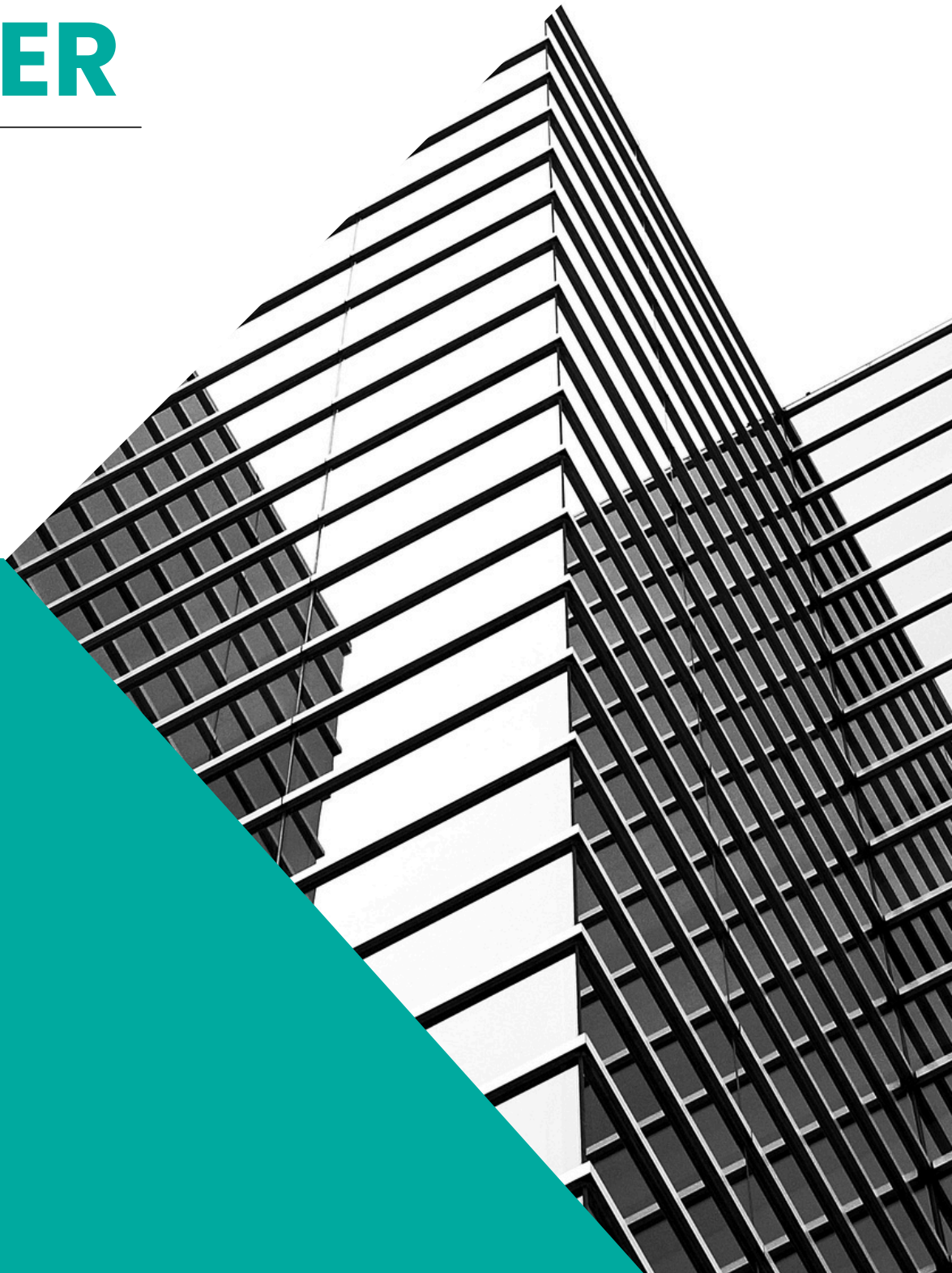


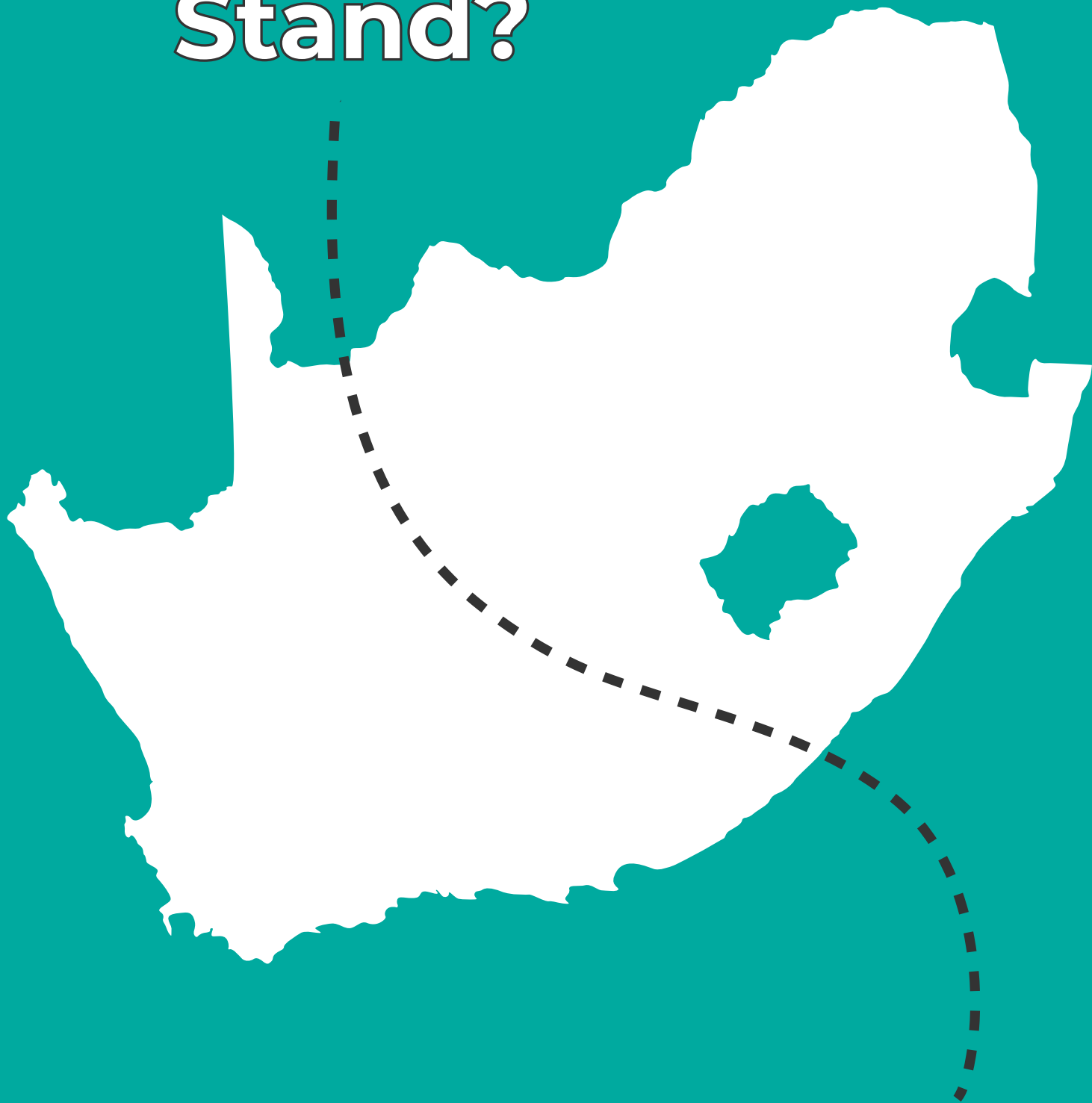


NEWS LETTER

JUNE
2024



South Africa: Where Do We Stand?



Let's find out!

South Africa's: GDP Growth Rate

Growth Rates of South Africa's GDP Production:

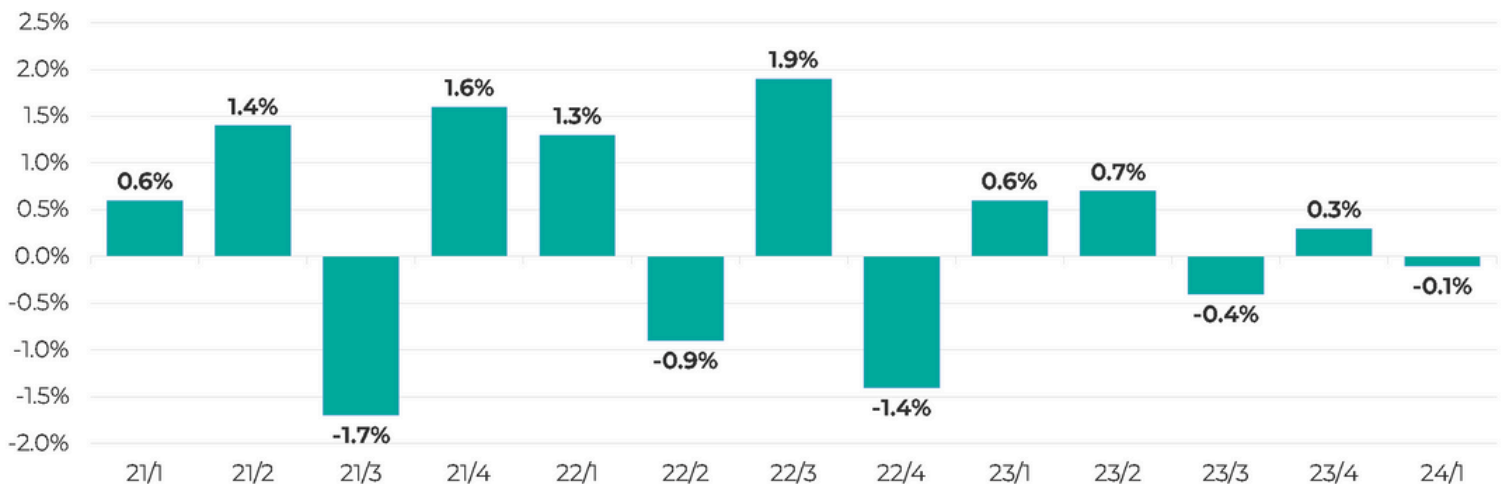
- 0.1%** GDP Production decreased by -0.1%, compared to Q4:2023.
- +0.5%** Year-on-year GDP Production increased by +0.5%, compared to 2023.

&

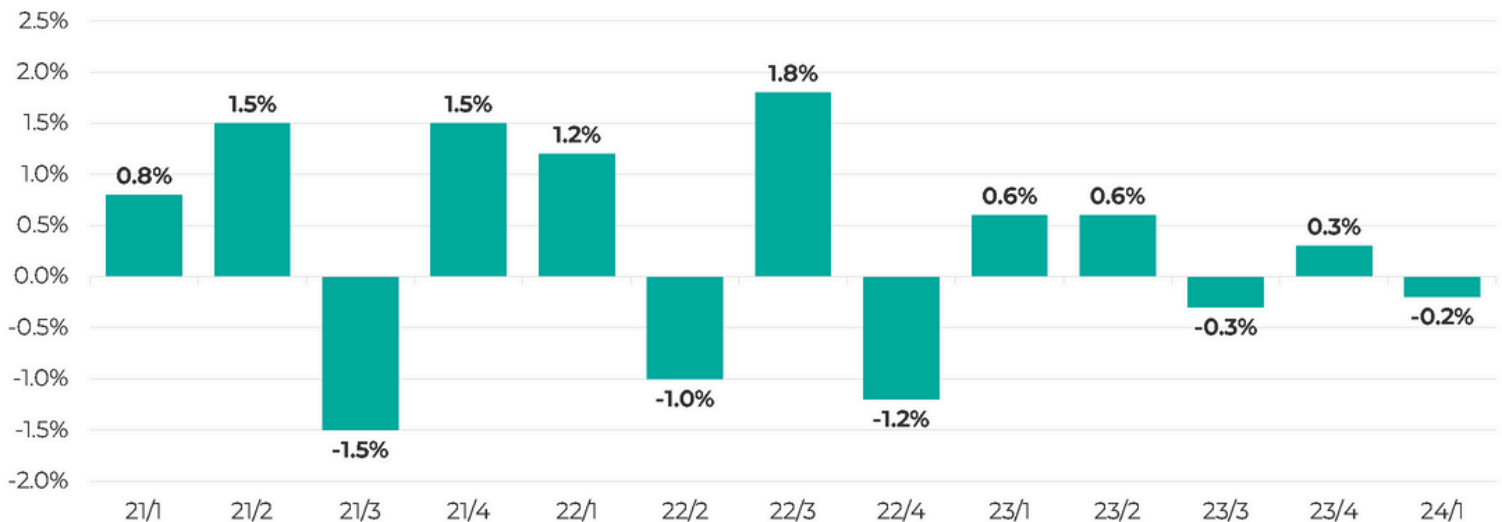
Growth Rates of South Africa's Expenditure on GDP:

- 0.2%** GDP Expenditure decreased by -0.2%, compared to Q4:2023.
- +0.2%** Year-on-year GDP Expenditure increased by +0.2%, compared to 2023.

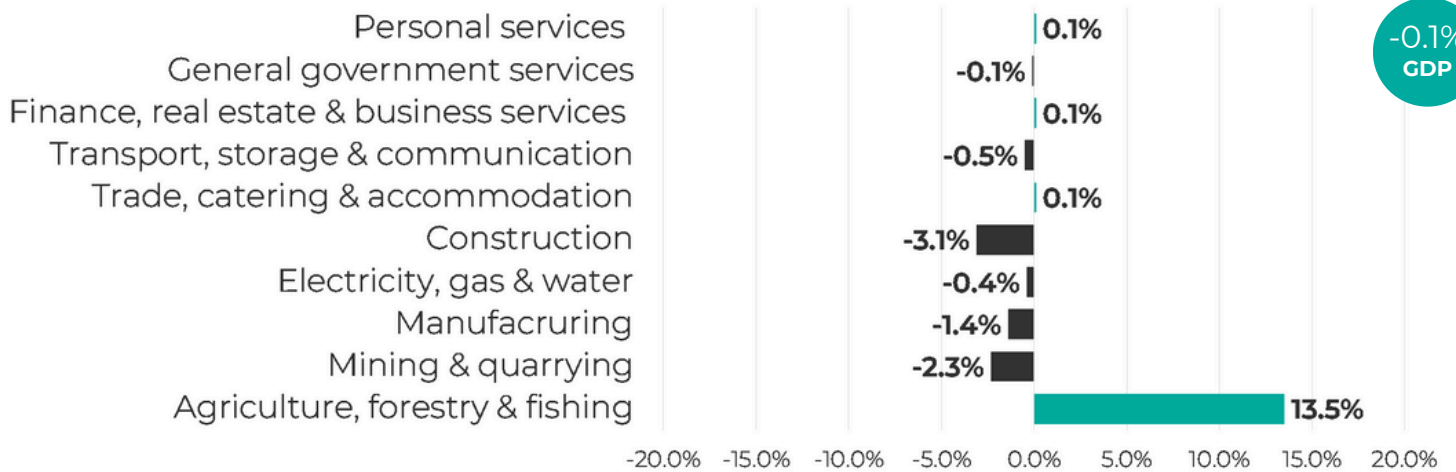
Quarter-on-Quarter Percentage Change in GDP Production:



Quarter-on-Quarter Percentage Change in Expenditure on GDP:



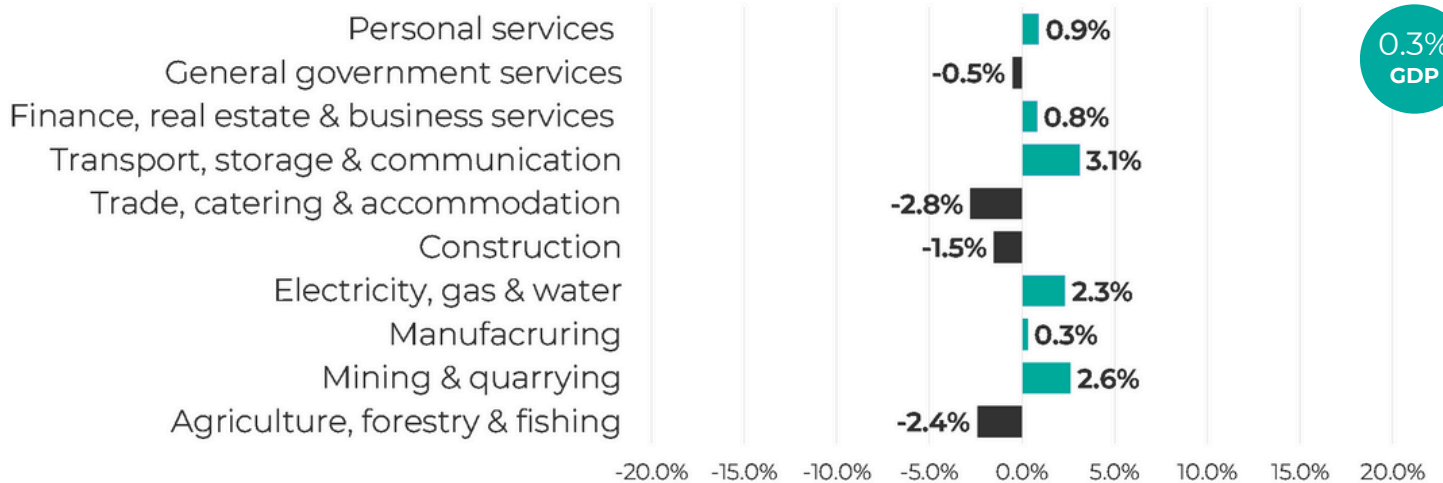
Q1:2024 - Industry growth rates, quarter-on-quarter percentage change



-0.1%
GDP

Manufacturing, mining & quarrying and construction were the largest negative contributors to growth in GDP.

Q4:2023 - Industry growth rates, quarter-on-quarter percentage change



0.3%
GDP

Primary Sector

Agriculture

↑**13.5%** This was primarily driven by higher production of horticultural products.

Mining

↓**2.3%** Production declined for platinum group metals, coal, gold, and manganese ore.

Secondary Sector

Manufacturing

↓**1.4%** Five out of ten manufacturing divisions experienced negative growth rates.

Electricity, Gas & Water

↓**0.4%** There was a decrease in electricity production and consumption, as well as reduced water consumption.

Construction

↓**3.1%** Residential building and construction works both saw decreases.

Tertiary Sector

Trade

↑**0.1%** Wholesale trade, accommodation, and food & beverages saw increased economic activity.

Transport

↓**0.5%** Land transport experienced decreased economic activity.

Finance

↑**0.1%** Financial intermediation, insurance, pension funding, and real estate activities grew.

Government

↓**0.1%** Provincial government employment declined.

Personal Services

↑**0.1%** Health and education sectors showed increased economic activity.

South Africa's Nominal GDP in Q1: 2024


R1,750 trillion
↓R65 billion compared to Q4: 2023

Q1: 2024 Biggest Movers of Nominal GDP

R61 billion
Agriculture
↑R39 billion



R142 billion
Government
↑R5 billion



R100 billion
Mining & quarrying
↓R25 billion



R217 billion
Manufacturing
↓R26 billion



Industry Value Added Share Q1: 2024

Finance
24%

Personal Services
16%

Trade
14%

Transport
7%

Mining
6%

Manufacturing
14%

Government
9%

Agri-
culture
4%

Electricity,
Gas and
Water
3%

Construction
2%

The South African Economy and Recruitment: A Vital Connection

Understanding GDP Production and Expenditure

Gross Domestic Product (GDP) serves as a vital indicator of a nation's economic health. It represents the total monetary value of all goods and services produced within a country during a specific time frame. There are three ways to calculate GDP:

1. **GDP Production (GDP-P):** This approach considers the value added from goods and services produced within the country.
2. **GDP Income (GDP-I):** It accounts for total income generated by employees and businesses, including taxes and subsidies.
3. **GDP Expenditure (GDP-E):** This approach factors in the total value of expenditure by consumers, businesses, and governments on final goods and services.

The Relationship Between GDP and Unemployment

The connection between GDP growth and unemployment is crucial for recruitment efforts:

- **Job Creation:** As GDP increases, businesses expand production, leading to more job opportunities. New investments, technological advancements, and increased consumer spending contribute to this growth.
- **Cyclical Unemployment:** Economic cycles impact employment. During recessions, demand for goods and services decreases, leading to layoffs and higher unemployment rates. Conversely, in economic upswings, employment prospects improve.
- **Structural Unemployment:** Beyond cyclical factors, structural unemployment occurs due to shifts in industries, technological changes, or skill mismatches. Addressing structural unemployment requires workforce adaptability and retraining.

Who Contributes to GDP?

Various sectors play a role in GDP:

- **Primary Sector:** Agriculture, forestry, and fishing.
- **Secondary Sector:** Manufacturing, construction, and energy production.
- **Tertiary Sector:** Services like trade, finance, and transportation.

Impact on Employers and Job Seekers

- **Employers:** A growing economy (higher GDP) provides businesses with resources to expand and hire more workers. Conversely, during economic downturns, employers face challenges due to reduced demand.
- **Job Seekers:** Unemployment rates directly affect job seekers. When GDP declines, layoffs increase, making it harder for individuals to find employment.

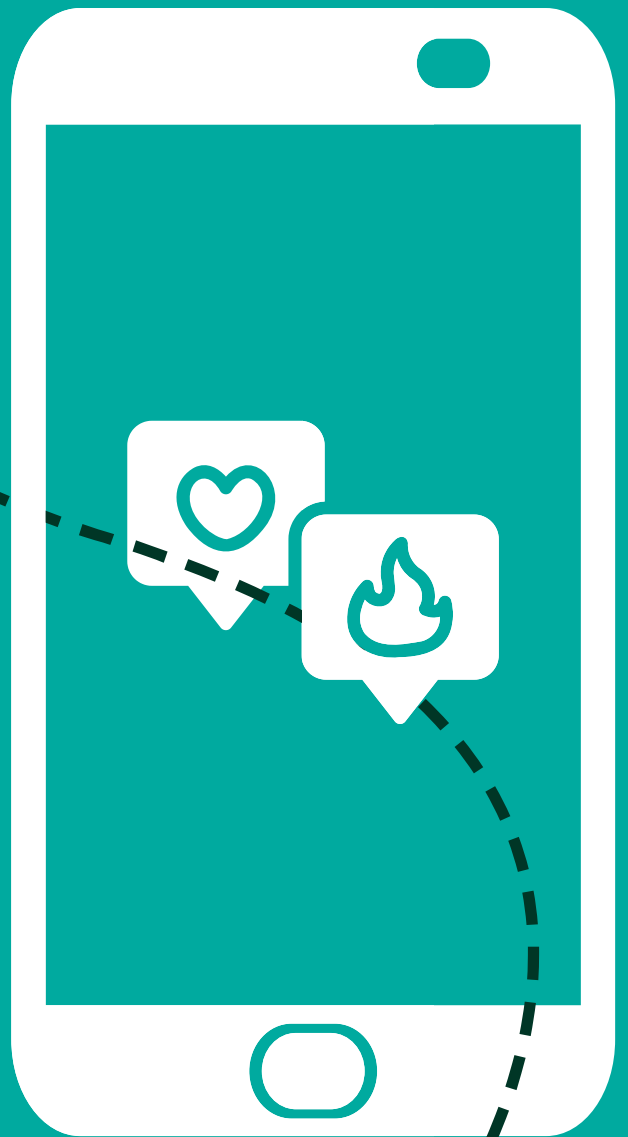
Additional Considerations

- **Employment Quality:** GDP growth doesn't always guarantee quality jobs. Underemployment—where workers are overqualified for their roles—can persist even in growing economies.
- **Informal Sector:** Some employment occurs in the informal sector (e.g., street vendors, domestic workers), which may not be fully captured in GDP calculations. Policies supporting formalization can enhance overall economic productivity.
- **Policy Implications:** Governments must strike a balance between GDP growth and social well-being. Sustainable development considers both economic prosperity and equitable distribution of benefits.

In summary, the South African economy's health significantly influences recruitment efforts. Stakeholders—whether employers, hiring managers, or talent acquisition specialists—must understand GDP dynamics to make informed decisions. A thriving economy benefits everyone involved in the job market!



What's trending?



Let's find out!

South African Employment Highlights:

April 2024 saw the highest April activity for the past three years.

+4% Hiring activity increased by +4%, compared to April 2023.

+2% Recruitment activity increased by +2% when compared to April 2022.

PNET -

TOP 5 Trending Jobs that Showed an Increase in Demand for Workers and Professionals:

1. Accounts Payable
(Finance)



2. Business Development
(Business & Management)



3. Financial / Project
Accounting
(Finance)



4. Vehicle & Mobile Equipment
Installation / Repair
(Cleaning, Maintenance & Repair)



5. Team Leader & Supervisor
(Business & Management)





Manufacturing & Assembly

- This sector saw a +8% increase in hiring activity when compared to April 2023.



Building & Construction

- This sector saw a +9% increase in hiring activity when compared to April 2023.



Architecture & Engineering

- This sector saw a +11% increase in hiring activity when compared to April 2023.

Job Sectors That Experienced Increased Hiring Activity

A consistent rise in hiring activity is a sign of trust in the local economy and an indication of business expansion.

PNET -

Sector Statistics - Sales

EE Candidates



Candidates in Gauteng



Willing to Relocate



Tertiary Qualification



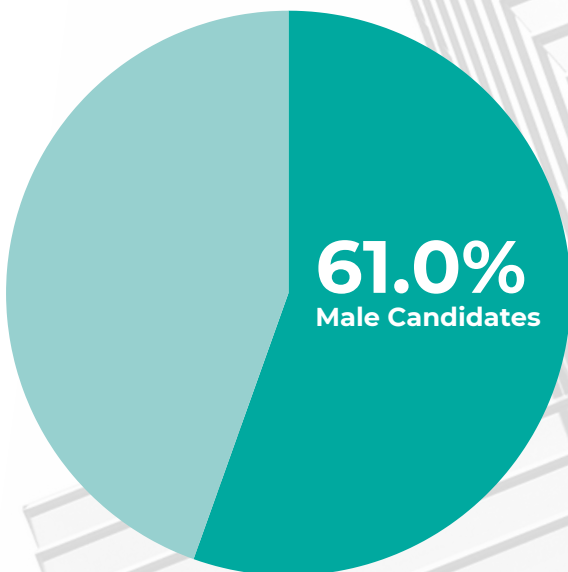
Market-related monthly salaries (CTC) for TOP 3 in demand roles

Sales Executive R19 222 - R26 696

Sales Coordinator R17 717 - R22 934

Sales Administrator R16 408 - R21 484

Male Sales Candidates



3 Years
9 Months

The Average Stay of Sales Candidates in Their Roles

The Average Stay of Employees in Their Job Roles

Restaurant & Hospitality	2y 5m
Personal Appearance	2y 6m
Legal	2y 6m
Community & Social Welfare	2y 6m
Education, Training & Library	2y 7m
Science & Technology	2y 8m
Sport & Fitness	2y 8m
Agriculture, Fishing & Forestry	2y 9m
Travel & Tourism	2y 10m
Design, Media & Arts	2y 11m
Architecture & Engineering	2y 11m

2
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Warehousing & Logistics	3y
Medical & Health	3y
Cleaning, Maintenance & Repair	3y 1m
Manufacturing & Assembly	3y 2m
Information Technology	3y 2m
Building & Construction	3y 4m
Transportation	3y 9m
Sales	3y 9m
Admin, Office & Support	3y 10m

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Security & Emergency Services	4y
Mining	4y 3m
Finance	4y 8m
Business & Management	4y 10m
Marketing	4y 11m

4
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Telecommunication	4y 3m
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5
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Short-Term Employee Tenure:

Advantages:

- Hiring short-term employees can be more budget-friendly due to lower salaries and benefits compared to permanent hires.
- Short-term contracts allow businesses to adapt quickly to changing workloads or project demands.
- Temp workers bring specific expertise for short-term projects or seasonal peaks.

Disadvantages:

- Frequent turnover requires continuous training, impacting time and resources.
- Short-term employees may not fully integrate into company culture or long-term goals.
- High turnover can lead to loss of institutional knowledge and client relationships.

Long-Term Employee Tenure:

Advantages:

- Long-term employees accumulate valuable knowledge and skills specific to your business. They become subject matter experts and mentors for newer staff.
- Retaining experienced employees ensures stability in operations, reduces turnover costs, and maintains consistent service quality.
- Long-term employees contribute to a positive workplace culture, fostering loyalty, camaraderie, and alignment with company values.

Disadvantages:

- Higher salaries and benefits for tenured employees can impact the budget.
- Long-term employees may resist new processes or technologies, hindering innovation.
- Some may become complacent or less adaptable over time.

Decoding Longevity: Long-Term Job Role Tenure Trends

Managerial and Supervisor

Middle / Department Management

9y 4m avg.

Senior Management

8y avg.

Team Leader & Supervisor

7y 6m avg.

Executive Management / Director

6y 8m avg.



Admin, Office & Support

Admin Clerk

8y 5m avg.

Client / Customer Support

6y 4m avg.

Personal Assistant

6y avg.



Sales Consultants

Representative / Sales Consulting

6y 7m avg.



Decoding Longevity: Short-Term Job Role Tenure Trends

- **Chemical Engineering:** 2y 2m avg.
- **Agricultural / Food Scientist:** 2y 1m avg.
- **Medical Scientist:** 2y avg.
- **Agricultural / Food Technologist:** 2y avg.
- **Chemical / Materials Technologist:** 1y 11m avg.
- **UX / GUI Design:** 1y 1m avg.
- **Archivist/ Museum / Curator:** 2y 5m avg.
- **Hairdressing:** 2y 5m avg.

5 Common Reasons for Short Tenures:

- Role Misalignment.
- Company Culture.
- Lack of Growth.
- Work-Life Balance.
- Better Offers.

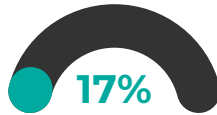
Job Hopping Trends: The Percentage Professionals Applying to New Roles During The First 6 Months of Starting a New Job:

Finance Professionals



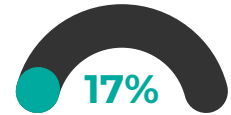
16%

Total



17%

Bookkeeping staff



17%

Cost & Management
Accounting employees

Information Technology Professionals



13%

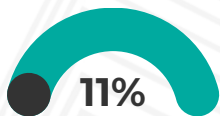
Total



18%

Technical / Business
Architecture professionals

Manufacturing & Assembly Professionals



11%

Total



18%

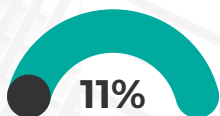
Industrial Machinery
Installation / Repair staff



15%

Logistics
Management staff

Business & Management Professionals



11%

Total



18%

Staff Recruitment /
Selection professionals



15%

Health, Safety &
Environment professionals



According to PNet's data 23% of **Payroll & Wages** professionals still continue to apply for new job opportunities despite starting a new position.

Employee Retention: Nurturing Your Most Valuable Asset

In today's dynamic business landscape, employee retention has become a critical concern for organizations worldwide. Let's explore the intricacies of this multifaceted topic.

What is Employee Retention? Employee retention refers to the organization's ability to retain its valuable workforce. It encompasses strategies and practices aimed at keeping employees engaged, satisfied, and committed to their roles within the company. The opposite of retention is turnover, where employees actively seek other job prospects and leave the organization.

Why is Employee Retention Important? Employee retention directly impacts an organization's success. Here's why it matters:

- **Cost Savings:** High turnover rates lead to recruitment costs, training expenses, and productivity losses. Retaining skilled employees reduces these financial burdens.
- **Organizational Stability:** A stable workforce ensures continuity, consistent performance, and smoother operations.
- **Knowledge Retention:** Long-term employees accumulate institutional knowledge, which is invaluable for decision-making and problem-solving.
- **Positive Reputation:** Companies with low turnover are perceived as attractive employers, enhancing their brand image and attracting top talent.

Stakeholders and Their Roles in Employee Retention:

Several stakeholders play crucial roles in fostering employee retention:

- **Leadership and Management:** They set the tone, create a positive work environment, and provide growth opportunities.
- **Human Resources (HR):** HR designs retention strategies, monitors employee satisfaction, and implements policies.
- **Peers and Colleagues:** Positive relationships with coworkers contribute significantly to retention.
- **Employees Themselves:** Personal commitment and job satisfaction are essential for retention.

When and Where Should Employee Retention Start? Retention efforts should begin during the recruitment process. Clear communication about company culture, growth prospects, and expectations sets the foundation. Once hired, employees should feel supported from day one, with effective onboarding and continuous development opportunities.

9 Effective Employee Retention Strategies/Tactics:

1. **Competitive Compensation:** Fair pay aligned with market rates is fundamental.
2. **Flexible Work Options:** Remote work, flexible hours, and work-life balance initiatives enhance retention.
3. **Recognition and Rewards:** Regularly acknowledge employees' contributions.
4. **Positive Company Culture:** Foster a workplace where employees feel valued, respected, and connected.
5. **Professional Development:** Offer training, mentorship, and growth pathways.
6. **Wellness Programs:** Prioritize employee health and well-being.
7. **Teamwork and Collaboration:** Encourage collaboration and camaraderie.
8. **Cultural Fit:** Hire individuals who align with the company's values.
9. **Retention Management:** Continuously assess and address retention challenges.

A Tangible Example: Consider a software development company that invests in employee growth. They provide ongoing training, mentorship, and opportunities to work on exciting projects. As a result, their developers stay motivated, loyal, and contribute to the company's success.

In conclusion, employee retention isn't just about retaining bodies; it's about nurturing talent, fostering loyalty, and building a resilient workforce. Organizations that prioritize retention reap the rewards of stability, innovation, and sustained growth. Remember, your employees are your most valuable asset—invest in their satisfaction, and they'll invest in your company's future.

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and engagement.

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