

NBI THOUGHT LEADERSHIP 2020



28 April 2020

Social Transformation: COVID-19 and the fight for equality in an unequal society

COVID-19 has caused unprecedented social and economic upheaval. As a result of endemic inequality, the daily consequences of the pandemic are being unequally experienced across South African society, with the marginalised in society bearing the brunt of the consequences.

It is no longer possible to deny that this pandemic reinforces social inequalities and amplifies the structural deficiencies in our society.

The **National Business Initiative's (NBI's) Social Transformation** work has long been driven by the imperative of achieving a just society. At a time when social inequalities are becoming more pronounced, the work of the NBI's Social Transformation team has been more pertinent.

The NBI's work on social transformation and social sustainability encompasses four key work streams:

- **Economic Inclusion (Skills & Youth Employability; SME and Supplier Development)**
- **Inclusion and Equity (Inclusivity Blueprint; Gender Equity; LGBTQI Inclusion)**
- **Ethical Leadership and Anti-Corruption**
- **Activating Leadership (CEO Champion Dialogues; Inter-generational Dialogues)**

Considering the topical relevance of each of these work streams, especially in light of the current socio-economic climate in South Africa, the NBI Social Transformation team will be releasing a series of topic specific Quick Briefs on each thematic area.

This series of Quick Briefs will highlight how COVID-19 is impacting transformation imperatives, as well as how our work aims to address them. To introduce this series, the NBI has linked some of the more pressing COVID-19 impacts with the outcomes that will be addressed.

We have grouped the issues and responses required according to the work streams that will address each imperative. In terms of social transformation work, these are the key risks that we have identified and which our work will aim to address:

Enabling Economic Inclusion

The economic implications of COVID-19 are being experienced disproportionately. In the short-term, companies in the formal sector are more likely to have the cash reserves to sustain their organisations through the lock-down. SMEs are in direct danger of collapse, despite the numerous funding schemes available, which could result in further job losses.

South Africa's large informal sector is being hardest hit. It is also the sector least able to handle economic shocks. For those living on the edge, the battle to save lives on the health front is in danger of being lost to hunger if the economy remains shut for an extended period. Feeding schemes and financial support are fundamental until such time as the economy can safely transition to a new normal.

Progress made on the skills and youth employability front is in danger of taking a monumental leap backwards if not kept high on the agenda of companies, as we seek to reopen and rebuild our economy. There are however, inherent opportunities in up-skilling workers in key sectors needed to rebuild the economy, as well as in preparation for new ways of working in the future. The NBI's strategy of creating enabling environments (for both individuals as well as SMEs) will be necessary now, more than ever, as South Africa rebuilds its economy. This work will need to include the following focal areas:

- **Increased solutions in addressing barriers to entry (individuals and SMEs)**
- **Facilitating learning and knowledge sharing among entrepreneurs and SMEs**
- **Developing inclusive, collaborative business models**

[Inclusion and Equity](#)

The new world of virtual work is widening inequality in the workplace. For those fortunate enough to still find themselves employed, the boundaries between home and office have blurred, with many struggling to balance the multiple roles of parent/spouse/employee simultaneously. This is creating heightened levels of anxiety, which are exacerbated in those with underlying mental health problems. In many cases, those suddenly out of work may be even more vulnerable, with issues of depression and increases in suicide levels of utmost concern as personal financial implications mount.

The United Nations' **Policy Brief: The Impact of COVID-19 on Women** highlights the disproportionate impacts on women of both unpaid care work as well as escalating incidences of gender-based violence (GBV) under lock-down conditions. The NBI's Newsflash **Gender-Based Violence in a time of COVID-19** implores companies to navigate the uncharted territory of home and office becoming one new space, in order to assist vulnerable employees in abusive situations.

The NBI's report **Gender Equity in the Workplace** highlights the far reaching issues of not only the gender pay gap but gender inequality in the workplace. With the worsening of workplace inequality under COVID-19 conditions, concerted efforts will be required from all to forge ahead in radically reducing inequality post COVID-19.

[Ethical Leadership and Anti-Corruption](#)

Crises tend to amplify the best or worst in people. The same is true of leadership. The COVID-19 crisis has elicited shining examples of leadership, not least of all from President Ramaphosa. But large-scale solutions will come at great financial cost.

The national response to the COVID-19 crisis will have enormous financial implications for Government, which may be accompanied by a collapse in revenues from taxes. The simultaneous downgrade by Moody's of the South African economy to junk status will contribute to the fiscal deficits and depreciating Rand. With an economy already weakened from years of corruption under the Capture era, it will be more necessary now than ever to ensure ethical leadership so that South Africa rebuilds better than before. This will involve a new era of long-term State capacity building, with the NBI's previous work in the capacity building space, ideally placing it in a strong position to lead this work.

[Activating Leadership](#)

The imperative of a post COVID-19 world and especially workplace, will be not simply to rebuild but also to reinvent. It is not enough to acknowledge that the way we have done things in the past has entrenched systemic inequality.

The **NBI's Programme Manager for Social Transformation, Bridgette Mdangayi**, explains how South African businesses and leaders have demonstrated strong leadership by reacting early and decisively to COVID-19. Bridgette stresses the fact that as part of rebuilding the economy we will need to find "remedial solutions for how corporate organisations deal with the multiple impacts of COVID-19, with bold leadership at the centre of these responses."

We need to grasp the opportunity to do things differently by promoting bold, brave new models of leadership and ways of work. The solutions required will be remedial capacity building in organisations to assist in re-introducing people back into a whole new work while proactively dealing with issues such as GBV, LGBTQI inclusion and closing the gender pay gap.

The NBI has its work cut out for it in terms of achieving social transformation in a COVID-19 transformed world. We will provide details on how we plan to address these issues in the short, medium and long-term in our series of Quick Briefs on our individual streams.

The greatest lesson from COVID-19 has been that we need the moral courage, bold leadership and ambition to break from the mould of the past. COVID-19 presents us with the opportunity to tackle systemic change. The NBI Social Transformation team is ready to meet this challenge.

For more information on the work of the NBI's Social Transformation team, please contact:

Bridgette Mdangayi: BridgetteM@nbi.org.za



Copyright © 2020 NBI, All rights reserved.

The National Business Initiative (NBI) is an independent and voluntary coalition of South African and multinational businesses launched in 1995 by the then President, Nelson Mandela

Our mailing address is:

NBI
61 Katherine Street
Dennehof
Sandton, GP 2196
South Africa

The National Business Initiative (NBI) respects your right to privacy, if you do not wish to receive any further news updates from the NBI, please click [UNSUBSCRIBE](#) and your name will be removed from the mailing list.