

# Reward Sustainability & the Skills Challenge

**how can we make an impact**

SA Reward Association breakfast: 4<sup>th</sup> June 2015

# Agenda

- **Why is this discussion important**
- **Our position in the world**
- **Development opportunities**
- **Future**

# Global forces

Global trend	SA policy imperative
Reduced employment in insurance and related industry driven by technology and regulation	Increased employment and job creation options are required
Market forces	Historical inequalities need to be addressed
Labour market forces	B-BBEE needs to be accelerated
Political transformation does not always affect the sector	Political transformation directly affects the sector
Integrated regulatory control	Regulatory control is unco-ordinated

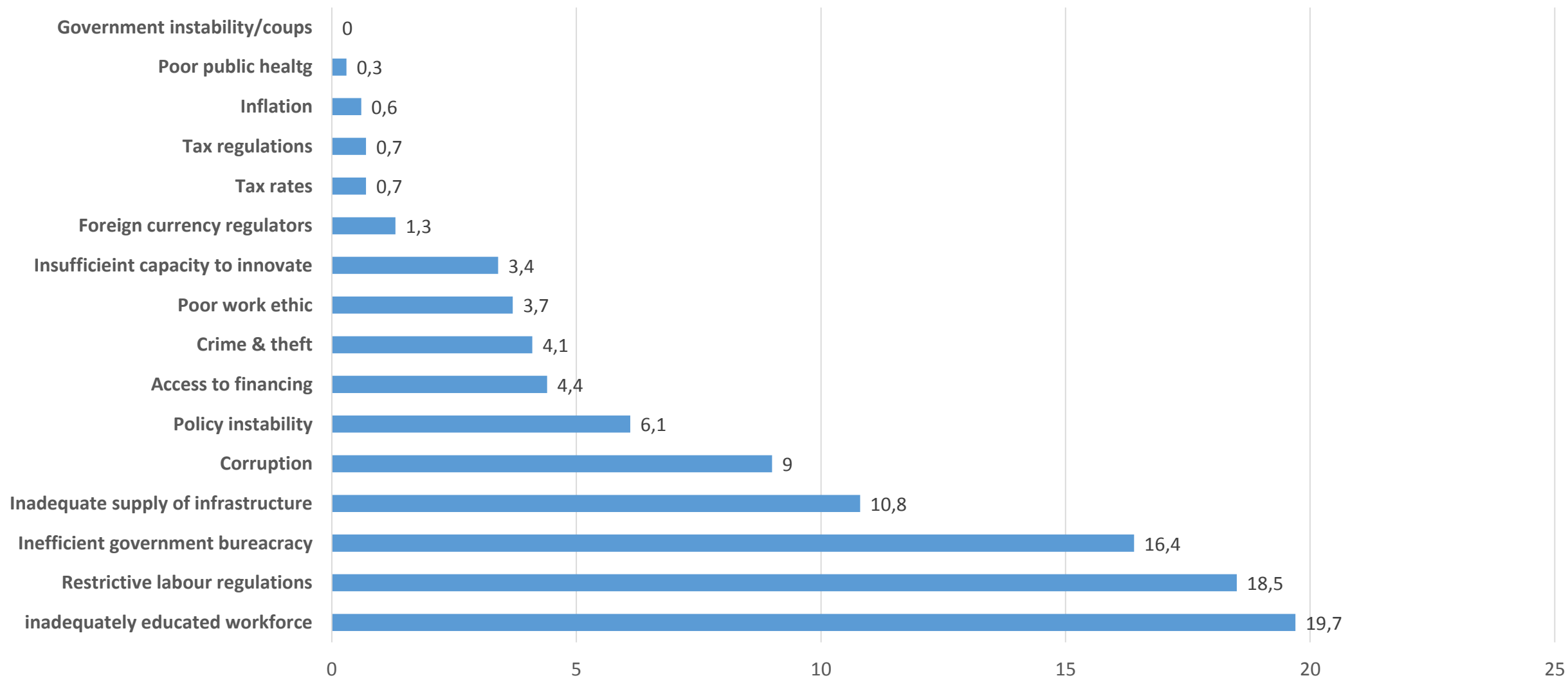
# WEF Stats – What we do really well

<b>Pillar 1 - Institutions</b>	<b>Position</b>
Strength of auditing and reporting standards	1
Efficacy of corporate boards	1
Protection of minority shareholders interests	2
<b>Pillar 2 - Labour market efficiency</b>	
Reliance on professional management	13
<b>Pillar 8 - Financial Market Development</b>	
Regulation of securities exchange	1
Legal rights index	1
Availability of financial services	2
Soundness of banks	2
Financing through local equity market	3

# WEF Stats – What we do really badly

<b>Pillar 1 - Institutions</b>	<b>Position</b>
Business costs of crime & violence	134
Burden of government regulation	123
Organised crime	111
Favouritism in decisions by government officials	110
Government services for improved business performance	106
Reliability of the police	90
<b>Pillar 2 – Infrastructure</b>	
Quality of electricity supply	94
Fixed telephone lines/100 pop.	99
<b>Pillar 3 – Macroeconomic environment</b>	
Government budget balance , % GDP	105

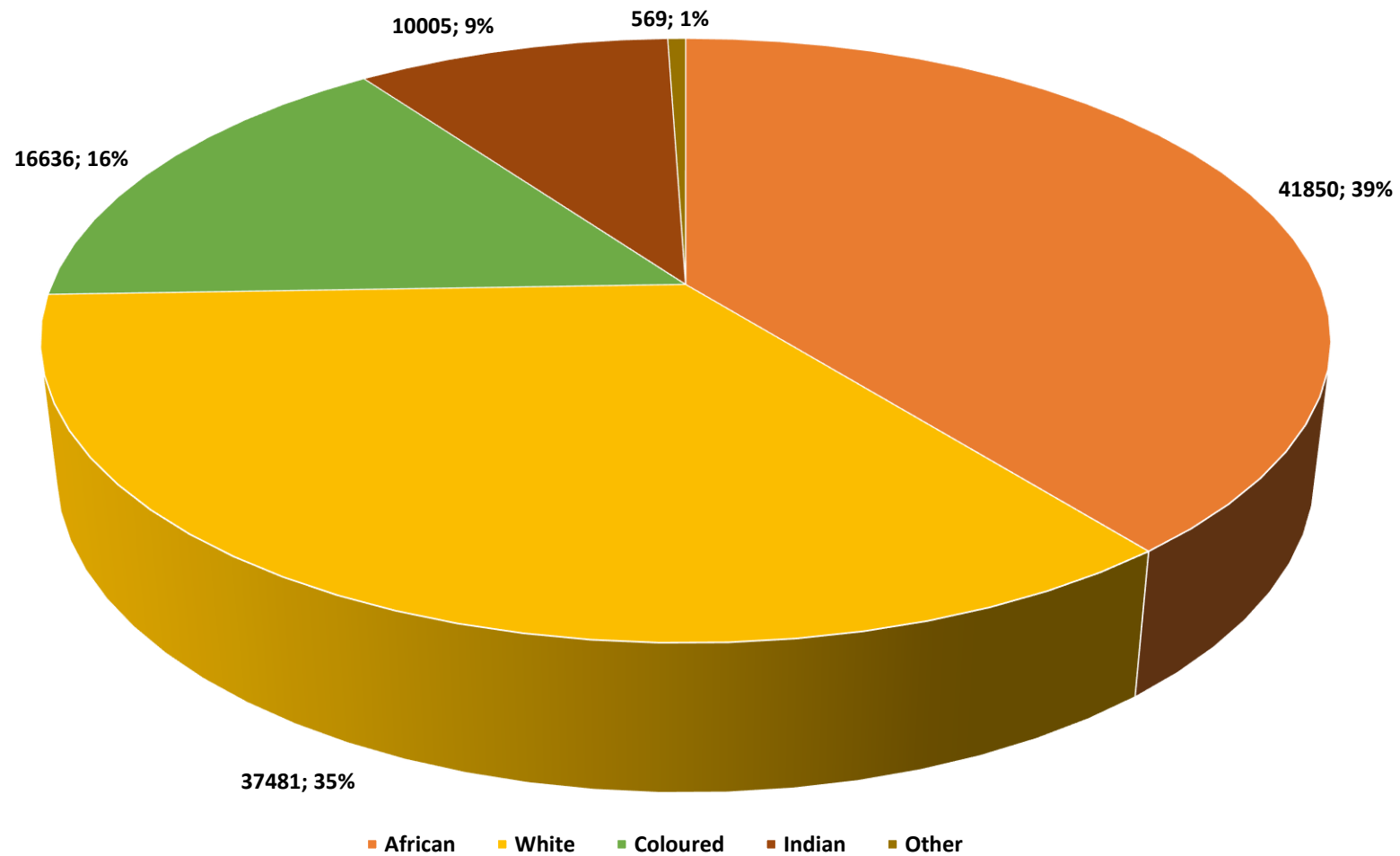
# WEF Survey: Challenges for doing business



# WEF Stats – Pillar 7 Labour market efficiency

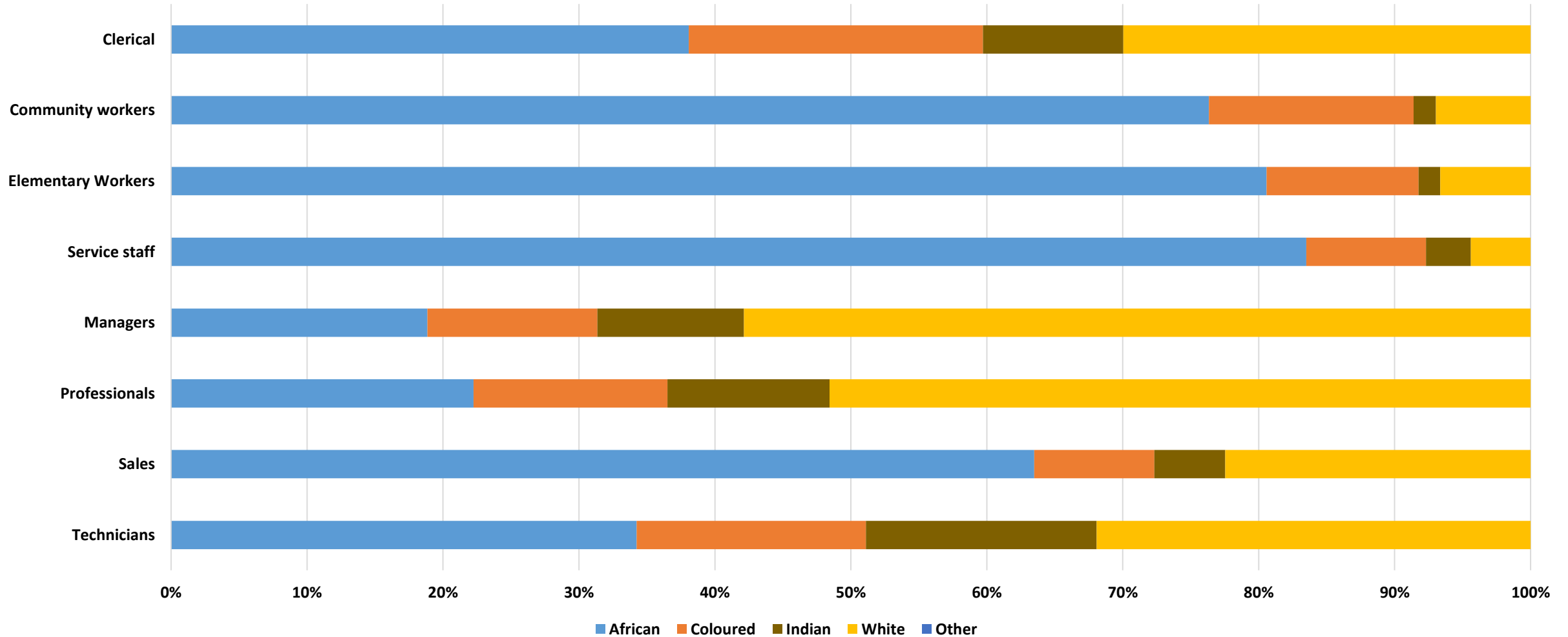
Description	Position
Co-operation in labour relations	144
Flexibility of wage determination	140
Hiring and firing practices	143
Pay & productivity	134
Women in labour force, ratio to men	85

# Racial profile





# Racial distribution of skills – Financial Services 2011



# Professional qualifications

- 60% of employees have grade 12 qualification
- Only 29% of employees have a tertiary qualification

# Transformation defined

**The method by which we strive to ameliorate the distortions created by our discriminatory past to build a new and inclusive future for all in our country**

# Some thoughts

- **How well do we match reward systems to ensure that we engender a culture of employee stability**
- **How well do we reward staff for taking responsibility for their intellectual and technical skills development**
- **How well do we ensure that we deliver total reward packages that match the strategic needs of the business**
- **How in tune are we with the macro economic demands and needs relative to the business we are working in**
- **How do we make a contribution that begins to change the complexion of labour relations, productivity and social cohesion in our society**

Thank you