

People are a business' greatest asset - investing in them is essential for growth



Broad-Based Black Economic Empowerment (B-BBEE) was meant to address the inequalities of the past by creating equal employment opportunities. Unfortunately, rather than speeding up economic transformation, it has often simply enriched a select few while most previously disadvantaged individuals remain at a disadvantage. Every element of economic transformation needs to be made broad based, and skills development lies at the very heart of this ability. Investing in the skills of people, and then having mechanisms in place to obtain ownership through skills development, is the only way to create ongoing and sustainable economic transformation and real employment equity.

It's all about people

For any organisation, people are not only the biggest asset, but are also the biggest expense. Without the right skills, it is impossible for a business to grow and thrive, even as technology plays an increasingly central role. As the Fourth Industrial Revolution (4IR) evolves, skills development becomes even more important as skill sets are changing, and if South Africa is to compete on a global scale, the workforce needs to be improved.

Hiring people without the right skills for the job, but simply to tick a box on the BEE scorecard, will not enable them to add value to the business. B-BBEE needs to become more about creating equitable employment and developing the necessary skills, rather than simply fulfilling a set of requirements to be awarded a certificate.

Understanding people's unique circumstances

One of the challenges around creating a truly equitable employment environment lies in understanding the circumstances of disadvantaged job seekers. Without the necessary skills, they are less employable, but without employment, they are unable to gain skills or experience that will make them more likely to get a job. The number of discouraged job seekers in South Africa is significant, and this, in conjunction

with high levels of unemployment, creates an unsustainable economic situation. This in turn perpetuates the cycle of poverty and addressing this challenge should be where B-BBEE comes into play.

Every individual has value and has something to add to a business, but often, people are not given the opportunity to prove their worth. Learnerships are an invaluable tool that businesses need to embrace to uplift people, provide opportunities for individuals to obtain qualifications and experience, and allow organisations to develop the skills they need to enhance business growth and value.

Partners in success

B-BBEE sets the foundations for companies to spend money on skills development, which should be used as an opportunity for businesses to help previously disadvantaged individuals uplift themselves. The key is to match people who want to learn with companies that offer the opportunity for them to learn new skills that are aligned with their interests and abilities. Not every business can take on people specifically, but they may be able to offer funding to help another business that can offer the practical workplace experience.

A skills development and training partner is central in navigating this complexity and acting as a facilitator. This is important in helping people to find opportunities and businesses to offer them, and matching resources to requirements, while ensuring that skills development is aligned with needs to help businesses grow.

In the true spirit of transformation

Embracing B-BBEE as more than a tick-box exercise means examining the entire scorecard and understanding how best to make the requirements work for your business and maximise value. For example, is the ownership requirement truly adding value, or are you simply giving away part of the profits to 'tick' that box? Ownership should be about wealth creation and sharing, and about benefiting the business through new leadership, rather than simply being viewed as a tax that will further enrich a select few. The same applies to skills development and enterprise supplier development. The right partner can help to ensure that all these elements help the business, while uplifting people, and creating a more sustainable economy in which businesses can grow and thrive. Skills development is essential in giving people the opportunity to develop and unleash their unique attributes and talents. This in turn will benefit businesses and the entire economy - if all businesses work together to train people and collectively grow the pool of talent available, the entire country will benefit. When addressing the B-BBEE scorecard, give it the time and attention it deserves. Businesses spend a lot of money on their certification, so it may as well be done the correct way so that it adds value. With the right partner, this investment in time and resources can be maximised to the benefit of all.