wisdom in the tripod of capability. In other words an individual may have the ability to deal with a high level of cognitive complexity, but his or her ego may get in the way and he or she appears to others in a way that is not commensurate with their cognitive ability. It helps provide a balanced view and insights into development opportunities. The process used is called Leadership Maturity Profile and is an online questionnaire with feedback and coaching. See Figure IV below.

Figure IV.



2.3 Additional Systems Support

Initial Recruitment Interview Schedule (IRIS).

While the MCPA© is a senior and executive management appreciation, the IRIS supports the Quality and Service work themes. is the Initial Recruitment Interview Schedule which provides an appreciation of the capability of an individual over the course of time horizon of up to twenty years. Like the MCPA it does not look at knowledge, skills or experience. IRIS can be used inhouse by internal practitioners who are accredited and operate under a licence. It is a 30 to 45 interview process that may be carried by suitable Recruitment Team members.

Rapid Talent Pool Evaluation

This is a process that culminates in managerial leaders and their one up managers meeting to review the talent in their functional areas. Please see **annexure**.

3. ORGANISATIONAL CAPABILITY MAPPING©

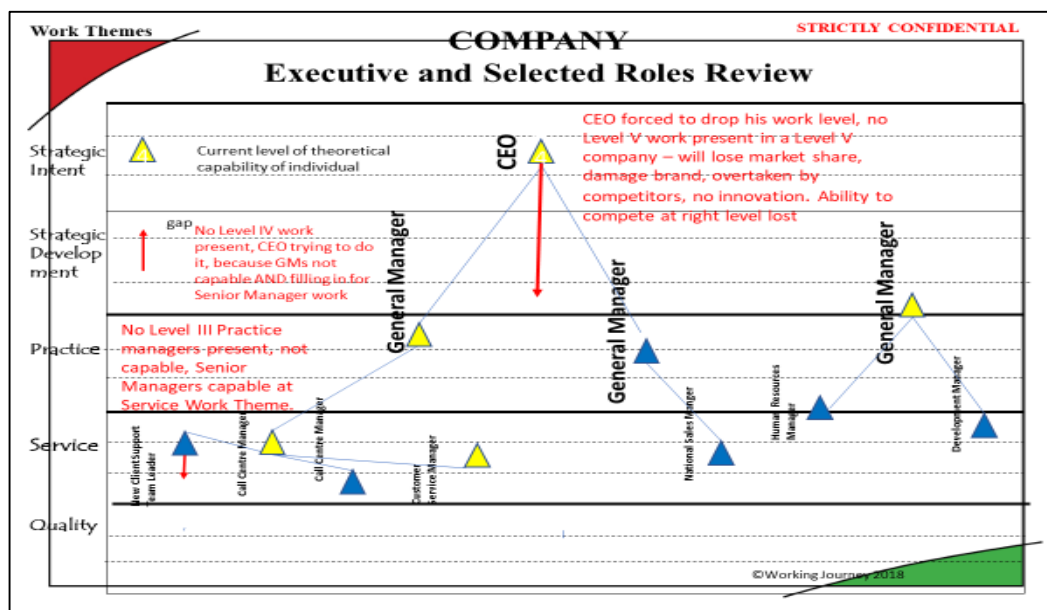
The aggregation of individual MCPA data (from the Growth Curves in Figure 1) allows the creation of a whole of work system view. This is called Organisational Mapping informs the viewer as to how the work system may perform and provides reasons as to what is currently happening and what may happen in the future.

Organisation Mapping comes in two forms.

3.1 Organisational Capability Mapping utilises the Work Themes as a basis and then plots individual data against this template. This confidential map shows a CEO required to work on far more operational work than required, due to a capability gap of the supporting roles, the General Managers. This has a knock on effect in terms of the managerial roles who in turn support them. The outcome is a suboptimal work system and lack of clarity on goals, objectives and intent.

The general rule is leaders need to be able to operate at a capability of n+1 to their team so as to provide context, clarity and the exercise of sound judgement in decision making after the collaborative process.

Figure IV: Organisational Map of Theoretical Capability



3.2 Work Themes Mapping – integrated Mapping

Integrated mapping is created by reviewing how the work systems currently operates, without direct refer to the individuals in the roles. This process is not dealt with in this report, but is mentioned because the two approaches are highly complementary and indicate how the work system needs to be addressed from a capability, structure and leadership perspective.

