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CBE Focus



Covid-19 TERS Benefits extended

The CBE welcomes the announcement during the State of the Nation address by President Cyril Ramaphosa on 11 February that special grants and Covid-19 TERS benefits are to be extended, albeit for a short period until 15 March 2021 for the altter.

The President said that this decision was made after ongoing discussions with government's social partners in business and labour, who proposed an extension of some of the social and economic support that was provided as the pandemic forced a national lockdown last year.

"We have therefore decided to extend the period for the Special COVID-19 Grant of R350 by a further three months. This has proven to be an effective and efficient short-term measure to reduce the immediate impact on the livelihoods of poor South Africans.

"We have also decided to extend the COVID-19 TERS benefit until 15 March 2021 only for those sectors that have not been able to operate," the President said.

The conditions of this extension and the sectors to be included will be announced after consultations with social partners at NEDLAC, with SMME's set to get some kind of priority attention.

"The National Treasury will work with its partners and stakeholders on improvements to the loan guarantee scheme so that it better addresses the realities of SMMEs and other businesses as they strive to recover. We will work with our social partners to ensure that these and other interventions provide the relief to those who most need it," the President ended his part of the speech on this matter.

Do we need an economic Codesa?

An Economic CODESA must be seriously considered by Government. We need a Laissez Faire approach to the Economy - motivation from Yusuf Moosajee
CBE General Secretary

The Covid 19 Pandemic has wreaked havoc with economies all over the World. Similarly in South Africa many businesses are in intensive care and many have unfortunately shut their doors. The downgrading of our economy just prior to the first lockdown has exacerbated our economies woes.

The vaccine rollout, seemingly having problems of its own, certainly does not do our cause any good. What happens next is anyone's guess. As stakeholders of our economy we need a progressive approach to kick start the economy. An Economic CODESA must be seriously considered by Government. We need a Laissez Faire approach to the Economy. Some of the issues that needs to be interrogated under the economy review are:

1. Job creation needs to form part of a National Business Plan.
2. We must create competition and break down all the monopolies, cartels and control boards.
3. Sub-contracting by large organisations and government to the informal small business sector must be part of daily business.
4. There is too much red tape for entry into business - this must be minimised.
5. An interest rate reduction scheme, administered by the commercial banks for small business, should be introduced.
6. Government's expenditure is the root cause of South Africa's inflation, the country has a bloated bureaucracy - this has to be slashed.
7. The re-introduction of technical colleges must be implemented .The country needs more people with technical skills, thus creating new job opportunities.
8. To ensure business competitiveness, it is important that management and trade unions work together. Salary and wage increases, which outstrips productivity increases, cannot continue unabated. Methods of working together more effectively must be developed.
9. Import price parity should be prohibited as it is counterproductive. How do we require South African manufacturers to pay heavy duties on imported raw materials, and then face competition from foreign manufactured goods, which can be imported at a low rate of duty or imported duty free? This has a direct impact on job losses as manufactures cannot compete.

Business must always be pro-active and lobby government for appropriate legislation that is enabling. The CBE welcomes your feedback on these and other challenges that the business community is currently facing

Using open contracting to connect the dots

by Ebrahim-Khalil Hassen

We are a nation of dot connectors, yet some dot connections are more equal than others.

The *Public Procurement Bill (PDF)* released by the National Treasury should connect the dots from the State Capture Commission and use this experience to propel a reform agenda.

The Bill makes many useful interventions. Taken together these interventions will however not provide a system needed to protect public monies from scurrilous networks. I would argue that a solution lies in 'open contracting' which shifts power to citizens and disrupts scurrilous networks.

Fixing procurement has already resulted in pilots which include:

- **Centralisation.** The establishment of the office of the chief procurement office and the introduction of transversal contracts are examples of this.
- **Open Tenders.** Government departments including the Gauteng Province and Department of Public Works now run tender processes in which public can participate.
- **Internal audits.** Improve compliance within departments has had success in many departments.

These reforms are significant. The people running internal audits or open tenders however raise the central weakness: oversight happens **after** a decision to run a tender or appoint a service provider are made. The challenge is how to add rigour and transparency **before** decisions are made.

The major reform in the bill is the establishment of a regulatory body to provide oversight and adjudicate disputes. However, it only has substantive powers once decisions are made. An open contracting system happens while decisions are being made and reduces the need for post-decision evaluation. This would allow the regulator to focus on systemic interventions rather than disputes

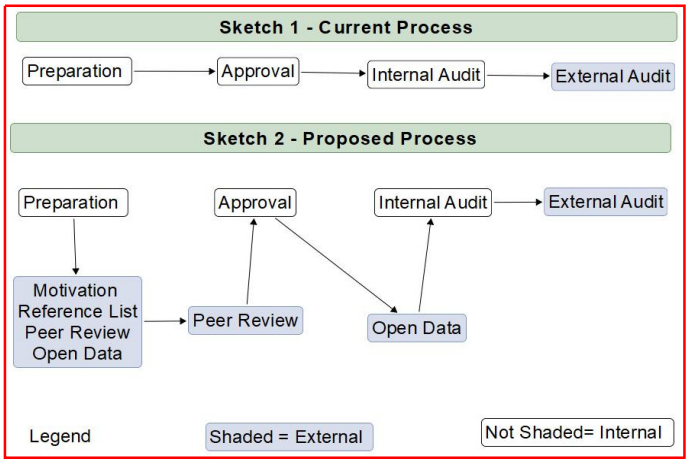
Open Contracting

'Open contracting' is exactly what it says – contracting undertaken transparently and supported by extensive use of technology. In our context, the backdrop of state capture and political will for reform make South Africa a viable candidate to join a range of experiments across the globe. The ideas discussed combine ideas of open contracting with idea of a distributed ledger, which is the cornerstone of blockchain technology.

The current process occurs in government departments, the proverbial silo. The decisions to undertake a tender or appoint a service provider are made within the department with reference to relevant legislation and records. Our experience shows that the system is not only open to rigging but also excessive spending.

The open contracting model on the other hand increases transparency by:

- Gathering information as to why and how much government will sign a contract. This includes motivations, referencing pricing data and peer review.
- Requiring a peer review process before decisions are finalised. A skilled public service manager – randomly selected – would review decisions and communicate an opinion, including to observers. These can be done in hours, not days or weeks, with proper systems.
- The data is public and structured, thus supporting the use of algorithms to detect corruption and improve spending. This empowers civil society organisations who can access information and participate throughout the process.



Within a decade of implementing this idea, the results will include:

- The cost of procurement and outsourcing vs in-house delivery would be transparent.
- A credible list of prices that would improve budget choices.
- Machine learning would support early warning signalling system.
- Activist organisations would have the information available.
- The formation of scurrilous networks would be significantly harder.
- Small business would benefit as the system would support enforcement of set-asides.

The starting point is however low tech. A team would focus on understanding procurement for a year. The reason for doing this is to build systems based on experiences. Such a reform process should form part of the Public Procurement Act.

As an example, a PHD candidate runs an experimental version of her algorithm and finds anomalies in proposed spending on early childhood development. The data is shared with organisations working on ECD and parliamentarians. The dots are connected before the decision are made.

In this new world, all dot connectors are equal.

Ebrahim-Khalil Hassen is an independent analyst and entrepreneur and a member of the CBE Panel of Experts

CBE History - Down memory lane - Launch of Tribute to our Heroes



Nizam Kalla presenting Award to Uncle Kathy Kathrada



Activist Shanti Naidoo receives her award from Krish Naidoo

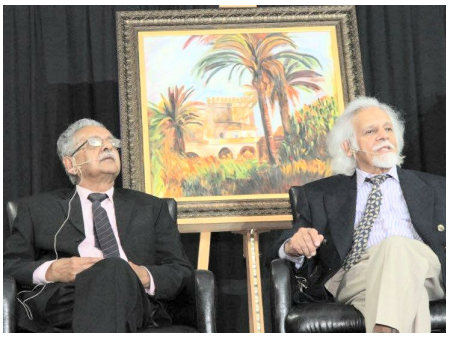




CBE surprised Ronnie Kasrils by celebrating his 75th birthday. Akhtar Thokan (L) is handing Ronnie his Award.



Prof Khadija Moloi accepting award from Salim Aziz



Abdulhay Jassat (L) and Mosie Moolla talking about their daring escape from the infamous Marshall Square



Jay Pema handsover the Award to Abdulhay Jassat



Among the foreign guests was the First Lady of Niger (L) who is chatting to Ahmed Kathrada

The 16 November 2013 saw the birth of the CBE's "Tribute to our Heroes, our Legacy and Contribution to our Country" awards gala dinner. The venue was the Birchwood Hotel in Boksburg, with over 800 attendees.

The pictures on this page show some of those who were honoured at that inaugural event. In the ensuing weeks, the CBE was flooded with comments from guests and recipients who lauded the event as a highlight of the year.

They singled out in particular two components of the event - the keynote address by the late Comrade Ahmed Kathrada, popularly known to all as 'Uncle Kathy' and the "Story Telling" segment of the night, where moderator Shan Balton steered an informative and entertaining discussion as veteran activists Mosie Moolla, Abdulhay Jassat and Ronnie Kasrils recounted their daring escape from Marshall Square.

The enthralled audience also complimented Balton for the manner in which he professionally extricated the tales from the veterans. Someone also commented that the daring escape and events would certainly make a good movie.

The awards were renamed the Ahmed Kathrada Excellence in Leadership Awards, in honour of the renowned freedom fighter who spent only a year less than his lifelong friend Nelson Mandela as a political prisoner.

The CBE has continued with the "Tribute to our Heroes, our legacy and contribution to our country" theme, as an annual event which has fast become a calendar event for many.

By 2018, the awards were renamed the Ahmed Kathrada Excellence in Leadership Awards, in honour of the renowned freedom fighter who spent only a year less than his lifelong friend Nelson Mandela as a political prisoner.

Many of South Africa's champions of Democracy have been honoured at the annual events hosted since then. Unfortunately, the Covid-19 pandemic and the resultant lockdown and its related regulations effectively put a damper on the 2020 edition, despite planning already having started at the beginning of the year.

The CBE is determined to resume its annual showpiece as soon as we are back to normality from the unprecedented situation we still find ourselves in, sadly with a slim chance of this still happening in 2021.

We invite you to become a member of the CBE.

Please email yusuf@cbeonline.co.za for membership details. Or call Yusuf on 083 786 1960 for more information

Employee desertion from work



The article - reproduced from the CCMA Info Sheet - was submitted by **Mahamed (Prof) Rajah** - a member of the CBE Panel of Experts

Meaning

Desertion implies that an employee has left the place of work and does not appear to have any intention of returning to the workplace.

How Long?

Although the law does not state a specific period after which an employer can assume that the employee does not intend returning to work, in practice it is generally accepted that the period should not be less than five days.

The employee has an obligation to inform the employer of any reason why he/she is unable to be at work (for example being sick or having to attend to a family crisis), and when he/she intends returning to work. The employer would then have to agree with the employee about when he/she should return to work.

However, where the employee does not contact the employer, the employer has an obligation to try to contact the employee.

The purpose is to warn him/her of the possible consequences of staying away from work without permission, to determine whether there is a valid reason for the absence and why the employee could not contact the employer (for example unconscious in hospital) and to satisfy the employer that the employee has no intention of returning to work.

What should you do

The appropriate thing to do would be for the employer to make contact with the employee using the employee's last known contact details:

- informing him/her that he/she needs to explain his/her absence from work,
- and in the absence of an acceptable reason, that unless he/she returns to work within a reasonable period (which must be specified),
- he/she will be regarded as having deserted and
- his/her services may be terminated. Forms of contact could include the following examples or a combination of the following:

1. sending someone to the employee's place of residence;
2. sending the employee a registered letter;
3. sending the employee an e-mail;
4. sending the employee a telegram; or
5. sending the employee a text message.

If the employer does not have an address for the employee, the employer should make a reasonable effort to get a message to the employee (via family, etc.) and keep a record of such attempts.

Whichever form of contact is used the employer should keep written proof that such communication has been delivered.

If the employer does not have an address for the employee, the employer should make a reasonable effort to get a message to the employee (*via* family, etc.) and keep a record of such attempts.

What to do if the employee returns?

If the employee returns to work by the specified date, the employer is entitled to enquire as to the reasons why the employee was absent from work and why he/she did not notify the employer earlier about the reasons and circumstances causing the absence.

The employer can then, based on the explanation given, decide on whether or not to take further action against the employee, for example disciplinary steps.

What to do if the employees contacts employer?

If the employee makes contact with the employer within the period given, the employer can enquire as to the reasons why the employee was absent from work and why he/she did not notify the employer earlier about the reasons and circumstances causing the absence. The employer can also agree with the employee when he/she will return to work.

The employee returns after the date given

If the employee returns to work after the date given, the employer would be obliged to give the employee an opportunity to explain him/herself.

This would include giving reasons why he/she was absent from work, why he/she did not contact the employer and why he/she did not return to work within the period specified.

Where the reason is such that it was clearly not possible for the employee to make contact with the employer or to return earlier (for example been hospitalised), and particularly where there is some proof to support the employee's claim, or this claim can be verified in some way, the employee should be re-employed.

Obviously, this will depend on the reasons given for the absence, and the proof that the employee can provide to support his/her claim.

Other

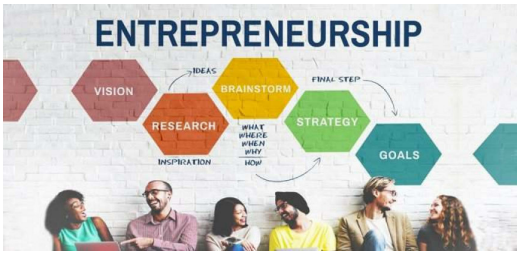
Even where the employee admits to desertion, he/she is still entitled to be paid for any period worked, and to be paid for any leave that has accumulated, together with their completed UI19 form, certificate of service and completed provident fund forms, if applicable.

Relevant legislation

- Labour Relations Act 66 of 1995 as amended Code of Good Practice: Dismissal .

Is your business coherent to the New Normal?

Ahmed M. Seedat



Historically, family businesses have been insular in thinking and practice in that they run a "closed shop operation", meaning that the family model will determine the direction the business will follow. All organisational practices, administration and business strategy is confined to hand-downs over generations, with the patriarchal head conducting business like a master chess player. All family members serve as chess pieces confined to specific parameters in their movement, roles, functions, and decision making.

As family business is constrained to linear management, all the thinking about business growth, people management, marketing, and the look and feel of business premises are perpetuated in a monotonous cyclical manner. To compound this, family members are limited to bouncing their business development plans against other family members. The ideas are limited to within the confines of the family. The family business becomes stifled by an organisationally incestuous relationship.

The business fails to cross-pollinate ideas in business strategy with outside and "foreign" business drivers. Trending strategies are viewed as contaminating the historically "tried and tested" modus operandi. What tends to happen is that similar and antiquated ideas are produced and reproduced in the business. The culture of the business remains static and oblivious to the dynamic business culture espoused by competitors in the economic landscape.

A biological feature of this "inbreeding" is that it can have catastrophic results with resultant genetic maladies. The family business will, over some time, experience maladies such as organisational in-fighting and differences of opinion on operations, succession challenges and management of the business.

An attempt to embrace organisational traits from outside the gene-pool is viewed with suspicion and to an extent looked upon in disdain. Whilst there may be apparent family synergy at surface level, deep-seated contempt starts to fan the flame of enmity and acrimony amongst family members with regards to "business politics".

Disgruntled corridor chatter amongst like-minded family members starts to emerge, disturbing the structural balance of the business. "Business politics" and "family politics" become synonymous and can puncture family unity and the very ethos on which the business was founded.

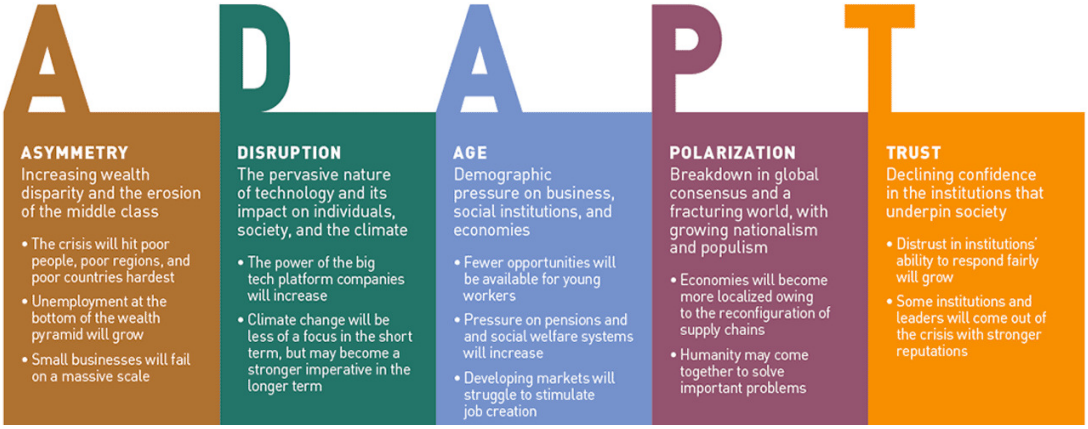
Ironically, family members present a façade of family unity, but the opposite holds. The business owner and employee-subordinate relationship become strained and employees use this for their benefit.

By operating in a fixed, like-minded, and inbred thinking capsule without allowing for acculturation and assimilation with current business practices, family businesses can become sterile. Are family businesses coherent in the new normal?

Businessman and author, Ahmed Seedat, has spent years cultivating his knowledge and experience into holistic solutions, empowering a multitude of entrepreneurs globally. He currently holds a Master of Business Administration (MBA) degree exploring the same topic, which has encouraged him to author two books. He is a member of the CBE Panel of Experts.

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COVID-19 accelerates the trends transforming our world





After Covid19 how long will it take your business to get back to Normal?