

Approaching reward strategy with technology

Technology plays a vital role in the evolution of employee reward and incentive programmes, ensuring that the processes are supported and systems seamlessly managed to effectively deliver on the employee value proposition (EVP).



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Organisations can harness technology's omnipresence to integrate reward solutions into all layers of the business. This will then allow for richer employee engagement and support the delivery of reward and remuneration solutions by aligning them more closely with the people, especially those that grew up with technology, and overarching strategic goals of the organisation.

"Reward strategy must be approached holistically," explains Peet Kruger, Exco member, South African Reward Association (SARA). "It is essential that technology be integrated into the reward value chain and be seen as an enabler. It cannot drive strategy, but it plays a powerful role in the implementation of strategy."

Technology is the enabler of almost all innovative processes and business models and must not be defined narrowly as an ingredient or component, but rather as a tool, which can reveal what is possible and support what is already in play.

"The way in which a business uses technology to support and integrate its delivery of 'reward products' to employees can play a critical role in the organisation being seen as an employer of choice.

"In the value chain, reward is assessed along specific lines to ensure it supports business strategy. It has to consider many

factors that include the skills required, the reward needed to attract these skills, the payment structures, the non-financial rewards that have to be blended into the overall package and the steps that both employee and organisation have to take in order to ensure these are done correctly and within specific parameters.

“Not only does technology help to streamline processes and enhance reward management structures, it enables us to quantify and package the reward value proposition in such a way that it is simple to understand and appealing to the end user. Employees can see how they contribute to overall organisational success, get a clearer picture of how their rewards are structured and see how much the company is investing in them from a total reward perspective.

“There is a growing shift towards the Total Reward Statement which consolidates all the data held within the technology systems and uses this to support and improve reward management throughout the business. It is a visual representation of the total reward investment in each employee and is a step up from the traditional payslip, which mainly focuses on the financial breakdown of the salary package of the employee. This educates, sensitises and creates an appreciation for the total reward value proposition enjoyed by employees and contributes to improved engagement and retention of employees,” concludes Kruger.

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