

SARA Bulletin

September 2007

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NURSES TO GET SALARY INCREASES

Health Minister, Manto Tshabalala-Msimang, has announced that nurses in the public health sector would receive increases of between 20% and 88% on their starting salaries. The increases, which would be retrospectively introduced from July this year, come as part of the occupational-specific dispensation which would see substantial improvements in the salaries of professionals in the Health Department and the rest of the civil service over the next few years. The agreement would see entry-level salaries for staff nurses increasing by 20%; the entry-level salaries for nursing assistants and professional nurses in general nursing will both increase by 24%; and certain professional nurses serving in speciality areas would receive up to 88% increases depending on their current salary positions.

Friday, 14 September
Mail & Guardian

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BIG PAY RISE FOR NEW TEACHERS

Education Minister Naledi Pandor said proposals are on the table to substantially increase the entry-level salary scale of graduate teachers. She said the entry salary for graduates to the profession would rise from R99 625 to R115 492 per year. The department had developed new salary scales "pertinent" to education. Adjustments would be between 8.5% and 40%, based on experience and level of qualification. She added, "The majority of teachers will get between one and five percent, in addition to the adjustment of 7.5% that they received from July 1 this year". Pandor thanked teachers involved in the plan, saying they had showed commitment to both their pupils and their profession.

Monday, 17 September
News24

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BENEFICIAL AMENDMENTS TO PENSION FUND

The Pension Funds Amendment Act, which was recently signed into law by President Thabo Mbeki, makes provision for divorced spouses to gain immediate access to their share of the cash benefit from their ex-spouses' retirement benefits. In the old legislation, non-member former spouses were entitled to withdraw the amount awarded by the court only when the pension interest was payable upon the accrual of the benefit to the member. This could take place upon retirement or early retirement, death, termination of service or membership of a fund and dissolution of the fund.

The pension interest is an amount equal to the member's cash withdrawal benefit which would have become payable in terms of the rules of the fund had the member resigned on the date of the divorce. The previous legislation did not provide for interest to accrue on the ex-spouse's portion of the retirement benefit. The new law states that as soon as the divorce order is granted, non-member former spouses are entitled to withdraw any court-ordered share of their ex-spouse's retirement fund as a cash lump sum or to transfer it, tax-free, to another retirement fund, where it will attract interest. The date on which the new law will be effective is still to be announced. Civil unions are also covered by the new law.

Sunday, 16 September
City Press
Bongolethu Futuse

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GOVERNMENT DEBATES COMPULSORY RETIREMENT FUND

At the Institute of Retirement Funds Annual Conference 2007, held on Wednesday, 12 September, Deputy Minister of Social Development, Dr Jean Swanson-Jacobs, revealed that government is debating whether or not to institute a mandatory retirement savings scheme for the working population of South Africa. Government will discuss the extent to which employees must save a part of their income to ensure a prescribed minimum benefit package

during retirement. The charge costs of retirement products in South Africa are the highest in the world and this often results in reduced savings.

More than 12.9 million South Africans currently receive income support or social assistance. Ms Swanson-Jacobs highlighted that government is on record for pointing out the gaps in the social security and social insurance pillar. Millions of South Africans don't have retirement savings schemes, health insurance, death and disability cover or occupational injury, said Ms Swanson-Jacobs.

Wednesday, 12 September
Michael Appel
BuaNews

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PERFORMANCE MANAGEMENT

Active leadership support and champions needed for successful performance management

According to a new survey conducted by WorldatWork and Sibson Consulting, concluded that performance management techniques for both effective and less effective organisations are not very different. It also came to the conclusion that the greatest difference is the level of active leadership support and championing of the process.

More than 550 individuals, primarily senior-level HR professionals, participated in the survey. The organisations represented in the study range in size from fewer than 100 employees to more than 100,000 employees, and the industries represented include finance and insurance, health care, higher education, manufacturing, professional services, public sector and utilities.

Key findings include:

- Improvement in performance management is needed in many organisations and the process is stronger in higher performing companies.
- At least half of respondents use information from performance management to determine merit increases, promotions and annual incentive distributions.
- Only 30% of respondents report that their employees trust the performance management system.

Dr Lise Flores-Reed, research manager of WorldatWork, said: "These results suggest there is opportunity for organisations to enable their managers to become more effective at communicating performance messages and coaching their employees around performance issues. More communication and transparency can improve employee trust in the process."

For more details, visit www.sibson.com or www.worldatwork.org.

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MEASURING ROI OF YOUR PEOPLE DEVELOPMENT INITIATIVES

A study spanning seven geographical regions and 15 business sectors by Lane4 has revealed that six in ten human resources development departments within global companies believe that it is possible to measure the ROI of their employee development initiatives. However, according to recent CIPD research only 18% look at the full return of investment of their people development.

The report by Lane4, a global performance development consultancy, shows that although respondents acknowledged the importance of measuring ROI from people development initiatives, they stated that there were many barriers to helping them achieve this:

- A total of 68% said that it was difficult to calculate “true” financial ROI.
- Insufficient resources were available to 67% to allow them to evaluate the success of the training programme.

Criteria used for measuring effectiveness

Some participants believed that other criteria for measuring ROI are more relevant than financial measures. Important criteria for measuring the effectiveness of people development initiatives were also explored.

The report found that:

- Employee performance/behavioural change including leadership was important in the current (ranked in the top three criteria by 69%) with 62% ranking it in their top three criteria as being important in the future.
- 64% ranked employee performance (skills relating to their roles) in their top three criteria as being important now but less important in the future (50%).
- 53% ranked employee engagement in their top three criteria as being important both now and in the future (54%).

Procedures that can lead to successful ROI include:

- Ensuring that HR initiatives are aligned with business strategy by involving relevant stakeholders, as well as identifying the desired ROI (e.g. saving on recruitment cost by increased retention).
- Financial ROI can be calculated through the use of key performance indicators identified at the beginning of an initiative with relevant stakeholders.
- Using goal-setting techniques to design interventions through your KPIs to your desired return.

“ROI is something that businesses want and expect from their training programmes. Measurement of ROI has invaluable benefits beyond the bottom line including more bespoke people development for your organisation, goal-focussed interventions as well as the ability to predict effective investment. Despite HRDs being fully aware of these advantages, few are measuring ROI due to a belief that it is too time consuming or difficult to calculate. Our new report explains how the many issues affecting ROI analysis can be overcome and the processes which can be followed to achieve successful ROI.” - Tom Smith, head of organisational development at Lane4.

For further details, visit www.lane4.co.uk or www.e-reward.co.uk.

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REMUNERATION RETENTION SURVEY

The growth in the global and SA economy and the need for transformation mean that the shortage of skills is not something that might happen, but rather something that is here right now. Hence retention is the word on everyone's lips. How do we retain our talent? A survey published by AON Global Risk Management in 2007 stated that failing to attract and retain staff was among the top 10 risks facing companies today.

New age retention strategies cover all aspects relating to the employee value proposition (EVP) which include but are not limited to remuneration, work-life-balance, performance management, recognition systems, training and development. The total spectrum covers every aspect related to employees in a business and is too vast to cover in one survey. Hence the need to focus.

This survey covers only the main aspect that reward practitioners and consultants focus on – Remuneration as a Retention Mechanism. Results will be based on findings from two methodologies: A Questionnaire and Case Studies. To find the questionnaire which we ask you to please complete, please [click here](#). It is short, easy to answer and should not take too much of your time. Surveys are only as good as the number of responses. So please help us to help you in helping your own companies.

The second methodology will be based on a number of case studies. The case studies will be on companies that have tried various innovative remuneration retention approaches. They will explore what has been tried and why in an attempt to find out what has worked and what has not worked and why.

The following companies have agreed to participate in the survey and will form part of the case studies to be conducted: First National Bank, Nedbank, Business Connexion, Gold Fields, ThyssenKrupp Engineering, Murray & Roberts Engineering, Bateman Project Holdings, SAB.

The survey has been endorsed by SARA. The results of the survey will be provided free of charge to clients who participate. The results will also be presented at the SARA conference on 8 and 9 November.

All completed questionnaires will be kept in complete confidence and only collective analysed information and statistics will be published. Company names will only be disclosed in the participant list.

Please complete the attached questionnaire and return it to Arlene Brown at Mabili by 1 October 2007. If you have any queries, please contact Arlene on (011) 292-6940 or (083) 320-4658 or email arlene@mabili.co.za.

We look forward to your participation and will be in contact with you shortly.

Laurence Grubb
Managing Director
Mabili Reward

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ANNUAL SARA CONFERENCE

We are very excited to announce the annual SARA Conference, which will be held at the Sandton Sun Hotel in Sandton, Johannesburg, on 8 and 9 November 2007. The theme of this year's conference is 'The Spotlight on High Performance'. In addition to the local speakers, we have contracted with three international speakers, namely Patricia Zingheim and Jay Schuster from Schuster-Zingheim and Associates (USA) and Andy Buergi from The Living Water Institute (Switzerland). We are confident that the international speakers, as well as the other high quality local speakers are going to contribute to a most successful conference.

Judging on the high number of conference registrations received in the past number of days, we are expecting the best turn-out ever. Due to this conference being our 10th anniversary celebration, we are really working hard in ensuring that this is going to be a great event.

Sponsorship Opportunities for SARA Conference

SARA will once again be looking for members to sponsor items for the delegates at the conference. Any company who contributes sponsorship to the conference will receive acknowledgement for their contribution at the conference. There is an opportunity for SARA corporate members and consultancy companies to sponsor the following items for the conference:

Conference bags

Stationary items such as pens, rulers, erasers, executive pads and folders

Any promotional items that could be included in the conference bags

A refreshment break or lunch

Gifts for lucky draws during the conference

Lanyards

Other creative ideas such as back massages during the breaks

Should you wish to sponsor any item, please contact Gillian le Cordeur, at the SARA Secretariat, at gilllian@vdw.co.za or tel: (011) 789-1384.

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SARA 10TH ANNIVERSARY CELEBRATIONS - COMMEMORATION MAGAZINE

To commemorate SARA's 10 year anniversary, a special commemoration magazine will be

handed out to each guest attending the 10th anniversary celebration breakfast on Thursday, 8 November. The magazine will also be mailed to all SARA members who were unable to attend the breakfast.

You are invited to contribute to this magazine in one of the following ways:

Place an advertisement:

This will work well for all consultancy companies. We are expecting 250 people at the breakfast. This is an opportunity to ensure that your products and services are advertised.

Costs:

- Full page colour (A4) = R 3 000 (excl VAT)
- Half page colour (A5) = R 1 500 (excl VAT)
- Own artwork is supplied.

Congratulate SARA on its 10th anniversary:

This will work well for all corporate members. You will supply either the artwork or your company's logo with the congratulatory message. You can also use the space to congratulate your organisation's GRP's on their qualification.

Costs:

- Quarter of a A4 page colour = R 800 (excl VAT)
- Half page colour (A5) = R 1 500 (excl VAT)
- Full page colour (A4) = R 3 000 (excl VAT)

Place an article:

As part of our aim to develop the reward profession, it will be great if you can supply us with an article on any relevant reward topics. We will give a preference to articles that are based on case studies, as well as highlighting trends in reward / future of reward. The aim of an article is to create interesting/ educational reading and should a consultancy company forward an article, they must please not use the article to promote their products and services.

Details:

- No cost
- Not longer than two printed A4 pages
- The author's photograph and credentials can be included at the bottom of the article.

The deadline for confirmation of placement of articles or advertisements is Friday, 28 September 2007. Actual artwork and articles must reach the SARA office by no later than Wednesday, 10 October 2007.

Yolande Green can be contacted regarding submissions for the magazine on (011) 407-8036 or e mail yolande.green@sappi.com.

We look forward to hearing from you. Come on – Be part of making our 10th birthday a special event!

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SARA CONFERENCE - SPOTLIGHT ON PERFORMANCE AND REWARD

The spotlight on performance and reward will fall on 8 and 9 November 2007 at the Intercontinental Sandton Sun. Join us for two conference days packed with learnings from three international speakers, the results of a specially commissioned survey on retention strategies in South Africa, performance management best practice; and case studies from leading industry experts.

Be one of the first 100 people to book for the conference and receive a copy of our key note speakers, Patricia Zingheim and Jay Schuster's new book: High Performance Pay – Fast Forward to Business Success. Or take advantage of the team special by booking for full conference package for six participants or more from the same organisation before 8 October 2007 for only R3 500 per person - that's a saving of R500 per person.

This event is guaranteed to be the highlight of your year, so hurry and book now! For further details regarding bookings, please visit www.sara.co.za. The brochure is also available on the website.

Nicolene de Beer

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WORK-LIFE MANAGEMENT TRAINING

W1: Introduction to Work-Life Effectiveness

Successful Work-Life Programs to Attract, Motivate and Retain Employees

Understand the Impact of Work-Life Effectiveness

Date: 1 - 3 October 2007, Johannesburg

Venue: Johannesburg - House of Pharaohs, 1 Gaunt Street, Bryanston

W2: The Flexible Workplace

Strategies for Your Organisation

Heighten Employee and Organisational Effectiveness

Date: 4 - 6 October 2007, Johannesburg

Venue: Johannesburg - House of Pharaohs, 1 Gaunt Street, Bryanston

Training is presented by David J. Thompson, Professor at Capital University in Columbus, Ohio.

For more information, please contact [Marlindi Bosch](#) or call (011) 789-1384.

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BDO GLOBAL EXPAT CONFERENCE - SOUTH AFRICA 2007

BDO Spencer Steward is hosting a conference covering the challenges, opportunities, risks and tax aspects associated with international assignments. Practical case studies will be used to illustrate and apply the various principles.

The event will take place from 22 to 23 October at Emperor's Palace in Kempton Park, Gauteng.

Those who should attend include International managers, tax professionals, human resource managers, risk managers, and anyone involved in international assignments.

The benefits of attending include learning about:

- The challenges of international assignments, from both a company and individual perspective;
- The tax considerations;
- The business opportunities and risks associated with international assignments;
- Practical case studies will be used to illustrate and apply the various principles;
- Participants will be encouraged to participate and professional facilitators will ensure the exchange of ideas to the benefit of all.

For further information email expats@bdo.co.za, phone Trish Williams on 011 488 1815 or visit www.bdo.co.za.

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GRP PROGRAMME 2007

The details for Cape Town are as follows:

Date:	Function:	Venue:	Availability:
November 19-21	GR 7 – Cape Town	Palm House	Space Available
November 22-24	GR 2 – Cape Town	Palm House	Space Available

The details for Johannesburg are as follows:

Date:	Function:	Venue:	Availability:
November 12-14	GR 7 - Johannesburg	House of Pharaohs	Fully Booked
November 15-17	GR 2 - Johannesburg	House of Pharaohs	Fully Booked

The details for Angola are as follows:

Dates:	Function:
November 26-28	GR 7

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RECENT GRP GRADUATES

Congratulations to the following individuals who are now Global Remuneration Professionals. They have recently qualified and received their GRP certification:

Peet Roos
Priadashni Ramdhani
Susan Lombard

Expatriate Management Group News

EMG EVENTS

A EMG Panel will be held on Thursday, 11 October at Fairlawns in Morningside. Further details will be posted on the SARA Website shortly.

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EMG EVENTS

The event on the 14th November will be a big MUST for members to attend. We are fortunate to have an international speaker Andreas Beurgi address us. Beurgi is the Managing Partner of the Swiss peak performance consulting firm LWI Ltd., and he has more than 20 years of international hands-on business experience. He spent a large portion of his career initially as the MD of an international expatriate management consulting company and then as a partner at one of the "big four" consulting firms, specialising on developing and implementing international people mobility programs for multinational clients.

Most of Beurgi's career has been spent in coaching and advising expatriates, intercultural teams and executives responsible for global business expansion to optimise their planning, processes and performance. In this context, Beurgi has also accepted a role as international faculty member with World at Work, specialising on the areas of international compensation, benefits and assignment management.

Book the date, and be sure not to miss this one!

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EMPLOYMENT OPPORTUNITIES

We trust that you have been receiving your regular SARA Jobs bulletin, and that you are benefiting from this service. Please remember to send us your opportunities, which are also posted on the SARA website at [Professional Development](#).

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INDUSTRY EVENTS

WorldatWork 2nd Annual European Total Rewards Conference

3 to 5 October 2007 – Brussels, Belgium

For more information, visit [WorldatWork](#).

Smart Reward Strategies Seminar

31 October - Johannesburg

For more information, please visit www.worksucks.co.za, or click [here](#).

WorldatWork Asia-Pacific Total Rewards Conference

31 October to 2 November 2007 – Singapore

For more information, visit: [WorldatWork](#).

The Reward Management Update 2007

28 and 29 November 2007 – London

For more information, visit: E-reward.co.uk.

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WEBSITE POSTINGS

Latest e-Bulletin added to site: <http://www.sara.co.za/library/ebulletin/>

Employment: New jobs added: <http://www.sara.co.za/professionaldevelopment/employment/>

New Corporate Members Added:

<http://www.sara.co.za/saraandmembership/membership/membershipbase>

GRP, new GRP Graduates added:

<http://www.sara.co.za/professionaldevelopment/grpprogramme/recentgrpgraduates>

SARA Conference 2007, online registration form and hotels details added:

<http://www.sara.co.za/events/saraconf2007>

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EDITOR'S NOTE

Dear Readers,

Welcome to the September edition of the *SARA Bulletin*!

After a long cold winter, Spring is finally here! This refreshing beautiful season has been marked by first rains, new-born blossoms, and many green activities on Arbor Day, which took place on Saturday, 1 September. As part of nurturing our environment, we encourage you too to take part in greening South Africa's cities, thus making it a more pleasant and eco-friendly home for all.

As this bulletin carries the objective of keeping its readers up-to-date with the latest industry

developments, I welcome and encourage you to send me your thoughts, editorial contributions and comments. I would also like to thank you for the information and support already kindly received.

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

Nadia Van Niekerk

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