

REM
channel

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HR QUARTERLY

A quarterly journal published by Remchannel, providing informed commentary on local and international developments in the people and reward arena.

20
YEARS
OF INSIGHT



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Dear client

The past year has certainly been a bit of a roller coaster ride, in both our personal and work environments. As reward and human resource professionals, we are also dealing with the emotional impact of the loss of life and the difficult circumstances that many of our employees face every day due to the impact of the pandemic.

At the same time, we must ensure that reward and human resources strategies continue to be aligned to our organisations long term strategic goals to ensure sustainability in the new world of work. Needless to say, it is a major responsibility.

In 12 months, we have seen a growing trend coming out of the engagement surveys that our clients are conducting. This trend clearly indicates that **flexibility and wellbeing is being ranked very highly by employees**. Although this is not surprising, the question remains whether employers are paying enough attention to the fact that employees are struggling to balance their work and home life.

The **war for talent has not subsided**. Remuneration is still one of the top three items that employees list as a concern. The financial pressures due to the job losses and reductions in salaries has a major impact on the stress levels of employees. For example, in the Financial Services industry sector:

- 50% of our clients indicate that turnover levels of key skills have remained the same during the pandemic
- 30% indicated that it is actually increasing
- Just over 60% indicate that they continue to battle to attract and retain key talent - this is of course a major concern if one considers that the right talent is required to grow organisations and rebase our economy.

On the other hand, **employers are ranking concerns about the employee value proposition and market benchmarking as the top two items that keep them awake at night**. In terms of the former, it is indicative that employees are looking at their total reward quite differently in the midst of the pandemic. What may have been important prior to COVID-19 is most certainly not the case now. We need to continue to be in touch with our employee's realities. The data that we receive from our engagement surveys and remuneration benchmarking will provide us with the information needed to shape the futures of our workforce and ultimately put us back on the recovery path.

As reward and human resources professionals we do face quite a daunting task which has been exacerbated by the pandemic. It is however crucial for us to remain focused to steer our organisations in a positive direction in the new normal.

We trust that you will enjoy the 2nd edition of the 2021 HR Quarterly. In the coming months we will continue to provide you with insight and data to address some of the unique challenges that you are facing.

Yours in reward

René Richter
Managing Director of Remchannel


LEADERSHIP IS A MATTER OF TRUST

THATO BELANG

PRIOR TO THE **COVID-19 PANDEMIC,**

CEOs and other business leaders might have viewed trust as one of the shafts that drive the flywheel of performance. But the pandemic has significantly shifted our landscape, including how leaders engage with now remote teams, and has made trust a top-line agenda item.





This transition did not come without its challenges. The absence of face-to-face engagements and interaction requires a lot of trust by both employers and employees. Leaders have to trust their teams to continue providing customers with the best service and products, and with the same professionalism as they did when working in the office. Similarly, teams need to be able to trust their leaders to be transparent and to set clear and fair expectations. Leaders also have to be realistic about the obstacles their teams are navigating. They need to be more empathetic.

TRUST IS A TWO-WAY STREET

As a coach, I believe in creating an environment that is enabling, empowering and inspiring, and that trust is needed if you are to create such an environment. In order to achieve this trust, research tells us that team members have to feel psychologically safe.

Teams feel psychologically safe when they share a belief and trust that there will not be any form of threat if they ask for help, seek and provide feedback, are vulnerable or voice their dissenting views. This is particularly important now as we are all navigating uncharted territory. Trust, as Douglas Conant, ex-Campbell Soup Company



TRUST GIVES YOU THE PERMISSION TO GIVE PEOPLE DIRECTION, GET EVERYONE ALIGNED, AND GIVE THEM THE ENERGY TO GET THE JOB DONE.

These words by former Campbell Soup Company CEO Douglas Conant encapsulates a cornerstone of successful leadership.



CEO, says, enables people to execute with excellence and produce extraordinary results. It ultimately helps to build high-performing teams that are agile, collaborative, innovative and highly engaged.

Building this level of trust is an ongoing process that requires authenticity and empathy. It requires leaders to be open and transparent as part of actively nurturing trust. Establishing authentic relationships with co-workers creates an environment where everyone is inspired to do their best, because they know that they can rely and count on you as their leader. I have seen people make the mistake of thinking that being transactional and results-focused will get teams to perform. Sadly, this is not the case. On the contrary, the opposite may happen.

As a business leader, it is therefore part of your job to genuinely seek ways to connect with your team to be able to see things from their perspective. This creates the empathy needed to build trust. Being able to see things from their perspective helps to make team members feel cared for and supported. There is nothing as unsettling as a leader who does not care about their employees' well-being. Simple acts of kindness like randomly sending texts to check on someone who is not well and openly celebrating their successes can go a long way towards building trust.



To this end, the pandemic has accelerated the much-required mindset shift to focus more on the 'human' in human resources. The changes COVID-19 brought has compelled many leaders to ask themselves: How do I re-evaluate my relationship with my team? Answering this question is an important step towards focusing on the humans that make up a team, understanding their context and how they personally are affected by the pandemic. It requires you to open up and show employees that you trust them. This will, in turn, encourage them to be more open and trustworthy.

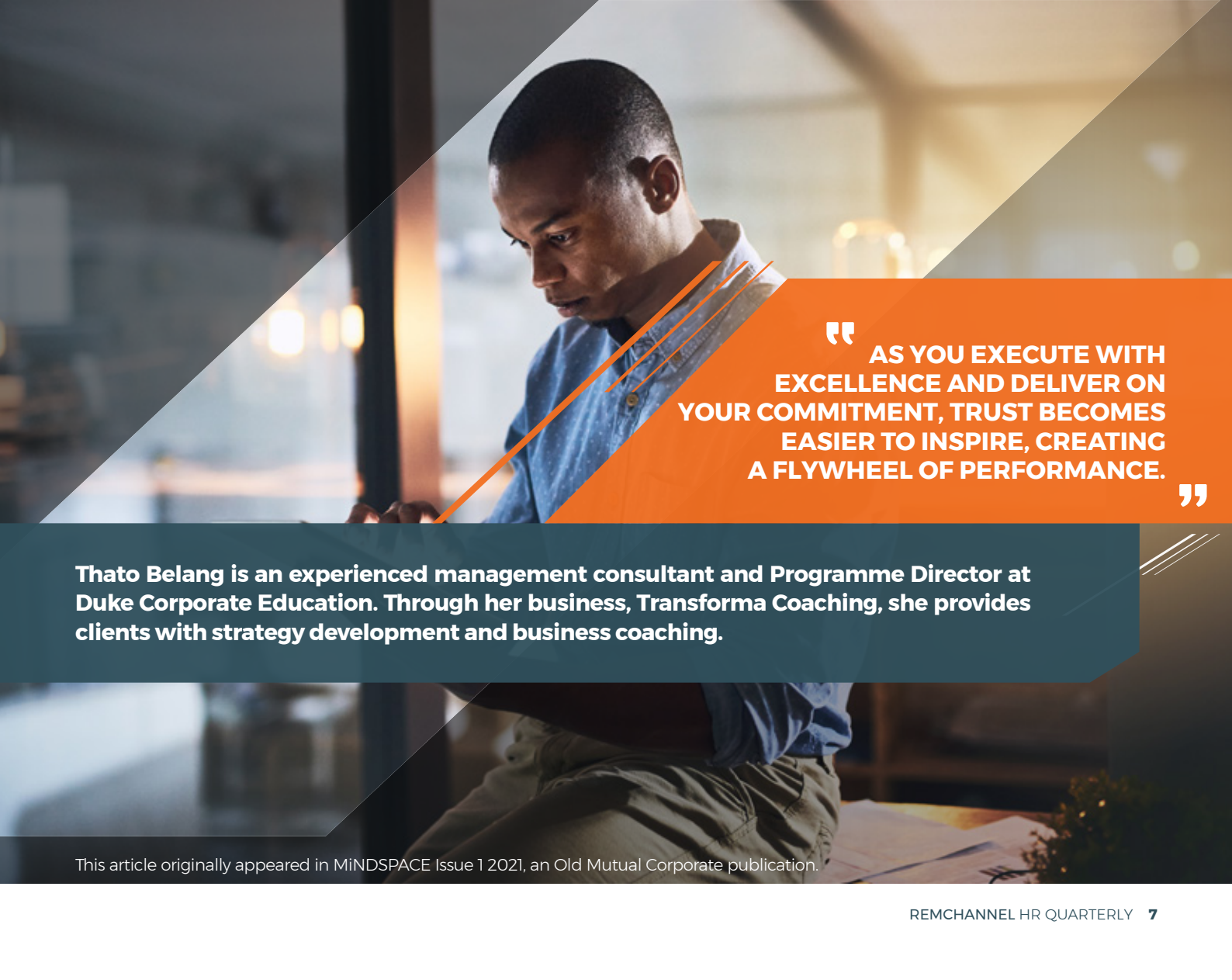
IF YOU DON'T TRUST YOUR STAFF, NEITHER WILL YOUR CLIENTS

Clients and customers are on the receiving end of what happens internally in an organisation. If there is a lack of trust among the people in an organisation, it will extend to clients.

It is therefore everyone's responsibility to build a relationship of trust with the client. Moreover, we have to shift to task-based trust. To do this diligently, teams should ask themselves these questions: Are we keeping our word and following through? Are we consistent in our engagements with clients and in our service offering? Do we maintain processes our clients can trust? Do we always act with integrity when dealing with our clients? Are we truthful in handling their queries?

The answers will be useful for bolstering client trust where it has been broken or building trust where none existed before.

As everyone navigates this time of chaos and confusion, it is important to get things right inside your organisation before it can translate into the client experience. This is the real value of trust. As Conant concluded:



“ AS YOU EXECUTE WITH EXCELLENCE AND DELIVER ON YOUR COMMITMENT, TRUST BECOMES EASIER TO INSPIRE, CREATING A FLYWHEEL OF PERFORMANCE. ”

Thato Belang is an experienced management consultant and Programme Director at Duke Corporate Education. Through her business, Transforma Coaching, she provides clients with strategy development and business coaching.



WILL YOUR
COMPANY
CULTURE
PASS THE
COVID-19 TEST?

LEISHA NAIDOO



Even though it certainly can be defined academically, corporate culture, as we know, is something that has to be experienced to be understood.

The reality is that, when ignored, organisational culture is crafted by osmosis rather than design. The danger that comes with this is best expressed by Peter Drucker's often quoted words: 'Culture eats strategy for breakfast'. Culture is indeed the secret sauce that keeps employees happy and a business productive and successful.

In this regard, the phrase 'ease and flow' has lately cropped up in many client conversations. Ease in interaction, flow in connection. Ease in prioritisation, flow in output. While it may be called 'ease', it is not easy. Ease and flow are achieved by simplifying and decluttering complexities in your corporate culture. The most counterproductive of which are a rigid organisational hierarchy, culture of victimisation and lack of transparency. All three create friction, and where there's friction there can be no flow.

Similarly, it seems that each COVID-19 transition, such as remote working and connecting online, initially was met with fear and trepidation. Both

these are emotions that too hamper ease and flow. There is no denying that we, as leaders, are going to have to shift up a skill set.

DECONSTRUCTING TO RECONSTRUCT

The organisations that have led the transitions and not just reacted to them, display VUCA leadership that takes into account an environment that is more Volatile, Uncertain, Complex and Ambiguous - VUCA - than ever. The old way is simply no more.

Is there anything then in existing corporate cultures that can be carried forward to become integral in this time? Yes, but it has to be taken up several notches. This includes a value system that puts all the inspirational, motivational quotes on the posters on your walls into practice, trust in your team and yourself, especially now that pats on the back have been replaced by high-five emojis as we interact via screens; genuine care for employee well-being, greater diversity and inclusion in the way we think, work and interact online; and courage to accept mistakes and move forward.

Perhaps this is going to take a deconstruction of your organisational fibre to determine what truly creates that brand fibre, and it starts with the type of leaders in an organisation.



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THE BUILDING BLOCKS WE NEED NOW

In 2018, when the world had no inkling of what was going to come our way in 2020, the World Economic Forum published a report that outlined the skills that would be most relevant in the workplace by 2030. At the top of their list are high cognitive skills (advanced literacy, critical thinking and complex information processing) followed by social and emotional skills (empathy, the ability to learn continuously and emotional resilience) and technological skills from basic to advanced. According to many, this last one, although third on the list, has shown the biggest proportional increase compared to the previous decade.

How interesting, then, that even in the midst of a global pandemic, these skills are more relevant than ever. If you had to be courageously candid, how would you rate on each? As leaders and employees, it is the sum of our parts that will create that integral fibre that upholds our organisational culture.

I would advocate that there is one more skill that will be vital. It is the age-old art of relationship building. As personal branding expert William Arruda wrote in Forbes: 'It's harder to connect on a human level with people when they exist in two dimensions on your computer screen or mobile device. You need to work extra hard to make sure you're interacting in a way that allows you to build genuine, meaningful relationships.' How do we do this when our building blocks, such as affirming body language, face-to-face conversation and (unscheduled) light-hearted banter, have been removed from the equation? Consider on-boarding employees online? Is your organisation ready?

Let's attempt to critically analyse how to build virtual relationships. The obvious pro is that we won't be limited by our geographic location but would have the world literally at our fingertips. Just because we can access someone, however, does not necessarily mean that we know how to relate to them. From stalwarts on the Sandton skyline to tech start-ups in savvy co-working spaces, this comes down to trust. And trust, in turn, comes down to being transparent in who you are, showing up consistently, likeability and making a human connection. It comes down to credibility, which is achieved by doing what you say, and a social presence that affirms it.

Having said all the above, let's take a minute to celebrate just how far we have come. The resilience we have all shown, not just as a nation, but as a global village, has been nothing short of astounding. Please consider that a very sincere virtual pat on the back.

Leisha Naidoo is an organisational development strategist and the founder of Injabulo Learning and Development Solutions. Her areas of expertise are in graduate integration, performance management and building high-performing teams.





WHAT IS AQ AND WHY IS IT IMPORTANT?

TONJA BLOM

ADAPTABILITY QUOTIENT IS A TERM THAT HAS BEEN AROUND FOR A DECADE OR MORE. WHY, THEN, IS IT GETTING SO MUCH FOCUS RIGHT NOW?

Words like pivot, innovate and reinvent cropped up a lot in boardrooms and business media since the start of the COVID-19 pandemic. As the resultant lockdown continued to impact jobs and increase unemployment, words we've always used in relation to artificial intelligence, another threat to employment, were heard: reskill, hybrid, unlearn, relearn.

After all, as long ago as 1859 Charles Darwin wrote in *The Origin of Species*: 'It is not the strongest of the species that survives, nor the most intelligent, it is the one that is the most adaptable to change.' We've seen just how true that is in the past year.

But to change something, whether it's evolving to grow legs or implement a new business model, requires building something new which makes the existing model obsolete. Therefore we are reminded that the organisational paradigm relies

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heavily on individuals' and teams' ability to cope, to manage and prioritise their tasks and responsibilities, and to be curious and determined enough to want to create something new.

When the unknown, uncertainty and constant change become the norm, our ability to adapt becomes increasingly important. How, then, does resilience, adaptability, flexibility and the ability to learn and think look in organisations?

[Continue to read the full article here >](#)

CLOSING THE SKILLS GAP

GIZELLE ERWEE





BUSINESSES IN ALL INDUSTRIES ARE FINDING

THAT THE SKILLS THEY NEED ARE IN SHORT SUPPLY.

SHIFTS IN EXPECTATIONS AND IN STRATEGY ARE

NEEDED TO SECURE SUSTAINABILITY.

In a snap poll during Remchannel's recent mining industry webinar, we asked participants to name their biggest concerns regarding the sustainability of the sector. Bridging the skills gap came out on top. In financial services, too, people who have the necessary specialised actuarial skills are few and far between; and despite high unemployment rates, vacancies are rife.

Every organisation knows which key skills it requires. Yet when they embark on recruitment drives, many are either met with a lack of interest or, when there is interest, exorbitant salary expectations.

If, as an employer, you are struggling to fill your vacancies, it's worth considering if your expectations of applicants' skills and experience are too specific or too high. No

matter their qualification, someone without work experience would in most cases not be your first choice. Why not? Employers often tell us that they want candidates with experience. This creates two challenges. First, technology changes so rapidly that it is difficult to find employees with experience in emerging technologies and work practices. Second, if educational institutions, employers and individuals aren't keeping up with these changes, the workforce will be left behind.

Our higher education institutions simply do not skill jobseekers sufficiently. Here I don't mean technical skills; I mean life skills, which people need to build a career and contribute substantially to an organisation. The competencies required to be a manager, for example, are well known but are not taught at university.





WHAT EMPLOYERS SHOULD LOOK FOR – AND DO

When hiring, employers need to look for a balance of specific technical skills and critical success skills and competencies. Most importantly, they need to look for a positive work attitude and self-management skills. As the old saying goes, you can teach skills but you can't teach a good attitude.

In the past, employers regularly engaged with universities to identify the top talent before they graduated and offer them bursaries or internships; bursaries because they almost guarantee that bursary holders would join the organisation, and internships so that they can gain the necessary experience early on.

Another concern for many employers is that a generation of baby boomers is now retiring.

replaced them. This is a great initiative, if done correctly, but if you bring someone back to fill a gap in your organisation, you're only making the problem worse.

Too few new entrants are being groomed almost from the beginning to ultimately fill key positions. I see many organisations going in search of highly qualified, highly skilled individuals, only to find that they are in short supply. This increases demand, which in turn increases salaries. These people are also highly mobile and could come into your organisation for a short period only before departing for the next greener pasture with an even bigger salary and even better benefits.

Workforce planning is no easy task, but no

WHEN HIRING, EMPLOYERS NEED TO LOOK FOR A BALANCE OF SPECIFIC TECHNICAL SKILLS AND CRITICAL SUCCESS SKILLS AND COMPETENCIES.

Many are in senior roles and have a wealth of institutional knowledge, and they are fully occupied in their roles until the day they retire. That makes it difficult to put a succession plan into action. In many instances, retired baby boomers are brought back into the organisation on a contract basis, with the sole job of mentoring and coaching the talent that has

matter what skills your organisation requires, one of your first investments should be to align HR and your workforce strategy to your long-term business strategy. If you plan ahead, knowing now what skills you will need in the future, you will be in a position to nurture talent through the ranks throughout your organisation.



WHY IS YOUR HOTTEST TALENT JUMPING SHIP?

RENÉ RICHTER

DESPITE ECONOMIC UNCERTAINTIES, MANY ORGANISATIONS ARE STRUGGLING TO ATTRACT AND RETAIN KEY TALENT.

WHAT'S BEHIND THE HIGH STAFF TURNOVER RATES?

The war for talent is real. Across South Africa's industry sectors, employers are battling to attract and retain talented staff and employee turnover rates have not declined. That's despite high unemployment rates and the financial challenges caused by the COVID-19 pandemic. Our April 2021 Salary and Wage Movement Survey found that resignations account for 34.7% of the overall labour turnover followed by 'non-renewal of contract' at 22.8%.

The recruitment process can be costly and time-consuming - and in the COVID-19 environment certain organisations have hiring freezes, which mean that the remaining employees are left to carry the burden of the additional work. That, in turn, can create issues around motivation and engagement.



WHY DO EMPLOYEES LEAVE?

Many factors contribute to employees' decision to leave an employer. Remuneration is always on the radar, and was listed among the top three in recent engagement surveys we ran in the mining, financial services and project engineering sectors. But remuneration may not be the only factor, nor is it the only solution to retaining talented employees. After all, if an employee stays for money, they'll leave for money.

Employer culture is another factor, which is why it is such a crucial part of the employee value proposition. Although an employer may have a set of organisational values, employees will often say in surveys that none of the leadership is walking their talk. Employees want to be proud of the organisation they work for.

Poor leadership in general also comes into play. One way to assess the quality of your leadership is by looking at the attrition rate in the various skills categories. It's a particular challenge now, since leaders and managers are not necessarily equipped to manage remote workers.

WAYS TO IMPROVE YOUR STAFF RETENTION

In order to retain talented employees, it is therefore important to understand why you are losing them. In Remchannel's Financial Services user group, 90% of organisations indicated that they conduct regular employee engagement surveys. They are a good barometer of the health of a workforce. Unfortunately, engagement surveys don't necessarily result in action from corporate South Africa. If you conduct engagement surveys and your employees' concerns are not heard, and changes are not made based on their feedback, participation will decrease along with motivation levels.

While most organisations conduct exit interviews, they are not always a true indication of why the employee is leaving. Employees tend to cite better opportunities as their reason for resigning, but that often is the result and not the cause, as employees often become more susceptible to new opportunities only once they have already disengaged.



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Exit interviews and employee surveys will enable you to identify the issues that you may not be aware of in your organisation – but only if you allow for frank and anonymous feedback from employees. If something is (or was) bugging them, they might not state it if they are not assured that their feedback will be anonymous. The only way to get employees to be truthful in feedback sessions is by building trust in your organisation. If you have trust, they will be quite vocal; and if they see that change is being effected, they will most certainly contribute positively.

Leadership should also be conscious that, when they look at the results of their employee engagement surveys, they should not see them as a reflection on them as individuals, but rather as part of a continuous improvement process.

**ASK YOURSELF:
WHAT CAN WE DO DIFFERENTLY?
HOW CAN WE DO IT DIFFERENTLY?**

Then use that to prevent your staff walking away with all the institutional knowledge they've gained over the years, and taking it over the road to your competitors.



UPCOMING PUBLICATIONS



Employee Benefits Survey
December 2021



October 2021 Salary and Wage Movement Survey



Old Mutual Corporate MiNDSpace Magazine
August 2021

FOR ENQUIRIES REGARDING SURVEY PUBLICATIONS, PLEASE CONTACT

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