

B-BBEE is an opportunity for economic growth, not just a compliance exercise



The purpose of Broad-Based Black Economic Empowerment (B-BBEE) is to promote inclusivity and grow all areas of South Africa's economy. If done properly, it helps to close our skills gap, grow the Small Medium Enterprise (SME) sector and encourage entrepreneurship, all of which will stimulate economic growth. However, in many instances B-BBEE is nothing more than a tick box compliance exercise, which negates any benefit and is not the spirit in which the requirement is intended. The right training partner can help businesses take their B-BBEE to the next level, aligning training with business to ensure sustainable growth and improved efficiency, among other benefits.

Working smarter, not harder in the wake of Covid

For many businesses, the pandemic has meant reducing staff complements in an effort to stay afloat. This has the unfortunate consequence of also forcing staff to work harder and take on new roles, making training more important than ever.

Skills development is also an important element of the B-BBEE scorecard, helping those who previously have not been afforded opportunities to upskill and grow. Incidentally, skills development is also critical in ensuring economic stability and prosperity, and South Africa has a significant skills gap that needs to be addressed.

By embracing the true spirit of B-BBEE, the right skills can be addressed to make a meaningful difference to business. Aligning B-BBEE efforts, particularly training, with actual business needs and values, will not only ensure people are upskilled in a relevant way to help grow the economy, they will also be able to improve business and advance themselves at the same time.

What you put in is what you get out

The reality is that B-BBEE is a requirement for doing business in South Africa, however, this should not

be the sole or overriding imperative driving it. Businesses in South Africa need the economy to function and prosper to ensure their own prosperity and growth. Investing in the transformation of the economy increases the buying power of the market which in turn means more customers, and a more profitable business.

Our current unemployment levels reduce the amount of money in circulation, and every business is feeling the pinch. B-BBEE should not be regarded as a hindrance to business, but rather an opportunity to obtain necessary skills and drive the recovery of the economy faster.

Skills level up

Skills development lies at the heart of both B-BBEE and economic recovery, which makes training crucial. Finding the right training partner is essential to help upskill employees as well as to provide employment and skills development opportunities through learnership initiatives. Your training partner should also manage the areas of the B-BBEE scorecard focused on skills, which account for 20% of the overall rating. B-BBEE accreditation is also essential to ensure that businesses will receive the desired return on their investment into training. Getting it wrong can cost organisations a lot of wasted money but getting it right will undoubtedly aid a business. The crux is to embrace B-BBEE for the right reasons and align training with required skills, so that businesses will not only tick all of the right boxes, they will also benefit themselves and the economy as well.