

SARA Bulletin

November 2006

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Message from the new president

Over the past nine years, SARA has established itself as the premier voice for the Reward profession. It entrenches a sound governance structure with a professional secretariat. It provides a wide range of education and communication services to the industry and members. Networking opportunities between members exist and members are able to interact and share best practices.

Various projects to advance the Reward profession are offered annually. Apart from the recognition of achievers in the Reward profession, internships for graduates are arranged through SARA and a wide range of communication initiatives are undertaken to promote the profession.

This was achieved through unselfish work by the SARA executive and the voluntary effort of numerous SARA members. It is important that we maintain this momentum and we constantly seek ways to satisfy the needs of the SARA members.

Moving forward, I believe that SARA has reached a level of maturity that allows it to become the standard setting body for the Reward profession. We should utilise the existing knowledge-base to agree the standards and mandate the standards through consultation with our membership base and other professional bodies. This will differentiate SARA from being a service provider only and allows it to regulate the profession by ensuring minimum standards based on best practices.

This is a demanding task and will involve almost all SARA members. The benefit this will have for SARA members and industry will be huge and should provide us the tenacity that will be required to make this happen.

I wish you all a peaceful festive season and trust that you all look forward to the challenges of 2007.

e-research

The latest e-research from e-reward has been posted in the library on the SARA website. These reports are for paid-up SARA members and can only be accessed with a password. To view these informative documents go to: [e-research](#)

[Issue 46 - The University of Nottingham aims to “provide the finest possible environment for teaching, learning and research”. But it is doing this in an increasingly competitive environment.](#)

The challenges facing the higher education sector in the UK are many and varied, including:

- The globalisation of academic talent
- A need to attract and retain exceptional people in the run up to the next research assessment, due in 2008
- Finding new income streams
- The changing basis of student funding, bringing with it higher expectations of students that are contributing ever more to the cost of their tuition

[Issue 45 - Bonus schemes might be one of the most often used reward practices, but there is a real paucity of good, practical information on the subject.](#)

To fill this information gap, e-reward has undertaken an ambitious research project, covering a wide range of organisations, on every aspect of bonus scheme design to find out more about their application in today's organisations. Here, in the third and final part of our large-scale study, we provide a practical description of what you need to do in order to develop and implement a bonus scheme.

[Issue 44 - Reports of the demise of job evaluation have been much exaggerated. There is conclusive evidence that it is very much flourishing in the UK.](#)

Far from dying out, new job evaluation schemes, designed to address equal pay and single-status issues, have provided the foundation for major changes to pay structures in the NHS and local government. Both the higher and further education sectors have developed job evaluation schemes. And in the private sector, there is little or no indication that it is in serious danger, quite the opposite as the e-reward 2003 survey of job evaluation showed.

Disconnect Between Employers, Employees Threatens Loss of Key Workers

Employers and employees are not in sync over the effect that changes to pay, health-care and retirement plans are having on recruiting, motivating and keeping key talent.

These findings are based on a recent survey of 262 large U.S. companies across all industries and a complementary survey of 1,100 workers conducted by Watson Wyatt Worldwide, a leading global consulting firm, and WorldatWork, the association for human resources professionals.

With many firms revamping health-care and retirement programs, high-performing employees are placing strong emphasis on pay, but many employers appear to underestimate its importance.

According to the 2006/2007 Strategic Rewards survey, 71% of top-performing employees rank pay as one of the top three reasons they would leave an organization, but only 45% of employers believe pay is a top retention issue. Instead, employers rate promotion opportunities (68%) as one of the top three reasons employees leave, closely followed by career development (66%).

“The employer-employee deal is changing, and so are employees’ priorities,” said Laura Sejen, director of strategic rewards consulting at Watson Wyatt. “Regardless of whether companies are retaining the older ‘lifetime career’ deal or a newer, less paternalistic deal, it is important to balance business goals with the rewards that employees value. Firms that do not get the pay-benefits mix right risk losing some of their best talent.”

For the third consecutive year, employers report difficulty in attracting and retaining employees, particularly critical-skill and top-performing employees. More than half (63%) of employers report a moderate or high level of difficulty in attracting critical-skill staff, and 39% report moderate or high difficulty in retaining them. At the same time, relatively few employees (19%) cite difficulty in finding another job as a key reason they remain with an organization, and 15% of top performers are not sure they will remain with their present employer.

A factor in that indecision may be the difference between what employees value and what employers think they value. Overall, 86% of companies think they do a good job of treating employees well. Only 55% of employees agree. Furthermore, 54% of employers say they will do a better job of treating employees well over the next three years; only 24% of employees make the same prediction.

“As labour markets tighten, employee commitment takes on increasing importance,” Sejen said. “Those employers that understand what drives commitment — particularly among top performers — and act on it will be best positioned for success.”

[WorldatWork](#)

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SARA Conference 2006

This year’s annual SARA conference, held at the **Indaba Hotel Auditorium** in Johannesburg from 9-10 November, was a success beyond expectations, with no less than 165 reward specialists from across Southern Africa meeting the Rainbow Reward Challenge. The comprehensive event covered a range of dynamic presentations sharing expertise to allow delegates to “Attract, Motivate & Retain” more effectively in their organisations.

The conference began with a presentation by the popular John Rubino, President of Rubino Consulting Services, USA.

His presentation on *The New Total Rewards Model: How to Attract, Retain and Motivate the Best and the Brightest* was well received and set the pace for Day 1. Rubino discussed five key elements in the context of current trends in the working world that will facilitate better retention of staff.

David Conradie, Senior Manager: Human Capital Services, Deloitte, continued on this theme, discussing the current crises that reward professionals face in an environment with skills shortages and disengaged staff. His presentation gave key insights into new approaches to workforce segmentation and approach models for maximum impact.

Linda Kok spoke about Work Life Balance at Microsoft, an issue that has become a key element to employees who have, over the years, changed significantly in their attitude towards work.

Annetjie Moore, HR Director, Atio Corporation gave an interesting presentation on the generational differences between people in terms of their work attitudes and reward preferences, while Aloysias Maimane did a follow up presentation from Bright Young Things, which was presented last year - Winning the Talent Wars. His presentation was a highlight of the day and kept delegates at the edge of their seats.

Day two was equally riveting, with presentations by Richard Parkhouse, Managing Director, PRPi Consulting Limited, London, Brendan Olivier, Director, Vasdex & Associates, Gina Davidson, Senior Manager: Employment Branding Nedbank and a case study by Dianne Auld from Pick n' Pay.

The highlight of day two was without a doubt the panel discussion, facilitated by the very capable Jeremy Maggs (Radio & TV Personality). Expert panellists included Mark Bussin, (leading Remuneration Consultant); Rob Gentle (Financial Journalist); Vuyo Bahlekazi (Legal Advisor); and Pinky Moholi (Director: Strategy, Corporate Affairs and Marketing). This year the debate was truly controversial, stirring up delegates to much heated debate.

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SARA Banquet 2006

The 2006 SARA Banquet, co-sponsored by [Remchannel](#), was an exquisite affair. Held at the [Indaba Hotel](#) in Johannesburg on **11 November 2006**, the theme for this year's banquet was "Carnival", beautifully reflected in the colourful décor of the venue.

Guests were glamorously adorned in colour and the food was delectable. The highlight of the evening however, was the awards ceremony, with the announcement of the anticipated Reward Award winners and the GRP graduation ceremony.

GRP Graduates for 2006:

- Craig Combrinck
- Edward Harris
- Sam Hlabati
- Nicky Hurlimann
- Gert Kok
- Darrell Lai Choo
- Bernard Mphatswa
- Jack Naidoo
- Louise Profijt
- Chantal van Dyk
- Willie van Zijl
- Rachel Viljoen

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Reward Awards 2006

Finally and after much difficult deliberation, the winners of the 2006 Reward Awards were announced at the glittering SARA Banquet on 11 November 2006.

The big question for 2006 has finally been answered. Now we know who's walking on stilts in the reward industry!

The winner of the **Reward Strategist award** for 2006 is **Yvonne Webb from Sasol**.

Finalists for this category included:

Nicolene de Beer, First National Bank

Dave Edwards, Vodacom

Dave Scobie, Bell Equipment

The **Reward Practitioner** went to **Lee Ann Samuel from ABSA**.

Finalists for this category included:

Andrew McKay, Sapref

Esta Morkel, Parmalat

Cheryl Theron, Professional Provident Society Insurance

The **Team Award** was given to the **Nedbank Remuneration Team**

Project Catalyst:

- Lester Satram
- Karen Booysen
- Farahna Sallie
- Tina Georgoulakis
- Debbie Lane-Mitchell
- Naveen Rahjkoomar
- Diane Trompetter

Finalists for this category included:

First National Bank

Dimension Data

South African Breweries

Judges for this year's awards included:

Reward Strategist

Ronel Nienaber (Nedbank and SARA President)

Martin Hopkins (Value Analytics)

Reuben Olifant (Remchannel)

Reward Practitioner

Nazlie Samodien (Edcon and SARA Exco)

Bheki Shongwe (Remchannel Chairman)

Francois Vorster (University of Pretoria)

Team Award

Nazlie Samodien (Edcon and SARA Exco)

Bheki Shongwe (Remchannel Chairman)

Peet Kruger (Remuneration Partnerships)

SARA is proud to announce that the 2007 awards will once again be sponsored by Remchannel.

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KPMG wins the Inaugural HR Africa Award

KPMG has won the inaugural HR Africa Award which was presented at the third Annual HR Africa Summit, organised by the Institute for International Research (IIR). The award included prizes valued at R70 000.

The HR Africa Award 2006 rewards excellence in HR practice. The focus of this award is aimed at companies moving away from the historical Administration Officer functions in HR, toward the modern Business partner/strategic HR department.

Finalists were South African Breweries, KPMG and MTN.

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Kwazulu Natal Branch News

After many requests to repeat this event, the SARA UKZN Branch hosted a Breakfast Seminar entitled **Grading Systems and Your HR Strategies** which was held on Wednesday 22 November 2006 at the Suncoast Casino Conference Centre. This was the third SARA UKZN Branch event for 2006 and was very successful with over 70 delegates attending.

The use (or not) of grading systems to support your HR strategies is a controversial topic that has been raging for several years. Narrow grades, Broad Bands and even No Grades are advocated and practiced. Using the following carefully selected case studied the seminar illustrated the divergent approaches to the issue of grading in Corporate organisations:

- **Update on Different Grading Structures and Trends** - Laurence Grubb, Deloitte
- **A Case Study for the Use of Grading Systems** – Dave Scobie, Bell Equipment.
- **The Grade-Less Environment** - Debbie Lane-Mitchell, Nedbank

The presentation elicited extensive input, discussions and debate from delegates and it was clear that this issue remains topical. It was clear that there is no single “right answer” approach appropriate for all organisations. To the contrary, both highly structured grading and “no grades” can be very successfully applied. Rather the “secret” lies in the implementation process in terms of business rationale and fit, consultation and communication, administration and record keeping etc.

The continued success of these shorter seminars is clear evidence that HR in KZN is alive and well with seasoned practitioners eager to learn and develop their expertise by attending focused seminars on topics of interest which are regarded as relevant to current HR challenges/issues.

Megan Shepstone

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2007 Internship Programme

The 2007 internship selection process is underway. Applications are now closed and we have received some excellent candidates.

Your opportunity to participate in the programme is not over, however. You can still be a sponsor and have the first opportunity to appoint one of the 3 individuals at the end of the internship programme.

You can also participate by hosting the interns during their 6 months with us.

Please Please contact Samantha Fletcher or Rozanne Finnemore at 21st Century Pay Solutions (Tel:011 447 0306) or call Gillian le Cordeur at SARA (Tel: 011 789 1384) for more information on this great opportunity.

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GRP Programme 2007

The GRP Programme is in the process of being finalised. The dates and venues will be available, on the website from 3 December 2006.

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SARA Events 2007

SARA events are organised with members in mind. Please contact us if you have any ideas, suggestions, issues you want covered or needs that we can cater to in planning our 2007 event calendar.

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Employment Opportunity

We encourage members to post the employment opportunities in the newsletter. If you have any posts you would like filled in the New Year, please let us know and we will add it to the newsletter.

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Website Postings

Minutes Of The HRCOSA Teleconferencing Meeting Held on 21st November are available on the Website at: [Professional Development](#)

Photographs from the SARA Conference 2006 have been posted on the Website at: [SARA Reward Awards 2006](#)

Presentations from the SARA Conference 2006 have been posted on the Website at: [Library Reward Awards Finalists and Winners Details](#) have been posted on the Website at: [SARA Reward Awards 2006](#)

The SARA e-bulletin for October 2006 has been posted on the website at: [Library](#)
New Job opportunities have been posted on the website at: [employment](#)

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Update Your Membership Details Online

SARA members are encouraged to access the SARA membership database on the website and edit their personal details online when it becomes necessary. To make use of this new facility, go to: [My Membership](#)

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New Members

New Corporate Members

- John Nkwana – The Freedom Park Trust
- Leonie Berning – Mhlatuze Water
- Geoff Saner – Creative Incentives

- Tekane Chaunoda – Water Utilities Corporation
- Kenneth Wilson – Worldwide Employee Benefits Consultants

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Editor's Note

Dear Readers

Wow, it's been a hectic 2006, and just around the corner looms another busy year. While this year's highlights are too many to mention, and many of you have your own, the 2006 internship comes to mind – please help make the 2007 internship as successful by sponsoring or participating. Also, the SARA Conference and Reward Awards were a huge success, not to mention the wonderful Banquet. Congratulations to the award winners and well done to the GRP Graduates.

I welcome input from readers of the SARA Bulletin and encourage you to forward any information or announcements that you would like to see published in the bulletin. If you have something you would like to share or have an article, success story or activity you would like published, please do not hesitate to contact me. Contributions need to be forwarded to me by the 15th of every month and SARA reserves the right to edit content for clarity and/or brevity.

Please note that the views expressed in this newsletter are not necessarily those of the South African Reward Association.

All comments and constructive criticism is welcome and I urge you to give me feedback so I can provide you with the information you want to read about.

May you all have a healthy and relaxed festive season, and a rewarding 2007.

Iris Herz

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