

Work on South African Time!

Pierre Botha, Global Business Executive for Finance and Accounting at SoluGrowth, discusses the Skills shortage challenge facing UK Employers and how South Africa's time has arrived to address this gap in the Financial and Accounting Business Process Outsourcing market.



Even before Brexit and the COVID-19 pandemic, the UK faced a shortage of Financial and Accounting (F&A) skills. Post-pandemic, the 'Great Resignation' has only increased the demand. Pierre Botha believes Outsourcing F&A support services to South Africa is the answer.

"We are definitely seeing an increase in demand for F&A skills in the UK, US and Australia," Botha says. "We're even seeing an emerging need for skills in the statutory audit space."

The 'Great Resignation' – which has become a global trend following the Pandemic – may well be driving this. While the UK is seeing fewer people exiting the labour force than the United States, resignations have surpassed their pre-pandemic levels in the last quarter of 2021. UK workers are resigning in greater numbers due to the impact of the Pandemic on employee expectations.

"We're seeing the impact in the Banking sector, for example. Tier 1 banks are scooping up great talent, leaving Tier 2 banks with a

very small pool to compete for," Botha says. Financial analytics and reporting capability are especially tough to recruit, as salaries tend to get competitive in a small talent pool. Whether or not employers are offering Hybrid working is a driving force.

South African Pressure Valve

"Outsourcing to South Africa neatly addresses all these challenges," Botha says. "Firstly, South Africa has plenty of talent and skilled resources, but not as many opportunities." South Africa's unemployment rate was 35.3% at the end of the fourth quarter of 2021. "This means that UK companies can access a skilled pool of talent at reasonable rates in South Africa, with the right Partner.

SoluGrowth is a management buy-out from Deloitte South Africa and, since its creation in 2018, has continued to service more than 200 clients across the Globe in 23 countries. One of SoluGrowth's recruitment strategies expands talent in F&A through its **Impact Sourcing** programme. It recruits unemployed

youth with limited access to funding for further education, but with clear potential, for an 18-month internship. This is followed by a 12-month bridging programme, and then full-time employment with SoluGrowth.

"Young South Africans are hungry for work, and our **Impact Sourcing** programme is all about finding talent and developing their potential," Botha explains. "For our UK clients, this means access to skills that are scarce at home, and a diverse pool of dedicated people eager to make a positive impact."

"Secondly," he continues, "South African talent is extremely cost effective, not in small part due to currency exchange. Though more 'expensive' than other popular outsourcing destinations, South Africa offers valuable soft skills – such as communication, collaboration and a closer cultural affinity – in addition to solid technical capabilities. Add to that the similarity in time zones, and South Africans are uniquely suited to fit seamlessly into UK teams."

Finally, F&A skills are prime targets for Business Process Outsourcing (BPO) and lend themselves to work-from-anywhere arrangements. "We've found that our people are actually more productive working from home," Botha says. "Young, professional individuals gain two to four hours of productive time, and save as much as 30% of their income, simply by not taking public transport to the office.

"Our people go the extra mile when working from home using a world class communication infrastructure to preserve these lifestyle benefits. So, where our UK clients tell us that their employees average 34 productive hours a week, we are seeing much more than that in South Africa."

The Proof is Quantifiable

The types of F&A roles that lend themselves to BPO are prone to monotony, where in-house employees may find themselves doing the same thing day in and day out with little opportunity to innovate. "In contrast, an outsourced provider has Key Performance Indicators (KPIs) and improvement metrics to deliver against," Botha points out.

"This means that innovation, process improvement, digital transformation, quality of work and effective partnering is baked into the Service Level Agreement (SLA), at least from a South African point of view. Bringing these improvements to our clients means we are better able to deliver against our SLAs, and they gain all the operational improvements and cost savings benefits."

Adding additional value to our clients is a key differentiator for SoluGrowth. "We don't just stick to a list of scope items," Botha says. "We aim to truly partner with our clients, offering an agile, flexible solution specific to their needs."

Botha offers quantifiable examples of how his team does this. "One client had a challenge surrounding segregation of duties, and the different types of access that had to



"Africa holds great potential for Shared Services and South Africa stands out. Its ecosystem developed around F&A services and the keys to its success are based on skill pool, cultural and time zone proximity to the UK"

Elias van Herwaarden, Head of Location Strategy, Colliers



be granted to around 10 000 users, on their ERP. Their complete data export and reporting process took a month to complete.

"SoluGrowth developed a custom-built tool that reduced the time to develop the master report from 1 week to less than 2 hours. We later added workflow that facilitated communication around data checks and reporting, and then added a provisioning tool that automatically provided and removed ERP access according to specific rule sets – all with a clear audit trail."

"Our F&A skills embrace AI-powered cloud accounting solutions. This assists us to shift from primarily managing processing and reporting to becoming financial advisors through analytics. With the F&A skillset in South Africa we easily evolve with our customers to ensure we meet their needs."

SoluGrowth's payments team developed another custom tool that doubled their output by freeing up 1,680 hours a year. And for another client, SoluGrowth's team revised

and completed 168 Standard Operating Procedures (SOP's) on a new standardised template in one year, creating total alignment in processes and identifying 33 Continuous Process Improvements (CPIs) in the same year. These CPI initiatives have saved the client 1,175 work hours thus far.

With local UK F&A talent still difficult to come by, it's clear that South Africa's BPO time has arrived. 🌍

About the contributor:
Pierre Botha



Pierre Botha provides tailor-made solutions to clients that want to co-source / outsource any part of their F&A processes. His experience spans over 19 years and various multinational companies. He specialises in implementing and managing effective, simple solutions to complex financial processes.



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