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Technology has definite impact on the way we change

WITH increasing levels of competition across more than 150 million businesses globally and with 2.4 billion adults connected to the internet, the impact of technology as a catalyst for change will be felt for years to come.

This was one of the main topics at the South African Reward Association's (Sara) annual conference recently, which attracted over 200 delegates.

Ongoing change was the central theme, and the two-day conference afforded the audience an opportunity to better understand the dynamics of the reward industry, specifically in relation

to the way in which HR practices have changed and adapted to align with current market requirements.

Another current thought leadership concept centres around the notion of employee engagement.

Marie-Claire McLachlan, from Culture Code, said 13 percent of employees from 142 countries are engaged in their jobs.

"In South Africa, only 9 percent of employees are engaged in their jobs – in other words, 9 percent of employees work really hard, are happy to be there, work late and love to go to their jobs every day," she said.

To elevate and accelerate employees, businesses are advised to select the right managers and staff, to develop employees' strengths, and take a more cognitive approach to enhancing the wellbeing of employees, including their emotional wellbeing.

Ray Harraway of Ernst & Young provided a detailed analysis of South Africa's current pay governance environment and the direction this is taking. The current environment is influenced by many different regulations,

including the Companies Act, the Employment Equity Act and code, integrated reporting

requirements, Labour Relations Act amendments, the Banks Act, proxy voting of institutional shareholders at board meetings, increased shareholder involvement and awareness, minimum wage legislation, and pension reforms, among others.

Harraway pointed out that the issue of higher fixed pay can be addressed, in part, through governance constructs such as deferral mechanisms.

"We need to defer bonuses to match payouts," he said.

Reinforcing the core theme, which centred around the need for change and that the reward

industry must adapt accordingly, economist Dr Roelof Botha outlined a number of challenges that characterise the local labour market and wage situation – which he aptly described as the Achilles heel of the South African economy.

The challenge for South Africa centres around how to achieve higher productivity outputs, given the increasingly militant and unsustainable demands for high wage increases in an environment characterised by a scarcity of the right level of skills required.

Lee Naik, from Accenture, said that according to global pro-

jections there are likely to be 212 billion digital devices by 2020. The impact of technology played a huge part that couldn't be underestimated. The pace of change would continue and we should plan for this.

During the conference, Lindiwe Selesho, from Alexander Forbes, was elected as the new president of Sara. She commented that although our continent, and especially South Africa, was progressive, we still faced challenges such as unemployment, constrained growth, lack of skills and low productivity to name a few.

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