

## **BEE Under the Government Spotlight – Has SA Truly Embraced Transformation?**

*Head of Operations at LFP Training sheds some light on the current situation and the momentum gained.*

2018 has already seen a drastic outcry by Government calling on corporates to truly embrace BEE policies in transforming the country. While this is nothing new, Deputy President, Cyril Ramaphosa has been very vocal in the past few weeks, drawing attention to a much-needed uprising in transformation.

LFP Training's Head of Operations, Jaco Posthumus says that corporates have welcomed the pressure and that we are currently seeing positive momentum in producing a globally competitive economy through our BEE policies. This is apparent with recent headlines sighting a 'surge in transformation' and South Africa boasting near to double-figure growth in top-level female appointments from 2016 to 2017.

While in the past, many have shied away or have left it only to the professionals, more companies and its employees are today understanding B-BBEE, how it relates to their business and how to successfully implement it to make a difference. Posthumus comments: "In the past, we came across some companies that wanted nothing to do with transformation or simply implemented it for the wrong reasons,"

"B-BBEE is not a quick fix and today we are seeing great in-roads from years of hard work. The companies who have taken the time to adapt their strategies, embrace the policies and change to meet sector code requirements, are now reaping the rewards".

Has Government pressure and specifically, the Deputy President's recent promotion of transformation policies helped with the positive impact that we are seeing? Posthumus answers, saying: "Absolutely. The Deputy President is a known and respected business figure so his opinion has major influence on both individuals and businesses",

"Another reason for an increase in transformation is because of private to private supplier services. More companies are now refusing to work with companies that are not B-BBEE compliant".

Speaking to the statistics released on an increase in top-level, B-BBEE-compliant appointments, Posthumus says that the spike in top-level female appointments from 13% in 2016 to 25% in 2017 is notable. "With figures such as these, we believe that 2018 will see even greater success and this again bears testament to companies embracing transformation - not only in management but in ownership structures too".

In addition, companies are looking to Skills Development as a priority element in all amended sector codes and takes up 18% of the scorecard. Skills Development allows for four initiatives that not only benefits the company, but it's employees as well, these include;

- The upskilling of employees – "Companies are now incentivized by SARS to upskill employees. This has seen an increase in productivity and improved succession planning",
- The upskilling of unemployed persons – "In an effort to reduce unemployment, Skills Development for unemployed persons by companies is also recognised. This could potentially result in the individual finding employment through the skills gained during their learnership",

- The upskilling of disabled persons – “There is now a focus on disabled people receiving education to such an extent that it increases their chances of employment,”
- Bonus points – “Companies today not only receive incentives from SARS but they could also receive bonus points for absorbing unemployed individuals. In addition, conducting business with QSE’s and EME’s is also incentivized on the scorecard to ensure the growth and success of these small businesses.”

Finally, to any company that has not yet implemented BEE policies and strategies in their organisations, Posthumus says that the time is now. “B-BBEE will always be needed, relevant and topical so instilling it in your organisation is a priority” he concludes.

### **More about LFP Training:**

Founded in 2013, LFP Training is a leader in the provision of BEE aligned Skills Development training in South Africa. LFP Training’s services are geared towards enhancing your company’s BEE compliance ensuring that your company is able to gain maximum BEE points at a fraction of the cost. The company’s offerings are tailored to educating and upskilling people with disabilities and employees looking to further their education.

LFP Training comprises of a team of 63 industry experts and combines years of industry experience with a passion for education and making a difference. The company has trained more than 3, 400 learners with an excess of 300 clients paying R60 million in stipend directly to learners; this resulted in a 100% pass rate in BEE verification audits.

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