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Addressing Racism in the South African Private Sector

An important saying has emerged in the recent global and local commentary surrounding protests against racial injustice – “silence is complicity.” This call emphasises the need to be vocal and deliberate in meaningfully addressing systemic racism: personally, organisationally and broadly within society. Part of being deliberate is deepening our understanding of how systemic racism manifests, by designing and implementing appropriate interventions that aim to address these in order to achieve racial equity. Being deliberate also requires that the goal of transformation and racial equity be articulated.

In the South African context, the private sector continues to be criticised for the slow pace of transformation with little change year on year. The latest Employment Equity report shows that white men remain significantly overrepresented at 55.4% in top management and 39.9% in senior level positions across private sector leadership. The underrepresentation of Black people in key decision-making and influential positions contributes to workplace cultures and business practices that perpetuate racism and systemic exclusion. We have reached a juncture where socially driven clients, customers and other stakeholders are forcing companies to reflect on how racism compromises the achievement of transformation, or risk having their businesses negatively impacted.

As a result, many companies have found themselves at the centre of social scandals due to untransformed organisational cultures and practices, underrepresentation of Black staff in senior and executive leadership and a customer engagement interface which excludes Black people.

A key aspect of building a truly equitable and just South African society is through structural transformation, which understands the historical significance of how current social systems marginalise specific groups of people. This lack of transformation has led to various companies finding themselves in the position of having to respond to public backlash and outcries relating to underrepresentation, insensitivity and racist products and adverts, all of which directly undermine the national transformation agenda.

Urgent dialogue and action are needed in the private sector to meaningfully address this inequity through accountability and actively working towards transformed business cultures. It also requires leadership that

understands how social power dynamics and privilege impacts Black people's experiences, especially as they often operate in exclusionary and hostile environments. Understanding that representation is a means to an end, means that business takes the responsibility of continuously engaging the social nuances and intricacies where racism is pervasive.

We propose these key transformative interventions to be made by the private sector:

- Anti-racism should be embedded in company values by recognizing how social systems keep Black people marginalised in the workplace, as they are in broader society.
- Tackling biases that exist in hiring and promotion processes by recruiting and retaining staff which are representative of the South African demographic.
- Creating leadership spaces and opportunities which prioritise and are exclusive to Black employees.
- Consistent dialogue and engagements with experts focusing on the local and global shifts on racial discourse.
- Closing income disparities which disproportionately affect Black employees.

As part of our work at the **National Business Initiative (NBI)**, we engage member companies on the social and economic importance of transformed organisations, which speak to and reflect the realities of the broader South African society. These dialogues are critical, as we previously noted in the **president's newsletter**, on the slow pace of transformation in the private sector. Aside from legal and compliance requirements, it is in the best interest of the private sector to transform, in order to be truly reflective of the South African demographic, while meaningfully engaging with the public to advance social and economic justice.

Companies interested in learning more about our Transformation and Equity pathway are encouraged to contact Khanyisa Nomoyi at KhanyisaN@nbi.org.za

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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.

NBI Website: www.nbi.org.za

Email: info@nbi.org.za

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