

# B-BBEE shouldn't be a tick-box exercise. How impact sourcing can address this

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In South Africa, Broad-Based Black Economic Empowerment (B-BBEE) has always been aimed at addressing historical inequalities and empowering previously disadvantaged individuals. However, it has proven a challenge to implement in a meaningful way, and for many businesses it has become a tick-box exercise and little more. The concept of impact sourcing is one way that we could work toward addressing this.



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## A hub for change

South Africa is becoming an outsourcing destination of choice in the international market, especially around call centre services. This presents us with a unique opportunity to affect real, meaningful change. The concept of impact sourcing has emerged in recent years 'as a business practice where a company prioritises suppliers that intentionally hire and provide career development opportunities to people who otherwise have limited prospects for formal employment'.

Impact sourcing dovetails perfectly with the spirit of B-BBEE. It is a way for the local private sector to aid in the upliftment of disadvantaged individuals and their families and communities by employing them in the BPO space. In turn, this will help to stimulate the local economy, which will assist in generating more jobs and growth.

## Compelling the case

With South Africa's distressingly high unemployment rate, particularly among the youth, addressing this challenge has become paramount. One of the challenges for those seeking employment is always the lack of skills, either because the education system is insufficient, or the individuals simply cannot afford to educate themselves further. The idea of impact sourcing centres on finding disadvantaged individuals with high potential and assisting them in earning a living wage, while also giving them opportunities to build skills.

Impact sourcing provides opportunities for people to gain the skills they need to differentiate themselves within the workforce, while companies can meaningfully achieve B-BBEE status by providing training, skills development and employment. The key is to find disadvantaged people with potential, and then securing and growing this potential for the benefit of the individual and the organisation.

## **Leading the way**

The first step is to identify high potential candidates and then to provide them with opportunities and upskill them. In turn, this favours the organisation by improving the quality of employees and opening the door to contracting with other companies that have skilled personnel available. In turn, improving the quality of employees and business makes South Africa even more attractive as an outsourcing destination.

The two foundational pillars are identifying the value of impact sourcing and developing potential. Not only is this an essential part of B-BBEE, but it is also aligned with the UN Sustainable Development Goals (SDGs), which is increasingly becoming a requirement for international companies seeking outsourced services.

If South Africa wishes to remain an outsourcing destination of choice and to grow this sector for economic development, impact sourcing is fast becoming essential. BPO providers can lead the way by focusing on impact sourcing led from within and then by taking these skills to the broader market to the benefit of all.

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