

INSIGHT 7

A comprehensive benefits platform that addresses members' needs

This suggests that, going forward, employers should potentially think less about the convenience of an umbrella fund as their primary benefit offering and focus more on extending the umbrella fund concept to include a lower-cost benefit platform. In *Benefits Barometer 2017* we showed how this could be done with minimal additional cost to employers. What that same edition of *Benefits Barometer* also highlighted was that the rapidly changing world of work meant that employers could ill afford to ignore those needs of members if they expected their employees and their productivity to keep pace with the demands of the Fourth Industrial Revolution.

Ayabonga Cawe is a development economist, columnist, radio presenter, photographer and activist in Johannesburg. He hosts MetroFMTalk on MetroFM and writes a regular column for Business Day. Ayabonga represents the kind of young professional that employers will have to understand better if they are going to design benefit structures that address the reality of the changing work for this demographic.



Watch Ayabonga's video.

Benefits Barometer, it's been quite an interesting journey. I recall the first few tensions and conversations I had with Anne and it was around I guess, what for me as a young South African coming from the background I come from... what mattered to me from a financial perspective.

I don't really fit the mould that the financial services industry often takes a look at. I don't come from a household where I was out of the house by the time my parents had dealt with the debt or came from a household that had 2.5 children, a nice picket fence and a nice dog.

This sphere of obligation and responsibility was much wider and that of course then framed the financial possibilities and limitations that my parents and I were faced with and that's how it's been.

I guess this journey in Benefits Barometer has been a big part of unravelling that and how that resonates with multiple and millions of South Africans, many of whom come from multigenerational households, deal with issues of black tax and non-nuclear spheres of obligations and responsibility and how do you then transition those people to become your best assets as an organisation?

A lot of that has to do with, firstly, understanding what matters to them, what function and role savings play to them but more importantly – how do they frame their well-being; how do they think about what matters to them and how can an employer actually play that role?

It goes beyond just having an approach that says 'Hey, here are all the default options you have at your disposal. Get that retirement annuity, get that provident fund, get that product!' It has to do with more than that. It has to do with understanding how they get to work every single day. How does that influence their productivity when they get to their desks and what impact does that have for your by and large top line and bottom line as an employer but also as a responsible corporate citizen.

And so, a lot of the change that we've started on this journey of the Benefits Barometer requires all of us to place our shoulders to the wheel. It requires a multistakeholder approach and at a systems level, if we indeed were going to deal with some of these issues, it requires all of us to be pulling in the same direction.

And all of this, happens in a context that is ever-shifting, with exponential shifts in technology, disruptive changes in our workplaces, in our homes, in our communities, in our spaces. These all require us to think differently about what it is that we need to do. It requires us to think differently about what it means to save, what it means to

look after people – not just at retirement but throughout their entire working life and throughout their active financial life. That's what it's about.

This all demands that we perhaps conceptualise a new compact between the employer and the employee. There needs to be a new understanding by which the employer would provide an enabling environment – not just a work environment.

An enabling environment is one that allows employees to take on the risks and challenges of what's required to become a global leader because they know their employers 'have their back'. It meant that employers needed to recognise that it was in their economic interests to promote lifelong learning and skills development if their employees

were going to be able to keep pace with the changing world of work. To keep employees focused and productive, employers needed to provide them access to programmes that would address their more immediate family, financial, physical and emotional well-being needs.

Our job, as the financial services industry, is to provide these holistic enabling solutions to employers in ways that didn't introduce a dramatic increase in costs – or at least costs that couldn't be recouped through increases in productivity. That meant that we would have to convert what might be traditionally thought of as an umbrella fund, into something far more viable and flexible: an employee benefit platform where companies could easily craft their own employee benefit programmes to suit their varied needs:

A COMPREHENSIVE BENEFITS PLATFORM THAT ADDRESSES MEMBERS' NEEDS

Policies to meet family obligations

Second-life benefits

Family and personal improvement benefits

Family and personal protection benefits

Lifestyle and aspirational benefits

Health and physical well-being benefits

Financial well-being benefits

To find out more about designing employee benefits for the future world of work

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