

Salary survey reveals ongoing inequalities

The third annual *Careers24 Salary Survey*, released Monday, 25 January 2010, reveals that despite South African organisations' commitment to gender and racial equality, differences among the demographics suggest that many are still unconvinced.



The study - conducted between 5 October 2009 and 5 November 2009 and based on responses from 13 583 online South Africans - explored remuneration trends and employee perceptions towards organisational corporate climate and its influence on retention, performance and engagement.

Michelle Bisaro, Careers24 business manager says, "This study identified those issues which positively or negatively impact employees' working environments, influencing their performance and likelihood to go the extra mile or seek alternative employment. While organisations fared above average overall, we found interesting variances among the demographics and sectors, suggesting that staff are, at times, unsatisfied with their working environment despite many organisations' commitment to counter this."

Findings

- On average, men earn 65% more than women do. To counter this trend, Bisaro suggests women arm themselves with short-course certificates before re-entering the job market. "With a certificate women can earn 20% more than men who have been in the same positions for double the length of time. Industries where this is evident include legal, property, insurance, administration and NGOs."
- Indians receive lowest salary increases (0.33%) yet are perceived as the biggest threat by black Africans. This is compared to coloureds (5.65%); black Africans (8.11%) and whites (8.43%).
- Black Africans are the most upwardly mobile among the demographics, yet have the least experience for their current positions.
- Black professionals can be top earners over 50. While whites are the highest earners from age 31, with the average salary being R19 998 compared to black Africans (R17 296), Indians (R14 099) and coloureds (R13 489), it is black managers over 50 years old who can have the most earning potential, eclipsing all other demographics. "Among over 50s, black professionals on average earn R28 000 a month compared to their white peers who earn R25 500," says Bisaro. This trend can be attributed to EE policies where over 50 black professionals are experienced and in short supply.
- Four years signals time to move on. "If you've been in your job for longer than four years, you are in the minority," says Bisaro. While black professionals are the most likely to job-hop after 3.47 years, whites and coloureds are more likely to stay around, particularly in top management positions where the average length of employment is seven years (compared to black Africans 3,15 and Indians 5,46).
- Diploma surplus - despite a dire need for skills in the artisan trades, engineering, healthcare and education sectors, the most common qualification is the diploma. Technical certificate studies are the least prevalent (3.65%) across demographics compared to diplomas (30.81%) and Bachelors (16.10%). Currently the top ten industries on Careers24.com are mining, healthcare, engineering, media, accounting, banking, FMCG and IT; few of which are diploma-based vocations.

- Government and media were the least favourable sectors to work in. Government was in the bottom spot for the second year in a row and was consistently last among the sectors when it came to issues of leadership, management, organisation and performance. Geographically, careers in government are concentrated in Mpumalanga, Eastern Cape and Limpopo, which were also among the provinces that performed the worst in the 2009 Matric results. The media was the second worst performer in terms of its working environment. "The changes in traditional media, as influenced by a more on-the-go lifestyle, are having an effect on the performance and engagement of its staff. Change brings with it significant challenges and could account for salary cuts, retrenchments and low staff morale," says Bisaro.
- Sectors at the top of their game were engineering, insurance, agriculture and mining
- Managers have the most impact on performance, but are not trained for the job. This suggests that those under top management are not being adequately developed for their jobs. "Staff development is generally seen as the responsibility of the managers and supervisors - not an organisation's leaders," explains Bisaro. "Without effective management, organisations are unable to foster an environment that encourages employee's to reach their full potential and could encourage them to seek alternative employment."
- 'Underpaid' but satisfied if there is opportunity to grow. "In the past people would begin a job and expect slow growth with slow, incremental increases along a stable career. Employees today realise that jobs change, organisations come and go and that they will be presented with many opportunities for meaningful career change across their working lives. As such, development opportunities have real currency value to employees today," comments Stephen Renecke, a registered industrial psychologist.
- Transparency impacts staff performance - leaders have the greatest impact on employee performance by providing an engaging strategic vision and an environment of transparency.

To view the salary breakdowns per sector, age, gender and qualification visit www.careers24.com/SalarySurvey2009/results.htm.

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