

Reimagining transformation to make supplier diversity and inclusion possible

By <u>Gary Joseph</u> 9 Feb 2021

The Covid-19 pandemic has forced the world: governments, business leaders, citizens into unimaginable transformation. No matter who you are, where you are from, what you do, you have not remained untouched or unaffected by this pandemic which has threatened humankind's existence.



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In South Africa, one of the most unequal countries in the world, degrees of struggle each individual faces now, is exacerbated by a confluence of inadequate economic growth, widespread unemployment, sharp inequalities, low levels of fixed investment and frail levels of social capital.

Cumulatively, these are having a devastating impact on the living standards, safety, education and health of our people. And whilst some suffer far greater than a privileged few, the truth is - unless action is taken to alleviate this inequality in our economy and society – even the privileged few are doomed to suffer hardship down the line.

What this pandemic is also showing us, however, is that whilst our systems are broken, this process of transformation we are undergoing is giving us the opportunity to reimagine and recreate a new world order. The soil is ripe and we are at a critical juncture to seize the opportunities we have available, to reform our economic and social infrastructure.

What rebuilding a nation in turmoil looks like, however, is up to all of us - government, businesses, communities and individuals – we need to decide what nation we want to build and then make a bold commitment to making it happen. Each of us has an opportunity and similarly, a responsibility to play our part in aligning to growth that is inclusive of all.

Making a commitment to black suppliers by reimagining South Africa supply chains

Supporting supplier diversity best practice implementation and advocating for the transformation of procurement and supply

chains, is the South African Supplier Diversity Council's (SASDC's) commitment to playing our part in this social and economic rebuilding.

The primary goal of the SASDC is to promote supplier diversity by encouraging, supporting and assisting its member corporations to open up procurement opportunities and progressively increase their transactions with certified black-owned businesses. By supporting Black-owned suppliers, our corporates empower the historically Black communities and grow the local economies that they operate from, foster job creation in those same communities while closing the racial wealth gap due to the flow of wealth to Black families and communities.

Whilst our aim has always been to contribute to meaningful and sustainable economic transformation and inclusiveness and to be the leader and authority on strategies for supplier diversity – as a non-profit organisation, we cannot do it alone.

On January 28th, the SASDC celebrated its 10th anniversary through a live webinar. This offered a robust discussion from both corporate members.

Our guests, which included Brendan Raju, regional purchasing leader for Cummins; Vusi Fele, chief procurement officer for Absa; Dr Renee Horne, international political economist, senior lecturer at Wits Business School, and certified black-owned suppliers; Dolly Mbuyane, managing director of Nozihle Cleaning Services, Thuto Mosholi, owner of Tshegofenste New Facilities and Engineering and Lolo Elisa Papo, founder and CEO of T-Marc's Logistics, briefly reflected on the past decade, considering the successes and persisting challenges and then looked at what needs to be done today to bring about greater transformation in the future.

We made a pledge to find and utilise opportunities and innovative solutions that make doing business with black suppliers better because we believe #BlackSuppliersMatter in the economic and social recovery of South Africa.

The #BlackSuppliersMatter campaign is based on our organisational mission to:

Collaborate: we serve as a platform through which corporates, black-owned enterprises and other strategic entities can do more business leveraging preferential procurement and supplier development interventions.

Certify: we verify key credentials of our certified Black suppliers through a proprietary due-diligence methodology that the SASDC developed in collaboration with our corporate and other strategic partners.

Connect: recognising that buying is dependent on relationships, we reliably foster business networks and relationships by connecting corporates and certified black-owned businesses.

Capacitate: we build corporate member and certified supplier capacity and available best practices, tools, and expertise related to supporting and enhancing the implementation of effective supplier diversity development.

Celebrate: by celebrating, we reinforce the motivation that supplier diversity makes good business sense. We recognised

corporates and suppliers that excel due to supplier and we advocate their leadership by provided brand exposure through SASDC communication channels.

To date, the SASDC has 28 corporate members and has certified more than 830 Black suppliers, who collectively employ more than 20,800 employees and have serviced more than ZAR500m in procurement spend with SASDC corporate members.

The challenge is to create and collaborate

At the start of the national lockdown at the end of March 2020, it was predicted that: Covid-19 will put at least 1.5 million South African jobs at risk. In the third quarter of 2020, South Africa's unemployment rate rose to 30.8% from 23.3% in the previous period. It was the highest jobless rate since quarterly data became available in 2008, with more people searching for work amid the easing of lockdown restrictions.

Studies have shown that job losses were concentrated amongst those who are already disadvantaged, including women, Black Africans, the youth and less educated people.

Whilst strides have been made towards including the participation by black-owned companies in South Africa's corporate supply chains, the number remains alarmingly low.

Industries hardest hit have been mainly in the tourism, hospitality, retail, mining and manufacturing sectors. The future of our economy depends on how businesses can reimagine paths to employment. We believe, increased collaboration with black service providers will serve to promote positive outcomes for the economy and society.

Call for more government and corporate commitment and action

We call on all of our corporate members, strategic partners and a broader group of stakeholders to acknowledge that #BlackSuppliersMatter by taking supplier diversity seriously and publicly pledging their commitment to supporting Black businesses and backing this up with measurable targets. We are encouraging more corporates to join our mission.

Corporate members of the SASDC have access to a national network of committed corporate peers, bona fide and certified black-owned suppliers and high profile publicity. As a leading national business membership organisation, the SASDC is the definitive authority on supplier diversity. SASDC's leadership and broad interaction with national corporate and public policy decision-makers distinguish it as a unique and responsive source for our members.

Let us help you help South Africa transform by helping you to better buy from and develop Black suppliers.

The sign-off

Whilst the speed of recovery around the health of our people will be determined by the severity and duration of the Covid-19 pandemic and the speed at which we can develop immunity to this virus, the rebuilding of our economy and society is dependent on re-imagining ways we can create better outcomes for tomorrow.

For us, it is making business better for black suppliers, because #BlackSuppliersMatter in this new world order.

There is indeed a role we all can all play in rebirthing this opportunity. What's yours? Share you views with us @SASDCouncil and partake in the #BlackSuppliersMatter discussion.

ABOUT THE AUTHOR

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