

# *HR Matters*

## Namibia Newsletter

Final Edition

December 2020

A quarterly newsletter published by PwC Namibia providing informed commentary on current developments in the People & Organisation arena.

To subscribe to this newsletter visit

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# PwC's REMchannel® Namibia Stats

With every months publications, we analyze data from our subscriber database.

Here are some statistics from the survey for pay adjustments for the month of December 2020



**REMchannel published the reported pay adjustments for the National dataset as a whole. We've noted pay adjustment have declined gradually since Feb 2020. The current pay adjustments reflect as follows:**

## Executive

Remuneration structure	Percentage Increase last 12 months		Percentage Increase next 12 months	
	Mean	Median	Mean	Median
Basic Salary	4.60%	5.00%	4.00%	5.00%
Total package	3.40%	4.20%	3.20%	3.70%

## Management

Remuneration structure	Percentage Increase last 12 months		Percentage Increase next 12 months	
	Mean	Median	Mean	Median
Basic Salary	4.80%	5.00%	4.10%	5.00%
Total package	3.70%	4.30%	3.60%	4.00%

## General staff

Remuneration structure	Percentage Increase last 12 months		Percentage Increase next 12 months	
	Mean	Median	Mean	Median
Basic Salary	5.00%	5.00%	4.40%	5.00%
Total package	4.00%	4.50%	3.90%	4.30%

## Unionised staff

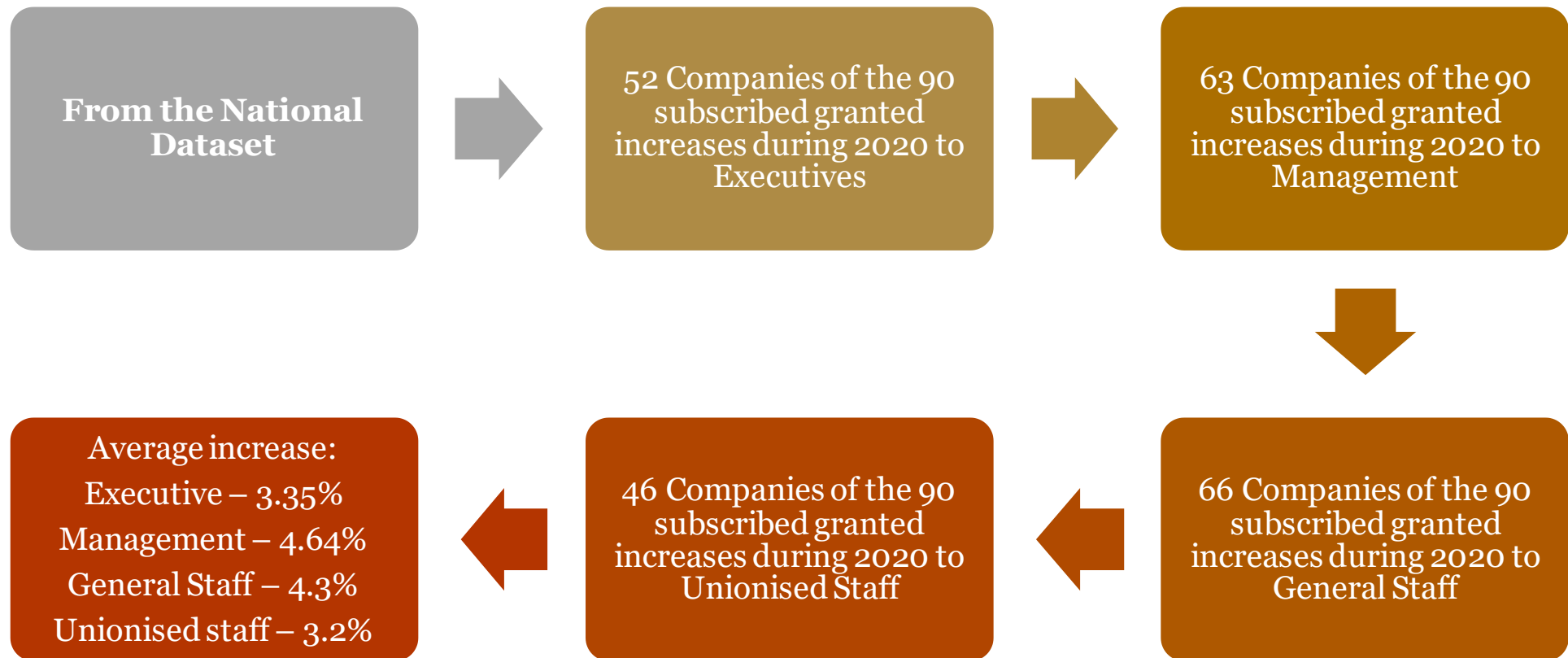
Remuneration structure	Percentage Increase last 12 months		Percentage Increase next 12 months	
	Mean	Median	Mean	Median
Basic Salary	4.90%	5.50%	3.80%	4.00%
Total package	3.60%	3.90%	3.20%	3.40%

All this information and more is available at your finger tips if you subscribe to REMchannel® the largest online salary survey in Namibia. For more info contact [Leandi van der Westhuizen](#) or [click here](#) to visit our website and please join our survey today!

# *PwC's REMchannel® | Annual Pay Adjustment tracker*

*Since February 2020, our Remuneration consulting team have tracked how and when organisations subscribed to REMchannel have granted increases.*

*Herewith the annual pay adjustment statistics as at December 2020*



# Eight ways to reimagine reward for the new world

Article by Andrew Curcio Partner, Global Co-Leader Reward & Benefits at PwC

The impact of COVID-19 on organisations and their people has been unprecedented and has caused many organisations to rethink and evolve their workforce, workplace, and operating model. More than ever, organisations are being challenged to meet the talent demands to support the return to sustainable growth, are under pressure to effectively manage reward and benefits costs, and maximise the return on the overall investment in human capital. In this new world where people are motivated to work for companies who are purpose-led, yet facing a future that is less defined, organisations still need to ensure that their reward and performance framework supports this and remains aligned to strategy. It is therefore critical for organisations to take a fresh look at their total reward and performance strategy to ensure it aligns with any new and evolving workforce strategies.

## *It's time to reimagine reward.*

But what does **reimagining reward** actually look like? Here are some of our thoughts, from the conversations and work we have been doing recently.

1. **Your people's well-being has never been more important:** The pandemic has not only caused health issues and suffering for many who have contracted the illness, but many people have also been affected by stress and anxiety due to financial difficulties, job uncertainty, loneliness and isolation, as a consequence of the pandemic. Providing a robust, holistic, flexible suite of tools that align with the unique challenges of each organisation's workforce can help your people better cope and manage their personal lives, and "bring" their best selves to work to contribute to the business, both during and after the pandemic. However, well-being is not just a programme: creating a culture and network that supports well-being, and injecting well-being behaviours into ways of working is just as important for success. **Well-being will be a top people priority for employers for the foreseeable future.**
2. **Better data about workforce preferences will lead to better decisions on cost and value:** Applying human-centered and data-backed approaches to decision making will help to create a more valued and cost efficient reward programme. To access this insight, 'real-time' reward and performance data must become future focused and predictive rather than retrospective and reactive. This will require a quantum shift in what data you get and how it is used. Understanding this 'new' data by including your people and what they value into the process will help make better business decisions, reduce cost and increase engagement. **Organisations who are 'first movers' in using data in this way will have a competitive advantage in the recruitment and retention of talent and will be differentiated as an employer.**
3. **Don't be afraid to be disrupted, courageous and bold:** The basics around job design, architecture, pay structures, incentives, benchmarking, and benefits, amongst other things, are all still needing to catch up to this new agile and volatile business and working environment. Your people have already been disrupted. **It's time to consider what needs to change with your reward and performance strategy and framework - think 'outside in', not 'inside out'.**
4. **Get serious about fairness and equity:** It is now time to be serious in addressing fairness. But fairness is subjective to each individual. Committing to fairness as an overarching principle is common within organisations, but in reality almost impossible to do at an individual level. A commitment to 'fairness of process' instead, is much more achievable. As a start to address real fairness, **reward and performance decisions must always be made consistently, and part of the wealth created for shareholders should be redistributed to executives and employees in a new way.** Without real fairness, you cannot rebuild trust in the total reward framework with any key stakeholder.

# Eight ways to reimagine reward for the new world

Article by Andrew Curcio Partner, Global Co-Leader Reward & Benefits at PwC

**5. Develop and reward new skills for the new world:** Employees' abilities to learn and apply new skills, especially digital skills, in many cases will determine their future success in the workforce. Upskilling is a critical component of a reward offering and will be a differentiator for any organisation that gets this right. PwC's recent [Hopes and Fears survey](#) found 77% of people would learn new skills to make them more employable in the future. And PwC's [US recruitment survey](#) found that over a third (37%) of candidates would take a pay cut if they had a chance to learn a new skill. The opportunity for **upskilling is a critical component of a total reward offering**, and organisations then have a responsibility to ensure that they **value and reward when people are upskilled**.

**6. Define 'good' and 'great' performance and hold people to account:** Should you be now measuring D&I and sustainability in addition to financial metrics? What's more important, effort or outcome? Which is more important, the 'what' or the 'how'? What's the right balance in your 'risk-reward' profile? All 'old' questions, but these should all be well and clearly defined. **Providing clarity to people will help drive discretionary effort**, but unsurprisingly, these definitions need to be reviewed and updated regularly, particularly in the new world of work. Clearly defining 'good' and 'great' performance for each individual will not only **help them take greater ownership of their contribution and career**, but will also mean being able to **hold them to account, recognise outperformance and conversely have tough conversations** when needed.

**7. Be prepared now for more regulation in the future and engage, engage, engage:** It's not over, just delayed. Governments and regulators have stepped in to address issues that shareholders, management, boards and consultants haven't. It's too late to stop the momentum, but **dealing with more regulation, particularly around executive pay, will be the norm**. Be proactive by engaging with all stakeholders about their view of your organisation and how you reward people. **Greater, deeper and more transparent engagement is**

the key, especially with your investors and shareholders. **Own the narrative**.

**8. The internal reward function must evolve to be unrecognisable:** Just like every other part of the business, reward functions need to evolve with new skills, less silos, better technology and to deliver on higher expectations. We've seen some great examples of organisations overhauling their reward function, to **offer a compelling and successful programme**, which **supports a thoughtful and purposeful employee experience**.

We will be taking a more in-depth look at some of the eight points above, in future blogs over the coming months.

**Follow our [Global Rewards & Benefits team](#) on LinkedIn for up to date studies and publications**



# PwC's Remote Work Survey findings

As part of PwC's [Remote Work Survey](#), we put these questions to 50 executives and 144 employees at US Financial Services firms during the period from June 1 to June 12, 2020. The results clearly show that Financial Services executives are committed to making remote work more manageable for their employees and that these arrangements can be productive. We also learned what employees want from their employers to help them work successfully from home going forward.

Financial services (FS) companies made a high-speed switch to home offices and kitchen tables in March 2020 when COVID-19 forced widespread lockdowns around the world. How did it work out for both employers and employees? And what happens to the FS workforce from here?

## 1. Commitment to working-from-home arrangements doubles

Flexible work was far from the norm and remote work was the exception for most financial institutions before COVID-19 forced shelter-in-place orders in March. Before then, we did see insurance call centers with remote workers along with mobile employees such as some financial advisors and claims adjusters. Only 29% of employers had at least 60% of their employees working from home at least once a week before the pandemic. Now, 69% expect at least three-fifths of their workforce to telecommute at least once a week.

The balance between flexibility and the needs of the office should be an ongoing conversation for your firm. Depending on the role, remote working may have no effect on performance, or it may present a genuine struggle.

## 2. Work remains productive, but coaching and collaboration remain a struggle

What went well? FS employees exceeded expectations for productivity during the pandemic. Sixty-nine percent of the executives surveyed reported that their employees were as productive or more productive than before the crisis. Meanwhile, over 75% of employees said they were at least as productive as they were pre-pandemic. Employees stepped up in a stressful time, managing their well-being as well as their work output. These results suggest that financial firms had the technology in place to keep things running when the entire workforce was displaced and that executives and managers found ways to communicate directly with teams. Over 75% of the employees said their ability to collaborate was the same or improved during the COVID-19 lockdown.

n reviewing your [back-to-work strategy](#), FS firms may be forced by social distancing requirements to consider how many workers can return, as well as staggered schedules and accommodations for at-risk employees.

We recommend that firms plan deliberately how employees will work as they move between office and remote environments. For example, managers who excel at in-person relationship-building or who have little exposure to telework may need to improve people management or team-building skills for offsite direct reports. Agile teams may need explicit redefinition of how they will collaborate and advance their teams' work. In particular, collaboration, coaching and communication standards and routines should be explicit, enabled by a robust [set of tools](#).

## 3. Employees need support for long-term remote work

Employers need to ask employees what they need to work remotely and pay attention. Their input will help remote work be more effective and productive while improving their engagement.

We also suggest a deliberate approach to crafting policies that fit the organization. Accepting a more remote workforce does not mean accepting more risk. Novel or temporary practices during the lockdown should pass muster for governance, risk and compliance before they're adopted into the remote-work playbook.

Flexible work arrangements can also be a powerful recruiting tool, especially for seasoned workers. A well thought-out flexible work policy can help expand workforce diversity, foster collaboration from an expanded talent pool and enhance resiliency in meeting future crises. Digital capabilities may allow companies to leapfrog competitors that may not be as supportive of work-from-home options.

**Download the full report here: [Balancing remote and in-office work research](#)**



## *PwC Publications Available*

some additional resources for HR professionals

*Emerging stronger from COVID-19: What Business leaders need to know*

### **Strategize for the future**

You can emerge stronger from this crisis with a keen eye on the investments and commitments you make today. From rebuilding revenue, to technology and talent and responsible business leadership, what moves are you making to succeed in this new world?

Access the insights [here](#)

*PwC Business School Virtual Classrooms*

Our Business School have several innovative virtual classroom and training sessions scheduled for the coming months. Visit the website for more information.

Follow the [link](#) here to download and subscribe to the events calendar

*Happy Holidays*

*We would like to wish all our valued clients a blessed Festive Season and a Prosperous 2021.*

*Kindly note the P&O and REM Consulting team will close-off 2020 by 18 December and the PwC offices will close for the Holiday break from 23 December and will re-open 4 January.*

*Be blessed and safe during the festive break.*

