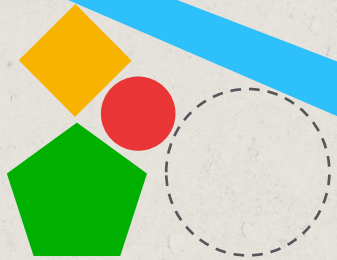# Deloitte.

2024
POV AFRICA
HC TRENDS

{4}

The following report provides further insights into the 2024 HC Trends for Africa.

For further discussion please reach out to the contacts listed at the end.
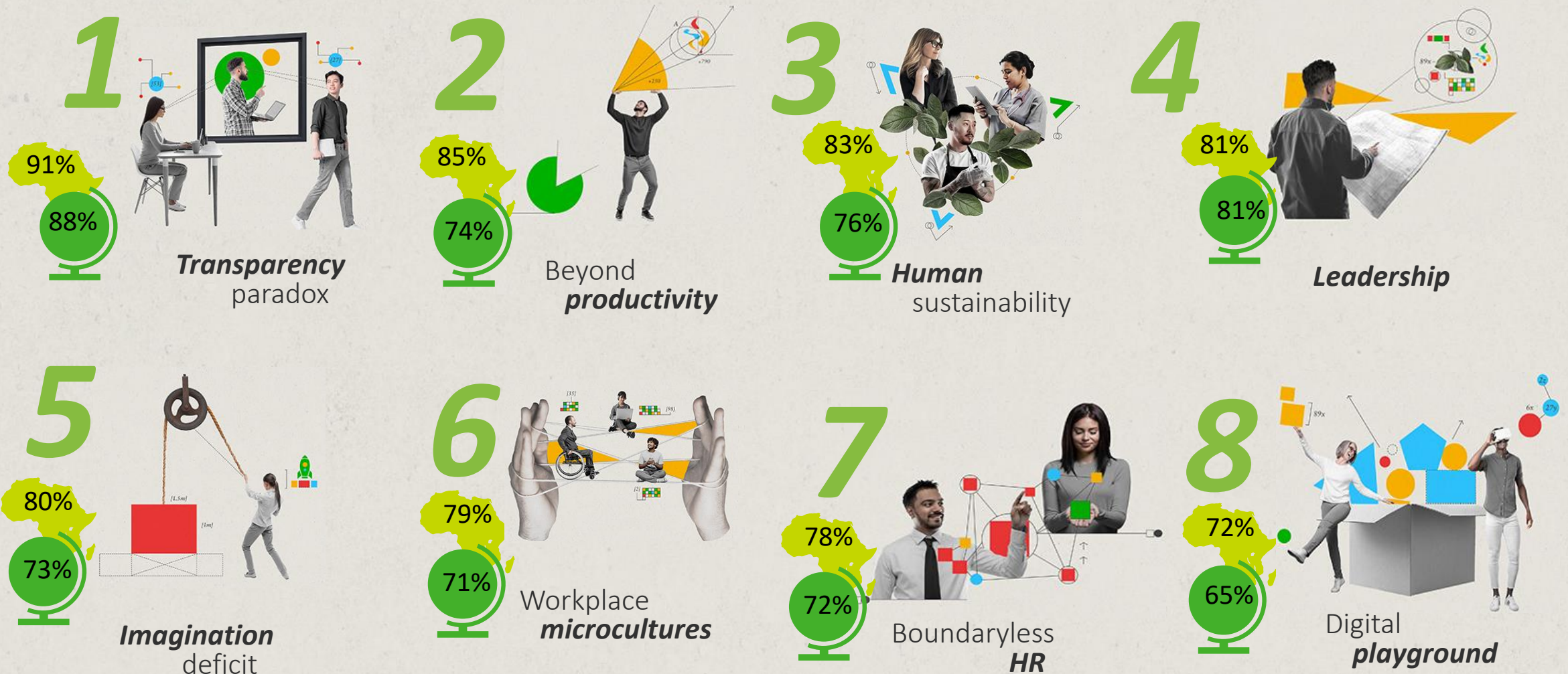
The full Global report can be found at the following link
https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html

Deloitte.
Insights

The **Top 8 Africa Trends** in order of Importance

1 91% 88% **Transparency** paradox

2 85% 74% Beyond **productivity**

3 83% 76% **Human** sustainability

4 81% 81% **Leadership**

5 80% 73% **Imagination** deficit

6 79% 71% Workplace **microcultures**

7 78% 72% Boundaryless **HR**

8 72% 65% Digital **playground**

Welcome to a
new reality

Technological and social changes—including the emergence of generative AI—are accelerating the shifts that characterise the boundaryless world of work.

Employee

Job

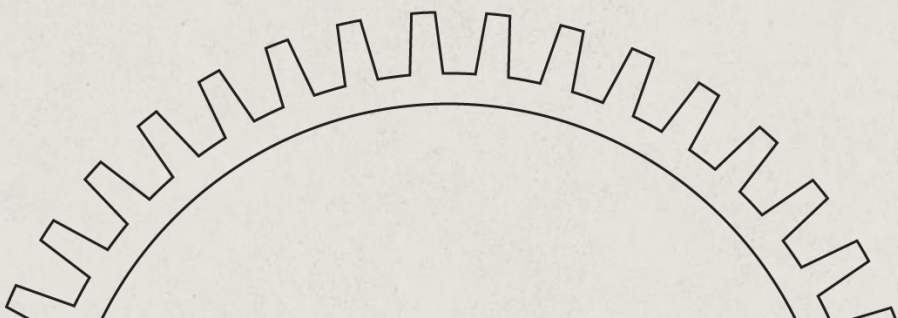Engagement

Culture

Productivity

Most leaders already understand that focusing on **human performance** is key to building an organisation that can thrive today and tomorrow.

But to close the gap between knowing and doing, they will need to let go of the mindsets, operating constructs, and proxies of the past.

74% *of respondents*

*stated this year's trends were very or critically important*

but only

10% *of respondents*

believe their organisations are accomplishing great things to address these issues

The new math of *human performance*

$$\begin{bmatrix} \text{human} \\ \text{outcomes} \end{bmatrix} \times \begin{bmatrix} \text{business} \\ \text{outcomes} \end{bmatrix} = \textbf{\textit{human performance}}$$
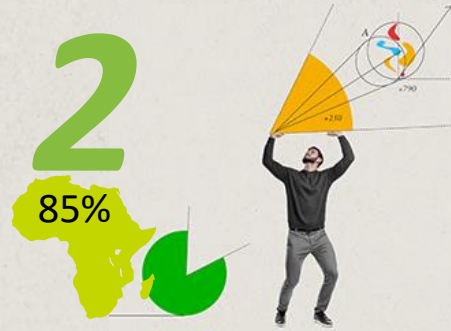
IMPACT *Organisations that have bridged the gap from knowing to doing are* **1.75x more likely** *to achieve desired business outcomes and* **1.9x more likely** *to achieve positive human outcomes.*
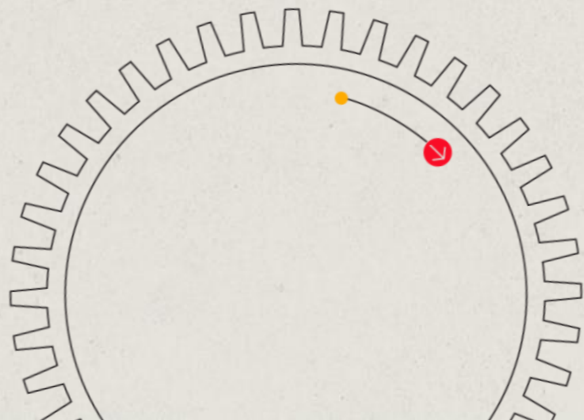
The **Top 8 Africa Trends** in order of Importance

1 91%
Transparency paradox
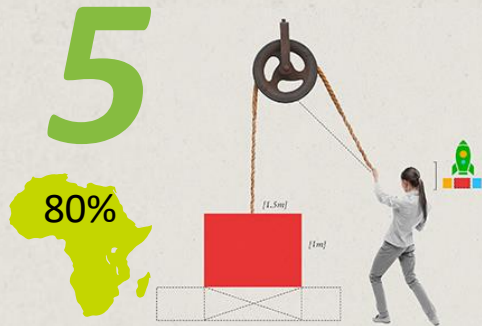
2 85%
Beyond **productivity**

3 83%
Human sustainability

4 81%
Leadership

5 80%
Imagination deficit

6 79%
Workplace **microcultures**

7 78%
Boundaryless **HR**

8 72%
Digital **playground**

The *knowing* vs. ***doing*** gap – Global

	Human sustainability	Beyond productivity	Transparency paradox	Imagination deficit	Digital playground	Workplace microcultures	Boundaryless HR
Orange	76%	74%	88%	73%	65%	71%	72%
Blue	10%	8%	13%	9%	10%	12%	11%

How can you ***bridge the gap***?
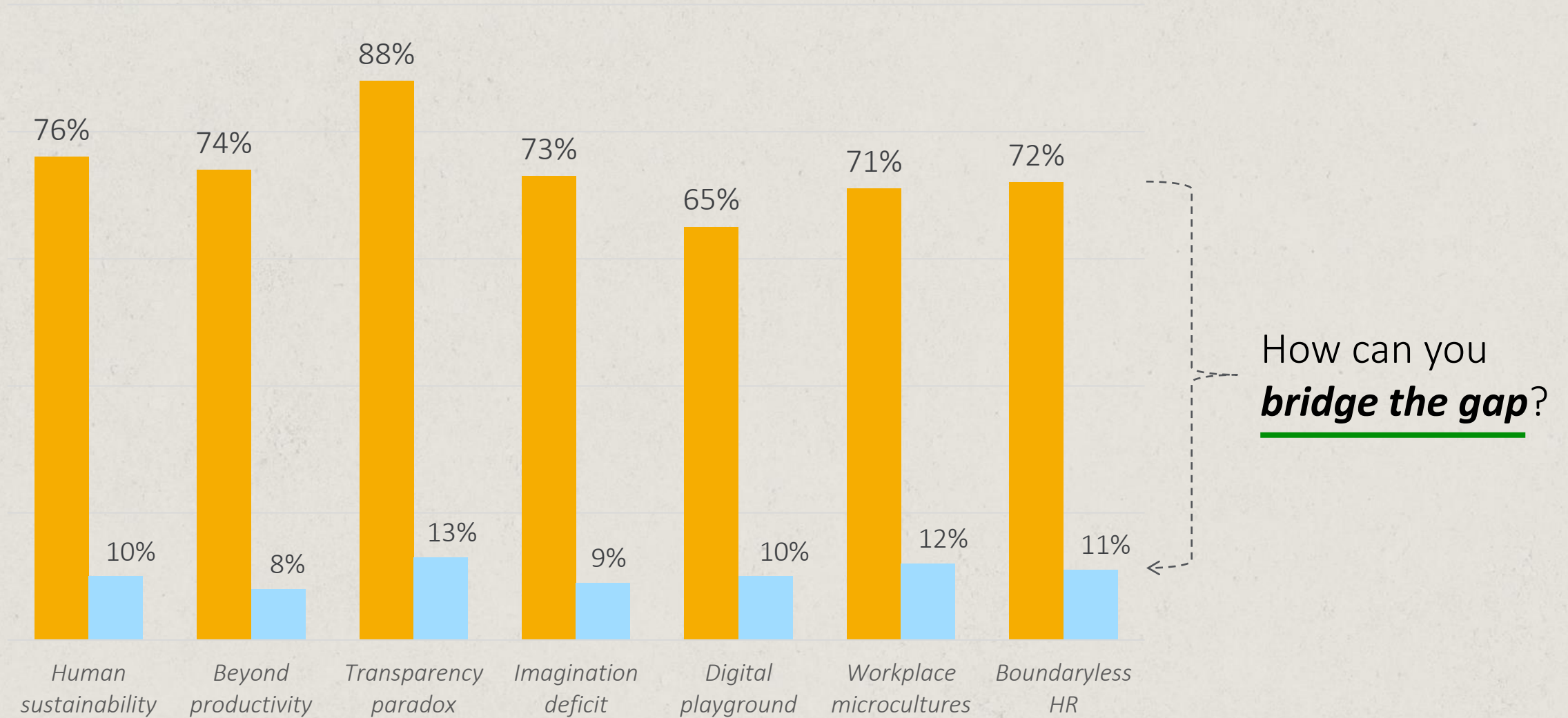
The *knowing* vs. *doing* gap – Africa View (Included)
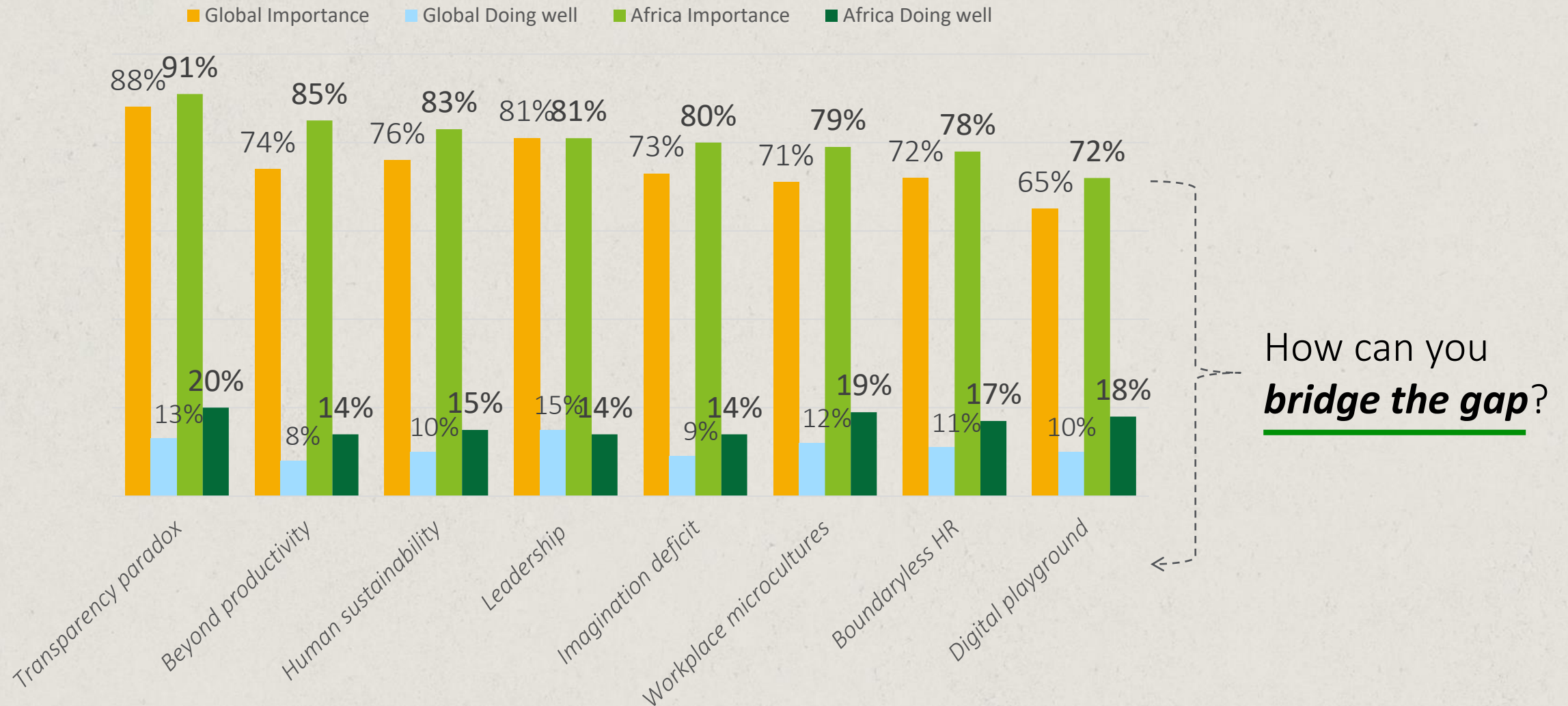
Legend: Global Importance, Global Doing well, Africa Importance, Africa Doing well

Transparency paradox: 88%, 13%, 91%, 20%
Beyond productivity: 74%, 8%, 85%, 14%
Human sustainability: 76%, 10%, 83%, 15%
Leadership: 81%, 15%, 81%, 14%
Imagination deficit: 73%, 9%, 80%, 14%
Workplace microcultures: 71%, 12%, 79%, 19%
Boundaryless HR: 72%, 11%, 78%, 17%
Digital playground: 65%, 10%, 72%, 18%

How can you *bridge the gap*?

An increasing focus on **trust and transparency**

Trend

An increasing focus on trust and transparency in the relationship between employers and the organisation.

African Total (importance)

91% recognise the importance while 30% are making progress in this area.

Description

Transparency builds trust, is a commonly held belief but it's not that simple.

New technologies can make almost anything in an organisation transparent.

But using this newly transparent data effectively requires a sophisticated understanding of the relationship between transparency and trust.

1

Take action to navigate the transparency paradox

○ Put transparency in conversation with privacy.

○ Bring employers together in conversation with leaders about what and why information should be made transparent, to whom, and how.

	GO *(proceed thoughtfully)*	CAUTION *(think twice)*
WHAT will be made transparent?	Leadership priorities and goals	Details about creative processes
WHY is it important to make transparent?	Creating better outcomes for employers	Surveilling or punishing employees
WHO will provide the information, and **WHO** will receive it?	Information about a employee to a employee or to their coach to help them grow	Individual data about employees beyond themselves, unless it is aggregated or anonymized
HOW will the information be made transparent?	Workers are asked to opt-in to making their data transparent, and told how their data will be used	Leaders don't intend to act on the data and share how it is used

IN PRACTICE

South African companies across several industries conduct the following practices to foster trust through transparency:

- Transparent transformation goals
- Proactive communication
- Focus on understanding the psychological contract they have with employees
- Transparent reward policies

Seeking better ways to measure beyond productivity

2

Trend

Seeking better ways to measure employee performance and value beyond traditional productivity.

African Total (importance)

84%- recognize the importance while 27% are getting started and focusing on addressing immediate needs.

Description

In the past, it was easy to see how individual work directly impacted results.

Today, teamwork and complex skills are crucial, making traditional measures of productivity less effective.

Fortunately, advancements in digital technologies allow us to gather and analyse vast amounts of data on work and people.

Take action to move *beyond productivity*

Cocreate metrics and solutions with employees.

Implement these practices in your performance management approach.

Create development initiatives aimed at improving employee wellbeing

Integrate new metrics into the processes of other areas of the talent lifecycle.

Establish responsible data and AI practices.
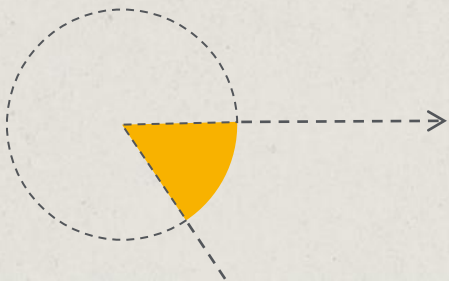
IN PRACTICE

South African companies across several industries utilise the following practices to go "beyond productivity":

- *Conduct wellness & wellbeing, and employee engagement surveys to measure employee wellbeing, organisational culture, employee development and leadership factors.*

- *Raise awareness and create indexes for purpose, wellness and learning and development*

- *Working with external experts to give talks and rollout programmes that focus on human outcomes*
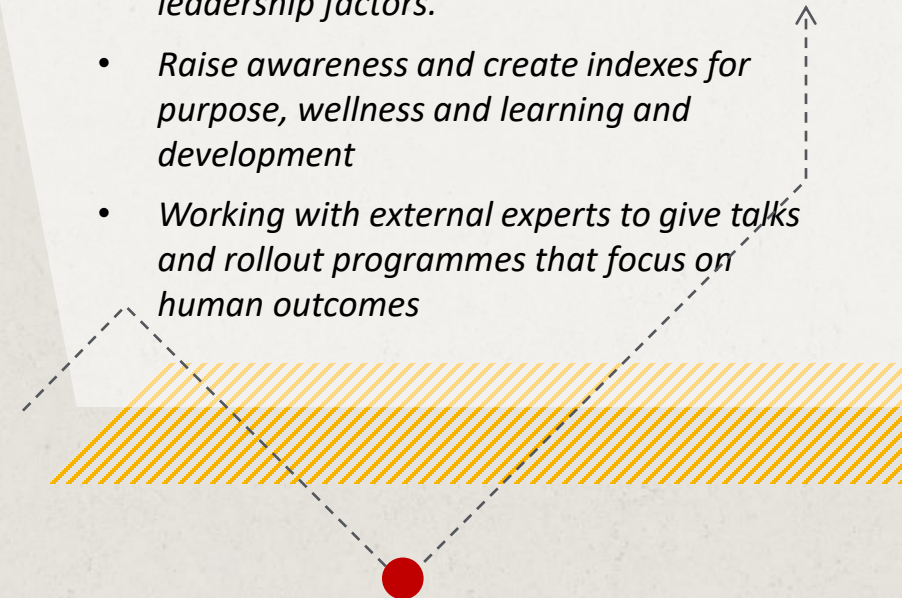
Human Sustainability *(rated with highest importance in Africa)*

3

Trend

Leaving every human the organisation touches better off as a result of every interaction – Human Sustainability.

African Total (importance)

83% recognize the importance while 37% of African organisations are making progress in this area.

Description

The degree to which the organisation creates value for people as human beings:

- Leaving them with greater health and well-being,

- Stronger skills and greater employability, good jobs

- Opportunities for advancement, increased belonging, and heightened connection to purpose.

For true **human sustainability**, organisations need to create value for all people connected to them.

Take action to drive *Human Sustainability*

Focus on metrics that measure human outcomes.

Develop an EVP that focuses on human performance and aligned with business objectives

Business leaders need to lead by example by being comfortable with vulnerability and being "human".

Integrate human sustainability governance into the board and C-suite.

Involve employees, future employees, and others in cocreating their roles and human sustainability initiatives.

IN PRACTICE

PayPal improved the **financial well-being** of its entry-level and frontline workers by reducing **health care costs**, granting **stock awards** to all workers regardless of level or tenure, **raising wages** where appropriate, and providing access to **personal financial education**.
Today, workers report far **less worker financial stress,** and the organization has **reduced absenteeism**.
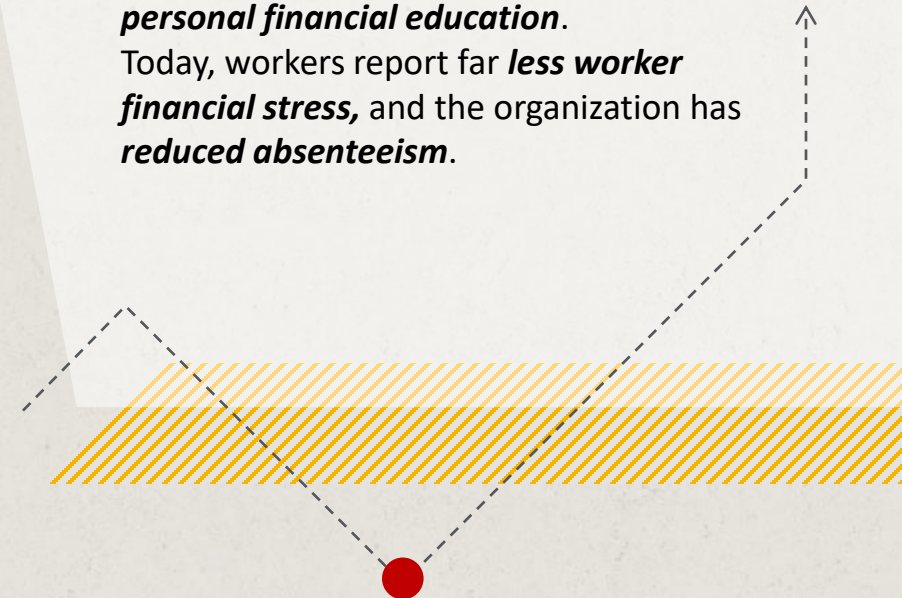
Leadership - *How can leaders embrace and drive this new way of working that is both high-tech and **human-driven**?*

4

Trend

"Employees and leaders aren't looking to make work more human at the expense of business outcomes and priorities, but as a path toward improving business outcomes and priorities."

African Total (importance)

81% recognise the importance while 14% are considering, thinking about it or making no efforts, while 10% have not started

Description

"The key to making the shift from knowing to doing in a boundaryless world is to start where you are, with what you have, and continue to build strategies that take your organisation closer to its human performance goals."

Take action to move improve the Leadership

Leaders play a pivotal role in helping organisations embrace human sustainability, but many are still relying on outdated proxies and mindsets.

Help senior members and board members to embrace the shift away from old proxies and move towards a new model of human performance.

Leaders have both an opportunity and responsibility to focus on human capabilities, evolve governance to be more inclusive, and build trust by involving employees in developing strategy.

IN PRACTICE

- Leaders carry the burden of trust building, as only 16% of employees reported having a very high level of trust in their employer.

- To build trust, leaders have a responsibility to evolve leadership models to be more inclusive of workers in decision-making.

- Only 30% of C-suite leaders say they are involving workers in co-creating organisational strategy.
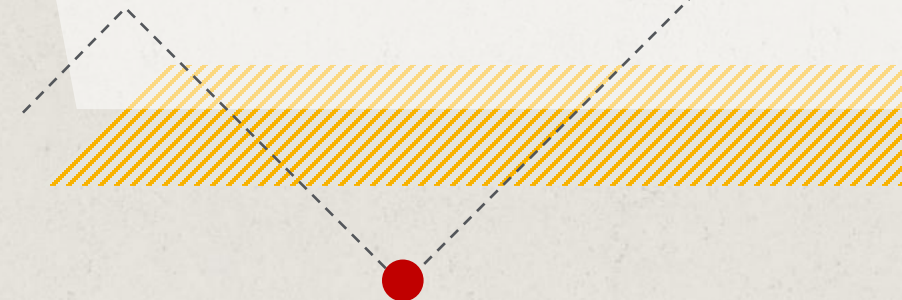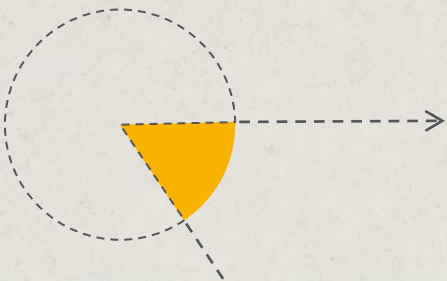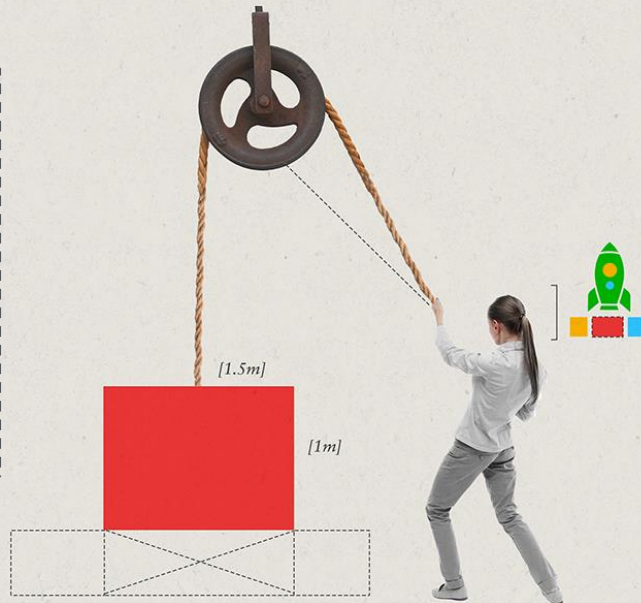
Generative AI and other technologies are *exposing a potential **imagination deficit.***

45%
of employees

say it's important for their organisation to help them imagine how their job may change in the future

Scaling human capabilities like **curiosity** and **empathy** can help organisations ensure an ample supply.

[1.5m]

[1m]

- When we look at how organisations can drive human performance, one area that we explore is how new digital advances like generative **AI are exposing an imagination deficit.**

- As technological disruption continues to outpace the capacity of many organisations and employees to get the best out of humans and technology, many organisations are realizing that they may soon be facing an imagination deficit.

- To prevent this deficit, organisations will need to scale and operationalize the cultivation of distinctly human capabilities like curiosity, empathy, and creativity to realize new opportunities.

Seeking better ways to improve the Imagination *deficit*

Trend

Ensuring that the imagination and curiosity of the humans in the Organisation keep pace with technological innovation.
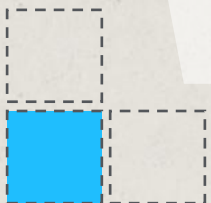
African Total (importance)

80% recognize the importance while 33% are getting started in this area and 8% have not started.

Description

Organisations that can create an abundance of human capabilities will likely have differentiated advantages; those that find themselves at a deficit will be at risk of being left behind.

5

Take action to move improve the *imagination deficit*

- Provide opportunities and venues for employees to explore, experiment, disrupt, and cocreate.

- Operationalise human capabilities as part of overall workforce strategy.

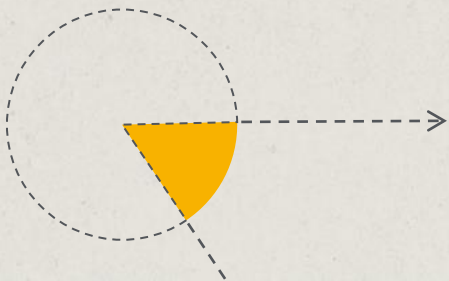- Provide opportunity for ideation hubs to encourage creativity

- Highlight for employees, teams, and managers the need to prioritize human capabilities.

- Creating a safe space and mechanisms to support failure, as this is part of innovation

- Host employee hackathons to encourage on-the spot thinking

IN PRACTICE

Various South African companies across different sectors currently:

- *Provide Training on Digital Literacy*

- *Leverage technology and data to run scenarios for strategic and innovation planning*

- *Implement and explore various AI use cases*

- *Have strategic leadership intent on identifying opportunities to create efficiencies with technology & digital tools*

- *Understanding and establishing ethical frameworks for AI*
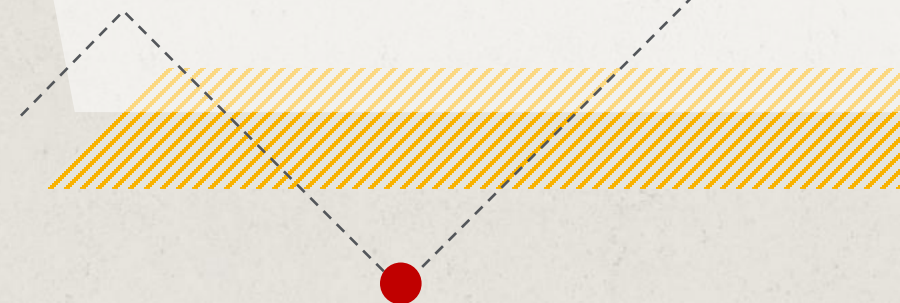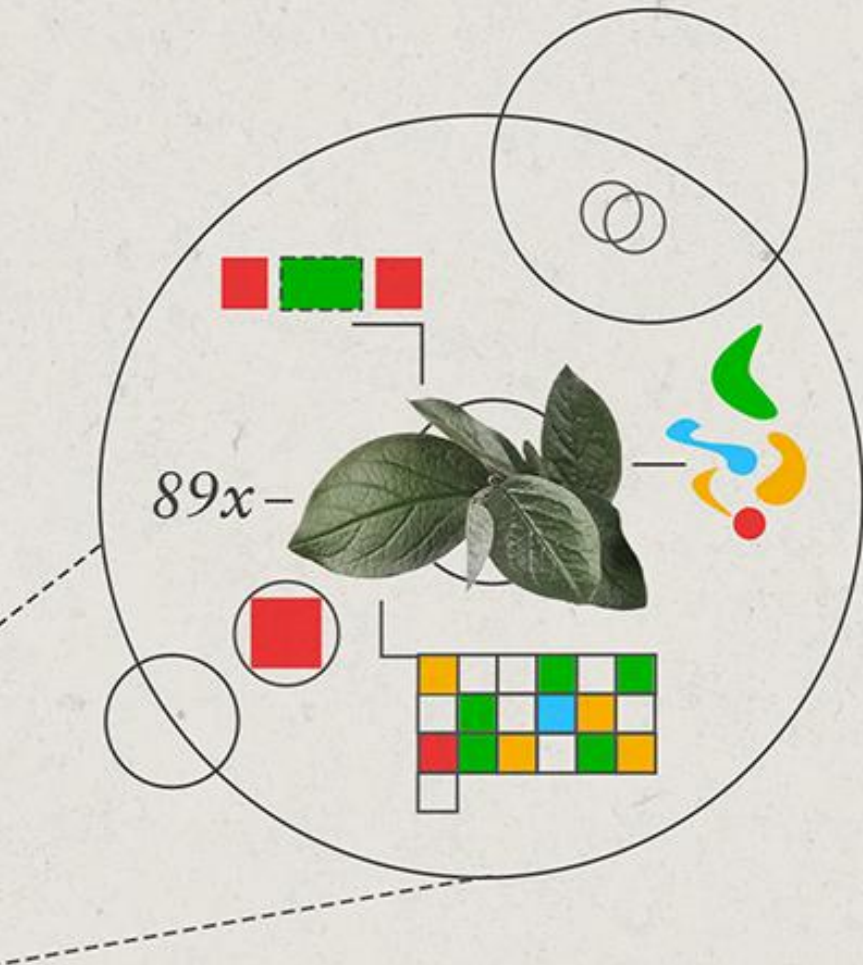
Employees and leaders aren't looking to make work more human at the **_expense_** of business outcomes and priorities, but as a path toward **_improving_** business outcomes and priorities.

Leaders have an opportunity—and a responsibility— to help their organisations **_create new paradigms_** geared toward human performance:

Resetting organisational priorities

Evolving governance structures

Fostering psychological safety for their teams

In Summary

- Human Performance focus is critical to future-proofing your organisation

- Human Sustainability: Using digital technology like VR to measure unconscious bias

- Employee Wellness & Wellbeing are the biggest focus areas for measuring human outcomes

- Human Sustainability, Transparency paradox, Beyond Productivity and the Imagination Deficit are the top 4 trends in Africa

- Transparency is desirable but complex as requires a delicate balancing act of all relevant factors.

- Organisations are keen on AI but the majority are mostly in the exploratory phase to reduce the imagination deficit

Africa view-
Which are likely to have the Top 3
Greatest impacts on your Organisation in the *next 3 years? / Global*

Africa %

1 Increasing Focus on Trust and Transparency in the Relationship Between Workers and the organisation → **66%**

2 Ensuring that Imagination and Curiosity Keep Pace With Technological Innovation → **65%**

3 Evolving the Role of Managers and Management Practices to Fit New Ways of Working → **56%**

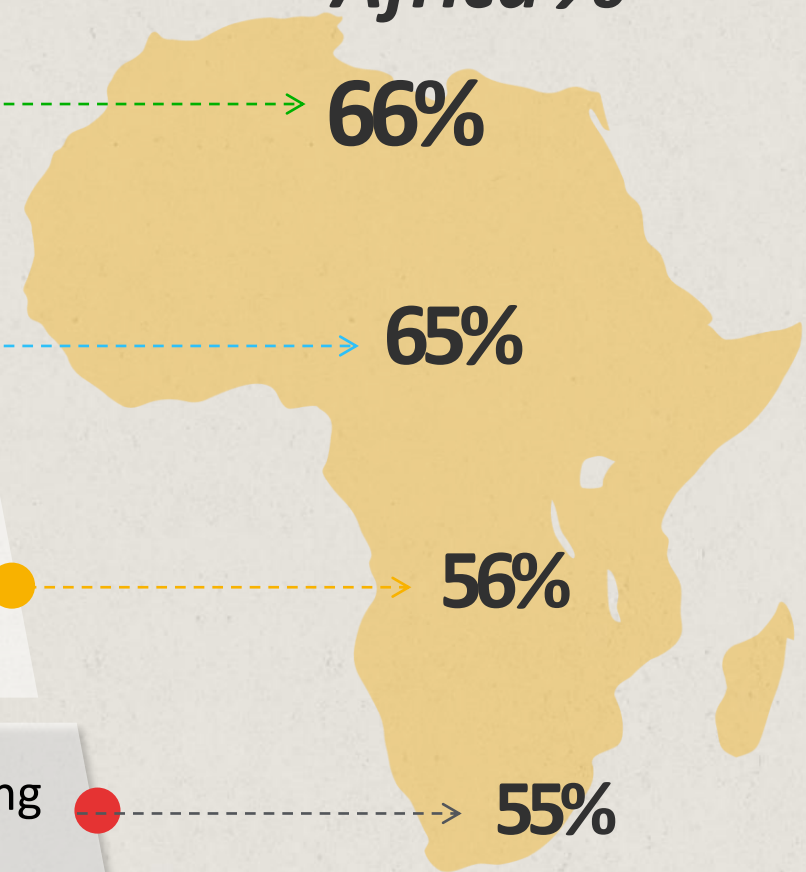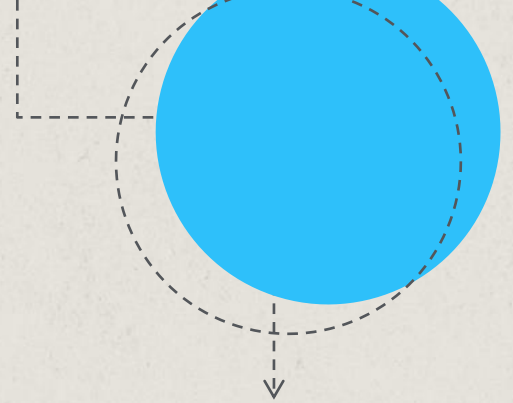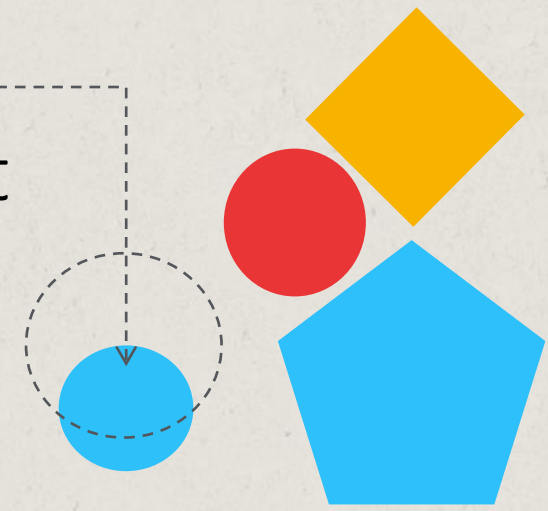**4** Readiness of Leaders to Manage the Evolving Demands of the Work and Workforce → **55%**

Africa view- The Top 4 Trends with the highest importance ranking in Nigeria

1 Seeking better ways to measure worker performance and value beyond traditional productivity

2 An increasing focus on trust and transparency in the relationship between workers and the organisation

3 Human Sustainability - Leaving every human the organisation touches better off as a result of every interaction

4 Ensuring that the imagination and curiosity of the humans in the organisation keep pace with technological innovation

Measuring employee performance **beyond traditional productivity Metrics**

Trend

Seeking better ways to measure employee performance and value beyond traditional productivity.

Nigerian Total (importance)

While 40% acknowledge the importance, 27% are in the early stages, prioritizing immediate needs

Description

As human performance becomes the key driver of success, traditional productivity metrics, are insufficient.

Leveraging new data sources and AI allows organisations to move beyond simple output and assess the full range of human capabilities, including skills, collaboration, and innovation.

1
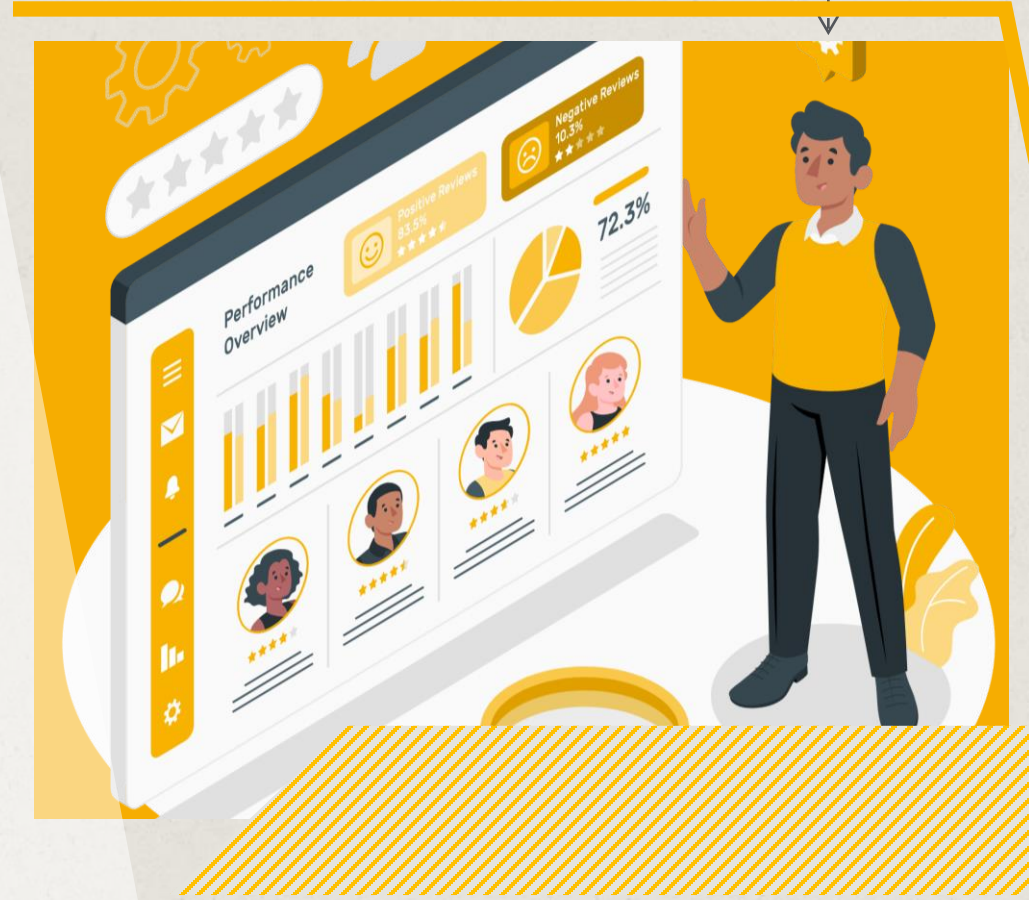
For performance beyond productivity, the following strategies can be considered

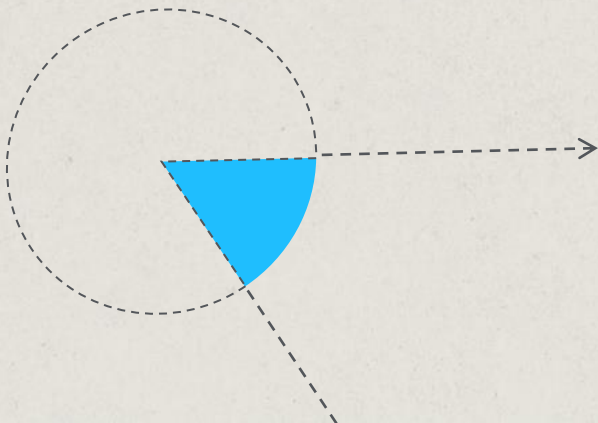- Cocreate and implement new human performance metrics with worker input

- Measure what you should, not what you can

- Reward and recognize workers for displaying curiosity, imagination, and creativity

- Use technology as an enabler to collect and analyze workforce data and provide valuable insights into worker performance, well-being, and engagement

IN PRACTICE

Companies in Nigeria are recognizing the limitations of just focusing on traditional productivity metrics

- A shift towards task-based Performance Management Systems (PMS) is underway, allowing for a more granular evaluation of employee contributions.

- Organizations are increasingly incorporating skills and behaviors alongside target achievement, providing a more holistic view of employee value.

- Customer satisfaction now plays a significant role in measuring worker impact. Financial metrics are no longer the sole focus.
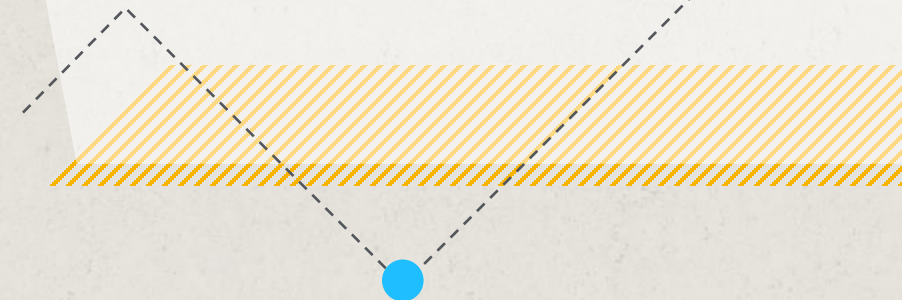
An Increasing Focus on Trust and Transparency

Trend

An increasing focus on trust and transparency in the relationship between workers and the organisation.

Nigerian Total (importance)

47% consider it critically important, and another 42% view it as very important, with the remaining organisations actively working on addressing it.

Description

The idea that transparency is a key driver of trust is often considered a truism: the more information shared openly, the greater the trust built. While this holds true, transparency goes beyond a one-way flow of information from top to bottom.

Team transparency thrives with technology enabling easy access to information and open communication, fostering collaboration and a strong foundation of trust.

2

Implement initiatives to foster trust

Facilitate cross-departmental discussions to explore best practices for transparency and privacy and integrate employee feedback into the decision-making process

Implement a culture of open communication around performance metrics providing continuous feedback and recognition

Actively listen to and promptly address concerns and follow through on commitments to build credibility.

Ensure data responsibility and empower employees with clear information about how their data is collected and used.

IN PRACTICE

Companies in Nigeria are beginning to embrace transparency to drive trust between employees and the public at large

A large *corporation in Nigeria in the energy sector* published its financial records after 43 years in 2020 with many other companies publishing their transparency reports.
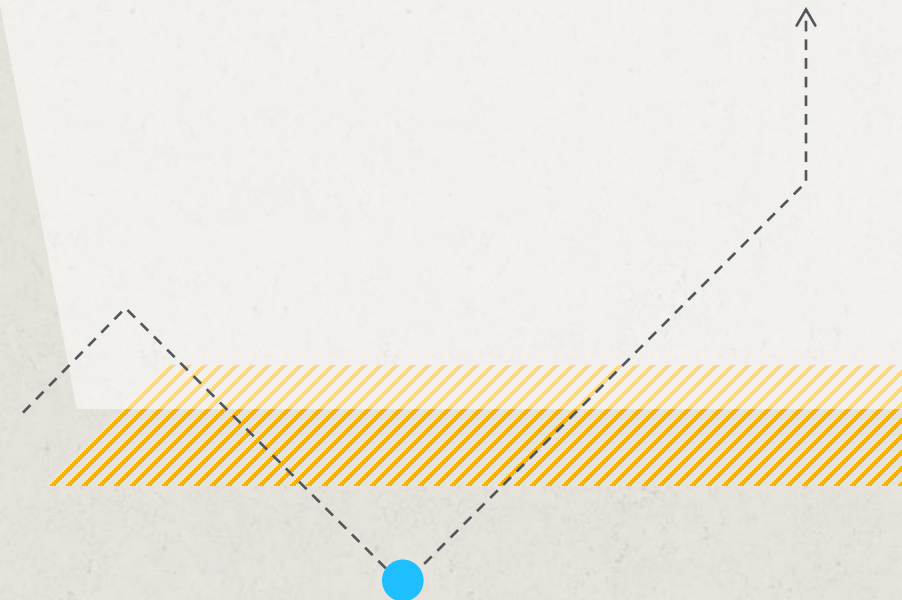
Contact details

Andre Vermeulen
andvermeulen@deloitte.com
Human Capital I Director

Gill Hofmeyr
ghofmeyr@deloitte.co.za
Organisation Transformation I Director

Joseph Olofinsola
jolofinsola@deloitte.com.ng
Human Capital Partner Nigeria

Popoola-Olushi, Olajumoke
opopoola@deloitte.com.ng
Associate Director Human Capital Nigeria

Link to the full

Global Report

https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html