



SA WORKFORCE LANDSCAPE

FEBRUARY 2019

WHAT DOES THE SOUTH AFRICAN WORKFORCE LOOK LIKE?

SOURCE: STATS SA | SASBCNEWS.COM | IRESS.CO.ZA } BUSINESSTECH.CO.ZA

EMPLOYMENT

South Africa's **unemployment rate decreased** by 0,4 of a percentage point to 27,1% in the 4th quarter of 2018

The number of employed persons increased by 149 000 to 16,5 million in the 4th quarter of 2018, while the number of unemployed persons declined by 70 000 to 6,1 million

The **biggest increase in employment was observed in the formal sector** which saw 92 000 more people employed

Employment in Private households and Agriculture also increased by 65 000 and 7 000 respectively, while informal sector employment declined by 15 000 jobs in the same period

There was a net increase of 70 000 in the not economically active population, resulting from an increase of 108 000 in the number of discouraged work-seekers -

- And a decline of 38 000 in the number of people who were not economically active due to reasons other than discouragement.

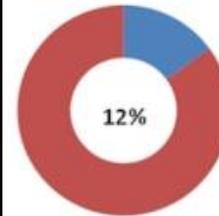
SA HAS FIFTH HARDEST WORKING WORKFORCE IN WORLD



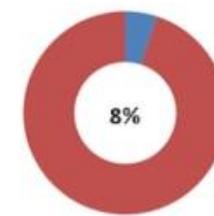
South Africa has emerged as the 5th hardest working country with workers spending an average of 43 hours per week at work. The report reveals that nearly 12% of the South African workforce spends more than 60 hours per week on the job - finance and business services at 43.7 hours per week.

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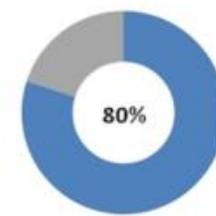
South African Employers shared their hiring plans for Q3 2018



Plan to hire



Expect to let staff go



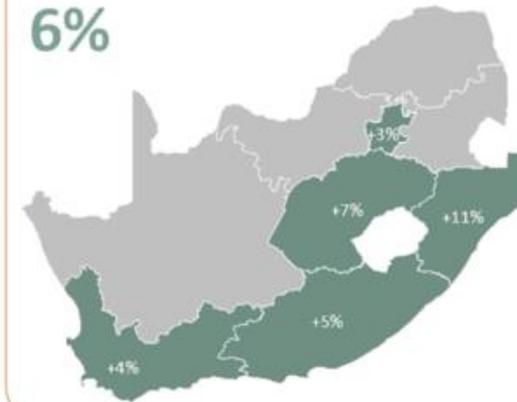
Plan to keep workforce levels steady



Are unsure about hiring plans

Overall South African Employment Outlook for the 2nd Quarter of 2018

6%



JOBS OUTLOOK BY REGION



What do the percentages mean?

The % of employers anticipating employment to increase

The % expecting to see a decrease in employment

■ Outlook Percentage

JOBS OUTLOOK BY SECTOR

+3%		Wholesale & Retail Trade
+20%		Transport, Storage & Communication
+14%		Electricity, Gas & Water Supply
+9%		Finance, Real Estate & Business Services
+5%		Public & Social
+5%		Agriculture, Forestry & Fisheries
+7%		Restaurants & Hotels
-5%		Construction
+2%		Manufacturing
+2%		Mining & Quarrying

WHAT DOES THE SOUTH AFRICAN WORKFORCE LOOK LIKE?

SOURCE: STATS SA | ACCENTURE | BUSINESSSTECH | HONGKIAT.COM | FOOD.EE

According to CareerJunction, the three most in-demand skills in the country at the moment are **software developers, middle/department managers and representatives or sales consultants.**



TOP COMPANIES TO WORK FOR

Business / Commerce

#	Employer	Percent
1	Google	11.27%
2	South African Breweries	9.20%
3	Investec	8.61%
4	South African Reserve Bank	8.48%
5	SARS	8.27%
6	Coca-Cola	8.21%
7	Transnet	7.91%
8	Discovery	7.76%
9	Unilever	7.30%
10	BMW Group	6.72%

<https://businesstech.co.za/news/business/253801/the-best-companies-to-work-for-in-south-africa/>

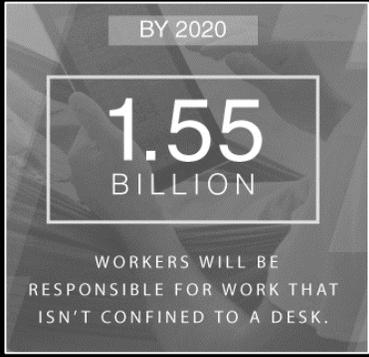


5 STEPS TO CREATE A POSITIVE WORK ENVIRONMENT:
 Transparent & Open Communication
 Give and Take; 2-way communication
 Work-Life Balance
 Training & Development
 Recognition from the Top

TOP 8 JOBS OF THE FUTURE

Data Analysts	Computer & Mathematical Jobs	Architects & Engineers	Specialized Sales People
Senior Managers	Product Designers	Human Resources Specialists	Government Relations Experts

IS SA READY FOR THE FUTURE?



South African financial services organisations that want to improve their agility and secure the best talent will need to look at whether their processes and organisational structures are ready for a changing workforce where people are no longer shackled to a desk.

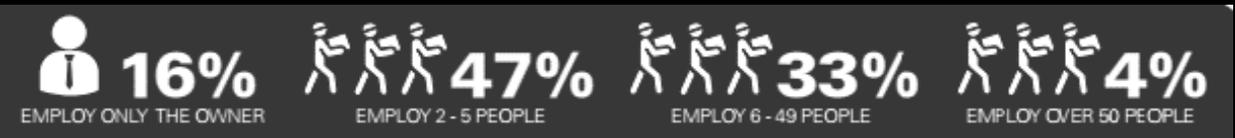
THE SME LANDSCAPE IN SOUTH AFRICA

While 98.5% of the country's economy is made up of small and medium-sized enterprises (SMEs), they're only delivering 28% of all jobs.

90% of new jobs will be created by SMEs by 2023 (National Development Plan)

The majority of SMEs don't do business with government but rather with other SMMEs or individuals

The majority of small business owners are self funded, with **63%** reporting using personal savings while **20%** found investment or a loan from a family member, partner or friend and only **6%** turned to business angels or venture capitalists. The initial start-up funding required was below R100,000 for more than half (62%) of businesses surveyed, with only 4% raising more than R1,000,000.



WHICH FACTORS ARE CRUCIAL TO BEING A SUCCESSFUL BUSINESS OWNER?

Taking time off for myself and family	27%
Marketing training	23%
Personal resilience	18%
Management training	15%
A business degree	9%
Financial training	4%
Having a mentor or coach	2%

AVERAGE: 34



KEY TRENDS DRIVING CHANGE IN THE WAY WE WORK

SOURCE: CNBC.COM | CHRO.CO.ZA | HERWEALTH.CO.ZA

As the workplace continues to evolve to meet rapidly shifting demands, it increasingly falls on employees to be self-advocates and educators to avoid being left behind. This has extenuating implications on how individuals, corporates, and employees futureproof plans to ensure future financial security.



HARD FACTORS DRIVING CHANGE

GEN Z:

Due to make up 36% of the workforce; these digital natives expect internet-centric people strategies.

THE 100 YEAR LIFE SPAN

Longer life expectancies lead to longer career paths. Implications include longer careers with more frequent moves & additional skillsets.

THE 100 YEAR LIFE SPAN

This affects the structures & attitudes when approaching pensions, life policies & medical support. Job security & flexibility plays a key role.

CSR & CSI

Millennials & Gen Z increasingly expect companies to play active roles in society – *Brand Purpose*

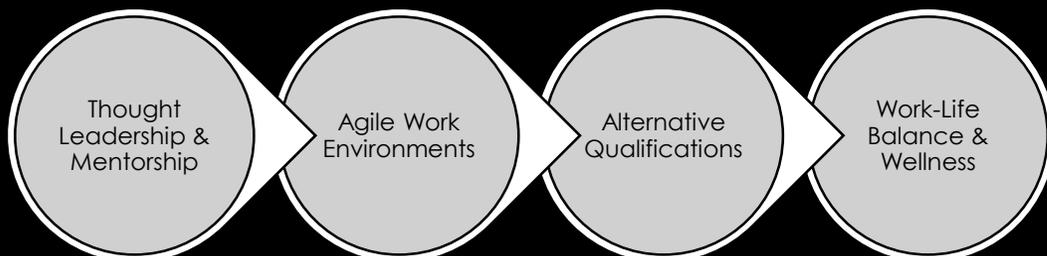
THE GIG ECONOMY

The rise of the freelancer; employee engagement & retention is lower. This comes with limitations - job security & financial future planning.

EMPLOYEE DATA

Companies are evaluating behaviours & communication patterns to improve hiring process to ensure company culture fit.

SOFT FACTORS DRIVING CHANGE



The planning implications for living longer extend beyond merely making sure you don't outlive your portfolio. More complicated matters such as handling diminishing mental capacity, coordinating required minimum distributions (RMDs) from multiple IRA accounts, funding potential long-term care needs, administering bill payments and responding if a caregiver is suddenly incapacitated all may have significant financial implications.



QUESTIONS?

Get in touch.