

## Is BEE Getting Professionalised?

Was it W. Edwards Deming or Peter Drucker who said: "you cannot control what you cannot measure"? Whoever the source of this wisdom was, he might as well have been talking about BEE in South Africa.

Increasing the participation of black people in the mainstream economy is a noble goal to strive towards. Knowing whether we have achieved it, however, is hard to tell if we do not agree on which indicators to track. Is it black ownership, management control, black representation in the workplace, skills development, procurement, enterprise development or socio-economic development? ...

Advocates of broad-based BEE argue that all these indicators are important; and they are right because BEE cannot mean the same thing to all black people. Some of them merely want secure jobs; others long for procurement business or opportunities to make a success of their businesses through enterprise development. Of course, there are always the deal-makers lurking in the background to conclude those transactions we read about in the headlines.

South African leaders are not in agreement over the extent to which BEE has delivered on its promise of a better economic life for black people, i.e. African, Coloured and Indian South Africans who were citizens on 27 April 1994 – when the new constitution took effect.

One of the reasons for the discordant views on the success or failure of BEE is the lack of a common set of standards for measuring it. For instance, is black ownership essentially linked to economic benefits or voting rights or both? Should skills development expenditure be recognised even if the training does not lead to the career-advancement of black people? What form of proof is acceptable when verifying blackness? An ID document, passport, affidavit or a mere declaration?

In the absence of standards, there cannot be professionals. Without professionals, those issuing BEE certificates inadvertently serve as public relations agents for those enterprises they are supposed to inspect. While the Department of Trade & Industry (DTI) is finalising the standards and procedures for the verification of BEE credentials, various rating agencies are spewing unreliable BEE verification certificates, on which other organisations are basing procurement decisions. Therefore, when a company or state-owned enterprise claims to have spent R800 million or whatever percentage of its procurement budget on black suppliers, anyone who knows anything about BEE need not get excited. Still, life must go on; we all hope against hope that the inaccuracies in the measurement of BEE credentials are not that gross.

This is why it is heartening to read about Vuyo Jack, founder and director of Empowerdex, collaborating with the Graduate School of Business at the University of Cape Town (UCT) to present a course, termed "Experiential BEE". The course is intended to "enable businesses to map their BEE path under new BEE Codes of Good Practice, gazetted in February this year", according to the website of the university.

Says Jack, "the focus will be on experiencing how BEE is working in businesses in SA, the challenges being faced, and the solutions being developed".

Jack is a prolific writer and speaker on BEE. This initiative should be a good start in establishing a more professional framework within which to implement BEE. In the same breath, one should caution that because the DTI is still finalising its standards, those attending this course should be as dynamic as BEE is. Treating it as anything final will only leave them with a sense of loss or confusion when finality comes.

In spite of all the changes that are bound to follow, South Africa is surely on the road to more professionalism in measuring BEE; and that is a good thing.