SA EARNINGS INFORMATION – NO SILVER BULLET.

Can Research assist Medico-legal Industrial Psychologists to do better than just following rules of thumb?

Results of earnings research at a Gauteng medico-legal practice. Nov 2020

JP Venter

Traditionally a **silver bullet** is supposed to **kill** a werewolf. In the management arena, this refers to a "rule of thumb" or a standard approach that might not be that exact, but can be used in all situations to guide you, or to solve most problems. My own perception of such a rule of thumb is that in construction measures, you can use your thumb to measure inches, as that is about as thick as a thumb. Interestingly, in Afrikaans an inch is translated as a "duim" (thumb). That is about 2 ½ centimetres -that IS about the thickness of my own thumb.

Although rules of thumb are very good in practice as rough guides, if you are a medico-legal expert, a rule of thumb might get you into trouble – we got to do *much better* than simply using our general experience to come up with generally useful answers. We have to apply our expertise to come to much more exact answers than just a generally useful answer – *it must fit the situation of the specific client.*

In my own practice as medico-legal expert (or psycho-legal expert) I started off with a perception that earnings information can be found at PE Corporate Services. In my own corporate and consulting experience at Productivity SA – that is what I used, and it provided the correct answers for my clients. However, I was somewhat challenged by Dr Robert Koch, actuarial guru and writer of the "Quantum Yearbook" series who provided "Non-Corporate" Earnings. What challenged me even more, was my experience with a multitude of average South African clients, walking through our doors, and usually not nearly earning what I found at PE Corporate Services. And even some with post school qualifications were earning much less than the corporate scales. And it was not because they were injured. I refer to their PRE-ACCIDENT earnings.

In 2018, the discomfort I had about mostly using the so-called "Corporate Scales" when somebody had post school qualifications became much more pronounced when a new type of information was published in the Quantum Yearbook series. What I found particularly challenging, was the tables providing information regarding age and qualification vs earnings*. By then, my usual approach (rule of thumb!) was that most South Africans "with qualifications" (That is at least Matric plus a certificate – or more precisely, at least NQF 5 level) should be earning at the "corporate scales" level. But the table of StatsSA earnings information showed patterns that were to me fairly shocking - as it showed even people with degrees or post-degree level were earning quite substantially below the earnings at "corporate level" that I was regularly applying for people "with qualifications". Robert Koch's statement on p.117 of the 2018 Quantum Yearbook was also quite challenging to me: "StatsSA has been collecting earnings data as regards the entire working population of South Africa. More recently such data has become available for detailed analysis. Such

***Note:** What also became available in the Quantum Yearbook series, was StatsSA earnings information of the entire working population, classified in Paterson levels. In my own practice, I avoided that information after dealing with it a few times as my counterparts and I became increasingly uncomfortable with the unclear way in which the Paterson Scales were applied. I found the Qualifications/age vs Earnings Tables on p120 (2018), p118 (2019) and p121 (2020) of the Quantum Yearbook series more clear and useful – and more credible and challenging to the way my practice was using earnings information.

figures are much more relevant for damages claims than the Peromnes/FSA data so widely used by industrial psychologists." (!)

Clearly, I had to make a choice – accept the new information or stick to my older habits. I looked at other StatsSA data from 2010 that I have been using, and decided I could not ignore the new information. The huge advantage of the information was that it was neatly classified into educational level and age. So it provides a whole career map. There were some issues about the definition of the "certificate" level, but it could be dealt with and was not a good enough reason not to use it. However, I found my fellow industrial psychologists less keen than I was. The most valid argument was that when StatsSA workers were gathering data, they probably got people to report what they earned – and especially those who earn complex packages normally do not know what they earn. So earnings information is like information from the "The dark side of the moon"[1]. People earning such complex packages tend to report the net cash they take home. I concur with that – but most South Africans do not earn complex packages, and I think they have a jolly accurate idea of what they earn. So should one see the StatsSA tables as the "silver bullet" to solve most earnings questions? Well, as you could see in my introduction, I do not believe for work such as ours, silver bullets provide the answers. I think many earnings challenges can be solved BETTER than having a knee-jerk reaction of running to consultant generated surveys the moment someone has more than just matric. By doing that, the implication is that such surveys are the silver bullet for South Africans with qualifications. But then you know by now I don't believe in silver bullets! So what now?

Having wracked my brains for a solution, I thought about a way out of the maze: The people visiting my practice is a very good sample of the claimants found in the Medico-Legal field. I deal with a whole array of attorneys, both for defendant and claimants and we cover the whole of Gauteng – so my practice is not defined by the preferences of a few specific attorney firms. And the people who visit my practice usually carry with them valid earnings histories: Pre-accident it is as any other South African, and post injury it is often still very similar to normal earnings for a person such as the claimant with just additional challenges, often with no quantifiable difference to pre-injury earnings. So if you are careful with the way you gather data, the earnings information from the claimants in my practice can be used as a good reflection of the pre-injury earnings of the people who claim in medico-legal cases in Gauteng.

So what I did:

I wanted about 100 cases – so I took 125 cases out of our records simply based on sequence numbers. That ensured that to an extent the cases were random as it is based on when cases were evaluated. It had to be fairly recent cases as the new Koch information became available since 2018. So I took 2018 and 2019 cases or those close to those years to ensure there would not be much inflation adaptations required.

We battled to find a way to summarise the cases usefully and to develop the criteria for taking a person into the research group and ensuring that PRE-INJURY earnings can be determined. 18 cases had to be eliminated for having poor and unclear information. There was a scarcity of people with higher level qualifications, so I had to stretch the information by

[1] A large portion of South African earnings are not covered by the precise and professional consultant surveys. So their earnings information appears in StatsSA information. But there are concerns about the data gathering methods use by StatsSA and the earnings information is seen to be lower than actual earnings. Therefore, I say that the actual earnings of most South Africans are like information about the "dark side of the moon" – it is not that clear!

adding one person out of the sequence simply because he had an honours degree. Ultimately we had the following:

Cases evaluated: 107

Not economically active (children, students, housewives, etc) 24

That left us with 83 useful cases.

Next, I had to choose earnings information sources against which to compare the earnings of these claimants.

This is much more complex than what one realises, and I had to simplify. For each earnings source I had to work out the prediction points: Made up of two factors: Educational Level and Age. For every source I had to work out a matrix of Median earnings predictions for each qualification level and for each age from 20 to 70. And a double set was required to cater for aspects like basic salary only or guaranteed package. That means 7 educational levels (from less than Grade 12 to Masters/Doctorate) x 50 age points = 350 points and double that for basic or package = 700 points. One for 2018 and one for 2019: That is 1400 points per earnings source. That is why we had to confine ourselves to only the Quantum Yearbook. These series provide an approximation of the consultant surveys in a table called "Corporate Survey Earnings" and another table called "StatsSA Earnings by Level of Education". To compare earnings according to Corporate Survey Earnings I used the assumptions indicated at Appendix A. Even if it was only these two sources from the Quantum Yearbook that still meant 1400 calculation points x 2 = 2800 points that had to be calculated**. In any event, in my view the most critical issues actually pertain to these two sources and they approximate earnings at other sources as well. For instance permanent state employees earn similar to the corporate scales and the "Non Corporate" earnings of Koch as well as his "Informal" earnings are in most respects similar to the "StatsSA" earnings.

** Note: This leaves much room for error, and I am indebted to Munro Actuaries who assisted me with checking.

TABLE 1: EARNINGS REPORTED

	SELF - REPORTED			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 79	**24**	**34**	**13**	**8**
Percentage out of 100	**30%**	**43%**	**16%**	**10%**

Notes:
A "Hit" means this earnings source (Eg "Koch Corp" or Koch Corporate Survey) was the closest to the earnings figure reported to us – Out of the 4 defined sources

Out of the 83 available people, 79 made estimates of their earnings during our interview with them and could be used in the research. Four made no estimate as they either forgot or could not or would not say

What TABLE 1 says: The percentage reflects the proportion of people whose reported earnings, actually correspond to what the source predicts. For instance, let us say a hypothetical 25 year old Peter reported he earned R53 000 per year in 2019. That was then compared with the "prediction points" for his qualifications, worked out for the MEDIAN for the four defined QYB sources. In his case the R53 000 corresponds the best to the median of the StatsSA Formal Sector. That was taken as a "hit":

So regarding TABLE 1 for the 83 cases - 79 reported their earnings to us. Taking only REPORTED earnings, the earnings figures predicted by StatsSA for the formal sector had the most "hits" – and were the best predictor in 43% of the cases. (Note that up to this level in the research it was not checked if the person was actually working in the formal sector or if he for instance was working informally for himself. The hit was <u>purely</u> allocated based on the <u>size</u> of earnings figures alone. See later on – when we also checked that – Table 7 and 8

The following is a simplification from our research to explain how we worked:

	GRADE 12			
	2 019		2 019	
	STATSA ALL SECTORS	STATSSA FORMAL SECTOR	CORP SURVEY BASIC ONLY	CORP SURVEY FULL PACKAGE
2019				
20	39 000	40 000	109 000	140 000
21	41 200	43 200	113 340	145 820
22	43 400	46 400	117 680	151 640
23	45 600	49 600	122 020	157 460
24	47 800	52 800	126 360	163 280
25	50 000	56 000	130 700	169 100
26	53 250	59 350	135 040	174 920
27	56 500	63 100	139 380	180 740
28	59 750	66 650	143 720	186 560
29	63 000	70 200	148 060	192 380
30	66 250	73 750	152 400	198 200

HIT

You may have noticed the critical problem with this: But who says that our hypothetical Peter is actually earning as much as he reported? – he may earn less or more. So a "hit" simply means that if we take the earnings that people **<u>report</u>** to us, in 73 % (30% + 43%) of the cases, that reported figure corresponded with the StatsSA figures – probably not strange,

and a confirmation that StatsSA probably obtained their earnings figures in the same way we obtain reported earnings figures: the person simply estimated what he/she earns. So what occurs if earnings are proven?

TABLE 2: PROVEN EARNINGS

	PROVEN			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 46	**10**	**13**	**13**	**10**
Percentage out of 100	**21.7%**	**28.3%**	**28.3%**	**21.7%**

Note: Out of the 83 available people, 46 provided us with proof of their earnings – mostly via payslips. Again Munro Actuaries assisted us in checking some of the payslip figures for us, to ensure we were interpreting payslips like actuaries do.

What this table says: As already explained above, the percentage reflects the proportion of people whose reported earnings, actually correspond to what the source predicts. So when full earnings are proven, Corporate Surveys and StatsSA provide 50/50 hits. I do find it a little surprising that even with proven earnings, the StatsSA figures produces 50% "hits" – half of the people evaluated. I would have thought StatsSA figures should have been a little less. It is also strange that the figures are so evenly spread in a sense: 10% and 13% for StatsSA and then an inverse 13% and 10% for Corp Surveys. In spite of rechecking – the figures were correct.

We must consider that the figures are from companies that *do provide* payslips. Because in spite of legal requirements many SMEs do not provide payslips. Those who follow the rules and provide payslips in my experience also tend to pay a little better than others that still prefer to hand an envelope with cash or pay via an EFT only with no payslip. From our analysis this table is considerably biased towards (1) better paying environments (2) people earning complex packages. In spite of that, the StatsSA figures corresponded with half of the cases.

So how can Table 2 be interpreted in terms of GENERALISATION? With generalisation, I mean taking the results of the sample of persons in Table 2 and extending that to ALL of the 81 cases used in this research. So the reasoning would be – if ALL 83 persons in this research provided proof of their earnings, 50% would earn as StatsSA indicate and 50% would earn as Corporate Surveys indicate. Even if that is tempting to do, that would be a huge error. The main reason is that we found the people who prove their earnings tend to be DIFFERENT from those who don't. We found almost all of those who earn complex packages whether from state employment or private employment ultimately provided us with pay slips. Furthermore, the ones who provided other proof – even those who only provided bank statements, tended to be somewhat better earners. So it would be a mistake to

generalise the earnings of those who proved their earnings to those who do not prove their earnings as the two groups DIFFER so much. We did an additional analysis of the earnings of the persons who did NOTprovide proof of their earnings and that also showed how different they were to the group who proved their earnings. We found the following:

Of the 37 people who **did not prove** their earnings:

Category 1: Employed by formally registered SMEs and earning only a basic salary and no benefits: 14 persons

Category 2: Employed by formally registered SMEs and earning a basic salary and only an annual bonus as benefit: 2 persons

Category 3: Informally employed by households or unregistered SMEs: 6 persons

Category 4: Informally Self-employed: 12 persons

Category 5: Earning Complex Packages that would require proof and working in private or state environments: 3 persons*

*Note: There were only THREE people who earned complex packages or had complex earnings and did not provide us with payslips. One was from a private organisations and two were permanent state employees. This confirms the trend - those who earn bigger complex packages tend to cope with formal requirements like finding proof of earnings and actually going to the trouble of communicating it through to those who ask for it.

The above analysis indicate that the earnings of people in Category 1 and 3 (see above) are very simple (mostly just a basic salary only). The earnings of people in Category 4 is for all practical purposes unprovable: Informally self-employed persons earn their money mostly in cash. The cash is rarely banked or just partly banked. So self-reported earnings are the BEST AVAILABLE figure for Category 4 for anybody – not even any accountant or financial expert can improve on that as records simply DO NOT EXIST.

In the light of this analysis, I suggest the earnings of Category 1 to Category 4 should be taken as PLAUSABLE earnings: Even if the earnings were proven for Category 1 to 3 it will probably be very similar to the earnings they reported as it is simple and straightforward. And Category 4 earners cannot prove their earnings in any event.

The full earnings of Category 5 earners remain very uncertain as they did not prove their earnings. So I do not know what the plausible earnings of people in Category 5 should be.

So we now have a very useful group of earners available: PROVEN PLUS PLAUSABLE

This group consists of people with (A) complex earnings (but exact earnings were proven) PLUS (B) people who did not prove earnings but have simple earnings or unprovable earnings.

TABLE 3: PROVEN PLUS PLAUSABLE EARNINGS

	PROVEN PLUS PLAUSABLE			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 80	**10+15 =25**	**13+13 =26**	**13+6 =19**	**10+0 =10**
Percentage out of 100%	**31.25%**	**32.5%**	**23.75%**	**12.5%**

Note: Out of the 83 available people, 80 earners were “in the light side of the moon”.(with proven earnings) OR some light were thrown onto the dark side (using earnings interpretation knowledge from our practice) . So either by proving earnings (46) or by accepting their earnings as plausible (34), 80 cases could be used for analysis. Only 3 could not be used at all as their earnings remained too uncertain. See discussions in the text.

So taking proven and plausible earnings together, 64% of the sample earned as predicted by StatsSA and 36% as predicted by Corporate Surveys.

A critical question remains: What about people with qualifications? Are their earnings correctly predicted by only the Corporate Survey figures, or is StatsSA also relevant for them? That is examined next. The first focus is on matriculants only, people who have matric but no other qualification.

TABLE 4: PROVEN PLUS PLAUSABLE EARNINGS (GRADE 12 ONLY)

	PROVEN PLUS PLAUSABLE (GRADE 12 ONLY)			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 12	**4**	**2**	**4**	**2**
Percentage out of 100%	**33%**	**17%**	**33%**	**17%**

12 of the 80 people with proven plus plausible earnings have Grade 12 as a qualification. So they only have Grade 12 and they have no other qualification.

Table 4 indicates that people with Grade 12 have a 50/50 chance of earning at corporate level earnings vs the lower general earnings as indicated by StatsSA. The earnings power of qualifications is illustrated by this. Compare Table 4 with Table 3: The general group shown in Table 3 only has a 36% chance of earning at corporate level. But if you have matric your chances are apparently much better at 50%. However, the Grade 12 group is a relatively small group of only 12 people which makes the results somewhat uncertain. Yet it is known that the SA earnings trend is that earnings go up as qualifications improves. So that adds some certainty to the result obtained.

Table 5: This final result table is probably the pinnacle of this research. To indicate the importance of this table the results are shaded in red.

TABLE 5: PEOPLE WITH QUALIFICATIONS

	PROVEN (only for people WITH qualifications)			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 20	**7**	**1**	**5**	**7**
Percentage out of 100%	**35%**	**5%**	**25%**	**35%**

Note: Out of the 83 available people, 25 had qualifications and of them 20 provided PROOF of earnings. Note: “Qualification” means at least a certificate (on top of matric).

So when full earnings are proven, AND a person has at least some level of qualification, the Corporate Surveys provide hits for 60% (25% + 35%) of such people. What is important to note, is that **there is a full 40% of people with qualifications that are not accurately predicted by the Corporate Surveys.** You may choose to interpret the results as if they indicate that the moment a person has “Qualifications”, it is safe to predict Corporate Survey earnings levels for such a person. But that is weak individual analysis and a tendency to a “Rule of Thumb” use: The “Rule” then being that people with qualifications always earn on corporate earnings levels. If the red figures above are subjected to a more dynamic analysis of the faces behind the figures, we found that it is possible to predict **to a fair level of accuracy**, who are the people that in spite of qualifications, are not earning as Corporate Surveys predict:

What predicts underperformance in earnings for those with qualifications? (These are not generalisations – we traced these cases from our records)

-Trauma and difficulty in the background like poor relationships at home, or absence of especially a father figure

-Poor qualifications of at least one of the parents

-Growing up in an informal environment (this is not surprising as organisations who pay better, tend to function formally and are more aware of and are subject to rules like safety and quality standards. If the home environment is contrary to this, adaptation to such rules may be problematic.)

-Difficult circumstances at home reflected by the number of people who must share a bedroom and not having running water inside the dwelling.

CONCLUSION

-The best approach would be to CLASSIFY your specific case in a category, and then make predictions from there.

-The individual analysis of each case remains the most important basis for making predictions. Individuals do not necessarily conform to statistical trends and MANY rise above their circumstances. However, if you predict DIFFERENT from the statistical trend you must be able to justify it with SOME EVIDENCE that this person was rising above the circumstance or would be expected to rise above the circumstances – such as better than average school marks, leadership positions, positive contributions in the community or attaining higher paying job positions.

An analysis of the individuals in the research provided the following categories. See Table 6.

TABLE 6

CATEGORY	MOST APPLICABLE EARNINGS SOURCE
1. A person with less than matric and mostly from an informal and challenging type of background	StatsSA all sectors
2. Person from a formalised and stable background and formal SME work experience* and with matric (but not above matric)	Stats SA and Corporate Surveys equally likely (use individual analysis to decide)
3. More than matric but with a challenging background	StatsSA – All Sectors
4. Person with More than Matric and a stable background	Corporate Surveys – Basic Salary only and Total Package equally likely (use individual analysis to decide)
5. Person with More than Matric and a corporate related background (either via family or own work experience)	Corporate Surveys, total package

Note, this table is valid when the ONLY choice is between Corporate Survey data in the QYB or StatsSA figures as in QYB (The 2018 and 2019 Quantum Yearbooks were used.) Sector specific scales are usually preferable, such as when the person is working in retail or security. And getting corroborative individual earnings information usually indicates how the minimum wages are supplemented by allowances and overtime. Eg, I find security personnel usually earn about 20% to 30% more than the minimum wage due to allowances and overtime. If a specific guard is for instance earning 30% above minimum wage at Grade C, if he is expected to be promoted to a Grade B, the same additional proportion should reasonably be expected.

*Formal does not equate to corporate. Any SME that is registered is a formal employer. In the research done in this study, people with matric were earning half of the time as corporate surveys indicate and half of the time like StatsSA indicate – see Table 4. What is notable is that several of the people with matric working for registered SME organisations were earning at the basic salary **level** of corporate surveys. BUT they were **not** earning only basic salaries. The tendency was that they often earned benefits such as overtime, an annual bonus and maybe some allowances – and the full value of that were often the same as the **value** of the BASIC SALARY ONLY of corporate scales. That shows how the industrial

psychologist should be aware of earning trends without insisting that earnings information should apply perfectly – eg basic salaries should be the same as corporate scales indicate: the basic salaries at SMEs are often lower and the value is then made up in other ways. Once again: earnings information lies in the dark side of the moon… !

Or for those visually inclined the following graphic can be a guide:

GRAPHIC A: CORPORATE SCALES VS STATSSA

BACKGROUND			
	FORMAL & STABLE	STATSSA	CORPORATE SCALES
	INFORMAL AND/OR UNSTABLE	STATSSA	STATSSA
		LESS THAN GR12	GR12 OR MORE THAN GR12
		EDUCATION	

How can one apply this table in practice? The table provide general guidelines. Eg a young person of 25 with Grade 12 without much work experience may be expected to progress to Corporate Earnings if he has a suitable background and his somewhat older siblings are working in corporate environments.

However, it is always better to get individual and corroborative information. Imagine a person with proven earnings – and such earnings fall within the age and qualification parameters of StatsSA: Then it is reasonable to predict that he will remain within the StatsSA parameters and progress according to the age progress of StatsSA. Eg a person with Grade 12 and a certificate earn in 2018 at 30 years old at R115 000 py. That is the median of the formal sector earnings for someone with Grade 12 and a Certificate in the 2018 QYB. Looking ONLY at the figures a prediction of R196 000 py at 55 would be reasonable: That is the median at 55 for StatsSA figures. However, it is better to also look at the corroborative information: Does he fit into this prediction? He is still fairly young and could have made better progress – PROVIDED there is some evidence. For instance, he may have a certificate now but he may be busy with a Diploma and he may just short a module or two – and he provides you with his results. And his older brother may have obtained a diploma later in life indicating a positive role model. Then better earnings progress could be considered

On a final note:

Our practice used 4 categories of earnings sources and allocated 83 cases (not all cases could be classified in every instance and at times certain cases had to be excluded). The question is – when checking the earnings against these 4 sources, did it fall in the expected categories? If the analysis is done with that demand the results are disappointing: See Table 7.

TABLE 7: PERFECT HITS AS EXPECTED

	PERFECT HITS			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 80	**4**	**13**	**0**	**9**
Percentage out of 100%	**5%**	**16%**	**0%**	**11%**

What Table 7 says: Only 32% of the time the earnings source works perfectly as the education/age model predicts.

However if the following is done, it is clearer what the research indicates:

For StatsSA: Take BOTH "All Sectors" and "Formal Sector" and check if the earnings fall in at least ONE of them as predicted. For instance if a Formal Sector hit was expected but All Sectors were a "Hit" take it as a "Hit" for StatsSA

For Corporate Survey: Take BOTH "Basic Salary" and "Total Package" and check if the earnings fall in at least ONE of them as predicted. Eg if Total Package were expected and Basic Salary is a "Hit" take it as a Hit for Corporate Survey. Furthermore, accept that larger SMEs pay packages that are in total similar in value to the Basic Salary value of Corporate Surveys – and constitutes a hit even if the person does not work in a corporate environment.

TABLE 8: THE EXPECTED EARNINGS SOURCE IS HIT "BROADLY"

	AT LEAST ONE PART OF THE EARNINGS SOURCE IS HIT			
SOURCE	**HITS: KOCH STATS SA (ALL SECTORS)**	**HITS: KOCH STATS SA (FORMAL SECTOR)**	**HITS: KOCH CORP (BASIC SAL ONLY)**	**HITS: KOCH CORP (TOTAL PACKAGE)**
Number of people: Total 80	**43**		**20**	
Percentage out of 100%	**54%**		**25%**	

With these adaptations, the earning sources produces 79% “Hits” (54% for StatsSA and 25% for Corporate Surveys.)

So in spite of the reasonably good results obtained in this research, it ultimately only indicates that earnings come in two broad categories:

Category One: Higher earnings reflected by Corporate Surveys

Category Two: Somewhat lower earnings similar to the general earnings levels reflected by StatsSA information

JP Venter is an Industrial Psychologist and the Managing Partner at JPV Business Solutions: A Gauteng consultancy specialising in Mediation and Medico-Legal work.
jp.venter@jpv.co.za

APPENDIX A: CORPORATE SCALES: PROGRESSION ASSUMPTIONS USED

QUALIFICATION	ENTRY AGE	CEILING AGE	ENTRY	CEILING
Grade 10 TO 11	20	45	LQ A1	MED B1
Grade 12	20	45	LQ A3	MED B3
Certificate	20	45	LQ B3	MED C1
Diploma	20	45	LQ B4	MED C3
Degree*	20	45	LQ B4	MED D1

*This was used for higher degrees as well.