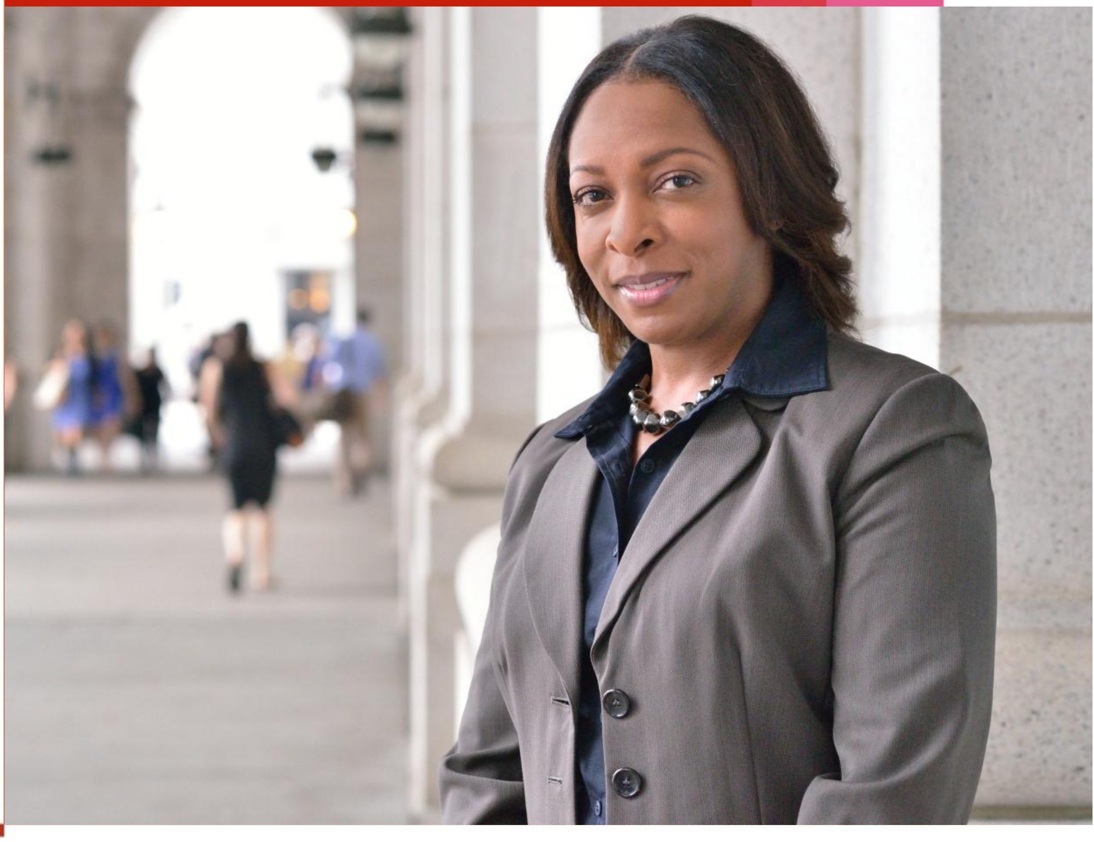
HR Quarterly

October 2013

A quarterly journal published by PwC South Africa providing informed commentary on current developments in the Reward arena both locally and internationally.



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The impact of the 'new world' on Human Resources

"For time and the world do not stand still. Change is the law of life. And those who look only to the past or the present are certain to miss the future"
John F Kennedy

This is particularly true in the reward environment. Although the basic tools such as job evaluation, pay scales and market benchmarking have remained the same over the past decade, the attraction and retention of staff in a diverse workforce is continuously changing.

In the past, segmentation of employees along traditional lines such as age, gender, and region was common. In the new world, however, employees are segmented in ways that matter most to the business, including pivotal roles. But there are still battles with reward legacy elements such as the gender gap. Focused assessment of employee engagement and workforce planning should take place in the identified employee groups, coupled with appropriate reward strategies to change our historical baggage to create a sustainable organization for the future.

Many of us recall the old engagement surveys; the off-the-shelf kind that rarely added any value to human resources or reward professionals. Today, engagement studies are used to anticipate and address barriers to productivity or potential turnover problems within specific groups of employees. The Human Resources division is seen as a strategic partner to bring business unit leaders together and to develop engagement strategies that support the overall business strategy. This helps us to analyse engagement measures and to link these to performance outcomes such as career satisfaction, product or service quality and safety, which differs from company to company and is very specific to our own organisational culture.

Understanding exactly what motives different groups of employees beyond money does sometimes feel like the proverbial black box. Taking a new approach to learning about, understanding and improving engagement may be easier said than done. It goes beyond the program and policy change typically entrusted to Human Resources – it requires a fundamental shift in the way all company leaders, from Human Resources to the business units and up to the C-suite think about the value people bring to the business.

We would like to assist you to be equipped for the future, and ensure that Human Capital is viewed as your most important asset.

The PwC Reward team

PwC Human Resource Services news

Women in PwC – Being seen as an employer of choice and being a great place to work for all our people is a key priority for PwC.

We are pleased to announce that René Richter was appointed as a partner at PwC, effective 1 July 2013

To succeed in our business, we are committed to attracting and retaining the best talent, both male and female. Whilst 50% of our intake each year is female, this percentage decreases significantly at senior leadership levels in the firm. This decrease is linked to specific reasons that the firm is proactively addressing to ensure our best women stay with PwC. Specifically; our EXCO has endorsed a high level-working group to focus on core priority areas that we believe will contribute towards the retention of our talent, especially our females. These areas include flexibility and work-life balance, reasons why women leave and do not return, prejudices and networking, and coaching and mentoring. Ultimately, we believe that attraction, retention, advancement and empowerment of high-performing women relates to the profitability, sustainability and future growth of our organisation.

Mending the gender gap – advancing tomorrow's women leaders

Despite making up the largest component of the South African workforce, women continue to dramatically lag behind their male counterparts in leadership roles.

This is supported by PwC's REMchannel® online salary survey, where female CEOs in small, medium and large-cap organisations accounted on average for 12%, in comparison to the 88% representation by their male counterparts. In addition, 22% of the male CEOs were paid in the upper quartile of the market, while only 2.5% of females were paid at the same level.

The lack of women in leadership roles is grabbing the global spotlight, and the European Commission recently adopted a proposal for legislation requiring women to make up 40% of board director seats by 2020. To avoid sanctions, many companies will need to take urgent measures to comply and organisations globally may soon feel the ripple effect of the policy. This will make the global talent race even more competitive, and organisations that don't actively develop and promote female talent could soon see well-qualified women leave to join companies that do. Consider the following:

- Studies suggest that companies with a gender-diverse board perform significantly better than their competition. This includes a 42% higher return on sales, 66% greater return on invested capital, and 53% higher return on equity.

- Globally, women control 65% of consumer discretionary spending.
- In South Africa the percentage of female taxpayers has been steadily increasing over the last few years. For the 2011 tax year females accounted for 44% of the assessed individual tax payers, earning 36% of the taxable income and contributing 29% of tax assessed.
- Females earn on average 28% less than males as measured through taxable income in South Africa.
- In the United States alone, women control 50% of the private wealth.

Female leaders bring a unique vantage point for attracting and serving this powerful and profitable customer segment. Although gender diversity has come a long way when compared with previous decades, the progress made in the last several years has been painfully slow. Among the European Union member states, the number of female board members has increased by an average of only 0.6% per year since 2003. This trend is also evident in South Africa, as the female representation in top management positions has increased on average by 6.1 percentage points since 2002.

So what is blocking the pipeline of female leaders?

PwC's study on millennials in financial services found that most expect to work for more than five employers over the course of their careers. This could take promising female talent out of the leadership pipeline and negate investments made to prepare internal candidates for leadership positions.

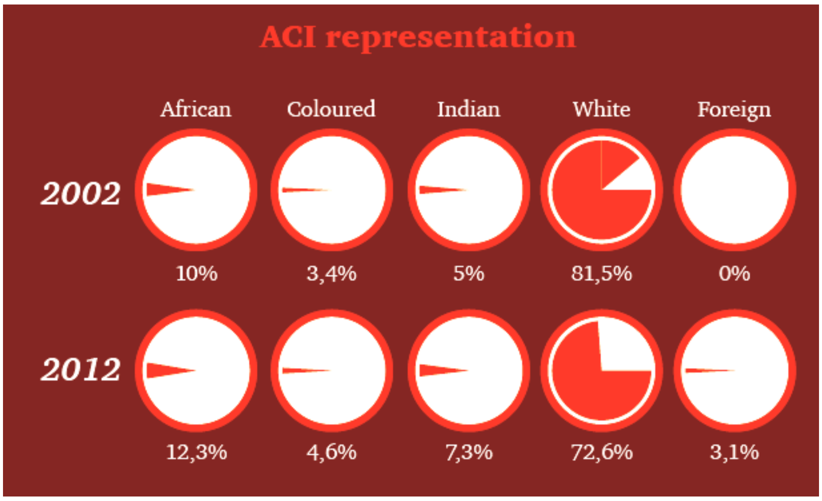
Sometimes unintentional discrimination occurs, resulting in executives filling leadership positions with more men than women. Consider the following study on the role that gender plays in performance valuations at the most senior levels. When asked to consider prospective successors, senior male executives associated strong leadership with widely-held beliefs about male behaviour. The lack of clarity about the selection of future leaders also contributes by creating an atmosphere of discontent among capable women who are ready to advance. And as organisation structures flatten, there are fewer opportunities for advancement, as it limits the number of high level roles available. Women are also less likely than men to stretch out of their comfort zones; while they may be just as ambitious as men, reluctance to take career risks could hold them back.

PwC's study on millennials (born between 1980 and 2000) in financial services found that over 50% expect to work for more than five employers over the course of their careers. This staff churn could take promising female talent out of the leadership pipeline and negate investments that companies make to prepare internal candidates for leadership positions. Considered holistically, these dynamics may prevent many companies from capitalising on the talented female leaders that they recruit. At the same time, high-performing women remain hindered by many factors; ranging from unstated criteria for promotion and lack of clarity around leadership's ideas, to the remains of hidden bias from a bygone era. As organisations remain challenged to address the looming skill shortage, there is a greater need for them to fundamentally re-evaluate how they define leadership and how they identify and nurture talent, and specifically female talent.

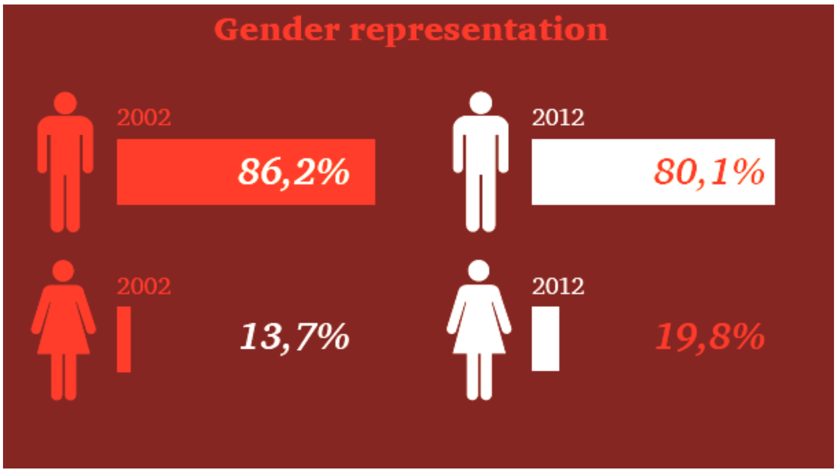
Profile of an executive director in South Africa

The executive director is responsible for the successful leadership and management within the organisation according to the strategic direction of the board of directors.

As at July 2013 there were 373 companies listed on the JSE and 1024 executive directors. The average age profile increased from 50 to 51 between 2011 and 2012.



The lack of women in leadership roles is grabbing the global spotlight, and the European Commission recently adopted a proposal for legislation requiring women to make up 40% of board director seats by 2020. How does South Africa compare?



For more information on the PwC Executive Director's Remuneration – Practices and Trends Report*, contact Gerald Seegers at gerald.seegers@za.pwc.com.*

Southern Africa salary and wage movements in 2013

The first and second quarters of 2013 has continued to be tarnished by illegal strikes and forceful protests. As a result, the rand was unable to benefit from the upgraded global sentiment. The rand has weakened to a four year low to the US dollar, and at one stage last month was above R10.22 to the US dollar. This will inevitably put pressure on the South African inflation rate and of course the salary increases demanded by unions, a trend which has already been published in the press over the past few weeks.

Total package increments for the next twelve month period[1]

Increases awarded during the past 12 months on total package have ranged between 0% and 10.3% in the individual employee categories, and have averaged at 6.5% across the sample of survey participants that review on total package. The following table provides a quartile analysis for the anticipated total package increases for the next 12 month period. The projections range between 0% and 15% in the individual employee categories, with an average budgeted increase of 6.3% overall.

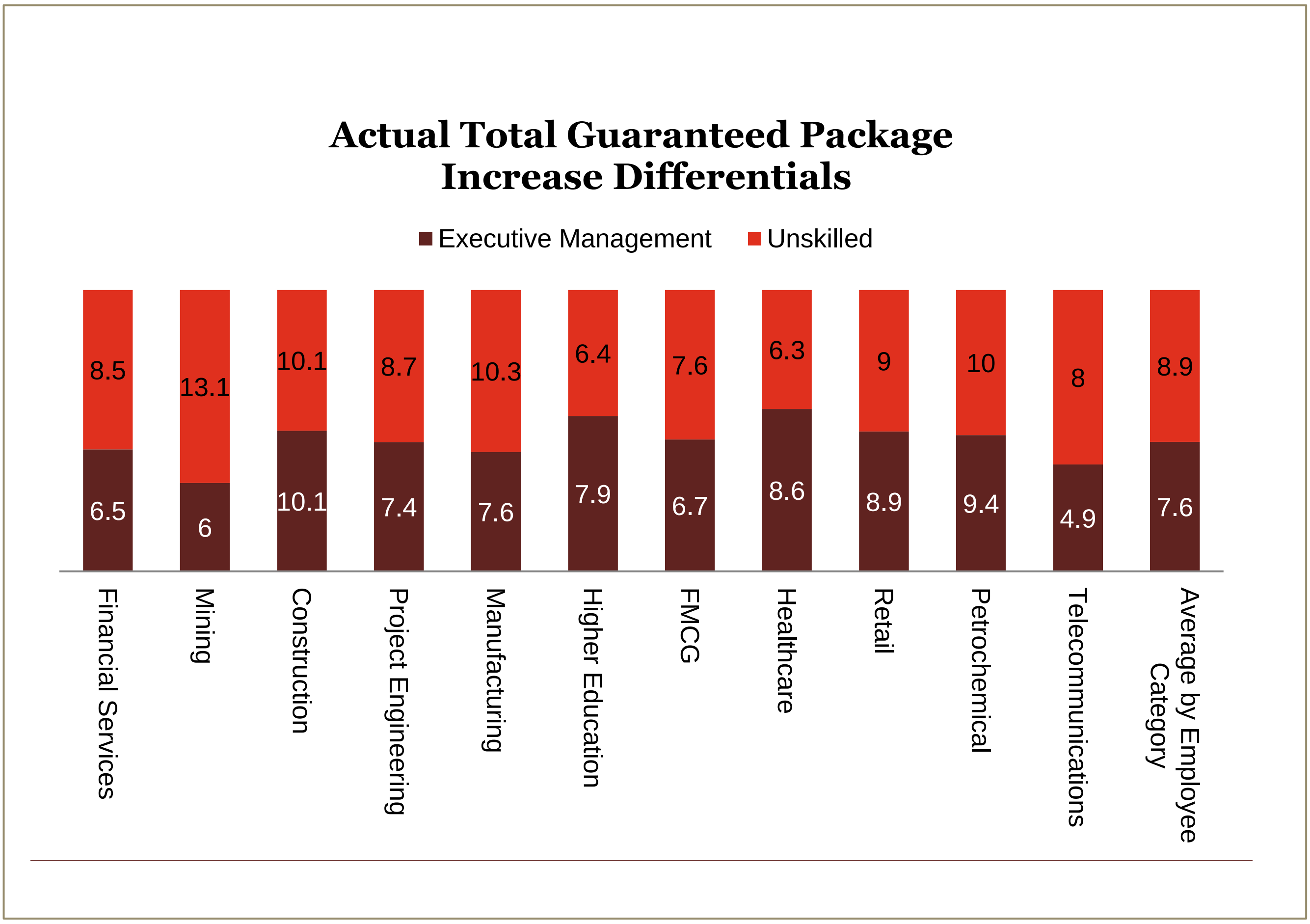
Anticipated total package increments for the next twelve month period				
Employee category	**25th percentile**	**50th percentile**	**75th percentile**	**Average**
Executives	5.3%	6.0%	7.0%	6.2%
Management	6.0%	6.0%	7.0%	6.4%
General staff	6.0%	6.5%	7.0%	6.4%
Key specialists	6.0%	6.4%	7.0%	6.4%
Unionised staff	5.5%	7.0%	7.0%	6.5%
Total lift to payroll	**6.0%**	**6.0%**	**7.0%**	**6.3%**

The PwC September 2013 edition of the Salary and Wage Movement Survey has been published. The survey not only researches salary movements by industry sector, but also negotiated minimum rates of pay, starting rates of pay for graduates and labour turnover by industry and discipline. Should you wish to obtain a copy of the survey please contact either carol.shepherd@za.pwc.com or margie.manners@za.pwc.com. Please note that terms and conditions apply.

[1] Extracted from the bi-annual Salary and Wage Movement Survey published in September 2013

Total package increments for the last twelve month period

On average, executive total package increases have been lower than the unskilled employee category in the majority of the major industry sectors[2]. The largest differential between actual executive total package increases and the unskilled employee category was prevalent in the Financial Services, Mining, Manufacturing and Telecommunications industry sectors.



[2] Extracted from the August 2013 publication of REMchannel®

Retiring comfortably: a closer look at the Draft South African Taxation Laws Amendment Bill

The **Draft Taxation Laws Amendment Bill** looks at the tax treatment of contributions made to retirement funds for the employer and the individual, and the alignment of the tax regime for provident funds to that of pension funds and retirement annuity funds with effect from 1 March 2015. Please note that the Draft Bill is open for comment and still subject to change.

What you need to know

The proposed amendments below are meant to encourage people to make decisions that serve their long-term interests.

Contributions to any retirement fund

- Employer contributions to any retirement fund for the benefit of their employees will be taxed as a fringe benefit in the hands of those employees.
- The sum of employer and individual contributions will be tax deductible for the employee up to a maximum of 27,5% of the greater of remuneration and taxable income, up to an annual maximum of R350 000.
- The above deduction will include the cost of risk benefits.
- Employer contributions to a defined benefit fund will be valued through the application of a formula.

Annuitisation of provident fund accounts

On retirement from a provident fund, an individual can currently access their full account in cash. To encourage post-retirement preservation, Treasury wants to gradually introduce annuitisation. The annuitisation rules will only apply to new contributions made by individuals younger than 55 as at 1 March 2015. Vested rights will therefore be protected; and annuitisation will be subject to a minimum limit of R150 000.

What you need to do

- Develop a solution to ensure that savings for retirement are still adequate where contributions exceed the tax deductible 27,5% or the monetary cap of R350 000, while maximising any available tax benefit for affected employees;
- Review the structure of risk benefits offered to employees, and
- Members of provident funds will require financial planning in respect of expected post-retirement spending patterns, as well as the selection of annuity products that meet their needs.

For assistance with all forms of employee benefits and retirement funding solutions please contact Gerald Seegers +27 (0) 11 797 4560 gerald.seegers@za.pwc.com or Nanie Rothman +27 (0) 21 529 2419 nanie.rothman@za.pwc.com

Talking point

Diversity in the workplace

We've moved into a world where, in developed markets in particular, it won't be unusual to see a 17-year-old and a 70-year-old on the same team. And their approach to work – how and when they do it – will inevitably be very different.

As one participant in PwC's recent 100 Club meeting said: "Millennials tend to be 'togglers', constantly switching between different tasks and communications streams, while older people are 'compartmentalisers' who break things up to tackle them." But this discussion raises an entirely different problem. We're all guilty of generalisation to describe identifiable 'groups' of employees. Generation X, Generation Y, Millennials, Baby Boomers – they all conjure up an idea of an employee 'type'. While these group names can be useful short-hand, the danger is that we slip into a broad-brush approach when it's clear that the modern approach to HR is built on an entirely different premise.

Understanding true diversity

The difficulty is that it's easy to talk about Millennials without considering the fact that every Millennial is different. In fact, many of the characteristics we associate with that generation are almost entirely unique to Western cultures – there's a real possibility that the only thing that a Millennial from Boston has in common with a Millennial from Mumbai is their age.

What we're talking about is diversity, in its modern form – the recognition that people are different, have different aspirations and circumstances, and want different things. But for Human Resources, 'diversity' comes with some long-standing and heavy baggage. As another participant at the 100 Club

“The embedded Human Resources mindset of treating everyone in the same way has to change”.

meeting put it: “Many Human Resource functions are obsessed with still having a culture of equitable treatment and non-discrimination at a time when more employees want personalised service and to be treated as an individual.” For Human Resources, that means adopting a fundamentally different approach: “The embedded Human Resources mindset of treating everyone in the same way has to change”.

Adopting a new kind of performance management

The need for a new approach is particularly true of performance management. An organisation’s ‘talent’ is a collection of individuals from different generations and cultures, each with their own needs, preferences and motivations, and that means an approach to talent and performance management that’s flexible enough to fit them all. It means recognising that people work for many things other than money, and that motivation can come in many forms. There’s no single, mystical initiative that will provide the answer to good performance management overnight. But what’s clear is that Human Resources has to adapt, and quickly.

Extracted from the PwC thought leadership publication,* Hourglass *28th edition. To obtain a copy of the publication please email Rene Richter at rene.richter@za.pwc.com

Benefits – the somewhat poor cousin of Total Reward

Total Package has had the unintended consequence of reducing the perceived value and importance of benefits

In the 1990's South Africa developed the somewhat anomalous remuneration structure known as Total Package (TP) or Total Guaranteed Package (TGP). This was largely driven by certain 'tax breaks' that existed in the form of car allowance, entertainment allowance, international travel allowance, home office allowance, and so on. The Total Package enabled the employee to select the most tax efficient package structure within a determined package value.

Other benefits to this structure also existed – cost containment and equality of pay. Total Package is the best way of knowing your total cost upfront and managing it accordingly. Equality of pay was also enhanced, since two people doing the same job at the same level of performance did not necessarily have different pay just because one of them had more dependents on the medical aid or because they used more of another type of benefit, such as housing.

The Total Package has however had the unintended consequence of reducing the perceived value and importance of benefits. In South Africa a middle manager on a TGP can expect to have roughly 20% to 25% of TGP in benefits. These benefits are typically in the form of retirement, medical, car, and guaranteed end-of-year bonus. Since the employee is largely focused on the TGP, they do not always consider the value of these benefits and the real cost that the company incurs to provide them. As an example, retirement funding and life cover are typically provided at rates and fees well below market costs due to closed funds with significant negotiating power.

Add to this that certain benefits, such as leave and free products, are outside of TGP and you can see that there is a significant investment that the company makes towards benefits. In the Total Rewards Model, benefits are considered an important part of the overall Reward offering that a company makes to its employees.

To quantify the value of benefits, we can use an example of a company with a salary and wage bill of R2bn. Assuming that roughly 20% of this is in the form of benefits, we already have R400m worth of value that is given to employees as benefits. When additional benefits such as leave, free or cheap products, and other items are taken into account, we can easily arrive at a value of R450m. This implies that 23% of pay cost can sit in benefits.

Companies need to ensure that their benefits are measured against certain important criteria:

- Is the benefit aligned to our overall Employee Value Proposition (EVP)? Does the benefit resonate with employees given the rapidly changing demography of employees and the different life stages that employees are in?
- Does the benefit support the Reward Strategy? Are we providing benefits that enhance the Reward offering or are the benefits seen as a weak part of the offering?
- Is the benefit delivering a good return on investment – does the perceived benefit justify the cost?
- Does the employee understand the value of the benefit – are we communicating the real value of benefits in a holistic, coherent manner? Total Rewards Statements are a very powerful means of communicating the true value of benefits to employees.
- Is the benefit aligned to the market – are we struggling to attract or retain employees because our benefits are not competitive?

The Reward professional should not neglect to pay attention to any of the Reward levers. Each lever has an important place and must be used in unison with the other levers to produce a Reward offering that is appropriate for the business.

We are in the process of collecting data for the biennial South African Employee Benefits Guide and envisage the publication date to be early January 2014. If you would like a copy of the survey or wish to participate, please contact Margie Manners at margie.manners@za.pwc.com or Carol Shepherd at carol.shepherd@za.pwc.com. Please note that terms and conditions apply and that a copy of the final publication will only be provided if your organisation undertakes to participate in the next scheduled survey.

Strike season in full swing yet again

A number of industries are currently experiencing industrial action. We set out the effects of the strikes on South Africa, the employers, and the workers themselves, and show Parliament's attempts to create more peaceful and effective collective bargaining through amendments to the Labour Relations Act.

In early September Cabinet made a public appeal to striking and protesting workers to refrain from violent striking. Government has become increasingly involved in trying to create some order as the country is still reeling from the after-effects of Marikana and is experiencing the negative economic impact and decrease in investment as a result of violent, drawn-out strikes. According to the 2013 Global Competitiveness Report put together by the World Economic Forum, South Africa is ranked last out of 144 countries in respect of 'co-operation in labour-employer relations'. It can easily be seen that such a rating is a direct result of the violent and prolonged industrial action.

Numerous strikes have just drawn to a close or are currently taking place.

Mining

The gold mining sector' strikes ended in early September, and unfortunately turned violent.

Motor industry

The car workers strike, which lasted for three weeks, has recently ended. During this period manufacturing, which can never be caught up on, was lost. Vehicle production stopped, which has an effect on vehicles which are exported out of South Africa. There is speculation of a negative effect on investment into South Africa by the global motor giants, as there is a risk they may pull back plans to start up new plants or produce new vehicles in the country. An estimated R700m was lost by manufacturers. Other motor workers such as petrol attendants have downed tools, resulting in inconvenience to the public. The strike has turned violent in some areas. Administrative staff and librarians in the Eastern Cape have also gone on strike at licensing and testing centres in the province.

Ironically, employees are sometimes the biggest losers, as they embark on action in order to negotiate higher wages. Employees are not entitled to pay for the days they do not work, so they often make huge losses when strikes go on for protracted periods.

Electricity

City Power employees embarked on a strike and illegal action whereby there was deliberate disruption to the power network, resulting in power outages in several suburbs for days.

University

The Walter Sisulu University strikes by staff have resulted in violent clashes between students and police, and the ultimate shutdown of the university for several weeks.

SAA

South African Airways technical staff were on strike from late August to 10 September, and **construction workers** have also recently been striking.

Protected strikes are those which are legal in that the procedures laid out in the Labour Relations Act are followed, whereas unprotected strikes occur where the employees have not followed correct procedures. Employees that embark on unprotected strikes risk disciplinary action by their employers.

Economic impact

Besides the effects mentioned above, perhaps the most disastrous effect of violent and often illegal strikes is the economic impact. Investment is tainted, which has an effect on the economy as a whole for the country. Employers lose millions, which often puts them in a position where they're unable to give in to workers' demands for increases or if they do give in they are at the same time forced to make retrenchments. And ironically, employees are sometimes the biggest losers, as they

At times, employees appear to be blindly following their union leaders, who entice them to strike with hopes of gaining big wage increases, although the reality is that most wage settlements occur at levels significantly below the initial ask from the trade unions.

embark on action in order to negotiate higher wages. Employees are not entitled to pay for the days they do not work, so they often make huge losses when strikes go on for protracted periods. Another damaging consequence of such strikes is the effect on the employer-employee relationship. Instead of negotiation being a consensus-seeking, problem-solving exercise, it has become a violent battle of wills. The South African labour law is drafted in such a way so as to have minimal interference in the employment relationship in respect of the bargaining process. Instead the law is drafted to allow the parties maximum rights and mechanisms to collectively bargain. Unfortunately, the freedoms and the organizational structures provided have perhaps given employees too much power to make demands on their employers.

At times, employees appear to be blindly following their union leaders, who entice them to strike with hopes of gaining big wage increases, although the reality is that most wage settlements occur at levels significantly below the initial ask from the trade unions. The solution to the problem of wide-spread violent strikes is probably multi-faceted. Improved education, training on effective negotiation, stringent policing and other government initiatives would all likely be helpful.

Labour law changes

The legislature has made strides towards creating a change through the amendments proposed to the Labour Relations Act. The Labour Relations Amendment Bill was approved by the National Assembly on 20 August 2013. The legislative process is therefore drawing to a close, with only the National Council of Provinces needing to concur with the National Assembly, and the President needing to sign the Bill into law. This is expected to take place within the next few months.

Being ranked last out of 144 countries for 'co-operation in labour-employer relations' is not acceptable for a country that has a clear need for investment and job creation if the economy is to grow.

The changes include an increase in organisational rights. This is in respect of a dispute regarding organisational rights which goes to the CCMA. The Commissioner will now have the power, in such an instance, to grant rights reserved exclusively for majority trade unions to unions which are not majority representative. The Commissioners will similarly be able to grant rights reserved for sufficiently representative unions to unions who are not sufficiently representative. Such changes may increase the bargaining power of unions. However on the flipside, they may create an increase in union rivalry and competition, which may cause further work disruption.

The latest draft of the Bill has excluded a provision contained in earlier drafts which many thought would go a long way in reducing intimidation and ensuring there was proper support for industrial action. The proposal was to introduce a strike ballot whereby members would need to conduct a ballot in order to decide whether the union would go ahead with a strike. This would have meant that there would need to be majority support for a strike.

The Bill also empowers the Minister of Labour to pass sectoral determinations over areas or industries which are not currently covered by any sectoral determination. Such determinations can prescribe minimum wages and minimum increases. These may have an effect in preventing the need to strike. It remains to be seen what solutions come to the fore, if any, and what effect the legislative amendment will have on the strike situation in South Africa. However, something needs to be done now to bring together the government, unions and business, to understand the economic impact of strikes and the long-term impact on investment and job creation. Being ranked last out of 144 countries for 'co-operation in labour-employer relations' is not acceptable for a country that has a clear need for investment and job creation if the economy is to grow.

For further information on organisational rights and employment law services, please contact Candice Aletter at candice.aletter@za.pwc.com.

Global mobility in Africa – what's missing?

Everyone is talking about Talent Management. Not only is it at the top of the CEO agenda, but companies are realising that to become more successful they need to invest in their people.

The flow-on effect is a focus on how companies are doing this. In today's world, globalization is unavoidable and businesses are reaching further and further into foreign markets. Talent management and globalization are complimentary to one another; globalization is providing companies with the option to provide employees with amazing employment opportunities around the world.

In the past, global mobility has been left to the big multinationals and generally between the West and the East, but not anymore. As businesses expand across borders, so does the need to relocate employees. Africa is bulging with opportunity but is lacking in the necessary skills to optimize on it, hence the steep peak in mobility inter and intra-Africa. Unfortunately for most African companies, mobility is a new concept and many HR teams are inexperienced with the complexities it creates. Another result of this rapid evolution in the region is that there is minimal information available about how mobility is managed in Africa. Global data is widespread but with little input from this continent. It can therefore be dangerous to benchmark policies or procedures against what companies might be doing in the western world, as the same principles may not transfer into a third world scenario.

Multinational companies are setting up businesses in Africa every day and local companies will continue to compete for local and foreign talent. The entitlements, allowances and benefits being offered in Africa are inconsistent, as companies are unable to effectively benchmark against their competitors.

We know that things operate differently in Africa, but how?

PwC is seeking to plug the information gap by conducting an ***African Global Mobility Survey*** which will not only provide basic benchmarking information, but will also seek to identify current and predict future trends in global mobility around Africa. This inaugural survey will be short and easy to complete so we can maximize participation and deliver valuable data. Any company relocating employees into, out of or around Africa should participate.

The survey will be open from 15 September to 15 November 2013. Participation will be free of charge and the full survey report will be available to participants only. Contact Danae Bentley at danae.x.bentley@za.pwc.com for more details.

Seconding staff to and from Namibia

What are the tax considerations to take into account?

To Namibia

Namibian entities often host seconded staff from group entities situated in other countries. It's important to consider the tax implications for the employees seconded to Namibia. Namibia has a source-based tax system under which income that accrues or deems to accrue from sources within Namibia will form part of gross income. The liability for tax is generally dependent on the source or deemed source of the receipts. A person's place of residence is not taken into consideration.

In terms of section 15(1)(e) of the Income Tax Act, income derived from services rendered, or work done by any person in the carrying on, in Namibia of any 'trade' is deemed to be from a Namibian source, irrespective of who pays for the services and where payments are made. Based on the deemed source principle of taxation, employees seconded to Namibia will be taxed on remuneration earned whilst employed in Namibia as the definition of 'trade' specifically includes employment. Double taxation relief might be applicable should the secondee be a tax resident of a country with which Namibia has a Double Taxation Agreement (DTA).

From Namibia

Should Namibian residents be seconded to other countries, a taxpayer's income received for work done outside Namibia may be taxable in Namibia under the deeming provisions of the Income Tax Act.

The deeming provisions will apply if the following four requirements are met:

(1) the taxpayer is ordinarily resident in Namibia

(2) the taxpayer is employed by an employer in Namibia and the income is paid for services or work rendered for, or on behalf of, that employer

(3) the services are rendered outside Namibia, and

(4) the services are rendered or work done "during any temporary absence of such person from Namibia".

It's important to also consider employees' tax obligations in the host country, to manage possible double taxation. For more information contact Jaatje Pretorius at jaatje.pretorias@na.pwc.com.

Education is the passport to the future, for tomorrow belongs to those who prepare for it today

Ensuring that your reward staff understand the theory and concept of pay structuring, utilisation and interpretation of market data and are proficient in Excel, can add considerable value to the organisation.

PwC offers a range of skills transfer workshops. These provide newer practitioners and seasoned reward practitioners with the necessary know-how to Excel in the reward arena. To ensure that your staff are sufficiently skilled to manage your organisation's remuneration, the following workshops are offered:

- Pay structuring
- Survey methodology
- Excel for remuneration practitioners
- Incentive design
- Job evaluation

To download booking forms for the courses, please visit the website at www.remchannel.com or contact Kristine Joseph at kristine.joseph@za.pwc.com

PwC's REMchannel® growth

PwC continues to strive to provide our clients with the highest quality information which forms a crucial element in the reward decision-making process.

We would like to extend a warm welcome to the following companies who have joined our list of discerning Southern African survey participants since June 2013:

- Adcock Ingram Healthcare (Pty) Ltd
- African Infrastructure Investment Managers
- Alcatel-Lucent SA (Pty) Ltd
- Alstom S & E Africa (Pty) Ltd
- Automated Outsourcing Services (Pty) Ltd
- Citi Bank NA South Africa
- City of Cape Town
- Continental Coal Ltd
- Eastern Cape Socio Economic Consultative Council
- Franklin Templeton Asset Management Ltd
- Frazer Alexander (Pty) Ltd
- Frontier Rare Earths (Pty) Ltd
- FSG Services (Pty) Ltd (Botswana)
- Gautrain Management Agency
- General Electric SA (Pty) Ltd
- Grindrod Bank Limited
- Harith General Partners
- HBZ Bank Limited
- Kimberly Clark of SA (Pty) Ltd
- LMS Management and Auxiliary Services
- Medscheme (Botswana)
- Redefine Properties Ltd
- SA Calcium Carbide (Pty) Ltd
- SAB (Pty) Ltd for Project Triumph
- Sandvik Mining & Construction RSA (Pty) Ltd
- Sentech SOC Ltd
- SSAB South Africa (Pty) Ltd
- Stanlib Wealth Management Ltd (Botswana, Kenya, Namibia, Swaziland, Uganda)
- Thebe Ya Bophelo Healthcare Administrators
- Vunene Mining (Pty) Ltd
- Witwatersrand Consolidated Gold Resources Ltd

The South African REMchannel® online internet based salary survey now has more than 500 participants covering all job families and more than 1 700 jobs. The National all industry sector includes participants from all the major industry sectors represented in South Africa with more than 800 000 data points. For a full participant list please contact Margie Manners at margie.manners@za.pwc.com.

The Kenya, Botswana, Zimbabwe, Namibia and Swaziland surveys now collectively have more than 80 participants and continue to grow each quarter. In addition, we are launching in Uganda in the 4th quarter of 2013, with more expansion planned for the other African countries in the next 18 months. For more information on the Africa expansion, please contact Carol Shepherd at carol.shepherd@za.pwc.com.

PwC's REMeasure®

REMeasure® is now a globalised system and provides job evaluation capabilities across borders and currencies.

We would like to extend a warm welcome to the following companies who have joined our list of discerning job evaluation subscribers:

- Africa's Best 350 Ltd
- Avena Health
- Buhler (Pty) Ltd
- Democratic Media Holdings
- East London Council
- Eastern Cape Rural Development Agency
- Group 5
- Ivanplats SA
- MSSL Global RSA Module Engineering Ltd
- Richardsbay Coal Terminal
- SAFCOR Freight
- SAMA
- Sibanye Gold Ltd
- Thebe Ya Bophelo Healthcare Administrators (Pty) Ltd
- Tshipi é Ntle
- University of Venda

PwC's REMeasure® is an internet-based job evaluation system that provides a quick, easy and balanced method to accurately measure and evaluate any position from cleaner to top executive level. The system allocates a point score to the job, which can be correlated to any other public or in-house grading system.

The Business need

- Objective and accurate sizing of positions
- Customisation of terminology utilised in organisation
- Access to a job evaluation tool at anytime, anywhere
- Access to market benchmark data linked to the level of the evaluated position

The E-solution

- An internet-based electronic job evaluation tool, customised by the organisation, e.g. glossary and grading system
- REMchannel® survey participants are provided with instant access to market benchmark data

To see REMeasure® in action, please contact Minda Botha at minda.botha@za.pwc.com or René Richter at rene.richter@za.pwc.com.

Current and forthcoming attractions

The following thought leadership and survey publications have been released or will be released in the next few months. Should you wish to download a copy please go to our website www.pwc.co.za and select the "Publications" tab. For enquiries regarding survey publications, please contact Margie Manners at margie.manners@za.pwc.com.

Surveys

Short-term Incentive and Commission Survey (2^{nd} Quarter 2013 - published)

Salary and Wage Movement Survey (3^{rd} Quarter 2013 - published)

Employee Benefits Survey (1^{st} Quarter 2014)

Non-Executive Director Survey (1^{st} Quarter 2014)

Thought Leadership

Executive Directors Remuneration thought leadership publication (July 2013 - Published)

South African entertainment and media outlook: 2013 – 2017 (Published and includes information for Nigeria and Kenya)

South Africa – Major banks analysis (Published 30 June 2013)

The South African Wine Industry Insights (Published September 2013)

Global Economic Crime Survey (Collection closes 18 October 2013 – Publication 2014)

Annual Non-Executive Director Thought Leadership (January 2014)