A new era of economic transformation requires a different language, parameters, objectives and measurement criteria – it requires its own transformation in order to keep up with the competing priorities of economic development.

Who does BEE answer to?
Whilst BEE tries to achieve multiple objectives, it gets its direction from different regulators, which can lead to confusion on what its focus is and therefore who has a stake in its success. National Treasury sets the standards and bounds for procurement and preferential procurement; employment equity and skills development are the mandate of the department of labour; the department of trade and industry has general oversight; and more recently, the BEE Commissioner answers to the presidency on the progress of transformation.

And then beneficiaries of BEE are treated as a means to an end – leading to the negative connotations and experiences associated with BEE. Think fronting, tokenism, learnerships for points, rotational enterprise development programmes, frustrated managers with unfulfilled advancement promises, menial tasks for persons with disabilities, and income differentials nicely tucked into bonus and share schemes that miss the scrutiny of the labour regulator and public reporting.

This treatment, coupled with the bureaucracy of regulatory enforcement, has politicised what should be a collaborative citizen, country and corporate strategy to create a more equitable society that leads to economic inclusion and development.

BEE is not philanthropy
In her book *Trick or Treat*, Jenny Cargill quotes then deputy president Kgalema Motlanthe as follows:

‘Another weakness in the empowerment programme is that it has been focused on transfer rather than transformation. By ‘transfer’ I mean the ceding of existing assets to individuals in a manner that does not in any way alter the economic structure. By ‘transformation’ I mean the creation of new markets, new investments, and new drivers of domestic demand in the economy.’

Proponents of BEE know that sustainable transformation requires reinvestment, return and impact to widen access and retain value. With the changing legal landscape, compliance monitoring is becoming an ever-present reality and business has to rethink its transformation strategies to position them inside, rather than alongside, business strategy.

What if BEE was an investment?
Integrated reports speak fondly and patriotically of BEE, referring to it as something that is embraced, committed to and evidence of their good corporate citizenship. Yet as corporate budgets shrink in a slow-growth economy, such sentiments start to drop off boardroom agendas as strategy focuses on the bottom line. This implies that BEE is hindering, rather than adding to, business strategy.

Amanda Khoza

Alexander Forbes.

The next era of empowerment
Like any investment, how corporates perform in BEE is measured as a comparative ranking based on points and levels. Unfortunately, this refocuses the investor’s measure of success on how a company ranks, rather than on whether it has achieved its objectives and goals for its contribution to BEE.

If we continue to see success through this lens, companies will continue to play the numbers game, the compliance strategy, the quickest destination route – and the narrative of BEE will yield the same results of yesteryear.

A new collaborative approach and perspective is needed urgently before we lose the grip on harnessing the youth dividend and the dreaded effects of unemployment run amok. As we transform how we view and engage with BEE, it will begin to change how we drive it, derive impact value, and ease the prevalent unproductive tensions hindering substantive transformation.