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Work-Back Arrangements and Skills Development of Previously Disadvantaged Employees through B-BBEE in the South African Private Sector

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A research proposal submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in the field of Business Administration.

Supervisor: Dr. Tsele Moloi

Johannesburg, 2023

ABSTRACT

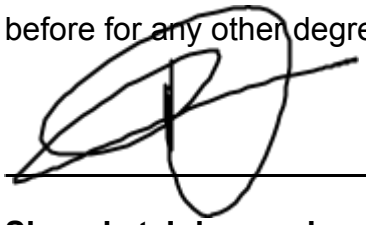
This study sought to explore the implementation of work-back payback agreements and their nexus with BBBEE scorecards through a case study of large entities in Secunda, a small region in the Mpumalanga Province. Using a qualitative case study approach, seven participants were purposely selected from large entities in Secunda. The data was collected through in-depth interviews with the selected participants. The interviews were audio recorded, transcribed verbatim, and then subjected to reflective thematic analysis (RTA) to identify emerging themes.

The analysis showed that the main drivers for training and development were the need for productivity in line with the strategic objectives of the organizations and, to a lesser extent, to improve the BBBEE scorecard rating of an organization. The study also identified employer and employee challenges, such as the inability to pay back when contracts are breached.

Overall, this study strengthens the idea that training and development improve productivity and that BBBEE scorecard points are effective incentives to encourage employers to invest in the skills development of the previously disadvantaged.

DECLARATION

I, **Annah Lerato Makwela** declare that this research report entitled "**Work-Back Arrangements and Skills Development of Previously Disadvantaged Employees Through B-BBEE In The South African Private Sector"** is my own unaided work. I have acknowledged, attributed, and referenced all ideas sourced elsewhere. I am hereby submitting it in partial fulfillment of the requirements of the degree of Master of Business Administration at the University of the Witwatersrand, Johannesburg. I have not submitted this report before for any other degree or examination to any other institution.



Signed at Johannesburg on 29 February 2024

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DEDICATION

I dedicate this thesis to my beloved late father Peter Matome Makwela. Your ability to push yourself and open doors that are not meant for you has been my driving force and motivation since I was a little girl. I hope I have made you proud in all that I do. You are loved and dearly missed.

ACKNOWLEDGEMENT

I dedicate this thesis to the most important people in my life, whose unwavering support, love, and encouragement have been the driving force behind my academic journey. To my family, friends, mentors, and colleagues, whose unwavering support, encouragement, and guidance have been instrumental in my academic journey. Your belief in my potential and your constant encouragement have inspired me to overcome challenges, strive for excellence, and pursue my passion for knowledge. This thesis is a reflection of our collective efforts, and I am forever grateful for your presence in my life

To my classmates, professors, supervisor and colleagues, whose camaraderie, collaboration, and shared experiences have made this academic journey memorable, I am grateful. Your friendship, support, and shared passion for learning have made the challenges more manageable and the victories more rewarding.

Lastly, to myself, this thesis is a testament to your determination, resilience, and unwavering commitment to academic excellence.

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LIST OF ACRONYMS

AA	Affirmative Action
B-BBEE	Broad- Based Black Economic Empowerment
EEA	Employment Equity Act
RoS	Return of services schemes
SD	Skills Development
SDA	Skills Development Act 97 of 1998
SDL	Skills Development Levy
TRAPs	Training Repayment Agreement Provisions

CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 Introduction

Investing in the skills development of the previously disadvantaged is seen as a noble act of social justice. Employers are encouraged to consider black people when implementing training and development in their organizations. While there are benefits for organizations to up-skill their workers, the South African government further provides incentives to employers who invest in the training of the previously disadvantaged in the form of points on the BBBEE scorecard. This creates tension between employers and workers who believe that paying back the tuition fees would result in employers benefitting twice. The aim of this study is to investigate these tensions that arise in the implementation of work-back payback agreements.

1.2 Background

To be competitive and to be strategically positioned for business in South Africa, organizations should have a good Broad-Based Black Economic Empowerment (BBBEE) rating (Govender, 2014; Pillay, 2018). This rating ranges between 1 and 8 with 1 being the highest score. Fidelity Verification (2024) cites five critical reasons for why private sector organizations should strive to have better ratings. The first, and perhaps the most important benefit for businesses to get a higher rating is the improvement in chances to do business with public sector organizations including public entities and municipalities. Many government tenders work on strict 80/20 or 90/10 split for very large contracts (Fidelity Verification, 2024). A higher BBBEE score determines the business chances of getting such contracts (Van Niekerk, 2019). The second and equally important reason for higher BBBEE scorecard is to improve the opportunities to do business with large companies which can improve their own rating in line with preferential procurement (Fidelity Verification, 2024). The other three reasons relate to the ethical participation of business in the transformation of the South African economy and society which in itself improves the image of the organisation.

Given this background, it is indisputable that most businesses in South Africa place a higher premium on the BBBEE scorecard at the center of their strategic goals and actions. Besides ownership structure, there are many other ways businesses use to

improve their BBBEE rating (CHRO South Africa, 2023; Empowerment, 2023). One strategy for improving BBBEE scorecard that is critical for this study is training and development. Empowerment (2023) emphasise that businesses need to be smart and leverage training and development programmes that are already mandatory under the *Skills Development Act* in order to improve their BBBEE scorecard. To illustrate, CHRO South Africa (2023: online) says businesses should "implement training programmes that award points in various areas of the skills development scorecard and possibly management control as well". This includes learnership programmes and short courses. The funding of such programmes is often done through Training Repayment Agreement Provisions (TRAPs) (Harris, 2023), return of services schemes (RoS) (Mabunda *et al*., 2022), Work Back Contract - Service Agreement (HRworks, 2023) or Payback clause (Cedefop, 2023) in which the beneficiary undertakes to pay back if he or she is unable to fulfill the obligation of working back.

Against this background, the implementation of payback clauses seems problematic in the context of training and development that is intended to improve BBBEE scorecard. While it is clear that a worker would have entered into such an agreement with the intention of career growth and progression, business enters into the same agreement with two purposes which are improvement in BBBEE scorecard and increased productivity. The implementation of payback clauses becomes questionable when an employer has already been awarded BBBEE points even in the event of a beneficiary leaving the organisation. This study sought to understand the perceptions of beneficiaries and employers of the implementation of payback clauses in the context of BBBEE.

1.3 Work back agreements

In the context of South Africa, "work back agreements" may refer to contractual arrangements or agreements that outline certain conditions under which employees agree to repay their employers for specific benefits or training received if they leave the company within a specified period (Fidelity Verification, 2024). These agreements are often implemented as a way for employers to safeguard their investments in employees, particularly in cases where the employer has funded training, education, or other benefits (Cedefop, 2023). There are various contexts in

which work back agreements and are implemented in the South African context. Although they may not be called work-back agreements, they all have common traits which make them work-back agreements.

The concept of work back is not a recent one. By 1993, employers had already started protecting the investment they make in the employee training and development (Kraus, 1993). However, the methods they used for such protection could be considered soft as they encouraged loyalty through job satisfaction. Labour market pressure and competition for qualified workers who receive specialized training seem to have exceeded the internal soft approaches to retain workers. By 1998, employers started implementing ‘stay or pay’ mechanisms (Allerton, 1998) to ensure that employees had to pay if they leave before the expiration of a minimum period. By 2000, employers’ use of ‘restrictive covenants’ were a common across different industries and occupations (Lester, 2001). Recently, work back agreements have become common in South African industries. The use of such arrangements is common especially in the context of the need to improve BBBEE scorecard rating (Fidelity Verification, 2024).

1.4 Understanding BBBEE and Skills Development

It is imperative to understand the nexus between BBBEE and skills development in order to fully comprehend the effect of work-back agreement on workers and employees. Training and development form a significant proportion of BBBEE scorecard rating with 20 plus 5 bonus points (Business Optimisation Training Institute, 2003). This makes it an attractive BBBEE target as it benefits the organisation in two different ways, improving productivity and gaining BBBEE points. Organisations can gain BBBEE points through skills development by spending on learnership programmes for black people, giving bursaries at institutions of higher learning and the absorption of trained black into the workforce. Companies with an annual turnover of over R50 million are expected to spend to spend “6% of their payroll on BEE Skills Development” (BEE Empowerment Services, 2023: Online). It is clear that organisation have a lot to benefit from investing in the development of the black employees beyond productivity.

1.5 Problem statement

Organisation should leverage training and development as a mechanism to boost productivity (Persada & Nabella, 2023) as well as a way to improve their BBBEE scorecard rating (CHRO South Africa, 2023). In this process, businesses should invest in their employees through funding their training. The role of business in training and development is critical because most employees in South Africa cannot fund their own training. Unfortunately, such funding assistance is often given under strict conditions of work-back or pay back agreements (Cedefop, 2023). On one hand, this is due to genuine concern by employers to safeguard their investments in the employees. On the other, employees who would want to leave the organisation abound to stay or pay. This leads to demoralised employees who are convinced that there is no need for them to pay as the employers would have already secured crucial BBBEE points regardless of whether they stay or leave. In some cases, this has led to expensive and time wasting legal processes. In one recent case (Case No: JR2252/19) of *The Trustees for the Time Being of the Ampath Trust Vs Louisa Aletta Ingram* the parties disagreed on the "Work-back Period and Repayment" clause, which required the employee to pay back. This is counter intuitive in view of BBBEE which seeks to promote equity and justice in the workplace and in business.

In light of these events, recently, researchers have shown an increased interest in the implementation of work back or pay back agreements (Harris, 2023; Persada & Nabella, 2023). For instance, investigated legal challenges in the implementation of Training Repayment Agreement Provisions (TRAPs) in the United States. In another study, Pillay (2018), explored the influence of BBBEE on access to funding for SMEs in South Africa. While these studies and others are critical for setting a framework for understanding work back agreements, they barely pay attention to the nexus between BBBEE scorecards and the work back agreements. Few researchers have been able to draw systematic research on this theme. Surprisingly, the issue of BBBEE and work back agreements has not been closely examined particularly in its relation with training and development. As a result, our understanding of the implementation of BBBEE and work back agreements in South Africa is based on conjecture and speculation.

1.6 The aim and objectives of the study

Drawing on a case study of large entities in the Secunda, a small region based in the Mpumalanga Province, this study seeks to explore the implementation of work back pay back agreements and their nexus with BBBEE scorecards.

1.6.1 Research questions

a. What are the main drivers for undertaking and funding training and development of previously disadvantaged South Africans in private organisations?
b. What are the main employee challenges of using the work back pay back agreements for funding training and development?
c. What strategies can be used to solve the challenges associated with work back pay back agreements for funding previously disadvantaged employees' training and development?

1.6.2 Research objectives

a. Exploring the main drivers for undertaking and funding training and development of previously disadvantaged South Africans in private organisations
b. Understanding the main employee challenges of using the work back pay back agreements for funding training and development.
c. Exploring strategies can be used to solve the challenges associated with work back pay back agreements for funding previously disadvantaged employees' training and development

1.7 Significance/Importance/Contribution

The current study holds significant potential to contribute to various stakeholders involved in South Africa's transformation landscape. Employees are likely going to gain an improved understanding of rights and entitlements. This is achieved through an exploration of the implementation of work-back-pay agreements. To businesses, the study provides valuable insights into how work-back-pay agreements impact BBBEE scores, enabling companies to align their practices with the codes and maximize their scores. Such knowledge and understanding is likely to improve labor relations and result in unproductive costly disputes. Another important significance of

this study is that findings can inform the development of policies on payback, BBBEE compliance, and other labor rights, which would result in fairness and equity in the workplace. Such policies are useful in addressing unintended consequences of payback schemes and potential loopholes in the current practices by examining the nexus between work-back-pay agreements and BBBEE scores. For researchers, particularly in South Africa, the study can act as a springboard for further research by providing valuable knowledge to the body of research on BBBEE, labor relations, and corporate social responsibility in South Africa. In summary, through delving into the complexities of work-back-pay agreements and their connection to BBBEE scores, this study has the significant potential to make an impact by promoting compliance, improving labor relations, informing policy development, and contributing to academic knowledge.

1.8 Justification/Rationale

Examining work-back-pay agreements and their impact on BBBEE scorecards is justified by the need to provide clarity to legal obligations, inform decision-making by businesses, ensuring fair labour practices, and guide policy development. By addressing the posed research questions and objectives, this research has the potential to contribute to a more inclusive and equitable business environment in South Africa for many reasons. First, although work-back-pay agreements are common labor practices in South Africa businesses, their implications for BBBEE compliance are not well understood. Understanding the implications of pay back agreements and their nexus with BBBEE is essential for ensuring that companies uphold their legal obligations while promoting fair and equitable labour practices.

1.9 Definition of concepts

Affirmative action often refers to a social justice initiatives and programmes aimed at promoting equal opportunities for underrepresented and marginalized population groups in areas such as business, employment and education (Harpalani, 2023; Mujtaba, 2023). In many countries, the primary aim of affirmative is to correct historical injustices that resulted from discrimination (Schildberg-Hörisch *et al*., 2023). In South Africa, affirmative action is manifested in the following actions and features.

Preferential Treatment – This is a form of affirmative action in which action often involves providing preferential treatment to members of underrepresented or previously disadvantaged groups in areas where they have faced discrimination and disadvantage (Giovanardi *et al*., 2023).

Targeted Recruitment and Hiring – In order to increase the numbers and representation of people from previously disadvantaged groups, educational institutions often implement targeted recruitment of their students or workers in the workplace (Möhring & Teney, 2023).

Quotas and Goals - Affirmative action processes may also plans and targets for the representation of disadvantaged groups, aiming to ensure fair proportional representation and diversity (Gulzar *et al*., 2023).

Training and Development – in order to create an even playing field, affirmative action programmes often include training and development designed to capacitate individuals and groups from previously disadvantaged groups (McGee, 2023b; Shaalukeni & Hakweenda, 2023). This is one critical aspect of this study.

Black Economic Empowerment (BEE) – In order to correct the historical and ongoing racial economic inequalities, Black Economic Empowerment is a policy framework to promote the inclusion and participation of black South Africans (Amoah, 2023). This latest version of this policy framework is the Broad-Based Black Economic Empowerment (BBBEE).

BBBEE scorecard - this a tool used in South Africa to measure a company's compliance with BBBEE regulations. It also measures the company's contribution to the empowerment and transformation agenda. The scorecard has various elements that are measured differently. Among these elements and central to this study is investment in skills development of previously disadvantaged people, particularly black people. Chapter 3 addresses this issue in greater detail.

Black people – this is "a generic term which refers to Africans, Coloureds and Indians (a) who are citizens of the Republic of South Africa by birth or descent; or (b) who became citizens of the Republic of South Africa by naturalisation (i) before 27 April 1994; or (ii) on or after 27 April 1994 and who would have been entitled to

acquire citizenship by naturalisation prior to that date" (The Department of Trade Industry and Competition, 2021: Online).

Work back pay back agreements – this study uses Von Bergen and Mawer's (2007, p. 127) definition which says these "are permissible contracts that require employees to continue in service for a period of time or reimburse the organization an agreed-upon sum if they leave before an agreed-upon time". These agreements are also called by different names but they mean the same in practice. One such name which is commonly used in this study is Training Repayment Agreement Provisions (TRAPs).

Return-of-service bursaries (RoS) – " schemes used to fund the study of beneficiaries on the understanding that they will serve the organisation for at least the same number of years as the candidate was funded during their studies" (Mabunda *et al*., 2022, p. 5) .

1.10 Dissertation Layout

This dissertation is structured into five distinct but related chapters. Following this introductory chapter, the next chapter explores the literature on affirmative action with particular emphasis on black economic empowerment in South Africa. Furthermore, Chapter Two examines the different drivers for training and development in South Africa. Before presenting the context of training and development and its nexus with BBBEE scorecards, the chapter also examines literature on work back payback agreements and their implementation in various contexts.

The third chapter examines the methodological approaches that were used to collect and analyse data. First, the chapter explains the interpretivism (interpretivist) paradigm that underpins the qualitative methodology that was used to collect that. Population, sampling, collection, and analysis methods are explained and justified.

Chapter Four is structured into two main sections. After a brief introduction, the first section of this presents and analyses data from the interviews. In the form of verbatim quotes, the section attempts to illuminate some light into the research questions using responses from the interviews. The fifth and last chapter gives a summative overview of the whole dissertation and draws conclusions, implications,

and practical managerial implications for the implementation of work-back payback agreements in the workplace. The chapter also proposes policy and theoretical recommendations informed by the findings of the study.

CHAPTER 2: BBBEE AND WORK-BACK AND PAYBACK AGREEMENTS

2.1 Introduction

The aim of the study is to explore the implementation of work-back pay back agreements and their nexus with BBBEE scorecards. This chapter seeks to lay a theoretical and conceptual foundation of the study by exploring literature on workback payback agreements in the funding of training and development. This chapter begins with a brief discussion of work-back pay back. Next, the chapter presents literature on affirmative action and black economic empowerment in South Africa in order to give a contextual background of the study. The chapter concludes with the policy and legal context of BBBEE and training and development in South Africa.

2.2 Affirmative action and BBBEE

BBBEE is rooted in the notions of affirmative action and social justice. This section examines the concept and practice of affirmative action in general before shifting the focus to the South African context.

2.2.1 History of affirmative action

Affirmative action has a long and complex history (Feingold, 2023; Harpalani, 2023; Nardi, 2024). For instance, Nardi (2024) argues that affirmative action which is used to describe actions and programmes to improve employment opportunities and access to education for people who have endured a long history of racial discrimination in the United States stated before the civil rights movement, although at an extremely slow pace. Nardi points out that this is achieved through action "taken by the Office of the President through Executive Directives policies, procedures, laws, and bills to redress the long U.S. history of discrimination on the basis of race, age, sex, gender, religion, ability, or economic status—particularly in education and employment, hiring practices, and admissions—and prevent its recurrence" (Nardi, 2024, p. 3). Whats clear in this argument is that affirmative action, because of its complexity and controversy, requires political will and practical actions.

Despite the progress made so far regarding affirmative action in the US, there are still debates on whether affirmative action is fair particularly to populations which are considered to be privileged. A recent court case brought by right-wing aligned Students for Fair Admissions (SFFA) challenges the race university student admission policies as wrong as the policies that excluded students from certain races (Harpalani, 2023). Although this case is in higher education admissions in the US, it resonates well with similar sentiments expressed in the employment of previously disadvantaged groups ahead of their white counterparts often called reverse discrimination (McGee, 2023a).

Such cases of resentment of affirmative action are barely distinguishable from the South African BBBEE situation. According to Adeyanju (2023), affirmative action in South Africa can lead to reverse discrimination against non-targeted groups. Such perceptions can also lead to mass emigration of non-targeted groups as they move to other countries where they can get better opportunities. As a result, “the implementation of affirmative action in South Africa has been marred by resistance from certain sectors of society that perceived it as a form of reverse discrimination rather than a necessary mechanism to address historical injustices” (Adeyanju, 2023, p. 33).

2.2.2 Education and training as strategy for affirmative action

Giving people from previously disadvantaged groups equal employment and promotion opportunities with those who are privileged without giving them the capabilities to do so does not result in any meaningful change in their status. Education is seen as a key equalising mechanism for levelling the playing field by providing the skills and competencies required for one to flourish in the workplace. Way back in the 1980s, scholars began to pay attention the role of training and development as strategy for affirmative action (Hadley, 1989). To that end, Hadley developed a manual that was widely used by organisations in the US to assist them with designing training as development for achieving affirmative action.

In South Africa, Jinabhai (2004) conducted an empirical study to determine the impact of affirmative action on the training and development of black managers for corporate organizations. Jinabhai notes that the training of blacks to fill management positions was mostly at the level of box-ticking exercise. Jinabhai’s study also noted

that by 2004, the centrality of training and development as a mechanism for transformation and affirmative action was well recognised. Besides affirmative action purposes, Jinabhai (2004) acknowledged that training and development was also important in the improvement of businesses' quality of human resources which, by extension, lead to efficiency and organisational effectiveness. Drawing on an in-depth literature review and empirical findings in South Africa, Jinabhai assert that should be viewed and evaluated in terms of human resources development and should address structural weaknesses in the labour market with narrow pool of skilled personnel which is a consequence of the exclusion of black people from participating in critical skills development and employment. To that end, the disempowering consequences of apartheid cannot be reversed without the empowering of black people through skills development.

In another study, Rankhumise and Mello (2011), examined the implications of training measures on the development of affirmative action appointees in one Mpumalanga Province in South Africa. Their study observed that the success of affirmative action is highly dependent on human resource transformation supported by effective training measures. Furthermore, Rankhumise and Mello (2011, p. 46) observed that "affirmative action appointees suggest that training interventions play a pivotal role in fulfilling their developmental needs".

Given the arguments for education and training as a mechanism to address the disempowering effects of apartheid in South Africa, there are several ways in which the desired outcomes of affirmative action can be achieved. The first important way to achieve affirmative action through education is promoting access to education (Mello, 2022). Programmes designed to address the effects of apartheid on employment should focus on increasing access to quality education and training for underrepresented and previously disadvantaged groups. In South Africa this has often taken the form of initiatives such as scholarships, grants, and mentorship programs designed to support individuals from disadvantaged backgrounds in pursuing higher education opportunities.

Education and training achieves AA by capacitating the black people who were previously excluded from critical skills development and employment (Mello, 2022).

By extension, investing in education and training removes the barriers and ensures that all people have equal opportunities and chances to succeed.

Training and development for AA programmes can include training programmes for the previously disadvantaged such as vocational training, apprenticeships, on-the-job training, and other skill-building programs tailored to the needs of marginalized communities (Adomi & Famola, 2021). Such programmes should give the targeted groups the skills and competencies needed for employment and career advancement.

In summary, training and development plays a pivotal role in affirmative action initiatives through the provision of the necessary tools, resources, and opportunities needed to overcome the legacy of apartheid and achieve a just and equitable society. By investing in education and skills development as a form of affirmative action, government and businesses can work towards greater equity, inclusivity, and social justice.

2.2.3 Broad-Based Black Economic Empowerment

As a result of apartheid's legacy of deeply rooted discrimination laws, the South African government began a campaign of laws to fight long-term discrimination. This action was taken because of the effects of apartheid. The Broad-Based Black Economic Empowerment (BEE) Act of 2003 was the first comprehensive piece of legislation to make changes outside of the labour sector. This law was made by the United States. The main goal of the law is to "empower all black people economically." This includes women, workers, young people, people with disabilities, and people who live in rural areas. In accordance with the law, the Minister of Trade and Industry has been asked to come up with "Codes of Good Practice." 12 Because of these codes, a complete framework for using BEE across the whole economy was set up. At the same time, sectorial charters were made to deal with industry-specific issues that came up during the program's implementation.

Some industries that have gradually adopted charters are mining, banking, agriculture, tourism, and information and communications technology. Any person or organization that wants to do business with the government or needs official permission to do so, like when getting a license, must follow the rules of the act. The Department of Trade and Industry made the "balanced scorecard." It is used to

measure compliance and is the basis for what is called "BEE accreditation," which is given to businesses. To figure out how well a company is following affirmative action laws, three key indicators are used. Some of these things are buying from other black-owned businesses first, growing the business, sharing profits and contracts with other black-owned businesses, and setting standards for local content. Direct empowerment is the degree to which members of certain groups own and run businesses and other assets. Human resource development is how much companies actively train people from certain groups (Tucker 2003).

It is important to remember that the Broad-Based Black Economic Empowerment Act, which uses a sectoral strategy to cover more of the economy, only helps black South Africans. So, even though white women were included in the EE Act because they had been treated unfairly in the past, the scorecard doesn't give points for how far white women have come. The Code of Good Practice for the DTI also has a Gender Recognition Adjustment (2007). This part of the law is another reason why black women's status in society should improve. Companies that don't do a good job of giving black women power may be punished in other ways. Also, companies that do more than usual to help black women in the workplace may be eligible for extra credit points (Bravura Consulting, 2007: 2).

It is important to note that this does not imply that the impact would be greater than it was prior to the implementation of these measures because increasing the mechanisms of preferential treatment beyond EE and skills development and expanding the reach to cover the economy in a sectoral approach should result in a much broader impact after the implementation of these measures. Preferred procurement and business expansion also benefit additional parties, albeit indirectly.

Five codes of BEE strategy - A detailed discussion follows below relating to the codes, associated challenges, measurement tools and role players involved in BEE implementation. All state and public entities, as well as all measured entities, are required to successfully practice BEE compliance through the use of codes of good practice, according to the DTI (DTI 2014). According to the BBBEE Act of 2013, codes of good practice are only awarded if targets are in line with the Act's goals and within the timeframe required to accomplish those goals. However, certain organizational sectors may find it easier to score in some codes than others. BEE

should eventually become a component of their ethical business strategy with the ultimate goal of ensuring that South Africa has a sustainable economic future that benefits all organizations there (Mathura, 2009). Table 2.1 illustrates Bowmans' (2023) different elements of BBBEE.

Table 2.1: Elements of B-BBEE and their respective weightings

B-BBEE ELEMENT	OVERVIEW	PROOF REQUIRED	POINTS AVAILABLE
Ownership	The ownership element considers the extent to which: • ownership interests (voting rights and economic interest) in a measured entity are held by Black people, and by Black women specifically; and • such ownership interests are unencumbered by debt (referred to as 'net value').	Proof of ownership rights in the hands of Black people (e.g. share certificates, shareholders agreement, etc.).	25
Management control	The management control element refers to the number of Black members, and Black women in particular, who sit on the measured entity's board of directors, as well as the number of Black people who participate in all levels of management (executive, senior, middle and junior management). Companies above a certain size also have separate obligations in terms of the Employment Equity Act, 1998 to prepare employment equity plans and to submit returns regarding their progress on employment equity to the Department of Labour.	Proof of Black people in top, senior, middle and junior management. Interviews will be held to confirm seniority, job description, salary, etc. Submission of an employment equity report required.	19

Skills development	The skills development element is measured based on the amount of money that an entity spends on skills development programmes for Black employees. • Employers are required to, by law, pay an amount equal to a prescribed percentage of all their employees' salaries to the National Skills Fund in terms of the Skills Development Act, 1998 and the Skills Development Levies Act, 1999. • Entities can also score points for the number of learnerships they facilitate for Black people, Black women and Black disabled persons, the amount of money they spend on bursary programmes, and the implementation of mentorship programmes.	Proof of training spend on Black employees or non-employees and accredited programmes (e.g. apprenticeships, learnerships, internships, mentorship programmes).	20 (plus 5 bonus points)
Enterprise and supplier development	The enterprise and supplier development element under the Codes has three components: preferential procurement, enterprise development and supplier development:	Proof of purchases from current suppliers that have a B-BBEE rating and are empowering suppliers as a percentage of total procurement spend.	40 points in total (plus 4 bonus points)

	• Points for **preferential procurement** are scored depending on the extent to which measured entities procure goods and services from Black-empowered suppliers who comply with certain criteria to qualify as Empowering Suppliers. In essence, a certain percentage of a measured entity's expenditure with an Empowering Supplier is recognised as B-BBEE expenditure, depending on that supplier's B-BBEE level. Entities can increase their scores on this element if they procure a greater percentage of goods and services from suppliers with higher B-BBEE ratings, from small businesses (such as QSEs and EMEs), from suppliers that are at least 51% Black-owned, and from suppliers that are at least 30% owned by Black women.	Proof of contributions to developing business owned by Black people. Proof of contributions to Black-owned suppliers.	25
	• Points are scored for **enterprise development** in relation to the contribution (both monetary and non-monetary) that an entity makes to developing businesses that are owned by Black people (e.g. investing in businesses owned by Black people, making loans to businesses owned by Black people, providing credit guarantees to businesses owned by Black people, providing preferential credit terms to businesses owned by Black people, giving discounts, and providing		5

	training or mentoring). The targets that apply to enterprise development are set as a percentage of the measured entity's net profit after tax (NPAT).		
	• **Supplier development** refers to the enterprise development contributions that an entity makes to its Black-owned suppliers and, in particular, small Black-owned businesses who are its suppliers. The targets that apply to supplier development are also set as a percentage of the measured entity's NPAT.		10
Socio-economic development	The **socio-economic development** (SED) element is assessed based on the corporate social investment (CSI) contributions that an entity makes. Targets for SED are based on a percentage of NPAT.	Proof of corporate social investment contributions	5
TOTAL POINTS ON THE SCORECARD (including bonus points)			118

Source: (Bowmans, 2023, p. 12)

While Table 2.1 illustrate the five elements the BBBEE scorecard, what is of particular importance to the current study is the element on Skills development. Based on practical and theoretical arguments of training and development as a critical mechanism for transformation and AA, the South African government makes it mandatory for all organizations to set aside part of their budget for the training and development of previously disadvantaged populations if they want to obtain favourable BBBEE rating. Bowmans (2023) points out that skills development element is evaluated on the basis of the amount of money an organization invests in the skills development initiatives for Black employees. The *Skills Development Act of 1998 and the Skills Development Levies Act of 1999* requires employers to contribute a portion of their employees' salaries to the National Skills Fund. Bowmans (2023, p. 12) argues that "entities can also score points for the number of learnerships they facilitate for Black people, Black women and Black disabled persons, the amount of money they spend on bursary programmes, and the implementation of mentorship programmes". This argument is a critical source of dissatisfaction of employees who benefit from workback pay back agreements. Their argument is that, employers who score points on the amount of money they invest in their Black employees, should not demand pay back of the money spent on their training. To the employees, this could be seen as double-dipping. Table 2.2 illustrates the breakdown of Skills Development element of BBBEE.

Table 2.2 breakdown of Skills Development element of BBBEE

Category: Skills Development Element	Weighting Points	Compliance Target
Skills Development Expenditure on any programme specified in the Learning Programme Matrix for black people as a percentage of the Leviable Amount9		
Skills Development Expenditure on Learning Programmes specified in the Learning	8	6%

Programme Matrix for black people as a percentage of Leviable Amount		
Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix for black employees with disabilities as a percentage of Leviable Amount	4	0.30%
Learnerships, Apprenticeships and Internships		
Number of black people participating in Learnerships, Apprenticeships and Internships as a percentage of total employees	4	2.50%
Number of black unemployed people participating in training specified in the learning programme matrix as a percentage of number of employees	4	2.50%
Bonus Points		
Number of black people absorbed by the Measured and Industry Entity at the end of the Learnership programmes	5	100%

Source: (Werksmans Attorneys, 2018, p. 20)

Regarding skills development on the BBBEE scorecard, makes further breakdown of the Skills Development element illustrating the weighting and the percentage of compliance. Werksmans Attorneys (2018) outlines the “Skills Development Expenditure on any programme specified in the Learning Programme Matrix for black people as a percentage of the leviable Amount” and the bonus that an entity can get if they retained by a business at the end of a learnership programme.

To an observer, the benefits that come with an improved BBBEE rating would seem to be the main driver of training and development of previously disadvantaged black people. In that sense, the organization could be the sole beneficiary of training and development. However, this assertion seems to ignore all the other benefits that

accrue to the individual workers who are trained through these initiatives and the

increased productivity gained by employers after an employee acquires a specific skill post training..

2.3 Work-back payback agreement for funding training and development

While there is an overwhelming agreement on the efficacy of training and development in attaining transformation and affirmative action goals, there is little agreement on who should fund such training. From the preceding section, it can be argued that the government provides incentives for businesses to fund training. However, businesses' objectives are not just getting an improved BBBEE rating as they also seek to leverage on the competent workers to achieve their own business objectives. This agenda often fails as some workers with newly acquired skills might choose the organization for some other reasons. This section traces the history, justification and use of work-back pay back agreement used in funding training and development of workers.

2.3.1 Work-back and pay back concept and history

The use of work-back pay back clauses in funding training and development is common in many economies. The main arguments proffered for this is to safeguard the employer investment in training and development (Ackerley, 2017). Called by different names, these agreements require workers who have benefitted from the employer funding initiatives for training and development should work for the same employer for an agreed period of time. According to Harris (2023, p. 2), contracts like Training Repayment Agreement Provisions - also known as TRAPs "require workers who receive on-the-job training to pay back the so-called cost of this training to their employer if they leave their job before a fixed period of time". Harris also notes that the terms of such agreements are often imposed as a mandatory to workers who in many cases might not have access to any other form of funding. What workers normally find difficult is that the costs of paying back in such agreements are often exorbitant when compared to the salaries of workers which makes it impossible to depart.

Recently, scholars have begun to pay attention to the challenges associated with work-back pay back agreements (Center, 2023; Lestari *et al*., 2023; Yang *et al*., 2023). In one study, Yang *et al*. (2023) investigated the paradox training repayment agreements (TRAPs) in nursing and how such agreements end up trapping nurses

in

their organizations in the United States. Their study revealed that TRAPs provisions “placed nurses under significant financial strain, making them liable for large debts if they decided to leave their position within a two-year span” (Yang *et al*., 2023, p. 1). Because of the nature of their work which requires frequent training, particularly in the early years, a majority of nurses find themselves in the trap of TRAPs.

One critical observation that Yang *et al*. (2023) made is that selectivity of TRAPs. They note that the effects of contractual obligation of TRAPs are not uniform across all workers. In a disproportionate way, their study revealed that lower paid nurses felt the pinch of TRAPs more than other groups. Furthermore, the impact of TRAPs were more pronounced and harsh among the nurses from minority groups or, in South African terms, previously disadvantaged groups. Because of their negative perception of TRAPs, nurses liken them to some form of modern-day indentured labour. These arguments and sentiments stem from understanding that often the nurses’ wages are barely enough to sustain themselves and well as managing the training debt.

If TRAPs are as draconic as described here it is difficult to understand why they have continued to exist. There are several reasons for this. On one hand, businesses view TRAPs as indispensable mechanisms for staff retention and protecting their investments in developing their employees (Yang *et al*., 2023). This is particularly so in view of the current shortages of critical skills in some sectors. However, some scholars argue that employ soft mechanisms of staff retention such as improve working conditions and benefits (Kraus, 1993; Yang *et al*., 2023). On the other hand, workers who earn low wages find the opportunity to develop themselves irresistible as it is likely to improve their earnings. From that perspective, the conditions of work back payback agreements are a little price to pay. It only becomes a challenge when they choose to leave.

This literature review of work-back pay back agreements in other countries helps in thinking through its implementation in the South African context. Although these studies were carried out in contexts that have a different political, historical, economic and racial background, the issues raised by Yang *et al*. (2023) in the

United State context are surprisingly similar to what is happening in South Africa. This is despite the dearth of scholarly literature on this matter.

2.3.2 Challenges in the implementation of work-back pay back agreements

The implementation of work-back pay back agreement in business has been successful in cases where workers chose to stay in their organisations. However, this has not been the case in cases where workers chose to move to greener pastures. In many cases this has resulted in protracted expensive legal battles. This section examines such challenges in order to understand how best can work back pay back agreements be managed without compromising businesses productivity and the welfare of the workers.

Recent literature reveals that the problems with TRAPs range from legal ones to the social justice ones (Yang *et al*., 2023). It is clear that many workers view TRAPs negatively particularly when one is unable to fulfil the condition of work-back and is required to pay back. Because of their mandatory work back condition, workers take them as modern-day indentured labour. There are many cases which are brought to the Labour Court and the Commission for Conciliation, Mediation and Arbitration (CCMA) by workers who complain about their employers' implementation of work-back pay back agreements. In one recent case, *The Trustees tor the Time Being of The Ampath Trust Vs Louisa Aletta Ingram, Commission For Conciliation Mediation And Arbitration and Eva Ngobeni* brought a case before the labour court in which an employee signed a an agreement contained a 'Work-back Period and Repayment" clause, which required the employee to remain in the applicant's employment for a period of at least 12 months after completion of the course' (Yang *et al*., 2023) . This agreement required the employee to work back for a minimum of two years or pay back R35 000.00 if the worker chose to leave. The worker viewed this agreement to be unreasonable. The worker viewed the agreement to be unreasonable stating that the "Training Agreement, including that the costs were unjustified and that the two-year period was disproportionate to the penalty costs and her costs to the company" (Southern African Legal Information Institute, 2022, p. online) .

Drawing on a case study of nurses in the United States, Yang *et al*. (2023) outline a detailed analysis of work back pay back training agreement. In Table 2.3, the

background and the main concerns that the nurses have with such kinds of agreements.

Table 2.3: Training Repayment Agreement Provisions in nursing

Background	Purpose	Incentivize graduate nurses to stay and aid hospitals in recovering training costs.
	Requirement	Hospitals/health care employers require new graduate nurses to enroll in training/residency programs.
	Repayment	Nurses must "repay" training costs via continued employment.
	Duration	Obligation spans 1-3 years. Leaving before contract term results in debt or fines.
	Penalty	Fines up to $15,000 for breaking the contract early.
	Prevalence	45 percent of nurses in National Nurses United survey reported responsibility for repaying training costs.
Concerns	Quality	Programs often provide just basic on-the-job training without new qualifications.
	Advocacy	TRAPs can deter nurses from pushing for improved working conditions.
	Burnout	These contracts risk leading to nurse burnout by keeping them in unsatisfactory positions.
	Equity	TRAPs disproportionately burden lower-paid nurses, often from minority groups.
	Impact	The practice might intensify the nursing shortage by retaining nurses in roles they'd prefer to leave.

Source: (Yang *et al*., 2023, p. Online)

Among the concerns raised by Yang *et al*. (2023) the issues of quality of some of the programmes and training received by employees which were in many cases, just basic on the job training. Furthermore, such agreements were seen to be deterring beneficiaries of TRAPs from pushing for improved working conditions which ultimately leads to burnout by keeping them in unsatisfactory conditions. Yang *et al*. (2023) highlight the selectivity nature of such agreements which tend to target low-paid workers and members of the disadvantaged communities.

In South Africa, Mabunda *et al*. (2022) explored the ‘return-of-service bursaries,’ a form of work back agreement, as a way of capacitating workers in the health services. Their qualitative study revealed that the scheme resulted in improved opportunities for beneficiaries who would otherwise be unable to afford such training. However, Mabunda *et al*. (2022) also reported that there were systemic barriers in the implementation of these schemes which limited their effectiveness. One such challenge is the “a lack of foresight in the scheme implementation including a bias in

the selection of beneficiaries towards medical professionals at the expense of other health workers" (Mabunda *et al*., 2022, p. 1). Furthermore, their study revealed that a majority of the beneficiaries did not honour their contract agreements in terms of working back. Some of the reasons for such breach of contract, Although this study did not examine the relationship of these agreements with BBBEE, it can be inferred that beneficiaries of work back pay back agreements view the work back conditions in the TRAPs as limiting their freedom to flourish in their careers.

This section has highlighted a number of issues arising out of the implementation of work back pay back agreements. While there seems to be a growing body of literature on this in the western world, there is a dearth of scholarly literature on work-back pay back agreements in their various forms in South Africa. It is against this background that this study sought to explore the implementation of work back pay back agreements in South Africa.

2.4 Funding Training and Development

The efficacy of training and development in enhancing productivity and lifting previously disadvantaged groups out of poverty is theoretically and practically defensible (Ziderman, 2018). However, what has remained unanswered is the question of who should finance such training and development (Popović, 2021). There seem to be a convergence of views regarding the role of the state in financing adult learning and skills development particularly those from previously disadvantaged and marginalised groups. Popović argues that there is also a growing tendency to view skills development to be a personal matter which should be funded by those who want such human development or private sector or philanthropies. In the OECD countries the private sector is playing an important role by funding and bringing resources and innovation to the skills development (Popović, 2021).

In one study, Luchinskaya and Dickinson (2019) investigated the falling investment in skills development and how it impacted social mobility in the UK. First, they found evidence that workers whose parents were working class were "less likely to do training than if their parents were middle class – even though they are doing the same type of job" (Luchinskaya & Dickinson, 2019, p. 7). This finding is interesting but not surprising. It might however mean two things, lack of inspiration and or inability to finance such education training. Although such questions are beyond the

scope of this study, they are worth exploring to determine such influence in the South African context which has a majority of people that are from previously disadvantaged backgrounds.

Another interesting finding from Luchinskaya and Dickinson's (2019) UK study is that businesses are more likely to invest in those that already have higher skills and that better-off employees are likely to pay their own tuition for skills development. This scenario in the UK is likely to increase the gap as fewer people from the working class are less likely to develop and facilitate social mobility. If the same is occurring in South Africa, the economic gap between races is also likely to remain the same or even increase.

Given this background, the role of government through various mechanisms can never be overemphasised. Incentives through the BBBEE scorecard is one such mechanism. Its aim is to ensure that people from the previously disadvantaged communities gain employability skills which help them achieve social mobility. At societal level, this would also assist with the attainment of a transformed society through the empowerment of Black people.

2.5 Legal framework of BBBEE and Skills development in South Africa

The implementation of BBBEE and development are guided by several legislation such as the Constitution of the Republic of South Africa Act 108 1996, No. 55 of 1998: Employment Equity Act, 1998, White Paper on Affirmative Action in the Public Service and the No. 97 of 1998 and the Skills Development Act. 1998. This section makes a brief overview of these legislation in order to locate the study and the issue of BBBEE and skills development in their proper context.

2.5.1 Constitution of the Republic of South Africa Act 108 1996

Section 29 (2) c of the *Constitution of Constitution of the Republic of South Africa Act 108 1996* makes it clear that there is "a need to redress the results of past racially discriminatory laws and practices". Through education. This is after the realisation that the effects of the apartheid laws cannot be addressed by simply repealing the laws. Progressive policies and legislation are required. The Constitution provides for such formulation of such policies. This argument is emphasised in Section 184 (2) b which states that the state should "take steps to secure appropriate redress where

human rights have been violated". From this background a number of policy strategies and legislation have been passed and being implemented. These include the *Employment Equity Act 1998 of 1998, Skills Development Act of 1998, Promotion of Equality and Prevention of Unfair Discrimination Act* of 2 of 2000, and the Skills *Levies Act* of 1999 among others.

2.5.2 Employment Equity Act, 1998

The purpose of the *Employment Equity Act of 1998* is to promote equity in the South African workplaces. It is meant to achieve this through creating equal opportunities for all workers regardless of their backgrounds. The Act also makes it mandatory for businesses to make deliberate effort in implementing affirmative action measures and ensure the inclusion of previously disadvantaged people in all occupations and at all levels. Because of the systemic nature of the apartheid exclusion, most Blacks were left out of the acquisition of skills that would make them function successfully in all occupations at all levels. This is where the incentive of rewarding businesses that invest in the training of previously disadvantaged people plays an important role.

2.5.3 Affirmative action in the Employment Equity Act (Act 55 of 1998)

After extensive debate and public input, the South African government passed the Employment Equity (EE) Act (Act 55 of 1998) with a dual focus: first, it looks back (to implement measures to mitigate the effects of past discrimination), and second, it looks forward to ensuring that discrimination never happens again. We must (i) end discrimination in the workplace (including in pay and promotion practices) and (ii) implement affirmative action to increase the representation of formerly marginalized groups in the workplace. "Blacks (including African, Coloured (mixed), and Indians)", "women", and "individuals with disabilities" are the terms used to describe these groups in the act.

A new set of labour market initiatives was adopted at the same time as the previous body of law, including the Skills Development Act of 1998 and the Skills Development Levies Act (1999). This law was passed in order to mandate that all companies support the ongoing education and training of their staff and contribute a percentage of their payroll to the relevant Sectoral Education and Training Authority. The latter offers employees the chance to take part in training tailored to their industry. These initiatives seek to increase human capital within particular groups in

order to create a pool of candidates who can help employment equity policies achieve their goals. The policies would be able to achieve their objectives as a result.

If the discrimination inherent in legacy employment and remuneration practices is eliminated and positive actions are taken to improve access, retention, and development of affirmative action beneficiaries, it is expected that the racial wage gap would decrease, and upward mobility would increase for the designated affirmative action beneficiaries. Some of these individuals may be in a better position to benefit from the law in the near to medium term. However, it must be stressed that the grantees do not represent a single, undifferentiated bloc.

2.5.4 Broad-Based Black Economic Empowerment Act, 2003.

According to the *Broad-Based Black Economic Empowerment* of 2003, "Broad-based black economic empowerment" is the economic empowerment of "all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies" It main purposes include the facilitation of BBBEE economic transformation in order to promote increased and meaningful participation of previously disadvantaged people who are mainly Black people. It is envisaged that these processes would result in the transformation of business ownership, management structures and the management structures and in the skilled occupations which are largely dominated by White people who are in the minority regarding national demographics. One central purpose of this Act that is central to this study is the need to improve access to infrastructure and skills training.

2.5.5 Skills Development Act. 1998

The skills development act of 1998 provides a legal framework for "devising and implementing national, sector and workplace strategies to develop and improve the skills of the South African" economy. Its main purpose is to improve the quality of life of workers and improve their prospects for vertical labour mobility. To the employers, the aim is to improve competitiveness by increasing productivity. The Act also aims to improve and increase investment in education and training of workers.

The legislation discussed here intends to see a transformed and just workplaces. One central theme they all have is the centrality of education and training as a catalyst for affirmative action. On one hand, without skills, there is little to no prospect for transformation. The government, in partnership with employers needs to invest in capacity development. On the other hand, even without government encouragement, businesses need to invest in capacity development to improve their effectiveness and productivity. This seems to be the main driver for work back pay back agreements.

2.6 Theoretical framework

This view emphasises that theory enables explanation, prediction and well-guided action or practice to happen. The importance, primary purpose and value of a theoretical and conceptual framework are encapsulated by the fact that it helps to describe and explicate a phenomenon (Moore and Kearsley, 1996). Numerous scholars maintain that a theory is like a map. It illustrates a scientific and simplified form. It emphasises relationships among the multifarious components of the phenomenon. Of singular importance is the consideration that the theoretical and conceptual framework serves as a pointer to areas that are not familiar with respect to the phenomenon being studied. Consequently, the theoretical and conceptual framework, in undergirding the theoretical constructs, identifies areas that may require further study and exploration of the topic at hand. This section provides the theoretical and conceptual frameworks guiding this study.

2.6.1 Adopted framework

Building on the work of Evans (2003) and Kravitz *et al*. (2008), the study's theoretical framework integrated attribution theory (Heider, 1958) as modified by Kelley (1972) and Weiner (1974), as well as social identity theory (Tajfel, 1974). According to the tenets of attribution theory, people tend to attribute meaning to their experiences, regardless of how accurate such interpretations may be (Heider, 1958). Kelley (1972) revised attribution theory to account for the fact that when making decisions, people take into account the uniqueness, consistency, and consensus of the data at hand. According to Lakshman (2008), effective leaders who use attribution theory are better able to dissect problems, identify their root causes, and draw unbiased conclusions.

Black employees' perspectives on skills development could be explained by attribution theory as well. Black employees have benefited from affirmative action policies thanks to BBBEE and attribution theory suggests that these individuals may have formed attitudes toward affirmative action based on their experiences and perceptions of trust, which in turn may affect their commitment to their organizations (Beckman, 2004). By applying attribution theory to the study of organizational commitment, we infer that the leadership of an organization can make objective assessments of Black employees' opinions on affirmative action and can identify the impact of affirmative action on Black employees' dedication to the company.

An employee's identification with the outcomes of the organization's treatment of the employee may be stronger than any regard for the organization's leadership, even if the employee disagrees with the leadership (Smith *et al*., 2003). More importantly, management should know how much employees value clear and consistent information about the organization's plans and procedures (Smith *et al*., 2003).

2.6.2 Attribution framework

According to attribution theory, a person's (observer's) perception of causes for a situation, the ultimate consequences of available responses to the situation, and the resultant behaviour exhibited by a person (actor) responding to the situation can all be influenced by the observer's (observer's) attribution based on information, beliefs, and motivations (Carlston, 2010). Based on anecdotal evidence, attribution theory portrays the individual as a problem solver who actively seeks an explanation for the events of any given day (Jones *et al*., 1972). Without complete information, the person would act as he or she thinks is best, while another person in the same position but with different information might react in a different way (Jones *et al*., 1972). According to Jones *et al*. (1972), there are three ways in which scientists investigate attribution theory. The first is an individual's drive to understand the roots of a problem. The individual's process of determining the reason of an event comes in at number two, and the third area of attribution theory study focuses on the effects of assigning blame to one source rather than another (Jones *et al*., 1972).

2.7 Conceptual framework

The conceptual framework for this study is based on the research questions and the existing literature on Broad-Based Black Economic Empowerment (BBBEE) and

work-back or pay-back policies. The framework helps to identify the key concepts and variables that are explored in the study. Within the scope of this investigation, one of our primary concerns is to determine the degree to which the application of skills development work-back or pay back policies, such as the BEE Skills Development codes, have proven to be an efficient way to improve skills development of blacks working in the private sector. Figure 1 is an illustration of the conceptual framework that structures our understanding of the ways in which work back or pay back policies attempt to influence positive societal change. The arrows in the figure represent the causal influences that are being discussed. The study adopts Schotte *et al., (*2023) framework on Affirmative Action in general and the expected outcomes.

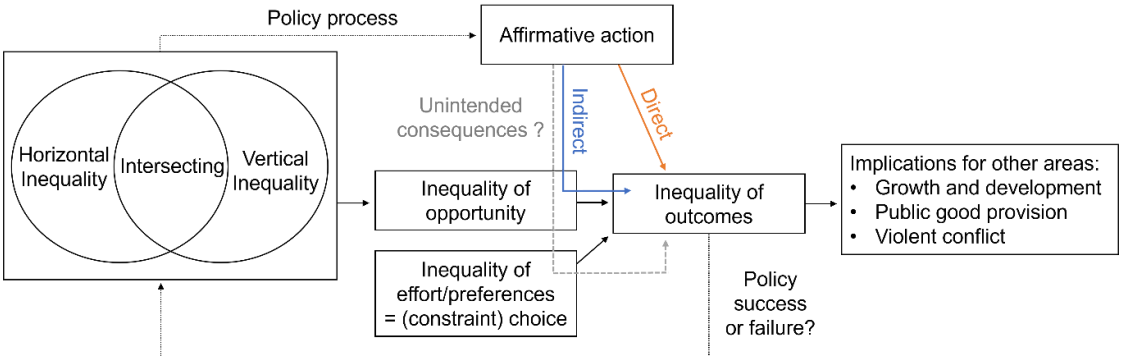


Figure 1: Conceptual framework

Source: Schotte, Gosselins and Leone (2023)

Horizontal inequalities are differences between culturally defined groups that "cut across the distribution of income and wealth, and are the product of social hierarchies that define certain groups as inferior to others through the devaluation of their socially ascribed identities," whereas "vertical" inequalities are differences between individuals or households that are typically based on the practice of ranking everyone in the population based on their income or wealth (Kabeer, 2016). Black Africans are stereotyped as incapable of doing adequate work in this context. Horizontal inequalities are a major source of concern in many multi-ethnic societies because they reflect systematic differences based on characteristics that are typically inherited at birth (Kabeer, 2016).

Well-implemented AA policies that help reduce horizontal inequalities and increase participation by historically marginalized groups can have a positive impact on social cohesion, political stability, and conflict risk. Because ethnic horizontal inequalities have been shown to have a negative impact on growth and macroeconomic stability (Dabla- Norris *et al*. 2015), poverty reduction (Ncube *et al*. 2014), and provision of public goods and services (Uzochukwu *et al*. 2020), successful implementation of AAs can bring economic benefits. Thus, increasing opportunities for underrepresented groups to obtain education and employment can stimulate economic growth.

2.8 Chapter summary

The implementation of work-back pay back agreements in South Africa might be more common than currently known. This could be the same with the challenges associated with such agreements. However, there is a dearth of scholarly literature on the implementation of such agreements. This chapter has established that such agreements are common even in the western world. The complexity of such agreements arise because of the implementation of affirmative action mechanisms which also encourage and reward businesses that invest in the training of black people. Stakeholders in these agreements do not seem to be in agreement with the actual purpose and the entities responsible for financing such training. Such is the focus of this study.

CHAPTER 3: METHODOLOGY

3.1 Introduction

This section addresses the research methods that were used for the purpose of this study. In order to gain deeper insights into the implementation of work-back pay back agreements and their nexus with BBBEE scorecards, this chapter explains and justifies the interpretivist paradigm that was used to underpin the study. The chapters also explain all the methodological approaches that were applied in gleaning the data for this study.

3.2 Research paradigm

The study is underpinned by the interpretivism paradigm. This paradigm assumes that reality is a subjective phenomenon which is based on how one perceives it (Alharahsheh & Pius, 2020; Potrac *et al*., 2014). That perspective views reality as a social construction that is subjective. This paradigm is appropriate for examining implementation of work-back pay back agreements and their nexus with BBBEE scorecards as the perceptions of role players are always varied and dependent on how one interprets the matter of work-back pay back. Employers and employees are likely to have different views on the same matter. Methodologically, interpretivists favour methods that seek to understand people's lived experiences and perception in a qualitative way.

3.3 Research approach

Based on the interpretivist paradigm that underpins this study, a qualitative research approach was employed to explore the experiences and perceptions of employees and employers regarding the role of BBBEE in facilitating skills development and employee retention in the South African private sector. Denscombe (2017) describes a qualitative research as that which focuses on meanings and the way people understand things. With regards to qualitative research approach in general, criticism do exist that qualitative data is weaker than quantitative data (Retief, 2009:29). Starr (2014) suggested a qualitative methodology was adequate for exploring a deeper meaning about an economic or social issue from the perspective of individuals within the context studied. As a result, the study design and process needs to ensure it is stronger from its data collection to address any skepticism that might come across. Because the study sought to have a deep understanding of

people’s attitudes

towards the implementation of work-back pay back agreements and their nexus with BBBEE scorecards a qualitative research was deemed appropriate (Retief, 2009:30).

The study uses the qualitative research method because of its ability to change attitudes with the workers regarding work-back pay back agreements and the BBBEE scorecard (Rahman, 2020). This study also leverages on the qualitative methodology's boundless and limitless focus. Unlike quantitative methodology which gives a limited number of predetermined response options, qualitative methodology gave the respondents an opportunity to respond to questions in the best way they perceive their lived experiences at work (Rahman, 2020). Also, the qualitative research methodology also allowed the researcher to be instinctive and follow the 'gut feeling' for good information and where it can be found (Edwards, 2020). The qualitative methodology also allowed the researcher to ask the 'why' and 'how' questions.

There were some challenges with qualitative research methodology that the researcher had to overcome. First, is the issue of sample size and type that could provide a true reflection of the views of the whole population (Rahman, 2020). The researcher had to do a purposive sampling method targeting different workers with different profiles.

3.4 Study site

The case study focuses on large entities in the Secunda area, a small region based in the Mpumalanga Province. The entities have a workforce of more than 200 employees and an annual turnover of more than 50 million rands. These entities are under the generic scorecard which is not sector specific to ensure no specific sector is targeted and are all privately owned.

3.5 Population and sampling

3.5.1 Target population

The target population of a study is a group of individuals or entities with characteristics that a researcher wants to know or learn from (Guest, 2014). The target population for this study includes all South African black workers who have benefited or have potential to benefit from work-back and pay back agreements. The population also includes all employers that employ black workers. These were

selected because they have intimate knowledge and experience of the implementation of work-back pay back agreements.

3.5.2 Study population

A “study population is a subset of the target population from which the sample is actually selected” (Piedmont & Michalos, 2014, p. 2). The study population for the current study are black employees employed by large entities in the Secunda. These could have benefited or have potential to benefit from work back pay back agreements. This population was chosen for two main reasons. The first one is convenience and cost effectiveness in view of the available time and budget. Secondly, they were chosen because they have benefitted or have the potential to benefit from work-back pay back agreements. The employers have been selected because they are the ones who decide on the amount of money to be invested in the training of previously disadvantaged workers.

3.5.3 Sampling strategy

The non-probability sampling method was used to select participants from the study population. Non-probability sampling is used to select participants from a study population in a subjective way (Golini & Righi, 2024). There are different types of non-probability sampling but this study applied the purposive sampling method. Purposive sampling method is a “technique where the researcher selects only those subjects that satisfy the objectives of the study based on the researcher’s conviction” (Obilor, 2023, p. 4). In this study, the researcher chose participants based on the experience and participation in work-back pay back agreements as well as their knowledge of the BBBEE scorecard ratings.

Purposive sampling continues to be important to have interviewees who have experienced BEE and the implementation of work-back and or pay-back as a form of retention strategy by employers. Lancaster (2005:136) is of the opinion that it is more effective to interview those "who can shed light on the issue being explored; who is likely to volunteer this data most readily and who might be approached for information." Descombe (2003:172) agrees with this viewpoint when he writes that "people tend to be chosen deliberately because they have some special contribution to make, because they have some unique insight or because of the position they hold." Furthermore, it is important to understand from employers the objectives of

such policies and their impact on their organisations for the better good of employee development.

For purposes of the sampling, the following criteria were used to select the appropriate participants:

- The interviewers were adults above the age of 21 years of age
- Must be employed in the private sector in South Africa
- Can be any gender
- Must have some knowledge of BBBEE
- Must have some knowledge of work-back or pay-back policies

Based on this criteria, a total of seven employees were purposely sampled for this study.

3.5.4 Sample size

Because of the nature and volume of qualitative data, there are no specific rules determining sample size (Cobern & Adams, 2020). Some scholars argue that once a researcher has reached saturation level, that would be a good sample size (Hennink & Kaiser, 2022). Based on Hennink and Kaiser's (2022) advice on the range of sample size was 10 at the beginning. However, after determining that the saturation level had been reached, the sample size was reduced to seven based on Guest *et al.'*s (2006) advice which says that although saturation occurs within the first twelve interviews, basic elements can be present as early as six interviews. This is further supported by Collins *et al*. (2006, p. 86) who draw on Creswell (2002) to argue that case studies can have a minimum of "3 to 5 participants". In view of this, a sample size of seven participants was deemed to be adequate. Studies have shown that such sample size can produce fruitful and applicable results.

3.6 Recruitment strategy

After receiving the ethics approval and gatekeepers' permission to conduct the study, the researcher sent out email invitations to the purposively selected participants. Where there were no responses, the researcher made telephonic invitations. Appointments for the interview sessions were made based on the availability of respondents.

3.7 Data collection method and instruments: Interviews

Interview method was used to collect data from the participants. An interview is a

method used to collect raw data through asking one or more people about their opinion on specific phenomena (Knott *et al*., 2022). The researcher chose interviews because they provide participants with an opportunity to share their views about work-back pay agreements with the restrictions and limitations placed by other methods (Wilhelmy & Köhler, 2022). Although interviews are considered to be time consuming and expensive, the quality of data collected through this method was rich and insightful.

There are different types of interviews. This study used semi-structured interviews with seven employees from different companies in the South African private sector. The interviews were audio-recorded and transcribed verbatim. The interviews were guided by a semi-structured interview guide (see Annexure 1) that explored the experiences and perceptions of employees and employers regarding the role of BBBEE in facilitating skills development and employee retention, and the attributes employees assign to work-back or pay-back policies and organizational retention commitment. The interviews were conducted in a closed room at the location that each interviewer is comfortable. The interviewer had interpersonal and interviewing skills to source the right amount of information in line with the study questions and objectives. The participants were informed that the study is carried out with the permission and assistance from the University of Witwatersrand

The aim of the interviews was to obtain feedback from the respondents on their experiences of BEE and the effects of work-back and or pay-back policies implemented by employers. Lancaster (2005:133) describes the interview as being "extremely fruitful in the context of organisational and management research." Rosnow and Rosenthal (2005:130) mention the importance of good listening skills such as being patient, hearing the facts and not interrupting the interviewee.

3.8 Data analysis

The data collected from the interviews were analysed using reflective thematic analysis (RTA). Reflexive thematic analysis is a flexible interpretative of qualitative data in a way that allows identification and analysis of themes and patterns in a given qualitative data set (Braun & Clarke, 2022; Byrne, 2022). After transcribing the audio recorded interviews, the data were analysed using Braun and Clarke’s (2022) four domains of reflective thematic analysis namely orientation to data, focus of meaning, qualitative framework and theoretical frameworks. The themes that

emerged from the data were identified and coded, and then grouped into categories. Thematic analysis has proved itself over time as a reliable tool for analysing the information provided during survey-based research (Retief, 2015:42).

3.9 Data quality control

Reliability and validity were important considerations in this qualitative study.

3.9.1 Validity

Validity was ensured through the use of a purposive sampling technique to select participants who had knowledge and experience with BBBEE programs and work-back or pay-back policies. The semi-structured interview guide were designed to explore the experiences and perceptions of the participants regarding the research questions. The data collected will be analysed using thematic analysis, which is a systematic and rigorous approach to qualitative data analysis. The findings of the study are supported by direct quotes from the participants to ensure that the findings are accurate and truthful. Member checking was performed to test the emerging findings with research participants (Birt *et al*., 2016). Regular contact with research participants was maintained throughout the data collection period.

3.9.2 Reliability

Reliability was ensured through the use of a standardized semi-structured interview guide that was used for all the interviews. The interviews were audio-recorded and transcribed verbatim to ensure that the data collected is accurate and reliable. The data analysis process was conducted using a systematic approach to ensure that the findings are consistent and reliable. The consistency with which the same results were produced across research participants. Also, the researcher did constant testing and comparison of data throughout the process using tables to ensure reliability.

3.10 Ethical consideration

Ethical issues were considered using the informed consent acceptance to participate, ensuring anonymity and confidentiality, and seeking gatekeepers' permission from the management of the organisation under study.

3.10.1 Informed consent

An informed consent form, detailing all aspects of the study, was prepared and signed by participants before their participation. Additionally, participants were informed of their freedom to voluntarily participate in the survey without coercion and their right to withdraw or stop during the survey. This process was a necessary step to obtain permission to conduct the study from the University of Witwatersrand Ethics Committee. To ensure confidentiality and anonymity, code names such as "Participant 1" were used in place of the actual names of the participants, as illustrated in Table 4.1.

Table 3.1 Participants description

Participant	Description (experience, Position, Age and Sex)	Code
Participant 1	Consultancy and BEE Implementation partner is responsible for day to day BEE advisory services to multiple of small, medium and large enterprises. Has over 20 years experience in Verification Analyst. Strategic BEE Director. 42 year old female	P1
Participant 2	A Director overseeing Health, Safety, Environment, Security and Quality Management for a large entity in the Secunda area with over 8 employees as direct reports.40 year only male with at least 15 years of work experience.	P2
Participant 3	Human Resource and Organisational Development Specialisation. Oversees end-to-end Human Resource Business Partnership in a large private entity with more than twenty thousand workforce. Has over 16 years of work experience and dealing with employee retention processes. 36 years of age female.	P3
Participant 4	Information Technology (IT) Management with Site Management as part of the specialization. Responsible for day to day IT Management, infrastructure, application and construction in	P4

	complex environments. 37 years of age male with over 15 years of work experience in the banking and gas sector.	
Participant 5	Owner of HR consulting company and Skills Development specialist in the fast moving consumer goods sector. 45 years of age with more than 20 years work experience in academic studies and private sector as Head of Training and Development.	P5
Participant 6	Learning and Development Specialist in a BEE consulting company who managed day to day training and development initiatives for large corporations. is a qualified Skills Development facilitator with more than 10 years work experience. 30 year old female	P6
Participant 7	Business Development Manager for a large logistics and import/export company responsible for bringing new business into the organisation. Has almost 20 years working experience in different sectors with particular focus on logistics. Female - 40 years of age	P7

3.10.2 Anonymity and confidentiality

The risk of anonymity was reduced by removing participants' identifiers (Hoft, 2021). While it is not possible to completely maintain anonymity through the interview methods, participants, at the analysis level, identifiers were removed to the extent that no data can be linked to a particular respondent. Regarding their confidentiality, the researcher guaranteed the respondents that any private and sensitive information is handled with utmost care and trust and is not divulged to any third parties (Surmiak, 2020).

3.10.3 Gatekeepers’ permission

The researcher sought permission from the gatekeepers of the organisation where data were collected. Data collection commenced after the permission was granted. However, the permission did not take away the rights of individual participants' consent or not.

3.11 Limitations of study

Because this is a case study, it shares the common limitation of being narrowly focused on specific examples of the case. Therefore, findings from this may not be generalizable to other organizations or contexts. Also, as a case study, the study involved the interpretation of qualitative data, which can be influenced by the researcher's subjective viewpoints and biases. There is always a potential for misinterpretation of data. However, the data quality control measures discussed in section 3.13 were employed to reduce the impact of these limitations. The researcher was mindful of the limitations and exercised caution when interpreting findings.

3.12 Chapter summary

This chapter outlined and justified the methodological approaches adopted to collect and analyse the data. The qualitative methods were explained as well as the interview methods. Among other issues, the chapter has explained how confidentiality was maintained in the analysis and presentation of findings. The next chapter presents and analyses the data in order to draw conclusion on the research questions.

CHAPTER 4: PRESENTATION AND ANALYSIS

4.1 Introduction

The main aim of this study was to explore the implementation of work-back pay back agreements and their nexus with BBBEE scorecards drawing on the case study of large entities in Secunda. Data was collected through interviews purposively selected participants. The purpose of this chapter is to present and analyse the findings. The chapter commences with the presentation of findings based on the main research questions. The chapter ends with the analysis of the findings using existing literature.

4.2 Main drivers for undertaking and funding training and development

The first objective of the research was to comprehend the key factors motivating the provision and financing of training and development for previously disadvantaged workers. To thoroughly address this question, the objective has been subdivided into three themes: understanding the rationale for training and development, examining the connection between training and development and BBBEE scorecards, and exploring training and development as a means to enhance productivity.

4.2.1 Main reasons for funding the training and development

Because there is much debate among workers, particularly the ones from the previously disadvantaged groups, about the main reasons for training and development, participants were asked to state their views on this matter.

> *So the first reason I believe is the actual return on investments, they enjoy from obviously up-skilling and training their employees meaning that the more knowledge the more skills the more competencies and employee undertakes or learns the better. (P1).*

> *I do believe that the essential driver is getting a return on investment from a productivity perspective and ensuring that they have the brightest and the most Innovative employees that can add the most value to the business, bring in new ideas and bring in innovation in order to make the organization more successful. (P4)*

It is to give previously disadvantaged employees access to education, firstly. … I do know from a compliance point of view, it would support the company with their Business strategy so that's also important. …. it would be to enhance the skill set within the organization. … Access, strategy, compliance, and then lastly, to align with strategy. (P3)

Broadly, the responses from most participants point to the need to improve productivity through the acquisition or improved competencies. This is not unexpected as that is the reason for most training and development sessions. However, P3 brings more than just an improved productivity argument but also mentions three other critical reasons namely access, strategy and compliance. This is an interesting observation as the issues of social justice emerge with the notion of access to training and development for the previously disadvantaged workers which is one of the key objectives of BBBEE. P3 also stated an important issue of compliance which has nothing to do with productivity. This could mean that companies invest in training and development as part of their BBBEE initiatives or in accordance with B-BBEE Codes of Good Practice.

4.2.2 Training and development to improve their BBBEE scorecard

To gain some deeper insights into the role of BBBEE raised by some workers and by P3, participants were asked directly to state views on the nexus between BBBEE and the skills development of the previously disadvantaged. Their views were

I think with every intervention on the BBBEE scorecard that is decided upon, it is aligned with the compliance objectives, because it's certainly a strategic approach to spending money within an organization. I therefore think all of the interventions have to comply with the BBBEE scorecard requirements. And there are times when it does not, but that's when companies have to decide if it's a cost that's going to still deliver that ROI. Okay. (P4).

Sure, and so, the extent which I think employers fund previously disadvantaged employees for the sole purpose to improve their BEE scorecard is I would say almost always I think it's also the reason the many in which the BEE scorecard has involved over the years it was to find a mechanism to incentivize, employers to actually invest, This type of training. So for me, that's my response to that. (P1)

I think absolutely to a very large extent I think. … I do think that BEE is definitely something that is taken quite seriously in South African organizations, especially from a training and development perspective. So to answer your question, I believe this is to a large extent that employers fund training and development of previously disadvantaged employees to improve their BEE scorecard. (P2)

Although opinions differed as to whether BBBEE scorecards are a significant factor in considering skills development of the previously disadvantaged workers, those that believed it was so were so assertive in the responses. Firstly, as P4 noted, most organizations wanted to comply with the BBBEE Code of Good Practice without mentioning the issues of scorecards. However, the theme of scorecards was recurrent throughout the dataset. The major driver, according to the respondents, is the issue of incentives attached to the training of previously disadvantaged groups. This statement from P1 seems to confirm the views of the participants: *"I believe this is to a large extent that employers fund training and development of previously disadvantaged employees to improve their BEE scorecard".* P1's views on the significance of BBBEE scorecard seem to assertively conclude that compliance is the main purpose.

4.2.3 Training and development to improve productivity

In order to determine the significance of the traditional purpose of training and development which is productivity in funding the skills development of the previously disadvantaged workers, respondents were asked to state their views. Some of the significant responses are listed here.

> *I think progressive employers understand the need and the necessity to continuously train and develop employees and whether it be for recognition from BEE perspective or financial gain. I think if the employer is progressive and understands the importance of continuous learning they do it to improve productivity. It goes without saying I think this applies only to progressive employers. (P2)*

From P2's perspective, the main purpose of training and development is to improve productivity. Regardless of what the unspoken or unstated purpose is, for progressive employers, training and development will result in improved productivity. While this view could be accurate, it seems to ignore the fact that if training and

development is not conceived with the right purpose, it may not result in productivity for many reasons. First, it might not be based on an actual skills identified through a systematic skills needs analysis. Or, the trained workers may not be used in the newly acquired skills or competencies as it was never a need in the first place. Consequently, such training may not result in improved productivity.

Drawing on data gleaned through interviews, two divergent and often conflicting discourses regarding the purpose of skills development of previously disadvantaged workers emerged. While the notion of training and development as a mechanism to attract government incentives through improved BBBEE scorecards, it also emerged that some employers are sincerely driven by the need to rump up their production. The study did not find enough data to conclusively establish that skills development for the previously disadvantaged is solely driven by the need to improve BBBEE scorecard rating.

4.2.4 Main sources of funding for training and development

To gain deeper insights into the rationale behind investing in skills development for the Black community, the study sought to establish the sources of funding. A prevalent sentiment among respondents was uncertainty regarding the sources of skills development funding. One interviewee the following remark:

The truth is, in my role, I don't have sight of the funding decisions that are taken as this is managed by our skills development subsidiary. I can give you my assumption, but I do not have the facts around that. (P2)

Another significant finding is that workers often use their own funds to finance their skills development, as highlighted by one interviewee: *"So in the organization and from what I'm aware of, it comes from employer bursaries as well as personal sources"* (P1). This implies that, in certain instances, employees bear the cost of their own education. However, the data did not distinctly reveal the specific types of training employees opt to finance themselves or who identifies the necessity for such training.

One interviewee was of the view that funding comes from three main sources namely personal sources, employer bursaries, and the SETAs. The interviewee noted the following:

It's a combination of the three out of the four options so employer funding would speak to a training and development budget. I assume definitely that is one source, then the other sources is a personal Source not very popular but it does happen the fourth option which is the second most popular is the employers. (P3)

Another important view to emerge from the data is the issue of strategic alignment. In one interview P1 noted that "*So sometimes, if it's something [skills development] that's not aligned with the corporate strategy, it might be completely misaligned with our objectives as an organization. So perhaps in those circumstances, it may not be one that is supported".* This is an important observation regarding workers who find certain skills development useful for their personal and professional growth but not aligned with their duties of institutional strategy. In such cases they can fund their own training.

4.2.5 The advantages of funding training and development through TRAPs

There has been a huge outcry regarding use of work-back pay back agreements or TRAPs. Some of the negative perceptions stem from the likening of such agreements to modern day indentured labour. This sought to understand why that was so by soliciting the perceptions of respondents of the use of TRAPs.

Considering the complaints that some workers express the use of TRAPs or work-back of pay agreements to fund the skills development of previously disadvantaged workers, this study sought to understand what attracts or forces them to enter into such agreements. Respondents were asked to state the advantages of using TRAPs to fund their education. Their responses focused on both the employees and employers.

So for me that is one of the main advantages of funding training and development and ensuring that you build a skill set in the country at large because previously advantageous people are the majority of people in this country. (P3)

P3's response focused on the social justice notion of equity which is consistent with the aspirations of BBBEE. In that response, it can be inferred that the advantage is not just to the individual but to the society at large. However, it does not explain the actual advantage that accrue to the individual worker and employer. In one interview

P1 illustrated how the employer and employer draw mutual benefits from work-back pay back agreements.

> *I would say that the advantages of this form of funding is in terms from an employer's perspective that they have* ***high certainty*** *in that this employee is not going to leave the organization within the determined period from an employer's perspective. I would say to some extent the employee will also* ***have some sense of job security*** *In that it's in the employer's interests to not release that employee, before they get through their work-back. (P1)*

Two critical themes emerge from P1's comments. First, the notion of security for and assurance of return of investment on the part of the employer. Using TRAPs ensures that employers would get returns on the investment they make in the skills development of the black employees. Secondly, employees are also assured of the security of their employment. Considering the high unemployment in South Africa, assurance gives workers peace of mind.

Furthermore, the assistance given to previously disadvantaged workers gives them a financial advantage. In one interview, P5 stated that, without such TRAPs, such workers would not be able to afford funding their own skills development.

> *Certainly, the advantage for the employee is that they're getting financial support. This is often finances that they do not have access to, considering the high level of expense, and the high cost that we incur living in the South African economy, especially since it's been tough these past few years post COVID. (P5)*

Other participants likened the financial support that comes with work-back pay back agreements to be a fringe benefit. Such views suggest that workers should take advantage of it. In one of the interviews, P3 stated the following:

> *So, to receive funding support is a huge, you know, like fringe benefit, a huge skills benefit to the employee. In terms of the work back, I think that for the employer, it's certainly one that they have to consider because it makes sense that corporates would want an return on investment on the expenses that they incur.(P3)*

In this response, P3 also reaffirmed the benefits that accrue to the employer. It is expected that employers would need to see an improvement in productivity through training and development. However, the data could not specifically explain why work-back and pay-back agreements, as opposed to other forms of funding, provide such advantages. It is also interesting and surprising to note that some workers would perceive funding with binding conditions that require one to stay in one organization for a specified time as a 'fringe benefit'. Additionally, the reasons given seemed to be generic without specific focus on previously disadvantaged workers.

Surprisingly, the issue of BBBEE scorecard was barely mentioned as an advantage by the respondents. Although P3 mentioned it an issue of compliance, it was not clear how this would benefit the employer. However, it is known that a high BBBEE rating improves the chances of doing business with the government.

To understand this further, the next section explores the challenges of using work-back pay-back agreements in funding the skills development of Black employees.

4.3 Main challenges of using the work back pay back agreements

The second research objective of this study sought to understand the main challenges of implementing work-back pay back agreements for both employees and employers.

4.3.1 Main employee challenges of using the work back pay back agreements

One of the key objectives of this study is to investigate the challenges of implementing work back pay back agreements. Respondents were asked to state and explain what they viewed as the main challenges of using work back pay back agreements as mechanisms of funding skills development for the previously disadvantaged workers.

The first theme that emerged is the impediment of professional growth. In one interview, P1 stated the following:

> *So I think that the disadvantages is that it can hinder one's once professional growth from a career perspective because obviously you are not able to explore opportunities outside of your employer because you have to work for*

certain period before you can do that in order for you to pay back that period where you were being funded in terms of the money itself. (P1).

Like many other participants, P1 viewed the use of work-back pay back agreements as a major hindrance in cases where the workers could have identified new opportunities before the end of the agreed 'work back' time. Workers are left to make difficult decisions of staying or leaving and paying whatever is owed to the employer. On one hand, in the event that the worker chooses to stay, it might mean that the motivation is extremely low. This does not benefit the employer or the worker. On the other hand, the worker would need to bear huge financial costs. It is against that background that P4 concluded that:

So I think for me the disadvantage is that very skilled, very qualified employees miss out on career advancement opportunities based on the fact that they're not able to cough up a specific amount of money to their employer if they wanted to leave (P4).

These views surfaced mainly in relation to breach of the work-back pay back agreement or intention to do so by the employees. Workers are bound to stay unless they pay back. Because of this condition, some respondents questioned the sincerity of such assistance and noted the following:

So for me, I'd say the one disadvantage of this form of funding is that I'll speak from personal experience in that as an employee I get the perception that funding my training and personal development is done in bad faith. (P2)

To support this claim, the interviewee cited the need for compliance as the main driver and motivation for funding training and development for the previously disadvantaged workers.

Another theme that emerged is the emotional burden brought about as a consequent the inability to pay back. This is illustrated in this quotation from P3: "And the biggest pressure here is that they might not have the funds readily available to settle that debt. So now the debt becomes, you know, an emotional burden, a financial burden, you know, on that employee". It is against this background that the situation ends in both the employer and employee not gaining anything from the skills development. One hand is emotionally stressed by the need to leave, which on the other hand

reduces the morale and motivation to work. The organization, as a result, does not realize the envisaged higher productivity.

4.3.2 Main employer challenges of using the work back pay back agreements

While data has shown that to a large extent, employers fund skills development of the previously disadvantaged employees with an aim of facilitating transformation as well as enhance productivity and profitability, employers also face challenges with the implementation of work-back pay back agreements. Respondents did think that there were many challenges regarding the implementation of these agreements. The reason that was cited by some is the asymmetrical power relations which favoured the employers in the conditions set out in the agreements. For instance, in one interview, P2 stated the following:

t's a huge imbalance of power and it plays on the morale of the employee because they actually don't have a say or a choice in this situation. It's all about what the employer wants but at the end of the day there should be a two-sided affair because the employee is there, yes because you hired them, but they also bring in something to the table. (P2)

This was a common view amongst interviewees who felt that employers and employees enter into agreements on uneven terms because employees are the ones that seek the assistance of the employers. Out of desperation, employees are likely to acquiesce. As a result, employees continue to work because they have no choice.

Notwithstanding the stated view on the influence of power imbalance on the work-back pay back agreements, there were some respondents who reported that employers do face challenges with these agreements. The departure of a person who has received training and acquired new skills chooses to leave is a threat to the return on investment that the employers want. This sentiment is illustrated in this response from one interview:

> *And also I mentioned earlier where the company probably has intentions to support their innovation and new product strategy. If they've invested money in an employee and they're leaving, it does disrupt that as well. So it certainly does disrupt the strategic intentions of the business. (P3)*

Naturally, the employers find it disruptive for employees to leave, particularly so on the basis that they have received new skills that are needed by business competitors. It would take time for them to get a new employee and get them through the induction process.

The other challenge stems from the inability to meet their BBBEE compliance targets. Training the previously disadvantaged employee with the intention of fulfilling BBBEE scorecard compliance targets at a certain level becomes fruitless when that person chooses to leave irrespective of whether they pay back or not.

> *And so, especially to meet their BEE targets, for example, it could happen at a time when funding is made and you could have an organization that is not going to claim that spend and needs to find another candidate. So it does pose challenges to manage your BBBEE compliance strategy, for example. (P6)*

This argument, although not widespread among the respondents, makes sense in view of the amount of money an employer invests in the skills development of an employee. This issue is even more complex when the departing worker is unable to pay. To that end, P7 says the following:

> *Firstly, it is very difficult to successfully recover the money. Therefore, it's almost impossible to recover the money legally, and I think it also dampens morale and has a negative impact. (P7)*

This view may explain why some employers would incur costs in trying to recover their money from employees after the breach of the work-back pay back agreements.

In summary, while it is true that employers exercise their power in drafting agreements that favour them, it is also true that they face some challenges. In some cases they incur legal costs in trying to recover their money.

4.4 Strategies to solve the challenges associated with work back pay back agreements

Noting the immense positives of work-back pay back agreements to both previously disadvantaged workers and employers, it is critical to find strategies of solving the challenges associated with such challenges. Respondents were asked to propose

ways of solving such challenges. This section discusses such views to gain a deeper insight into the possibility of coming up with solutions to the identified challenges.

The first strategy proposed by some respondents is the genuine collaboration between employers and employees in drafting the policies guiding the implementation of work-back pay back agreements. For instance, one respondent noted the following:

> *I think it could be quite important to create these bursary or training policies that speaks to work-back payback, co-creation of these policies with employer and employee and for me that is very important. So the collaboration aspect so that it's not something that the employer does in isolation if they really have to and it doesn't always mean that policy will then include something like having a work-back payback agreement. (P7)*

This view was a recurrent theme in the interviews which illustrated a sense amongst interviewees that should be collaboration in drafting the agreements. Interviewees noted that the process should start before there is an opportunity for workers to go for skills development. Possibly, this is because if workers become aware of the funding agreements when they are already excited about going for such training they might not fully understand the implications of the agreement. This might suggest a need for awareness programmes so that workers can make informed decisions when signing work back pay back agreements.

One of the challenges of work-back pay back agreement that emerged during the interview process is a one size fits all agreement that do not respond to individual needs of the workers. This insensitivity to individual needs of the worker at planning and formulation produces agreements that do not respond to the needs of all workers especially the previously disadvantaged workers. For instance, in one interview, the respondent made this remark:

> *And if they have that little bit targeted to previously disadvantaged and not for people that are living at a certain living standard measure level so it could be considered on a case by case basis. So I think that's what they need to do. (P1)*

> *When you collaborate on something you look at what would be something that you can agree on that would benefit both of you because this does not benefit both parties. It only benefits one party. (P6)*

The essence of these views is in the need to have meaningful collaboration between workers and employers in developing the agreements. The achievement of this could be difficult for asymmetrical power relations as discussed in earlier sections.

Another proposed solution to the issues of work-back pay back is just to do away with such agreements. Some respondents noted that the employers should just fund skills development in line with their strategic objectives without expecting any pay back from employees. For instance, one respondent stated the following:

> *So I think creation of the policies. The other strategy would be for employers to maybe just be intentional about what they actually want to do. If it's about training their people let them train their people without having terms and conditions that allude to work back and pay back. (P5)*

While this view could be acceptable to workers who need such training, it is counterintuitive to the concept business that employers engage it. It ignores the need for employers to get their return on investments. If not careful, some employers would remain training grounds for other businesses. Caution should be exercised in coming up with such drastic solutions that do not produce a win-win situation for both employers and employees.

Another suggestion preferred by interviewees was to consider different ways of pay back, not just in monetary terms. This theme came up for example in discussions of collaboration and negotiation of the terms and conditions of the work-back pay back agreements. This quotation from one interviewee captures the essence of the argument.

> *I feel that in a potential strategy would be defining work back pay back agreements potentially based on your job function in the organization in that, if you are a doer, it can be, time-based Etc. However, if a person is an executive the work back, can be measured differently instead of it just being clearly a monetary example, if you're a CEO and there's an improvement of the market*

gap of the company by a certain percentage. It can be deemed that you've paid back. (P5)

This is an innovative way of determining work back or pay back. It suggest that, depending on the level and position of an employee, one can be able to generate profit that usually takes a long time to achieve. Therefore, instead of narrowly focusing on the duration of work back, employers can focus on the revenue generated on a specific time to see if this can be equivalent to the amount of money to be paid back. Though innovative, it can be more challenging to implement than a straight forward work-back pay back.

4.5 Discussion of findings

This study sought to understand the implementation of work-back pay back agreements and their nexus with BBBEE scorecards. This section discusses and analyses the findings using the literature review as theoretical lenses.

5.51 Drivers for training and development

Against the broader aim of the study, the first research question sought to understand the key drivers for training and development for the previously disadvantaged workers from the perspective of workers and employers. In examining the findings related to this question, three themes emerged: training and development to improve their BBBEE scorecard; training and development to improve productivity; main sources of funding for training and development.

Firstly, there were some views which suggested that employers engaged in training and development in order to improve their BBBEE scorecard ratings. Unfortunately, such views does not exist in the current literature. Such findings could imply new and novel contributions to the body of literature. However, this view needs to be tested with a larger sample from different sectors of employment. However, there was also a number of people that suggested that training and development had nothing much with BBBEE. Most of the respondents with this view argued that training and development was done to improve productivity in line with the strategic objectives of the business. This view is barely distinguishable from Belias *et al*'s (2020, p. 639) views which assert that "increasing competition requires the development of the 'internal' potential of each organization, with the result that human resources and

their management are now regarded as one—a new sector of strategy that is considered vital to achieve a sustainable competitive advantage in the tourism industry” . This is quite consistent with the views of many human resources management scholars who argue that training and development is done to improve productivity (Al-Kassem, 2021; Nguyen, 2020). However, it must be noted that, in the South African context, indeed, training is done with a view to correct the imbalances in the labour market that were caused by a long history of apartheid.

5.5.2 Challenges with the implementation of work back pay back agreements

The second objective of this study was to determine the challenges associated with the implementation of work-back pay back agreements particularly when it regards the previously disadvantaged workers. Generally work back pay back was seen as an effective tool for the training and development of the previously disadvantaged workers. Many respondents pointed out that the fact that the contract binds workers to one employer could be seen as a modern day indentured labour. This view is similar to Yang *et al*.’s (2023) finding in an American study of nurses who received funding for their skills development. Because of such perceptions, some workers breach the contracts when they get new opportunities. Such breaches result in many costly legal processes where employers try to recover the money they invested in the training of their employees. Examples of such cases include Case No: JR2252/19 of The Trustees for the Time Being of the Ampath Trust Vs Louisa Aletta Ingram the parties disagreed on the “Work-back Period and Repayment” clause, which required the employee to pay back. This is counter intuitive in view of BBBEE which seeks to promote equity and justice in the workplace and in business. Other cases which illustrate the legal complexity implementing work-back pay back agreements are reported the Netherlands regarding the repayment of training fee that the employee argued was a mandatory training and therefore, it should not be paid back (Bijloo & Quist, 2023). The court ruled that “the repayment arrangements were legally valid: the employee was obligated to repay the training costs” (Bijloo & Quist, 2023, p. 41). Drawing on this discussion, it is clear that the main challenges of implementing work-back pay back emerge where there is breach of contract.

4.5.3 Strategies to solve the work back pay back agreement

The third and final objective of this study was to propose a mechanism to solve the challenges associated with the implementation of work-back pay back agreements. Many respondents suggested that the problem with work-back pay back agreements challenges were related to a lack of collaboration at the contact drafting stage. It was observed that, because of power imbalances, workers were left with no choice but to accept conditions that were not favourable. There were also suggestions to use different forms of paying back. However, the implementation of the suggested methods seemed complex and difficult to implement.

Unfortunately, there is barely nothing that could be drawing from literature that could work as a strategy to solve the challenges of work-back pay back agreements. This may stem from a dearth of literature of this subject particularly in South Africa.

4.6 Chapter summary

Chapter Four has presented and analysed data from the interview. Firstly it established the main drivers for training and development of previously disadvantaged workers. Among other things, the main reasons were to improve productivity with the need to improve BBBEE scorecard ratings also emerging. Secondly, the chapter outlined the main challenges of implementing work-back pay back agreements. Main challenge was the breach of contract by workers. The chapter concluded with proposed mechanisms of solving the challenges. The next chapter gives a final analysis of the study and provides conclusions and recommendations.

CHAPTER 5: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This study sought to understand the implementation of work-back pay back agreements and their nexus with BBBEE scorecards drawing on the case study of large entities in the Secunda region. Data were collected through interviews purposively selected participants. The research was underpinned by three main research questions. These are the questions that underpinned the study.

a. What are the main drivers for undertaking and funding training and development of previously disadvantaged employees in South Africans in organisations?
b. What are the main employee challenges of using the work back pay back agreements for funding training and development?
c. What strategies can be used to solve the challenges associated with work back pay back agreements for funding previously disadvantaged employees' training and development?

This chapter gives a summary of the dissertation, findings for each question, implications, conclusions, recommendations and limitations.

5.2 Summary of the dissertation

Chapter one of the dissertation presented an overview of the study. It outlined the background to the study citing an outcry about the implementation of work back pay back agreements. It asserted that although employers benefit from investing in the skills development of employees who were previously disadvantaged in terms of improvement in the BBBEE scorecards, they often demand pay back when employees leave an organization before completing an agreed period of time commensurate with the funding they received for training. On one hand, this view is not well accepted by such workers who feel that they are being bonded like indentured labours. On the other hand, employers who invest in the training of their employees feel entitled to their money as they expected a return on investment. Chapter one state this as a problem which has received little to no scholarly attention particularly in South Africa.

Chapter two of the dissertation presented a systematic literature review of work back pay agreements. However, the literature focused most on cases from other countries as there is a dearth of such in South Africa. Literature has demonstrated that the implementation of work back and pay back agreement is associated with many challenges. Many of the challenges relate to legal issues. In South Africa, the complexity of such agreements arise because of the implementation of affirmative action mechanisms which also encourage and reward businesses that invest in the training of black people.

The chapter also analysed literature on affirmative action and BBBEE. It traced the history of affirmative action. In doing so, the chapter also illustrated how education and training is often used as a strategy for affirmative action. Stemming from this, the chapter explored the nexus between BBBEE and work-back pay back agreements.

The chapter ended with an exploration of the policy and legal framework of both BBBEE and skills development in South Africa. In that it illustrated how training and development of the previously disadvantaged workers can improve an organisation's BBBEE scorecard.

Chapter three presented an outline and justification of the methodological approaches adopted to collect and analyse the data for the study. The qualitative methods were explained as well as the interview methods. The chapter explained how the reflective thematic analysis was employed to analyse data from the interviews. It showed how the reflexive thematic analysis as a flexible interpretative of qualitative allowed the identification and analysis of themes and patterns in that it emerged in the data set. Among other issues, the chapter also explained how confidentiality was maintained in the analysis and presentation of findings.

Chapter four presented and analysed data from the interview. It established the main drivers for training and development of previously disadvantaged workers. Among other things, the main reasons were to improve productivity with the need to improve BBBEE scorecard ratings also emerging. Then the chapter outlined the main challenges of implementing work back pay back agreements. Main challenge was the breach of contract by workers. The chapter concluded with proposed mechanisms of solving the challenges.

The present chapter summarises the findings, provides conclusion and recommendations for policy and for practice.

5.3 Summary of findings and conclusions

5.3.1 Main drivers for undertaking and funding training and development

Findings

The first research sought to understand the key drivers for investing in the skills development of previously disadvantaged. While responses differed in terms of how they were presented, there was a general understanding that training and development for the previously disadvantaged employees was primarily driven by the need to improve productivity and thereby enhance profitability. Many respondents felt that the improvement in employee competencies would result in higher productivity. This view was shared by both employees and employers.

Although there were some views that supported the argument that investment in the training and development of previously disadvantaged was driven by the need to improve the BBBEE scorecard ratings, the sentiments were not as strong as those that supported the productivity argument. This was not surprising as it supported the theoretical arguments of training and development.

The most obvious finding to emerge from this study is the issues of social justice and its association with the notion of access to training and development for the previously disadvantaged workers as a key to correct the labour market imbalances created by the apartheid policies. Nonetheless, the employers seemed to benefit twice when they invested in the training of the previously disadvantaged workers. On one hand, they are likely to benefit from the improved efficiency stemming from the improved competences in workers. On the other hand, their BBBEE scorecard rating is likely to change if the training was not done by the black people.

Unfortunately, in some cases the trained workers leave the employers that funded their training before the expiry of the period that they agreed to work for the institution that funded their training.

To further understand the drivers for training and development for the previously disadvantaged workers, the study sought to understand the sources of funding for skills development. Findings from this study confirm that funding is largely from the

employer. In some cases, employees funded their own education, particularly if it was not aligned with their position or job description. In some cases such training was not informed by a systematic needs analysis and therefore not in alignment with the strategic objectives of the business.

Implications

The results of this study indicate that the traditional and theoretical arguments for training and development are still the main reasons for training and development of the previously disadvantaged employees. The principal theoretical implication of this study is that although the improvement in BBBEE scorecard rating are also the benefits of training and development of the previously disadvantaged employees, the primary benefit of such training remains improvement in productivity. This explains why employers insist on getting their money back if the employee who has benefitted through work-back pay back leaves an organization prematurely. These findings have significant implications for the understanding of how the issue of BBBEE scorecard rating has some form of influence on training and development, no matter how small that is.

Conclusion

Taken together, these results suggest that there is enough evidence in the data to conclude that the investment in the skills development of the previously disadvantaged is driven by the need to improve productivity and to a lesser extent, the need to improve BBBEE scorecard rating. If the latter is correct, the implication is that the government mechanism of incentivizing the skills development of the black workers through points in the BBBEE rating is having an impact.

5.3.2 Main employee challenges of using the work back pay back agreements

Findings

The second research question sought to understand the challenges associated with the implementation of the work back pay back agreements. This study has identified two main challenges. The first one is that many respondents were of the opinion that the conditions of the work back pay back agreement seem to be too harsh to the employees when they breach it. As a result workers are forced to stay even when circumstances are no longer conducive or when there are opportunities for growth

outside of the organization. This study has found that generally, workers who benefit from the agreements can only leave if they pay back the amount invested in the training or a portion of it. If they are unable to pay back they can either stay or leave and face legal consequences of such a breach of contract.

The second challenge is employer related. The study has established that in the event of a breach of the work back pay back agreement, employers lose the return on investment they expected. It also takes away key workers which result in common challenges of staff turnover. Also, employers engage in expensive and time wasting litigation processes in trying to recoup their money from workers.

Implications

This study has raised important questions about the nature of implementation of work-back pay back agreements that have not been through systematic research. The findings of this study suggest that both the employers and employees are not entirely satisfied with the implementation process. For workers the study imply burnout and reduced morale when they are 'forced' to work in an organization that they no longer want. The employers also suffer as a result of loss of return on investment and through litigation expenses.

Conclusion

This study has confirmed that there are challenges for both employees and employers associated with the implementation of work-back pay back agreements. Findings have shown that employees find the aspect of paying back somewhat unfair especially when the employer has already scored some points on the BBBEE scorecard.

5.3.3 Strategies for solving challenges of work back pay back agreements

The third and final objective of the study was to determine strategies that could be used to solve the challenges that were identified in the study. This study has established that the issue of asymmetrical power relations affects the drafting of the work back pay back agreements. That means that such agreements are often skewed in favour of the employer. To remedy this, respondents such that there should be openness and collaboration between employees and employers. This

would avoid a situation where employees will only know about some of the conditions of the agreements only when they have been breached.

Another solution proposed by the participants is to consider a proxy measure of paying back rather than narrowly focusing on monetary payment. The suggestion was that, perhaps the employer can consider revenue generation during the period that a worker performed the usual tasks and determine if that could be considered as a payment. This seems to be a complex solution which is not easily implementable.

Implications

These findings suggest that work back pay back agreements are effective in providing financial support for the previously disadvantaged. However, there are problems which might threaten their sustainability. It is imperative to find solutions so as to ensure their continuation.

5.4 Recommendations

This study has a number of practical implications. First, based on the findings and conclusions of this study, employers and Human Resources practitioners and management should leverage the use of work back pay back to fund the previously disadvantaged workers as it has the potential to improve productivity and BBBEE scorecard rating. Secondly, there should be open and frank collaboration between the employer and employees in the drafting of the work-back pay back agreements. This would reduce the cases of disagreements when some conditions are breached.

To the scholarly community, this research has thrown up many questions about work back and pay back agreements in South Africa which need further investigation. More work will need to be done to determine what needs to be done in other provinces and different industries. Different methodologies can be used to confirm the findings of this study.

This study has established that work-back pay back agreements are being used by employees in order to improve their BBBEE scorecard ratings. A key policy priority regarding this should therefore be to plan for the long-term strategy of implementing such contracts as they seem to be effective in correcting labour market imbalances created by apartheid. Perhaps, the government can come up with minimum

requirements for such agreements.

Based on the findings of this study, government should consider creating guidelines or frameworks for work-back payback agreements. This would ensure consistency across industries and protect both employers and employees from unfair practices, such as excessive repayment demands or unclear contractual terms.

Furthermore, policy makers should explore ways to better integrate BBBEE (Broad-Based Black Economic Empowerment) scorecard requirements with work-back payback agreements. This could include incentives for companies that link training and development programs to BBBEE objectives, ensuring that skills development contributes to broader social and economic transformation goals.

5.5 Limitations

Although this study has uncovered some of the issues and challenges regarding the implementation of work-back pay back agreements that were scarcely documented in scholarly literature, it has a few limitations that should be considered. Being limited to Mpumalanga and a few businesses, this study might lack a sample that is big enough to allow generalizability in all provinces and businesses. Furthermore, only seven participants were selected, which is a relatively small sample size, especially when dealing with large entities. This could raise concerns about whether the sample size is truly representative of the population of interest. Also, the analysis focuses mainly on the drivers for training and development, particularly in relation to productivity and BBBEE scorecard ratings but overlook other critical factors influencing the implementation of work-back payback agreements. In spite of its limitations, this study adds to our understanding of the work-back pay back and its nexus with the BBBEE which makes a good area for further research.

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LIST OF APPENDICES

Appendix 1: Data collection instrument

Interview Guide

• Introduction

- Observant of protocols and discussion of ethics guiding research.
- Date:
- Name:
- Position:

A: Main drivers for undertaking and funding training and development of previously disadvantaged employees in South African organizations

1. In your opinion, what are the main reasons for funding the training and development of previously disadvantaged employees?
2. To what extent do you think employers fund training and development of previously disadvantaged employees to improve their BBBEE scorecard?
3. To what extent do you think employers fund training and development of previously disadvantaged employees to improve productivity?

B: What are the main sources of funding for training and development in your organization?

1. Employer funding?
2. The SETAs?
3. Personal sources?
4. Employer bursaries?

C: The perceptions of previously disadvantaged employees of the work-back payback agreements for funding training and development

1. What are the advantages of funding training and development for previously disadvantaged employees in South African organizations?

2. What are the disadvantages of funding training and development for previously disadvantaged employees in South African organizations?
3. In the event that the beneficiary of the work-back payback funding agreement leaves the organization before the end of the agreed-upon period, how should the employer recover the money used for the tuition of that employee?
4. Considering BBBEE scorecard points gained through funding previously disadvantaged employees, is it fair for an employers to force employee to pay back the money if they intend to leave the organization?

D: The perceptions of employers of the work-back payback agreements to fund training for workers from previously disadvantaged backgrounds

1. How do you perceive work-back payback agreements for funding training and development of previously disadvantaged employees?
2. Do you think it is fair to demand payment from a previously disadvantaged employee who leaves the organization before the agreed period lapses? Especially after gaining points for the BBBEE scorecard?

E: Challenges of implementing work-back payback agreements for funding previously disadvantaged employees' training and development

1. What are the employer challenges of using work-back payback agreements for funding previously disadvantaged employees' training and development?
2. What are the employee challenges of using work-back payback agreements for funding previously disadvantaged employees' training and development?
3. What strategies can be used to solve these challenges?

The End

Appendix 2: One page bio of the researcher and declaration of interest

Annah Lerato Motokwa Mamangena Makwela is a Managing Director of Mak Well Inc, a company operating in the mining commodity industry since 2013. Before managing her business full time, she has spent her time in organisational development roles in industries such as mining, oxygen and gas, telecommunication and fast moving consumer goods among others. She holds a Bachelor of Commerce Honours with specialisation in Industrial and Organisational Psychology from the University of South Africa.

Declaration of conflict

The author has no conflict whether it be financial and or other interest related to the submitted work that could impair the author's objectivity in conducting the research.

Appendix 4: Dully filled data collection instrument/s

ANNEXURE 5 - ETHICS CLEARANCE

Graduate School of Business Administration
University of the Witwatersrand, Johannesburg

Wits Business School Ethics Committee
Constituted under the University Human Research Ethics Committee (Non-Medical)

Ethics Clearance Certificate

Ethics protocol number: WBS/BA2609497/729

This certificate is only valid with a legitimate ethics protocol number and signed by the Researcher (below)
This certificate is only valid if permission has been granted by the Registrar's Office of Wits University.
This certificate is only valid if accompanied by formal permission from the relevant stakeholder(s).

Project title	Work-back arrangements and skills development of employees through BEE in the South African private sector
Investigator / Researcher	Ms Annah Makwela
Nature of Project	MBA (Research Article)
Decision of the Committee	Approved, provided stakeholders and participants are guaranteed confidentiality.
Issue Date of Certificate	2023/11/05
Expiry date	Date of submission of the project / research report
Chairperson	Dr Pius Oba ☎ +27 11 717 3976 +27 82 733 6587 ✉ pius.oba@wits.ac.za

Declaration by Researcher

One copy must be signed by the Researcher and returned to the Chairperson of the Wits Business School Ethics Committee.

I fully understand the conditions under which I am authorized to carry out the abovementioned research and I guarantee to ensure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I undertake to resubmit the protocol to the Committee.

Signature

Annah Lerato Makwela
Date: