



EQUAL PAY SOLUTIONS

Business now legally required to ensure Equal Pay for Work of Equal Value

But what is equal? You may as well ask yourself how long a piece of string is.

At Global Business Solutions (GBS) we believe that every business should be considering their unique operational requirements when contextualising Equal Treatment within their organisational structures, including definitions (and comparisons) of work and pay structures.

In fact, the renewed emphasis on equal pay/work creates the ideal opportunity for employers to review their history, audit and correct any past 'wrongs' and to simplify their workplace practices in a logical, measured and transparent way.



“WORK is the prerogative of the employer”

According to the Department of Labour Code of Good Practice for Equal Pay for Equal Work section 1.3, businesses are expected to “*manage their pay/remuneration policies, practices and proper consultation processes within a sound governance framework in order to drive and maximise on the principle of equal pay/remuneration for work of equal value that is fair, free from unfair discrimination and consistently applied.*”

In this regard, section 2.5 provides further explanation: “*Employers must, therefore, examine all aspects of their pay/remuneration policies and practices to ensure compliance with the principle of equal pay/remuneration for work of equal value.*”

Global Business Solutions offers Equal Treatment Solutions

Our ***Equal Pay Diagnosis and Assessment Tool*** was developed to assist employers to eliminate disproportionate income differentials. In other words, employers need to know where pay levels may be wrong, why they are wrong and what must be done to fix them. This is particularly important in regard to the emphasis placed on Equal Pay for Work of Equal Value contained within the recently amended legislation.

The tool was designed to create a **fair, equitable and affordable internal equity structure**, based on the **unique operational circumstances** of each organisation (cost, value, know-how oversight). This is not a downloadable tool nor a software programme you need to purchase, but rather a consulting tool we use at our end to conduct the analysis. All of the findings and the proposed solutions will be unique to your business, rather than a one-size-fits-all system.

The Equal Treatment principle provides an opportunity to simplify the process back to the origins of formal employment, i.e. the VALUE EXCHANGE EQUATION – Reward for Contribution.

An organisation should always factor in the cost (pay) in exchange for the results (output) and align specifically to their unique operational requirements.

Work is, and should remain, the prerogative of the employer.

At GBS we believe that the equal pay for equal work evaluation only requires employers to be able to explain the work place ‘rules’ they use to organise to achieve their unique cost and value operational requirements, as simply as possible and in the context of the EEA framework which is Form EEA9.

The ***Equal Pay Diagnosis and Assessment Tool*** utilises your businesses’ current payroll data and occupational level information and identifies possible risks in discriminatory pay that could give rise to claims of unfair discrimination by reporting on pay ranges within each occupational level. Any anomalies are then individually identified and serve as a foundation for further analysis in consultation with your designated team to determine elements of value exchange, based on “differential worth” (occupational level), “relative worth” (job level differences) and “comparative worth” (job comparisons).



Find Opportunity not Risk

There are inherent risks for businesses who don't consciously take up the opportunity to review and manage their organisational structures, not least of which is the expected pressure from some quarters to simply increase pay to the highest common denominator.

As a business-focused consultancy, GBS seeks to ensure that our clients not only comply with legislation but do so in way that makes business sense.

Global Business Solutions can help you to:



Define "work" as per your business' specific operational requirements (Job Profiling and Grading)



Create a customised proportionate pay structure for your unique business (Pay Scales)



Align cost with productivity (Performance Management)



Redress outdated HR and remuneration policies & practices



Comply with Employment Equity Amendment requirements



Reward for Contribution

Unique Solutions for Your Business

The GBS *Equal Pay Diagnosis and Assessment Tool* has been structured to ensure compliance and to provide your business with a unique solution, balancing your need for operational efficiency, sustainability and compliance.

In addition to providing an analysis of the status quo, GBS provides organisations with a remuneration structure that is unique to their business and yet compliant with legislation.

Recommendations on how to address potential risk areas or anomalies is also provided. GBS, through its strategic partnership with remuneration experts Emergence Growth, offers additional consulting services for businesses that are not equipped to implement the recommended corrective actions themselves.

Simple Solutions for Business

Step 1: An initial interview and briefing session will be held with your designated team members to collect relevant information regarding your organisation.

Step 2: We will also require a payroll extract in the form of an Excel spreadsheet containing mandatory fields. This spreadsheet will be imported into our system to conduct the electronic analysis. *All we require are certain payroll fields and the Occupational Level classifications (EES9 and EEA4)

Step 3: The resulting base report will serve to identify possible risks in discriminatory pay that could give rise to claims of unfair discrimination by reporting on pay ranges within each occupational level.

Step 4: Any anomalies will then be individually identified and will serve as a foundation for further analysis in consultation with your designated team to determine elements of value exchange, based on "differential worth" (occupational level), "relative worth" (job level differences) and "comparative worth" (job comparisons).

Step 5: Our final diagnosis and recommendations will be presented in a comprehensive report detailing identified areas of risk, if any. Further, we will identify high-level solutions that your organisation could implement to mitigate risk and address any areas of concern.



Our offering spans over two phases and is priced separately. Costs are dependent on the size and scope of your business and your requirements in respect to stakeholder engagement. A more detailed cost estimate can be provided after the first consultation.

The following will be delivered as part of
PHASE 1: DIAGNOSIS

- ✓ We will conduct the audit, analysis and reporting of your current budgeted pay structure in relation to Employment Equity reporting.
- ✓ We will identify possible risks in discriminatory pay that could give rise to claims of unfair discrimination by reporting on pay ranges within each occupational level (EEA4)
- ✓ Suggested corrective action to be taken to address anomalies and risks that could give rise to claims of unfair discrimination.
- ✓ Assuring you and to prove, if necessary, that all employees (including executives) are being paid equitable – equal pay for work of equal value and fairly, relative to all other employees.

- ✓ We will present our diagnosis and recommendations in a comprehensive written report.
- ✓ A feedback presentation on the outcome of the analysis to your chosen organisational representatives.

The following can be delivered as part of
PHASE 2: CORRECTIVE ACTION

- ✓ We can conduct a further analysis of differentiation that exists across the organisation and within each occupational level and assist you to apply the analysis to your business work process requirements.
- ✓ We can provide guidance on the alignment of (or develop on your behalf) employment policies and practices, compliant with Equal Treatment principles and aligned to the realities of your unique operational circumstances.
- ✓ We offer Work (Job Profiling and Grading) services to address inconsistencies and re-align the work related to each “job”, at both occupational and job level, in keeping with your unique operational requirements and cost structures.
- ✓ Through our strategic partnership with Remuneration experts Emergence Growth, we can offer remuneration review services such as benchmarking, pay scale review or development, etc.

Equal Pay for Work of Equal Value is not an end-game.... rather it's the opportunity for employers to start afresh, re-aligning cost with value creation.

Global Business Solutions would be delighted to meet with you to discuss your unique situation and to provide you with specific insight into your Equal Treatment requirements.

Why not contact your GBS consultant today to learn more about our Equal Treatment Solutions?

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