Reviewers

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Being 'human' under regimes of Human Resource Management: Using black theology to illuminate humanisation and dehumanisation in the workplace

Author:
Prof. Nick Megoran[1]
[0000-0002-5830-2293]

Affiliation:
[1] School of Geography, Politics and Sociology, Newcastle University, United Kingdom

E-mail:
nick.megoran@ncl.ac.uk

Abstract

Critical studies have rightly faulted mainstream HRM for its failure to account for the meaning of being human under regimes of HRM. This article advances the field in this regard by drawing on African and broader black theological reflection on the meaning of being human, and by using visual research methods to interrogate the extent to which workplaces respect human dignity. Fifty-five (55) visual timeline interviews were conducted in a range of workplaces in the north-east of England. Data showed that allowing autonomy and freedom, mediating audit regimes, contractual affirmation, and creating communities of care were the key factors whose presence created humanising workplaces and whose absence signalled dehumanising ones. This research allows a richer understanding of structures and processes that produce either humanising or dehumanising workplaces.

1.   Introduction

This article is a contribution to the growing body of literature about how to study the 'human' in Human Resource Management (HRM). This is important, because the neglect of the humanity of workers under HRM regimes often contributes towards harmful practices and structures in the workplace. For example, in a thoughtful intervention, Mariappanadar calls for a "sustainable HRM" that seeks to identify, via a "stakeholder harm index", the negative individual, family and community externalities of high-performance work practices – lack of sleep, coffee/alcohol abuse, heart disease, depression, divorce, and the like (Mariappanadar, 2014). Critical studies of HRM have long recognised the ethical need to challenge such work-

place conditions, echoing Legge's oft-cited call for "the submerged voices of those who experience HRM initiatives … to be given more prominence not only for ethical reasons, but to counteract the managerialist agendas that are implicit in much HRM and performance research" (Legge, 2005:41).

This article seeks to advance this critical project in two ways. First, for all its critique of either the neglect or commodification of workers, critical HRM itself does not always sufficiently foreground real workers or provide a positive ontology of being human to be able to articulate practical alternatives. This is, I argue secondly, a methodological issue, because critical HRM commonly relies heavily on textual analysis rather than exploring in detail people's experiences. Instead, this research uses visual timeline methodology to interrogate the actual experiences of the workplace as either humanising or dehumanising. 55 such interviews were conducted with public sector and charity workers in the northeast of England.

Theoretically, this research draws on African/African American/black Christian theological literatures on the value of human life. Revisiting the Biblical idea that humans are created *imago Dei* (in the image of God) I argue that, whereas Euro-American theologians have been more interested in philosophical questions about the meaning of being human, black theology has insisted on the exploration of the ethical significance of the *imago Dei* in concrete contexts of unequal power relations where human dignity is denigrated. Suggesting that this work has relevance beyond the original discussion of race, I argue that viewing the modern workplace under regimes of HRM as one such context, allows us to ask how well human beings created *imago Dei* are being treated. In so doing, we can draw out the ways in which HRM can contribute to workplaces being either humanising or dehumanising.

There is a substantial literature on HRM in Africa (Kamoche, 2002; Ruggunan & Spiller, 2014; Budhwar, Tung, Varma & Do, 2017), and a recurring theme is how HRM in Africa blends both international and indigenous practices (Anakwe, 2002; Wood & Bischoff, 2020). However, this body of work can be critiqued for seeing the movement of ideas as monodirectional – how 'international' ideas are locally adapted in Africa (for example, Ruggunan & Spiller, 2018). Following Nigerian theologian Ezekiel Nihinlola (2018), I want to ask how ideas from Africa and the broader field of black theology amongst African diasporas can shape and critique international debates about HRM.

Many HRM scholars have called for a shift away from research that attempts to prove the links between HRM interventions and performance, which are often based on flawed research methods, producing weak data that demonstrate correlation rather than causation. Heeding this call and seeking to augment the important work of others in this regard, this article points to the possibilities afforded by studies with creative methodologies that foreground the lived experience of real human beings in the workplace and turn a critical lens on the organisational cultures and political economies that make work and the workplace humanising or dehumanising.

The article proceeds as follows: Section two examines how 'the human' has often been sidelined in academic HRM, focusing on ontological and methodological questions. These

questions are addressed respectively in Section three, which draws on black theological anthropology, and Section four, which outlines visual timeline interview methods. The substantive part of the article, Section five, uses interview results to foreground the experiences of real workers to construct an inductive account of workplaces as either humanising or dehumanising, which is discussed in Section six before the article concludes.

2.   The meaning of the human under HRM

Human Resource Management is, self-evidently, about the human. But what does it mean by the 'human'? This question is not always explored in the depth that one might expect. For example, Wilkinson et al.'s HRM textbook has a chapter about "Developing resourceful humans" (Wilkinson et al., 2017:147), but is silent on exactly what these 'humans' are. HRM debates have more commonly been focused on other topics, for example, on the issue of how effective HRM interventions are at improving performance (Wall & Wood, 2005; Guest, 2011; Ridder et al., 2012). The recent growth of reflection on ethics in HRM might present an opportunity to ask this question recognising, with Ackers, that "HRM presents us with a paradox because it talks of developing people, while considering its subjects as human resources" (Ackers, 2017:483). However, much of this literature focuses on *corporate* ethics: the external social responsibility of an organisation (Truss et al., 2012) or, of relevance to HRM, the ethical frameworks for thinking through how employees should be treated (Bevan, 2007; Ackers, 2017). The focus is on employees as a collective, rather than on the humanity of individual employees.

This omission enables the implicit assumption that humans, as Taskin and Ndayambaje (2018) put it, are merely "resources that can be put to work and that are available to support corporate strategy that exhausts them and, more broadly, that reduces them to productivity rates and performance levels" (Taskin & Ndayambaje, 2018:295). For example, Fulmer and Ployhart (2013) lament the absence of a generally accepted method of calculating the financial value of "human capital resources" in a way that would enable comparison with "other economic resources" held by a firm (Fulmer & Ployhart, 2013:162). Achieving this through big data techniques, they conclude, would dispel HRM's perception as a "soft science" (ibid.:187).

It is here that critical approaches to HRM have articulated a powerful interrogation of mainstream HRM. Karen Legge, pioneer of critical approaches to HRM, observed that: "The exploited resource, by definition, becomes commodified and its potential humanity is degraded" (Legge, 1999:256). O'Connor's excavation of the influence of Harvard Business School professor Elton Mayo's work (Mayo, 1949) on HRM is an example of research inspired by Legge. O'Connor argues that Mayo's sympathy with Freud's interpretation of war as the failure to sublimate irrational impulses led him to view workers as essentially maladjusted, and industrial disputes as the manifestation of irrational impulses that needed managing through counselling to "facilitate adjustment to industrial life" (O'Connor, 1999:242). This work highlights how HRM's implicit definition of 'the human' influences workplace relations. Similarly, Taskin and Ndayambaje (2018:278-279)

use textual analysis to explore how the human being is conceptualised in HRM textbooks. They find an underlying anthropology that humans are *objectified* (reduced to the status of an object to be instrumentalised for economic aims) and *subjectified* or deprived of their unifying human condition by being reduced to beings "whose importance and qualities depend on the organisation's hierarchy" (Taskin & Ndayambaje, 2018:278-279). Steyaert and Janssens (1999:189) accuse HRM (as academic discipline) of a "constant process of excluding what can be considered human", and their challenge that "taking up the research of and the search for the 'meaning' of the 'H' in HRM" should be a "core" task for the discipline (ibid.:194) is one that I endorse.

Despite this growing body of reflection, there are two shortcomings of critical HRM that blunt its capacity to take up this task. The first is *ontological*, being the reluctance of many scholars to articulate a positive understanding of what it means to be human. For example, in her impressive Foucauldian interrogation of HRM as techniques "by which activities and individuals are made knowable and governable", Townley (1994:139) problematises HRM as the exercise of subjectivity-forming power, but offers no deeper understanding of what it means to be human that could provide a basis for normative evaluation or resistance. This critical reflection has rendered a valuable service in problematising HRM as a regime of power that seeks to remake human subjectivities. It has raised ethical questions about how people are treated if they are commodified as 'resources', with Bowie (1998) articulating a Kantian categorial imperative to treat people as ends in themselves rather than, as HRM has it, as means. Yet this Kantian critique is inadequate, argues Richard Roberts "because it fails to recognise that HRM has a potency that not merely treats human beings as means rather than ends, but seeks to break and remake human identity itself" (Roberts, 2013:7). Beyond the mere commodification of people, he contends, "there is a deeper problem that concerns the ontology of the self and the identity of the person" (ibid.:5). It points us towards enquiring about the meaning of the human, but not to explaining why the human matters.

The second area of critical HRM where there remains ample room for progress in this regard is *methodological*: real human beings are less-commonly sighted in this work than might be expected. For example, Taskin and Ndayambaje (2018:278-9) take mainstream HRM to task for its amoral assumptions about humans and how they should be treated in the workplace. But their focus is on discourse – typical of this genre, their argument is built on a study of textbooks – and no actual workers are present in their narratives. Legge's engaging study of how we represent people at work – as members of a market, a team, a family, or a community – is predicated on the assumption that "how we conceptualize and label people will reflect and influence how we treat them" (Legge, 1999:259). Likewise, Schneider follows Legge in asking what assumptions about the person are contained in HRM discourse by exploring the metaphors it uses (Schneider, 1999). But, once again, the study of actual workers is absent. The limits of such analysis in explaining how workplaces function are obvious. As Thompson observes of Foucauldian textual analysis of HR process documents, it is quite possible that the appraisals do nothing at all (Thompson, 2011:257). I agree with Guest when he argues that "[w]hile this critical analysis implicitly reflects a sympathy for the workers' viewpoint, it is rarely able

to draw on evidence about workers' reactions to HRM" (Guest, 1999:5), and what he calls "the workers' verdict" has still not been taken seriously. I suggest that this is because real people are even more absent from the pages of critical HRM than they are from the mainstream research that it critiques.

I contend that two steps are necessary to place the human more centrally into critical HRM. The first is theoretical, or *being human*, and the second is methodological, or *seeing humans*. These arguments are explained in the next two sections.

3.   Theory: Putting the human into critical HRM

Critical HRM has been adept at critiquing the discursive construction of the human in HRM, but scholars have been less forthcoming at providing a more positive articulation of what it means to be human. This question is of course one that has long concerned philosophers, and Leyens describes the "empirical and theoretical research on dehumanization" as "blossoming" (Leyens, 2009:807). This article draws on one field of this interdisciplinary work – theological anthropology. This is the field of academic theology that explores the question about what it means to be human. I am not alone in seeking to bring theological anthropology into dialogue with management and organizational studies (see, for example, Dyck & Schroeder, 2005). But of particular relevance to this article is a paper by Sandrine Frémeaux and Grant Michelson which, they state, aims to "radically shift the focus and give privilege to the 'human' in human resource management" (Frémeaux & Michelson, 2017:39), to ensure that employees are not merely viewed instrumentally as means to an end (typically profits or performance), but instead that "people are treated as important for their own sake" (ibid.:28), with "employees, customers, superiors, [seen] not as a means to achieve good results, but as ends in themselves". This resonates with but exceeds a Kantian critique of instrumentality because they use an optic of 'meaningful work', that is, that work can be a means of being, of creating, and of helping and serving others.

Their argument is located within a specific theological anthropological tradition (theological anthropology is that part of theology which explores the technical question of the nature of being human). Their perspective, they claim, "provides a wider vision that the conception of work derives from the conception of the human person. In other words, the Judeo-Christian view asserts that God created men and women in his image" (ibid.:30-31). The key term here is 'in his image.' The idea that human beings are created *imago Dei*, in the image of God, occurs in the Hebrew Bible's creation story (Genesis 1:27) and has been hugely important for Christian theology and derivative post-Christian traditions of human value and human rights (Marshall, 2001). Scripture itself does not explain the content of the term in any detail, and it has thus been subject to multiple interpretations by theologians (Cortez, 2010:15). Some scholars suggest that to be created *imago Dei* is primarily a claim that humans are essentially relational (Zizioulas, 2006), others that it is to exist with certain capacities (Altmann, 1968), properties (Farris, 2015) or responsibilities (Middleton, 2005). These all have in common a belief that human

beings are intrinsically valuable. However, what is missing in this debate, I contend, is an explicit extrapolation of the ethical and political significance of the *imago Dei* for concrete power-laden contexts (Frémeaux and Michelson do that, but in this regard they are unusual). It is noteworthy, for example, that the extended discussion on the *imago Dei* in the authoritative *Ashgate Research Companion to Theological Anthropology* (Farris & Talifiaferro, 2015) says virtually nothing about the ethical implications of the concept that humans are created in the image of God.

I therefore look to an alternative tradition of interpreting the *imago Dei*, that of black theological anthropology. Black theology draws on experiences of racism and colonialism to challenge these systems of oppression (Hopkins, 2005). Theological anthropology (that part of theology which explores the technical question of the nature of being human, as we saw above) has particularly engaged African scholars in recent years (see, for example, Nihinlola, 2018). In both African and diasporic African reflection, political ethics are at the forefront. Amongst African Americans in particular, the *imago Dei* has historically been a key optic to view and critique the treatment of black American slave populations and their descendants. For example, in his 1843 'Call to Rebellion', Henry Garnet Highland wrote that: "Unless the image of God be obliterated from the soul, all men cherish the love of Liberty" (Garnet, 1843). In his study of literature's use in the progressive struggle before the American Civil War, McKanan (2002) concludes that "identifying the Image of God" was a key strategy in radical Christian activism. Frederick Douglass, the freed slave who became perhaps the most iconic anti-slavery leader, insisted in a much-cited 1850 essay that: "The slave is a man, 'the image of God'", and that slavery aims "to mar and deface those characteristics of its victims which distinguish *men* from *things*, and *persons* from *property* … It reduces man to a mere machine" (Douglass, 1992:217).

James Cone wrote in his landmark 1969 book *Black Theology and Black Power* that: "The crucial question, then, for the black man is, 'How should I respond to a world which defines me as a nonperson?'" His answer was that: "To be for God by responding creatively to the *imago Dei* means that man cannot allow others to make him an It … When black people affirm their freedom in God, they know that they cannot obey laws of oppression" (Cone, 1997[1969]:137-138). Feminist theologians have extended this analysis to insist that because "All African women are made in the image of God", their oppression "is oppression of God's own image and energy" (Thomas, 2007:2-3).

The-best known exponent of this view was Martin Luther King Jr., who located himself clearly and self-consciously within this tradition. Baker-Fletcher (1993) argues that King's concept of "somebodyness" placed human dignity at the centre of his work. In the most detailed extant study of King's theological anthropology, *Martin Luther King Jr and the Image of God*, Richard Wills agrees with Baker-Fletcher that "King's appeal for civil rights was premised upon the theological fact of 'Somebodyness'" (Wills, 2009:118). He argues that the *imago Dei* was the basis of King's life and work, because it led him to conclude that all individuals were equally valued by virtue of being born with an inherent dignity, and that all individuals had an intrinsic worth that became the requisite for the bestowal of just and fair treatment (Wills, 2009:113). Of relevance to the casting of the employee

as a deployable 'resource' under HRM, King insisted that "man is not a thing. He must be dealt with not as an 'animated tool', but as a person sacred in himself. To do otherwise is to depersonalise the potential person and desecrate what he is" (King, 1965). This view followed him to his untimely grave: "We are determined to be people", King stated in his final sermon, before he was assassinated in Memphis, Tennessee, where he had gone to support workers in an industrial dispute (King, 1986[1963]:280). This tradition of black theological anthropology is a powerful lens through which to view the modern workplace as it insists that we cannot think about 'Human Resource Management' without thinking ethically and politically about 'the human' who is being managed as a resource.

4.   Methods: Seeing the human in critical HRM

The second way in which critical HRM could be developed to advance its ability to interrogate being human, I contend, is *methodological*. Real human beings are less commonly sighted in this work than might be anticipated. It follows from my argument that to properly explore the meaning of the human under HRM, we need a research method that inductively foregrounds actual people, to complement both the more commonly encountered textual analysis of critical HRM, or the deductive reflection of theologians. How do we go about "putting the human back into strategic human resource management", as Wright and McMahan (2011) have it? This is a methodological question. Many studies use results from the UK government-run Workplace Employment Relations Survey, a national workplace survey conducted 6 times between 1980 and 2011. Guest claims that studies using WRES are useful in "bringing the worker centre stage" (Guest, 2011:5), but the WRES relies on a single interview with a senior manager. As Wright and McMahan (2011) pointedly put it, not only does this lead to greater bias, but such studies easily forget the more important question of the meaning of being human (Wright & McMahan, 2011:94).

In contrast, this research adopts a case study approach of humanisation and dehumanisation under HRM regimes in UK secondary education, higher education, and the church. A case study is an empirical enquiry that investigates a contemporary phenomenon in depth and within its real-world context (i.e., actual practice of HRM in our chosen institutions), especially when "the boundaries between phenomenon and context may not be clearly evident" (as in HRM in a complex organisation). It is especially useful for research, like this, relying on the triangulation of multiple sources of evidence (Yin, 2014:16-17). The case study approach has been well-used by other studies of HRM (for example, Knights & McCabe, 2000; Piening et al., 2014). Three sources of data were used for the research project from which this article derives: content analysis of HR documents, interviews with HR managers, and visual timeline interviews with employees. It is largely the latter source upon which this article is based. Looking at secondary education, higher education and the church is a "multiple-case design" as recommended by Yin (ibid.:57). The logic behind this is not sampling, but replication. Churches, schools and universities were chosen as the units of analysis because of my hypothesis that they would provide particularly suitable grounds to explore the humanising or dehumanising

effects of HRM interventions. Characterised by an emphasis on relatively lower-paying "meaningful work" (Bunderson & Thompson, 2009), workplaces in the public sector (Gould-Williams, 2004), charities and voluntary organisations (Cunningham et al., 2017; Guo et al., 2011) have historically often developed distinctive human- rather than profit-focused employment cultures that have come under particular pressure under neoliberal models of New Public Management with the associated import of private-sector-style models of HRM (Brown, 2004; Harris, 2005). Further, as Brown argues, "contemporary HRM texts often disregard or give only cursory acknowledgement of HRM within the public sector, relying instead on appropriating a business model of firms as the general context for HRM scholarship" (Brown, 2004:304).

This research uses visual timeline methodology interviews conducted with secondary teachers, academics, and church leaders in the Baptist and Anglican churches, across a range of institutions in the north-east of England (where the author is located). Visual timeline methodology (VTM) was developed by Angela Mazzetti and John Blenkinsopp to explore career trajectories retrospectively (Mazzetti & Blenkinsopp, 2012). It has an older heritage in business and organisational studies, located in the tradition of critical incident technique (CIT) which sought to trace and understand key moments in an organisation's trajectory (Chell, 2004). CIT has proved powerful in elucidating lived experiences of the career path. For example, Gustafsson and Swart (2020) used it by asking elite professionals to draw pictures that narrate their experience of promotion. As the authors argue, this is useful because "promotions need to be understood through the emotional experiences of individuals, whereas promotion decisions need to be viewed as situated in socio-emotional contexts" (ibid.:1220).

VTM develops CIT by emphasising the importance of creating visual timelines as an aid to narrating career histories. Visual timelines, like other visual research methods, are part of what Bengry-Howell et al. (2011) identify as "creative research methods". In an overview, Pain observes that: "Visual methods are accepted tools for qualitative research and are increasingly used in a wide range of disciplines" (Pain, 2012:304). She observes that using visual materials instrumentally in investigation is conceptually different from using visual information as the object of research itself, and, following Pain, this article excludes the latter. Pain found that many researchers reported that visual methods led to "enhanced data richness, by facilitating communication, enabling the expression of emotions and tacit knowledge, and encouraging reflection" (ibid.:313).

VTM asks respondents to draw and narrate visual timelines of their careers. In an important article on timelines as semiotic devices, Champagne observes that we commonly use timelines for the chronological portrayal of information, but they are less often used in research itself. This is a pity, he argues, because – in ways that are not entirely understood – "they enable the drawing of connections not previously made, enabling novel features to come into view" (Champagne, 2016:13). This should not be surprising, he continues, because "stepping back from the minutia of accumulated facts can allow one to discern patterns" (ibid.:37). He concludes that timelines are important semiotic devices that enable the discernment of new relations, and that by neglecting

them researchers may be "neglecting significant aspects of reality that are revealed only by those signs" (Champagne, 2016:11).

For this study, interviewees (recruited by random sample or by gatekeepers) were asked to tell the story of their working lives by drawing a timeline, using visual metaphors as far as possible. They were requested to draw particular attention to how they came to be teachers, academics or ministers, and to subsequent high and low points of their working lives. This was done using coloured pens on one or more sheets of A1 cartridge paper. After this, interviewees were asked to mark on the timelines moments or periods when they felt treated in humanity-affirming or dehumanising ways, and to reflect on these. Champagne (ibid.:38-40) argued that timelines can allow us to see patterns that we might not otherwise be aware of, and on many occasions, respondents remarked to me that they were understanding links and patterns in new ways by being able to analyse them using what he calls "diagrammatic reasoning" (Champagne, 2016:37). Finally, respondents were asked how schools, universities or churches could ensure that they are treated in humanity-affirming rather than dehumanising ways. Beginning with three pilot interviews, 55 such interviews were conducted, each lasting between 1½ and 4 hours. Interviews were not audio recorded, allowing for greater openness and trust.

The sectoral and gender distribution of interviewees is shown in Table 1. Interviewees ranged in length of service from people who had worked five decades to those in their first year. Reflecting the gender balance in these professions, most secondary schoolteachers interviewed were female, most church leaders were male, and academic staff were more evenly split. Only two of the interviewees were identifiable as members of BAME groups (Black and Minority Ethnic, a common designation in the UK). This indexes the historically lower levels of migration to north-east as an economically peripheral region of England, as well as issues of structural racism (Okoye, 2021). Although these two people spoke of their or their family's migration to the UK, in neither interview did race emerge as an issue in their working lives. The reader might ask why a research programme using black theology did not explicitly interrogate race and seek purposively to sample BAME participants. But that is to suggest that black theology is only of relevance to understanding racial issues. As the theoretical section above argues, the insights of black theology have far wider relevance. Although derived in the specific contexts of the African American freedom struggle and African reflection on Christian theology, I contend that they offer more general resources to help rethink the study of HRM wherever it occurs – as this article will demonstrate.

Table 1: Interviewees, by gender and employment sector

Employment sector	Male	Female	Total
Higher Education	7	11	18
Secondary Education	7	13	20
Church	14	3	17
Overall Total			**55**

The visual timeline interviews yielded a very rich data set. This was subsequently analysed by focusing on all moments marked by interviewees as humanising or dehumanising. I collated all experiences thus marked, and coded them to identify the key themes running through them. This allowed me to create an inductive account of what it means to be human under HRM regimes. This was based on the theoretical foundation that human beings are created with inherent dignity and that this must be understood not abstractly but within real, power-laden social contexts like the workplace. As part of a larger project, I identified eight factors which, when present, marked workplaces as humanity-affirming or humanising, and which when absent, marked them as dehumanising, which I call elsewhere "the eight habits of highly human workplaces" (Megoran, 2019). Those four factors which most related to HRM processes, form the basis of the substantive part of this article: issues of performance management, freedom, and trust; mediating audit regimes; contracts; and well-being and care. These are used to structure the substantive findings presented in the next section of the article.

5.   Findings

The use of visual timeline interviews, inspired by African American theological anthropology, allowed me to create an inductive account of what it means to be human under HRM regimes. Given the argument that actual workers should be more present in HRM analysis, in this substantive section each point is elaborated through the extended presentation of the experiences of individual workers. These examples have been chosen because they illustrate the key recurring themes throughout the interviews. All respondents have been anonymised, and transcripts checked and approved by respondents.

5.1   Autonomy, freedom and trust

The single factor that was most frequently and most strongly flagged by church leaders, teachers and academics alike when asked to reflect on humanity-affirming or dehumanising experiences of work was: freedom, autonomy and being trusted.

This was marked most strongly amongst church leaders, who often have unparalleled leeway in choosing how they will spend their time in working with their congregation and other sections of local or wider community. "At the moment I can do anything I like so long as I turn up on Sunday and take communion," as church leader Andrew put it. He has chosen to devote certain energies into working with children and young people in his church and community and facilitating wider community life, as well as conducting part-time doctoral research on feminist readings of marginal figures in the Old Testament. He found this freedom extremely humanity-affirming and regarded potential threats to it through standardised training programmes and the Church of England's recent moves to formally adopt HRM procedures as alarming.

As with church leaders, freedom and trust was often for academics the lynchpin of their reflections on humanisation/dehumanisation. Indeed, 'academic freedom', or the

autonomy to choose which topics to research and what to say about them, is a principle enshrined in university charters. Academics spoke in general terms of their pleasure at being able to use their time in ways they chose to pursue topics they thought were interesting and important. Thus, Jasmine emphasised how humanising she found her "autonomy" in being able to choose to locate herself within a particular academic unit of the university, a certain research centre, a certain teaching sphere, and a hospitals trust: "I do have a line manager, but I'm pretty much allowed to do it my own way."

It was commonly the sense that being trusted to initiate changes to working practices and activities was identified as humanity-affirming. Andrea, an academic, described going to her head of department and asking for a reduction in administrative duties so she could take up the opportunity that had emerged of a placement in a public policymaking unit, a request that was granted – 'we'll make room for it'. "When the Head of a School says, 'yes, go and do it, if it makes you happy', this is very affirming," Andrea relayed.

Andrea spoke further about the freedom to "make room for my individual interests", such as setting up small reading groups to create networks of people with whom to talk about her research, as research interests change over time. This was humanity-affirming, in contrast to the example of another academic who had set up a reading group that he enjoyed and found interesting. He said, however, that when a new head came into the unit, she made it quite clear that this did not fit in with the direction she wanted to take, so this group was stopped – an erosion of autonomy that he found dehumanising. Likewise, the imposition of a technology of dashboard-driven micromanagement in universities was identified as dehumanising by Alicia. She described how task lists, deadlines, etc come up on the dashboard management panel, representing "more surveillance, and that makes me feel less human".

But the most egregious examples of dehumanisation through the denial of this freedom were reported by academics on casualised contracts. For example, Amelia recounted being asked to continue teaching a module which, she considered, "was a fraud". It was being delivered entirely by Teaching Fellows with no relevant scholarly background. This lacked integrity, she reasoned, in the face of students who were signing up to learn, so she told the department that she could not run it. But she recounted unhappily, "I wasn't allowed to refuse things" – she said no, but was forced to do it: "I felt completely powerless" and "the sense of value and worth I got from teaching was lost".

For secondary schoolteachers working under the national curriculum and tighter audit cultures, freedom of manoeuvre is more curtailed. But it was nonetheless immensely important to teachers, explained by one as "leeway" which he defined as this message: "Get off my case and let me do what works in helping kids move on." Music and drama teacher, Carrie, spoke of how her subject easily gets devalued in relation to those like Maths and English, but recounted how valued it – and therefore she – was made to feel in one school. In this school, request for additional time and resources for workshops, residential theatre trips, choirs, Saturday rehearsals and the like were warmly endorsed. This had seen many more kids "given the opportunity to try music", and a significant

increase in children learning instruments. In Carrie's experience, support by the senior management "made you feel a bit valued".

In the interviews, trusting people to do the work to which they felt called and were committed to, and giving them the freedom to make decisions about how to do that work, were closely correlated to a high sense of humanisation. In contrast, the denial of autonomy was linked to strong senses of dehumanisation.

5.2   Mediating audit regimes

Steven was head of an academic department subject to an external audit exercise. Over several days, auditors met staff and looked at their work to build up a picture, in their terms, of the 'quality' of the department. It seemed to be going well, but on the last day a new person came in. Steven described him as somewhat pompous, "twiddling his bow-tie", who "started to pull us apart". At the end of the assessment Steven sat in the university's vice-chancellor's office to hear the outcome. As negative verdicts were pronounced and scores on different categories were revealed one by one, Steven realised they had not done as well as they had hoped. He marked the experience as one of the few dehumanising ones in his entire working life, noting that he felt "diminished" as a person – not simply by the verdict, but by the way it was delivered.

Steven's experiences were echoed by many teachers and academics in the interviews, and the negative experiences were accentuated where people felt the poor verdicts were in part mis-informed or based on prejudice or delivered in dehumanising ways. In a different and later audit exercise, used to generate league tables that influenced government funding, Steven's department came nationally near the top, which he identified as a humanity-affirming moment as he had written the submission. Schools, universities, and other publicly funded bodies increasingly find themselves subject to multiple external audits that determine in part access to resources and the futures of staff and managers. They are unavoidable. The data from this research however shows that the ways in which individual schools and university departments respond to audit exercises have significant impacts on processes of humanisation/dehumanisation.

The corrosive effects of badly handled audits were frequently recounted to me. An academic recounted how in the 1990s preparation for a Research Assessment Exercise (RAE) audit produced dehumanising effects on the departmental collective by turning younger staff against older-established ones who were held responsible for poor performance: "We should avoid a blame culture", he reflected. Similarly, a teacher observed the divisive effect of a 'panic'-induced response to an unexpectedly poor outcome of an audit by the Office for Standards, Education, Children's Services and Skills (Ofsted), as the leadership team's relations with staff and governors and each other broke down. According to her, a small number of staff (including our interlocutor) were adjudged 'outstanding' by Ofsted and the other staff instructed to observe and emulate their good practice. These teachers were "moseying along, good solid teachers, maybe not the most creative or enthralling lessons, but kids made progress". However, by being forced to emulate

others their own teaching styles were not recognised and they "lost heart", their teaching subsequently adjudged to have deteriorated rather than improved in the subsequent interim 'health check'.

But this need not necessarily be the case. Gary, a teacher, observed how the ways in which different schools prepared for Ofsted audits had differential humanising/dehumanising effects. In the first school, what he termed a "stick" approach was employed by management who seemed entirely focused on a good Ofsted outcome: "[T]his is the requirement, you are accountable" as individual staff. The approach was characterised by pawing over the 'data' for individual staff and students, and staff were sacked in large numbers if they were not seen to be performing well enough, producing an ugly culture of bad-mouthing. Endless Ofsted dry runs ensured a perpetual focus on Ofsted, and he recounted that "we were then in fear of Ofsted until Wednesday lunchtime" when we knew they would not come, leading to a collective sigh of relief. This whole experience was dehumanising, in contrast to the more humanity-affirming approach of a second school. This one, he said, did not have this "culture of fear", but instead "senior leadership drip-fed a healthy diet for us to follow". This was characterised by "trusting us more" in drawing up a plan, working on aspects of it, ssupporting them through CPD (Continuing Professional Development), and expecting to see the evidence of this work in time – rather than going around constantly checking up minute aspects of work. He prefers it because it is more "student-centred", rather than the previous school where "you farm children to get results for your school" and where "they were treated like machines" as "we became more corporate, less student-centred". "Ultimately", he reflected, "Ofsted doesn't matter as much as helping vulnerable kids get a good education."

Apart from overall approaches to Ofsted and the REF (Research Excellence Framework, a UK government audit of university research that is used to allocate funding and generate league tables and the like) respondents reported more subtly dehumanising effects of audit regimes. In schools, audit regimes and associated league tables valorise subjects seen as core. Thus, teacher Aileen drew attention to the marginalisation of subjects such as music, performing arts and religious education (RE) in the English Baccalaureate (EBAC), a suite of GCSEs the government wants all schools to teach and on which take-up rates are assessed. She complained that "people who teach music are also told to teach RE or drama or something they don't know anything about, because these are seen as less important. If a music teacher was put in front of the maths class, there'd be lots of criticism – these are valued more." This is dehumanising because "it gets implied that our contribution is less valuable because we don't teach one of these valuable subjects".

Similarly, university funding regimes and international league tables like those drawn up by the Times Higher Education place a greater emphasis on research than teaching, and this has subtle implications: "[T]here is pressure from the REF, it is not hard and fast, but it is there", said Andrea (an academic) drawing a raincloud to represent the negative, overshadowing influence of the REF on her working life. One of these is contractual, some universities creating what are effectively teaching-only contracts, with research time allowed not for work in the scholar's field of expertise but for 'pedagogical' topics,

in which they may not have been well trained or conducted PhDs. Thus Andrea, who enjoys teaching more than research but wants to remain on a teaching and research contract, vouchsafed her fears that she will be pressured into a teaching-only contract because "the centre" does not "understand that we are all individual people". Likewise, Stuart's research is on important social and ethical issues, and he has contributed to the teaching- and student-experience side of his department that has been nationally recognised and is seen as being of strategic importance for the university. But because he is not publishing what are deemed in the language of the REF 'four-star articles', he cannot get promotion, which would be "a recognition by the university that you count as a person who is contributing to what really matters to the university". The consequence of this is that you come to feel you are "not being seen as a full, valuable contributor" to the mission of the university, he explained. The promotion criteria structured by external audit "legitimates a set of ways of thinking about a human being and what counts", which he finds dehumanising.

As a contrast, church leaders did not talk about formal targets, although informally they sometimes used the increase or decrease of congregation numbers as proxies of success. One minister, Thomas, used the *absence* of targets as an example of an aspect of his work he found humanity-affirming. As a young minister in a socio-economically disadvantaged urban parish, one night he witnessed a burglary and reported it to the police. The burglars learnt he had been the 'grass', and perpetrated a campaign of revenge against him including instances of assault, graffitiing his house and the church with the slogan 'The vicar is a grass', smashing his windows, repeatedly damaging his car, breaking in and trying to set fire to his house. He admitted that staying felt like 'masochism' at times, but said that "you stay because in your deepest self you feel this is what you are called to do". Instead of leaving, he obtained grants to initiate a whole series of programmes to engage with 'detached youth' – youth clubs, cultural events, etc. to provide activities and connect them more broadly across the community. After some time, he was able to see many lives touched and engaged, and the violence against him ceased, and this for him was marked as a particularly humanity-affirming activity. He commented, tellingly, that he likes working with churches who are "in it for the long term"; "Unlike the council we don't demand results in 18 months" and "we do not have targets". He elaborated later: "We do what we can to be generous and self-giving – trying to walk that way of the Cross – not knowing outcomes. It's God who brings the transformation. That cannot be predicted."

External audit in multiple metrics-gathering exercises is an unavoidable aspect of the way that UK educational institutions work; as the churches remind us, they are not inevitable and there are other ways of enabling social interventions. Nonetheless, schools and universities have leeway in how they respond to and prepare for these audits, and the choices they make can have important implications for how staff are treated in humanity-affirming or dehumanising ways.

5.3   Employment conditions: Contractual affirmation

The conditions of employment that interviewees experienced were one of the most important factors correlated to humanisation or dehumanisation that came up in the interviews. Poor employment conditions –precarious work and maternity-related issues in particular – were undoubtedly the most dehumanising aspects of the modern workplace for many people.

Following the offer of a job itself, promotion was marked by many people as humanising. Andrea described her promotion to Senior Lecturer as a "restoration of balance". She felt she had been looked down on by some colleagues, who thought she could teach but not do research, and so had "crap" administrative roles dumped on her. Suddenly, she said, those colleagues did not treat her with the same disrespect. Similarly, for teacher Stan, getting a promotion "felt as if somebody was saying 'you have a valuable role to play'". Within work, what schoolteacher Leia described as "I'm worth it moments" stuck out for many interviewees: an article being accepted for publication by a good journal, the bestowing of an award by a scholarly society, and the like.

Such experiences of what I call 'contractual affirmation' were related by most inter-viewees. They spoke more positively about the affirmation that came from postings and promotions than they did about the pecuniary benefits. Similarly, the denial of hoped-for promotion was interpreted as the institution not valuing what they could offer and who they were – the two being inseparable. This section will look at examples at two of the most encountered topics.

5.3.1   Return from maternity leave

Secondary-teacher Bryony, the only woman in her department, returned to work part-time after becoming a mother. She remarked on two dehumanising aspects of her treatment. First, she was only one given lower-ability classes to teach (unlike previously) and second, she was the only person not given her own key to the store cupboard. When asked why she was told: "You've had a baby, you may take time off." Likewise, Alicia, an academic, found the workplace experience of becoming a mother dehumanising in many ways, complaining of poor discretionary maternity pay and a lack of institutional support on campus upon her return. For example, initially there was no breast-feeding room and then, when one was made available, it was cumbersome to access. Further, she was not allowed to opt out of teaching slots for nursery pick-up time. She regarded it as ironic that her department had been given a 'bronze' charter mark by 'Athena Swan', a gender equality audit. She was scathing of the award: "The application said that we did x and y for women returning to work. You claim to be enabling flexible working, but you aren't." By not attending to her specific needs, "they didn't see me as an individual at all," she remarked. "It was pretty inhumane and quite brutal."

The poor treatment of women returning from maternity leave was a major source of dehumanisation reported by interviewees.

Philippa, an academic in a management position, requested flexible working under the 2002 Employment Act and found the employer's refusal to give this while not technically illegal, certainly dehumanising: "I had given them everything, but they wouldn't give me one thing." The pressure was increased from her more traditional religious family, who felt she should spend more time at home now that she was a mother. She appealed, and a meeting with management was called. The Human Resources director, a woman with children, remained unsympathetic: "I can do it, so why can't you?" she said.

More subtle than these egregious examples was that it became harder for female teachers going part-time after childcare to pursue or continue leadership roles in their schools. "I became a part-time nobody", one teacher reflected on giving up her previous leadership role in returning to work part-time post maternity leave. She noted how strange it was to be at a meeting and no longer looked to as a meeting leader with something to contribute, as she had previously. She was not able to apply for "lower middle or middle management" roles, as these were full time. Tina felt she had done a good job in her head of year role, and when she wrote informing the school that she would like maternity leave she said she would still like to be involved in this type of work when she returned. However, upon coming back part-time this was never mentioned, and she was given no classes in her preferred subject. She described the attitude as, "well, you're here for just 3 days, you'll have to do what's left." On top of this, no longer having the leadership role, she lost her former office: "I felt I'd lost everything." "Do you mind just being a teacher?", people asked, "as if I were a different person". All this was dehumanising.

Maternity issues interweave with those of budget restraints and the distorting effects of audit exercises in exacerbating experiences of dehumanisation for women returning from work for maternity issues. A third teacher had been head of two allied subjects before maternity leave, and when she returned part-time, she was told she had to drop one of those headships and the accompanying salary points. After her second maternity leave, according to her narrative, the head told her bluntly that she would never be given a full-time job there because her salary scale makes her too expensive and her subject is not a core one. She tried to apply for an Assistant Head role but was told by the head-teacher that he would not even physically accept her application letter. This dehumanising loss of identity was unfortunately not uncommon amongst schoolteachers.

Employment practices in schools and universities around maternity were often dehumanising for women. However, this was not inevitable, as shown by the example of Carly, an assistant head-teacher. She related how, before having children, she assumed she would stop her career when she became pregnant: "you know, mother earth and all that". But when she did have a child, she reconsidered this and applied for – and was given – the role of assistant head teacher. She described this as a "made it" moment for her, and she was never made to feel bad about needing maternity cover. Being "supported through major life events of getting married and having kids" was extremely humanity-affirming for her. Another teacher recounted that she was struggling after childbirth and went to see the head-teacher with her concerns over returning to work. He said: "As your employer, I'd like you back as I need you, but as a human I think you should stay off longer." This she found wonderfully affirming.

5.3.2   Casualisation of academic labour

UK academia has become increasingly reliant upon the proliferation of people on temporary, flexible, or 'casualised' contracts (Mason & Megoran, 2021). A number of our interviewees were either on such contracts now or had been on them prior to securing permanent positions, and spoke of these employment conditions as dehumanising. For example, Amelia had worked several temporary or part-time jobs over half a decade, sometimes in two or three different universities at once. In one of these, she was given slightly better conditions than the others and said, "I was a real person, an office all to myself, with my name on the door." Seeing her name written with the title "Dr" in front moved her, as it made her feel like "an academic". This is telling that her extended experience of casualised labour was dehumanising. She gave an example of one place where she was given a six-month contract to fill in teaching for someone who had got a grant. She was given this without interview, training or vetting, and was simply told to read out verbatim notes the lecturer had left. It was not a great module, she reported, and students were unhappy, but "no one wanted to give me anything in terms of training or emotional support". "People rarely see you, they don't think about you, and they don't care about you, because you're only ever temporary." This invisibility continued from start to finish. "No one ever says farewell" – those in the most vulnerable temporary roles, such as the hourly paid – "are never introduced to anybody so why should you be given a farewell?"

Keira described years of working on temporary contracts before getting a permanent job, doing research for someone else whilst all the while trying to build the experience and CV to win permanent employment. "The structure of hierarchy in research that empowers permanent staff with grants to employ casualised staff to help with their research is conducive to the university doing well," she reflected, "but not conducive to me being a person." She was "despondent at this time", as "you start to look unemployable if you have been an RA [research assistant] for 6 or 7 years". Her manager – who held the grants that employed her – was not a great manager, and PDRs (annual reviews) were very negative as she was being told she needed to publish more articles and get more grants. However, these were the very things she was not being given the freedom to do, with her time spent facilitating his career: temporary contracts rarely allow the same length of time to research and publish that established academics get, and are frequently fewer than 12 months long or less that 100% of time. Keira described this situation as "the systematic destruction of my self-esteem and dismissal of my personal ambitions", with her teaching not being appreciated and her individual research goals not being valued. "There wasn't a single PDR that I didn't leave in tears," she said. She used psychologist Martin Seligman's famous term "learned helplessness" to describe her state, a condition that can be observed in laboratory rats and dogs if they are punished indiscriminately and end up docile and dulled. It was a striking and disturbing evocation of dehumanisation. Temporary staff are amongst the most marginal and invisible, and HRM regimes can all too readily mistreat them by failing to recognise their equal personhood.

In his 2002 book *Identifying the Image of God,* about anti-slavery literature in the pre-Civil War USA, historian Dan McKanan argues that: "Identifying the image of God" in slaves was the key strategy of radical Christian social reformers. These writers placed victims (slaves, native Americans, children, women) in situations understood to be universally human, depicting them as loving family members and victims vulnerable to physical and emotional abuse. McKanan defines this strategy as 'sentimentality', asking people to acknowledge the full, equal humanity of another by appealing to common experiences of family relationships or bodily pain. Although we would make no comparison between enslaved African Americans and our interviewees, it is nonetheless the case that they frequently referred to moments when their pain, pleasure and familial relations were recognised – or not – by managers as moments of humanisation/dehumanisation in the workplace.

This was rooted in the ordinary things of life. One church leader, Hayley, spoke of a friend in the church who would go out with her for meals and concerts, and of a couple who invited her round for cups of tea: "[T]hey treated me as an individual, saw me as someone other than the vicar." Another spoke of how humanity-affirming it was when people invited him to watch amateur dramatics performances or football matches. For one teacher, Sarah, a highlight of the school year was the annual "wellbeing CPD" session when, rather than being taught something to do with work, staff are allowed to pick something fun to do such as playing tennis or cocktail making. This was marked as humanity-affirming because it was fun, relaxing, and made staff feel valued by "giving us time to enjoy being us". Leia, a supply teacher, recounted that in one school the head of department used to buy her flowers and other presents, and invited her to her home to meet her family, "even though I was only a supply teacher". When she left, the head of department bought her a Pokémon scarf, a humorous reference to the time she had been spotted playing Pokémon on her phone. Leia contrasted this with a leaving event for her at another school when she was only given generic wine and flowers. She appreciated this, of course, but the personal attention to detail underlined for her that she had been treated and appreciated as an individual human being in her time at this school. All these acts sent messages that employers were interested in these workers as human beings rather than just as employees.

However, it was in moments of crisis that differential attitudes to the humanity of the worker were most starkly drawn out. Academic Philippa has suffered with cancer over the course of her work in two different educational establishments. In the first, the employers were what she called "difficult" about her sick leave and its implications for the workplace; in the second, they were "fabulous" – supportive in terms of work implications, but also demonstrating a clear personal concern for her. Schoolteacher Susan recounted a very difficult time at work where two colleagues were constantly criticising her over minor issues, making her feel "valueless, worthless, stupid" – "but I know I'm not stupid," she added. This dehumanising experience led into a period of ill

health, and she described how the head-teacher, as she put it, "rescued" her. He insisted that she was not lazy or stupid, telling her to "just go home until you are better enough to come back". Susan reflected that she appreciated someone understanding what it meant, that she did not need to feel embarrassed or ashamed: "To be treated like a human being, knowing that someone was there."

Finally, how bereaved employees were treated was seen as a touchstone for how humanising or dehumanising the workplace was. Jasmine has one foot in the academic world of research and teaching, and one in the clinical world of the NHS. She described working for one NHS Trust as "brutal", for example, with rotas being changed at short notice which prevented people going on pre-planned family holidays. A particularly egregious event she drew our attention to was the death of a relative. The Trust would not provide cover for her to attend the funeral, so her already-overworked colleagues had to do it instead: "[T]hey genuinely didn't give a shit." She remarked on never seeing or meeting a manager – "you don't have a particular identity, you're just a number". In contrast, a minister spoke of going through a time of family turmoil compounded by a bereavement. The denominational overseer gave money for him and his family to take a weekend holiday in Scarborough, while he covered his Sunday services. "Okay, so Scarborough is not that glamorous", he joked, "but it helped and it was affirming that I was noticed". Similarly, an academic newly in her first, permanent job, was faced with the impending death of her father on another continent, during an intense marking season. With some trepidation she approached the head of department who encouraged her to return, told her not to worry about the marking as 'we'll find a way to sort it out': "Be a human", he said to her, which she found supportive.

When employers recognised their staff as human beings marked by pain, joy, and familial bonds and responsibilities, this was appreciated and remembered. In contrast, it was marked as dehumanising when they overlooked or disregarded these key signifiers of humanity.

6   Discussion: Accounting for the human in HRM

In an important intervention on ethics and HRM, Michelle Greenwood underlined the obvious point that because HRM is about using people it "raises a number of ethical concerns". As she elaborated:

> On the face of it, HRM violates any number of ethical proscriptions against using people. To call a person a resource is already to tread dangerously close to placing that human in the same category with office furniture and computers.
>
> (Greenwood, 2002:261)

Ethical interrogations of HRM based on Kantian perspectives have not been convincing, she continues, because the argument that workers should not be treated as a means to an end is untenable from an organisational perspective: they are employed precisely to further that organisation's end (ibid.:273). So, how can this apparent impasse be overcome?

The findings presented in this article point to a way beyond this dilemma, using the insights of black theological anthropology. Ontologically, rather than considering workers as means to an end or as ends in themselves, they are considered as beings made in the image of God and thus entitled to dignified treatment as such beings. Methodologically, rather than deduce logically what that looks like, the narrative visual timeline interviews conducted provide an inductive account of what workers felt it meant to be treated in humanising or dehumanising ways in the workplace. These showed that allowing autonomy and freedom, mediating audit regimes, contractual affirmation, and creating communities of care were the key factors whose presence created humanising workplaces and whose absence dehumanising ones.

Such research matters, because particular modes of HRM have real effects on daily lives. As part of the same research project, I also interviewed nine HR managers of the institutions in which my respondents in this article worked. A detailed analysis of this material is beyond the scope of this article, but comments from two of those interviews illustrate the point. At the beginning of these interviews, I asked: "What is your role as Director of Human Resources [or organisational-specific title] primarily about?" One manager explained it as twofold. First, "to help the organisation be a winning organisation" and achieve "success" defined as rising higher in the Russell Group rankings (a self-defined group of UK 'elite' universities). Second was playing "a key role in the transformational change required to achieve the university's vision and strategy", and for this to happen, she said, there is a need to overcome the problem of academics seeing "performance management" as negative, rather than as "a key part of their own development". In a second organisation, the response was trying to get staff to "adopt the culture". This was proving difficult, and she recognised that not everyone was happy with it as a goal. "You have to get the people to change, or change the people," she mused. "We've found ways to release people from our organisation who haven't been able to respond," she added – a euphemism for firing staff. Many of the people whose voices appeared in this article, and who reported egregious examples of dehumanising treatment, worked for these two organisations. The responses of these HR managers epitomise the central problem with strategic HRM: it risks seeing staff primarily not as people with inherent dignity, but as mere resources to be deployed for the strategic ends of managers – or to be dispensed with if they resist reprogramming.

The theological concept of humans being created *imago Dei* could be a powerful source of critical resistance to such thinking. However, Euro-American theological anthropology has focused on understanding the *imago Dei* through the lens of human capacities and attributes. In contrast, black theology's insistence that it must be considered ethically in contexts of unequal power-relations is a valuable corrective to the theoretical discussion and one that can inform research into the modern workplace and what it means to treat people properly as human beings under regimes of Human Resource Management.

7.   Conclusion

The theoretical approach adopted here and the autobiographical visual timeline analysis employed led to findings that demonstrate what it means to treat people ethically under regimes of Human Resource Management. This research shows what factors, when present, make for humanising workplaces and, when absent, dehumanising ones.

HRM has emerged as a powerful and frequently uncontested technology of workplace control. Critical HRM has long identified the moral and ethical need to consider what happens to 'the human' in such contexts. However, commonly employed Kantian critiques have proven inadequate, and an over-reliance on discourse analysis has meant that the voices of real workers have been less audible than they should have been. It is here that visual timeline interviews, informed by black theological anthropology, can provide a powerful way to frame research questions. Although developed in contexts of the struggle against slavery and racism, black theology's insistence that any discussion of the nature of being human must involve a consideration of their ethical treatment provides a powerful lens with which to examine the treatment of people in other contexts of unequal power relations – such as the workplace. This research was conducted in the not-for-profit sector, but future studies may extend this analysis to other contexts more directly moulded by capitalist dynamics. Further, this research suggests that Euro-American theological anthropology could learn from the insights and perspectives of African and African diasporic Christian theological reflection.

Acknowledgements

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Racial capitalism, ruling elite business entanglement and the impasse of black economic empowerment policy in South Africa

Authors:

Dr Alexis Habiyaremye[1]
[0000-0002-8614-2485]

Affiliation:

[1] DSI/NRF SARChI Chair in Industrial Development, College of Business and Economics, Univeristy of Johannesburg, South Africa

E-mail:

habiyaremye@merit.unu.edu

Abstract

The high rate of inequality in South Africa is rooted in colonial dispossession and racial exploitation, and still runs primarily along the racial divide. Policy initiatives taken to redress past economic injustices through black economic empowerment (BEE) have failed to bring economic transformation. Using the twin lenses of epistemic violence and racial capitalism, this study analyses how entangled interests aimed to co-opt the ruling party elite by the apartheid-era business elite led to the BEE impasse. The pervasiveness of cultural alienation in BEE failure suggests that a shift to restorative justice is necessary to break from the impasse.

1. Introduction

More than a quarter century after the formal end of apartheid South Africa remains one of the most economically unequal societies in the world with a Gini coefficient of 0.95 for wealth and 0.68 for income (Statistics South Africa, 2017). This inequality is still largely running along the racial divide because white South Africans clearly dominate the top 10% of wealth distribution, which owns at least 90-95% of all private assets in the country (Orthofer, 2016; Chatterjee et al., 2022).[1] Their share of national wealth is constantly strengthened because white households are also still earning five times more than their black counterparts, according to the 2015 data released by Statistics South Africa in 2017.[2]

Racialised poverty living side by side with racialised wealth accumulation is rooted in the colonial policies of land dispossession and exploitation of blacks as a source of cheap labour for extracting the phenomenal mineral wealth of the

country. Attempts to redress those racial and economic injustices through the BEE policy were already initiated in 1993 during the transition to democracy (B-BBEE Act of 2003, article 2 [Republic of South Africa, 2004]; Acemoglu et al., 2007). Instead of benefiting the majority of those who have been dispossessed by different colonial and apartheid laws, however, the implementation of BEE has mostly resulted in the co-optation of the black political elite into the white-dominated business elite" (Williams & Taylor, 2000; Van der Walt, 2015; Shava, 2016; Terreblanche, 2018).[3] This alliance enabled the white corporate leaders to take the leading role in the BEE implementation by initiating voluntary and often marginal transfer of company shares to politically connected blacks. The emphasis on creating a black bourgeoisie resulted in a narrow-based BEE, unable to redress the economic imbalances between the impoverished black majority and the affluent white minority (Acemoglu et al., 2007).[4] This process was tainted by dubious dealings that propelled a limited number of politically connected individuals from the ruling African National Congress (ANC) into lucrative business interests, thereby entangling the apartheid era business interests with those of the ruling party. Examples of deals that sealed this alliance between the ANC elites and the white-dominated corporations of the apartheid era include the R5,5-billion share transfer transaction to a consortium led by current ANC president Cyril Ramaphosa and Saki Macozoma, which was funded by Standard Bank and the Liberty Group, the ABSA deal with Tokyo Sexwale (one of the most prominent ANC coryphées), as well as the R2.2-billion deal between apartheid-era life insurance company Sanlam and Patrice Motsepe, brother-in law of the current South African president (Bridge & Moses, 2004).[5] Figure 1 (overleaf) from Acemoglu et al. (2007) gives an illustration of the tainted entanglement between the ANC elite and the white-dominated business sector.

Subsequent efforts to extend the reach of BEE through legislations to turn it into a broad-based BEE policy instrument (B-BBEE) have hardly changed its elitist limitations, whereas the economic inequality of the country has gradually worsened (Kovacevic, 2007; Hamman et al., 2008; Shava, 2016).[6] The persistence of high measures of economic inequality in the post–apartheid South Africa suggests that the democratic society has failed to dismantle an economic system built on epistemic repression and internalised racism, by which the colonised blacks end up emulating their white oppressors, as explained by Frantz Fanon (1961). Because of the partial erasure of their ancestral epistemic system (Spivak, 1983) and the colonial invalidation of their human identity, the new black elites have based the empowerment policy on their aspiration to become like their colonisers and to enjoy the same privileges previously denied to them simply on account of their non-whiteness (Fanon, 1961).

By articulating its strategy within the neoliberal doctrine, BEE policy has built its theoretical foundations on an epistemic paradox, because South African neoliberal capitalism is rooted in the same colonial epistemic system which created the very injustices BEE purports to redress.[7] Moreover, by enabling the capitalist elite that had dominated the apartheid economy to lead its implementation (through the co-optation of the black state elite into its own economic structures), the current BEE policy has

Figure 1: ANC politicians and BEE companies by sectors

Source: Acemoglu et al (2007)

charted its way into a racial capitalism impasse (Acemoglu et al., 2007; Leong, 2013) from which it cannot be rescued without the deconstruction of the racial subordination paradigm (Biko, 1978; James, 2014; Modiri, 2015). Breaking from this impasse requires a psychological liberation of the dispossessed and the development of an alternative culture and epistemology to replace the dominant culture of the ruling class (Gramsci, 1975). In the case of dealing with cultural imperialism, the development of what Gramsci calls "counter-hegemony" may necessitate a reorientation of the collective epistemic system from an oppressive Eurocentrism towards a liberating Afrocentricity (Asante, 1987; 2003; Mazama, 2001; Kumah-Abiwu, 2016).[8]

I therefore argue that the failure of B-BBEE policy to achieve true transformative change in South African economic structure cannot be fully grasped without analysing the context of racial capitalism (Robinson, 1983; Leong, 2013; Melamed, 2015) and post-colonial epistemic violence (Spivak, 1983; Fanon, 1952; Ngugi wa Thiong'o, 1986) in which it was deployed. Drawing on the theories of racial capitalism (Leong, 2013; James, 2014) and epistemic violence (Spivak, 1983), I analyse the B-BBEE implementation within the context of a persistent domination of Young's (1990) *cultural imperialism* in post-apartheid South Africa to show that this policy was deployed under the diversity rationale in the corporate sector, instead of the needed social justice. Consequently, what it has managed to achieve is a cosmetic change based on strategic co-optation of black political elite into white-dominated businesses without fundamentally altering the racialised accumulation regime (Acemoglu et al., 2007; Bracking, 2019).[9] To my knowledge, this is the first time BEE policy is examined through this conceptual framework.

The rest of the article is structured as follows: the next section reviews the features of racial capitalism and epistemic violence that form the dual analytical lenses through which the failure of B-BBEE implementation should be viewed. Section 3 revisits the economic context in which BEE was introduced and presents its implementation strategy as well as the limitation of its conceptual reach. Section 4 provides comments on the relation between B-BBEE implementation and the consequences of latent epistemic violence and racial capitalism in the corrupt alliance between the white business elite and the black state elite. Section 5 reflects on the inability of policies embedded in Eurocentric epistemic domain to empower Africans and proposes Afrocentricity (Asante, 1983) as a pathway to defying racial capitalism and challenging the cultural imperialism that led to the empowerment failure. Section 6 concludes with some recommendations to bring about a meaningful transformative change based on the decolonisation of the mind.

2.   Epistemic violence and racial capitalism as a dual framework for understanding the BEE impasse

To understand the impasse into which the BEE has led the effort to redress the injustices of the past, it is useful to examine the dynamics that shaped its strategy and implementation through the dual lens of racial capitalism (Robinson, 1983; Leong, 2013, James, 2014) and epistemic violence (Spivak, 1983; Fanon, 1952; Ngugi wa Thiong'o, 1986).

2.1   Racial capitalism

Racial capitalism refers to the processes of deriving social or economic value from the racial identity of another person (Robinson, 1983; Leong, 2013).[10] Capital accumulation is intertwined with racism because it moves through relations of severe inequality amongst human groups, divided between those with the means of production and workers without their own means of subsistence; between the conquerors of land and the dispossessed. This inequality runs primarily along racial divide (Melamed, 2016). It is important to bear in mind that contemporary racial capitalism often deploys liberal and multicultural terms of diversity and inclusion to value and devalue forms of humanity in a differentiated way to fit the needs of the established hierarchies.

In the context of this article, this pertains to the various forms in which blackness, in its post-apartheid South African figurations, is utilised by white individuals, entities or institutions to obtain legitimacy, namely by associating with blacks for the purpose of seeking diversity to comply with the B-BBEE requirements. Indeed, whereas theories of white racial superiority nourished by Social Darwinism flourished in the 19th century and fuelled colonial conquest, modern scientific progress has now completely repudiated them.[11] Diversity has now become a desirable social outcome throughout Western countries (Leong, 2013; James, 2014). This has given rise to a growing inclination of white people and white institutions to capitalise the value attached to diversity and derive benefits from their thick or thin association with non-whites (Leong, 2013).

Under racial capitalism, the 'diversity rationale' rather than the need for redress of past injustices, is used as the sole permissible justification of affirmative action policies, because of the benefits that white people and institutions derive from being associated with non-whites (or being perceived as such) (Leong, 2013; James, 2014).[12] In a society characterised by pervasive sequelae of past epistemic violence, a mere increase in the number of non-white people present at a white company or a predominantly white institution may not *per se* signify actual progress towards racial equality (Acemoglu et al., 2007; Leong, 2013). Ostensibly increasing diversity in a context still dominated by the testimonial and distributive epistemic violence may just serve to hide the discriminatory epistemic violence without removing it. This is where the diversity objective and the remedial objective diverge, as Leong (2003) notes: the former assumes that benefits will result from the mere presence of non-white people (removal of visible discrimination), while the latter requires tangible progress towards racial equality and, by extension, meaningful institutional efforts at inclusion that make such progress possible. The reluctance of whites to bear any share of the burden that may be caused by redistributive justice, rests on the belief in the *white innocence*, which entrenches the advantages obtained from past oppressive laws and violence that were used to achieve current racial inequity (James, 2014). South African white-dominated companies that flourished under apartheid are a typical example of engaging in racial capitalism by hiring politically connected blacks who have no independent base in the economy and whose role serves primarily to promote a favourable public image of white-dominated companies within the New South Africa (Randall, 1996; Southall, 2004; Bracking, 2019).[13]

2.2   Epistemic violence

Epistemic violence, brought to prominence by Spivak (1983) in her widely-cited essay "Can the Subaltern Speak?", is closely related to the concept of symbolic power as introduced by Bourdieu (1979). For Bourdieu, this domination grows to become 'worldmaking power', giving those holding the power the ability to impose their vision of the social order, and its divisions, as legitimate (Swartz, 1997). By using symbolic power, British and French imperial domination of the world has imposed its views, norms, and knowledge systems as being the universal standard against which others ought to be measured and validated (Spivak, 1983). For Spivak, to commit 'epistemic violence' is to actively obstruct and undermine non-Western methods or approaches to knowledge. This subjugation of non-Western understanding has been masterfully used by colonialist powers to define the colonial subject solely as an objectified "other" (Bunch, 2015).

Epistemic violence is deleterious in nature as it strives to erase the cultural, epistemological and value systems of the population groups to be "othered". Spivak (1983) characterises the colonial imposition of the dominant Western narrative as 'palimpsestic', i.e., an attempt to erase or alter the historical and social native consciousness and to delete all traces of the original self-perception and consciousness to overwrite it with its own Eurocentric paradigm considered more appropriate. To better comprehend its different discursive manifestations, Bunch (2015) examined the various facets that characterise epistemic violence and classified them into three categories: *discriminatory*, *testimonial* and *distributive*. Each of these manifestations possesses its distinct ways in which it is exercised by the dominant group in the process of "othering" the group subjected to this violence.

The *discriminatory* epistemic violence is primarily conveyed through the dehumanisation of the targeted group to be reified for subjugation and exploitation (Young, 1990; Modiri, 2015). It is the discursive and attitudinal construction of "the other", in the same sense in which "Orient" is conceived in the minds of the Occident (Said, 1979) or the way in which the *Negro* is conceptualised by the white man (Fanon, 1952) and treatment of the non-Western population groups by Western colonial conquerors.

Exclusive or priority access to the dominant modes of communication and interpretation in the society gives cultural hegemony to the dominant social group (Gramsci, 1975; Bourdieu, 1979). This hegemony is used to project the dominant group's experiences and perspectives in such a way that they become viewed as the rubric for humanity (Gramsci, 1975; Lears, 1985; Modiri, 2015). Non-Western epistemology is dismissed as inadequate, insufficiently elaborated, and naïve. This dismissal becomes the foundation of *cultural imperialism* Young, 1990) that sticks within a postcolonial society as a result of long exposure to epistemic violence of the dominant colonial group. By cultural imperialism, the dominant group imposes the universalisation of its experiences and culture, and its assumption of normative superiority (Young, 1990; James, 2014; Modiri, 2015). Cultural imperialism adds the racial dimension to Gramsci's notion of cultural hegemony, which refers to the dominance of a culturally diverse society by the ruling class through the culture of that society and the imposition of its world view as being

the accepted cultural norm (Lears, 1985). The socio-political and economic status quo favourable to the dominant class is thereby misrepresented as natural and inevitable while it is only an artificial social construct designed and maintained to benefit primarily the ruling class (Comaroff & Comaroff, 2008).

Testimonial epistemic violence comes in two forms: reduced credibility of the "out-group" and its silencing. Reduced credibility implies that the prejudice of the listeners makes them prone to discrediting the information brought forth by the "other", despite any competence they may have (Fricker, 2006).[14] Silencing is extensively discussed by Spivak (1983) and is defined as the damage to a group's ability to speak for itself and to be heard.

As for *distributive* epistemic violence: it refers to the denial of access to resources by the dominant group to the out-group. Of particular importance is limiting access to quality education, both in and about marginalized communities, which *in fine* becomes damaging to all parties involved as the dominant group also limits its possibility to learn valuable knowledge from the out-group. The perceived self-centrality of the in-group often results in its unwillingness to undertake a proper learning about the "out-group".

The culmination of epistemic violence is its adoption and normalisation by the oppressed, who end up unconsciously reproducing its dynamics on themselves and even yearn for integration into the oppressive group (Fanon, 1952; Ngugi wa Thiong'o, 1986). Once the discriminatory violence has been *epidermalised*, as Fanon (1952) calls it, the entire purpose of the behaviour of the oppressed becomes an almost obsessive desire to emulate the white man, to become like him, and thus hope to be accepted as a man. The black consciousness movement was born out of the need to awaken black South Africans to the dangers of internalising this inferiority by viewing themselves through the projection of their image by the apartheid rulers. Biko (1978) defined black consciousness as building an own value system in which black South Africans define themselves, instead of being defined by others. Rejecting the value system that made them foreigner in their own native country was seen as a first step towards liberation.

3.   Broad-based BEE strategy and its implementation

As outlined in article 2 of the 2003 B-BBEE Act (Republic of South Africa, 2004), South Africa had introduced the B-BBEE concept since 1993, with the view to achieve the specific objectives of promoting economic transformation in order to enable participation of black people in the economy. This was considered pertinent to address the imbalances left by the past exclusion of blacks from the apartheid economy. At the inception of the programme, it was envisaged that this policy intervention would significantly increase the number of black people who managed, owned, and controlled the economy. The government also anticipated that this process would lead to a significant reduction in social and economic inequalities in the country. At that time, focus was primarily on the creation of a black middle class, building on and strengthening the already existing levels between 1994 and the early 2000s. The successful implementation of the BEE strategy was to be evaluated against the achievement of the following policy goals (condensed):

a) A substantial increase in the number of black people who have ownership and control of existing and new enterprises in the priority sectors of the economy that government has identified in its microeconomic reform strategy;

b) A significant increase in the number of new black enterprises, black-empowered enterprises and black-engendered enterprises;

c) Increased ownership of land and other productive assets, improved access to infrastructure, increased acquisition of skills, and increased participation in productive economic activities in under-developed areas including the 13 nodal areas identified in the Urban Renewal Programme and the Integrated Sustainable Rural Development Programme;

d) Increased income levels of black persons and a reduction of income inequalities between and within race groups.

In this context, blacks are defined as a generic term that includes those who had been designated for segregation as black Africans, coloureds, and Indians under apartheid policies. The current B-BBEE scoring system for a generic enterprise consists of five separate elements: (a) equity ownership, (b) management control, (c) skills development, (d) enterprise and supplier development and (e) socio-economic development (Department of Trade and Industy [DTI], 2013).[15] The priority areas identified by the DTI and their indicators are presented in Table 1 below along with their respective weighting.

Table 1: Generic B-BBEE scorecard

Core BEE component	Indicators	Weight	Code
Equity ownership	% Share of economic benefits	25 pts	100
Management control	% Black persons in executive management and/or executive boards	15 pts	200
Skills development	Skills development expenditures as % of total payroll	20 pts	300
Enterprise and supplier development	Investment in black-owned and empowered enterprise as % of total assets	40 pts	400
Socio-economic development	Extent to which entities carry out initiatives contributing to socio-economic development	5 pts	500
Total		105 pts	

In the amended code of good practices of 2013, the priority scoring dimensions for the B-BBEE are the following:

1. **Equity ownership**: the sub-minimum ownership requirement is 40% of net value owned by black or black empowered entities;

2. **Skills development**: the sub-minimum requirement for compliance is 40% of the total weighting points for skills development;

3. **Enterprise and supplier development**: the sub-minimum requirement is 40% of the points for each of the three categories within the enterprise and supplier development element, namely preferential procurement, skills development and enterprise development.

Admittedly, broad-based empowerment was also hampered by the low levels of initial capital endowment of the black business community. This resulted in a financing process that was highly leveraged and often dependent on problematic corporate structures (Hale & Radebe, 2004; Nhlapo, 2008).

Another issue to be raised when examining the success of a policy meant to be redistributive is the choice of implementation vehicles. In the case of B-BBEE, enterprises, listed company shares, company ownership, procurement, business development, etc. all evoke intersection between black economic empowerment and capitalist entrepreneurship. As a result of its contract-based orientation towards the so-called black industrialists, B-BBEE resorted to corruption-prone tendering systems, which has mainly benefited the politically connected and the few minority organizations that have enough human and financial resources to exploit big contracts (Shava, 2016; Bracking 2019). In South Africa, there are millions of people who were victims of the apartheid brutality and need redress, but do not necessarily need to be entrepreneurs, hold a seat on the board of a big corporation, or own a stock option of a JSE-listed company.[16]

4.   BEE under the twin lenses of racial capitalism and epistemic violence

> Dignity is not located in seeking equality with the white man and his civilization: it is not about assuming the attitudes of the master who has allowed his slaves to eat at his table. It is about being oneself with all the multiplicities, systems and contradictions of one's own ways of being, doing and knowing. (Ziauddin Sardar in the Foreword to the 2008 edition of Frantz Fanon's *Black Skin, White Masks*, p. vii)

To understand the low effectiveness of the post-apartheid governments in the enactment of redistributive justice, it is useful to take the twin analytical lenses that were reviewed above: epistemic violence and racial capitalism. The geopolitical context within which BEE implementation was initiated contained already the seeds of its future impasse as it started with both epistemic violence and attempt of racial capitalism. Before using the concept of postcolonial epistemic violence to analyse the dynamics of resistance to economic restructuring, it is worth noting that South Africa was never decolonised. Indeed, as stressed by Turok (2018), despite democracy, South Africa remains a colonial country. Instead of a shift of power between the colonisers and the colonised at the end of the negotiations that followed the release of Nelson Mandela in 1990, an odd compromise was reached by the Convention for a Democratic South Africa (Codesa). According to that compromise, the colonial minority could keep its control of the economic power by only allowing democratisation and political participation for the majority (Van Heerden, 2017; Terreblanche, 2018; Turok, 2018).[17] According to Williams and Taylor (2000) and Terreblanche (2018), however, the elite compromise negotiated at that time emphatically excluded the possibility of a comprehensive redistribution policy, which was regarded as unaffordable after preference was given to addressing the interests of the old white corporate elite and the emerging black elite (i.e., racial

capitalism), and after the conditionalities prescribed by the American-led neoliberal pressure groups were accepted.

During the transition from apartheid to democracy, in which BEE was initiated, the economy and the corporate media remained firmly dominated by the white minority, even though the political power was orderly transferred from the exclusive white apartheid government to the new (national unity) government without major obstacles (Terreblanche, 2018). The control of the media enabled the white corporate sector to dominate and shape the public opinion while maintaining its preferred narrative as the representation of public opinion (Tomaselli, 1997; SACP, 2015).[18] This means that facts, knowledge and values that do not conform to that narrative were simply either invalidated or silenced (i.e., testimonial epistemic violence).[19]

By co-opting the ANC ruling class in secret negotiations and subsequently shaming many of its members regularly for corruption through white-dominated media (while at the same time covering up all forms of corruption and fraud committed in the corporate sector), the white elite has been perpetuating a culture of "othering" black Africans in general as inferior. When white-dominated companies are seen as being at risk of losing share value by hiring black managers for BEE compliance, the stock market is sending an epistemically violent signal about the competence and capacity of not just the would-be managers in question, but of all black people in the collective mental representation of whites.

Regarding attempts to economic change, Williams and Taylor (2000) found South Africa's major corporations to be (and largely remain) forces for continuity rather than change. The self-serving alliance between the ANC elite and the white business sector led to a lock-in situation, in which economic reforms in favour of the poor majority have been rendered impossible in the foreseeable future despite all rhetoric about radical economic transformation.

The co-optation of the ANC black state elite into the wealthy ruling class by the white corporate businesses, as has been the case through BEE, is also a typical manifestation of racial capitalism, by which white individuals or white-dominated companies decide to associate with non-whites to shore up their diversity credentials. As underscored by Leong (2013), however, such alliances serve primarily to artificially mask the inertia in race relations, and often turn out to be an impediment to the true remedial reforms that would genuinely improve race relations.

In many cases, the use of racial capitalism has taken the shape of a mere fronting of blacks to satisfy the requirements of BEE scoring and recognition. White companies front black people, use their gardeners or housemaids and register them as directors, often without the latter's even being aware of the use of their names, but sometimes against a token payment (Bracking, 2019). By massively investing in racial capitalism through the co-optation of ANC elite into lucrative alliance, the South African economic elites have secured the protection of the property rights created for them by the apartheid regime at the expense of cheap labour coerced into non-living wages.[20]

Jean-Paul Sartre's (1961) famous foreword to *The Wretched of the Earth* gives informed hints as to why such a combination of racial capitalism and epistemic violence has intentionally been designed to work perfectly for the neo-colonialist agenda:

> The European elite undertook to manufacture a native elite. They picked out promising adolescents; they branded them, as with a red-hot iron, with the principles of Western culture; they stuffed their mouths full with high-sounding phrases, grand glutinous words that stuck to the teeth. After a short stay in the mother country they were sent home, whitewashed. These walking lies had nothing left to say to their brothers; they only echoed. From Paris, from London, from Amsterdam we would utter the words "Parthenon! Brotherhood!" and somewhere in Africa or Asia lips would open "…thenon! …therhood!". (Edition 2002, p. 17)

In the same manner, the impasse of the BEE and its failure to implement redistributive measures should thus clearly be understood as flowing directly from the racial capital dimension of this unlikely alliance, not as a cause of it but more as one of its manifestations. The whole conception of the implementation structure based on entrepreneurship-related scores shows that the BEE policy design is by essence prone to such derailment as it allows too much room for white-dominated companies to deploy their racial capitalism charm offensive (Bracking, 2019). Within the context of the epistemic obliteration of the Africans for more than 350 years, South Africa's white-dominated private sector resorting to racial capitalism has made a meaningful progress on race relations impossible.

5.   Afrocentricity as a pathway to empowerment

To understand the failure of BEE to deliver redistributive justice is thus also to recognise that the privileges of whiteness as a valuable property in South Africa persists today and is here to stay. Whiteness continues to confer privilege onto those who are endowed with it by entertaining exclusivity. Predominantly white-oriented media continue to wield the information landscape and shape public opinion by creating implicit racial categories to which non-whites are relegated. They rely on rhetoric and narratives to articulate shared social and political perspectives"[21] intended to label racial justice interventions as "unfair to whites" (James, 2014). Likewise, existing distribution of social goods that was originally determined by whiteness under apartheid continues to define the normative baseline for benchmarking such distribution in the present and in the future. And to make the circle full, the legal system that determines entitlements to those social goods continues to enforce that normative baseline as in Mills (1997) racial contract enforced through ideological conditioning.

For most black South Africans, the persistence of Eurocentric social norms implies that their empowerment remains constrained by the dominant thinking that they must adapt their thinking and behaviour to the values and institutions of a system that was designed to dispossess them in the first place. To reach the goals of equitable liberation in a social landscape dominated by epistemic oppression, Asante (2003) proposed Afrocentricity, which puts African ontology at the centre of the self-perception and world view of

Africans as subjects with agency instead of objects. In that sense, Afrocentricity puts an emphasis on the spiritual and religious dimensions of the black consciousness doctrines articulated by Du Bois (1897) and Biko (1978).

Such a shift in self-perception must also come from the realisation that the mindset and the economic arrangements that created these inequalities came from the alliance between capitalism and racial subjugation aimed to control the supply of cheap labour for the maximisation of profits. That system, imposed by armed conquest, was rendered complete and effective by the epistemic violence that changed the self-perception of black South Africans and forced them to internalise their imposed inferiority complex and their unconscious acceptation of white privilege. It is through the Afrocentric paradigm that black Africans can redefine the negative portrayal of the identity imposed on them by the Eurocentric conquerors and challenge racial capitalism that achieve accumulation at their expense (Melamed, 2016). Robinson (1983), Asante (2003) and Mazama (2001) provide insightful reflections on why the recovery of self-identity is necessary for Africans to break out of the cycle of religious subjugation imposed through the conversion of conquered Africans to the cultures and religions of their conquerors. For Mazama (2002), the restoration of the integrity of black people as Africans and the reclamation of the self must start by honouring African Gods and spirits rather than those of their violent conquerors.

6.   Concluding observations

A long history of land dispossession and colonial epistemic violence has resulted into a deeply polarised South African society in which the transfer of political power to the majority has failed to redress the legacy of systemic injustice. The biting inequality that we observe in South Africa today is thus not the result of market forces within a fairly functioning economic system: the South African economy has been built on the exploitation of cheap labour and continues to rely on it to sustain the opulence of the few and the deprivation of the many by propping up a complacent political elite with entangled business interests. The failure of the ANC to use the black economic empowerment policy to deliver the desired results of social inclusion for the realisation of the full growth potential of the country is the result of a combination of entanglement of political elite with business interests (Acemoglu et al., 2007), epistemic violence inflicted by colonialism (Spivak, 1983), and the racial capitalism (Robinson, 1983; Leong, 2013; Williams & Taylor, 2000; Acemoglu et al., 2007; Van der Walt, 2015; Bracking, 2019).

By predicating the black economic empowerment policy on the logic of radical market capitalism, the very system that was used to impoverish the black majority through its subjugation as a mere source of cheap labour, the ANC government has put itself in a policy impasse. Only by developing economic strategies targeted towards the redistributive justice for the well-being of formerly disenfranchised South Africans, will the democratic government change the dynamics that created this BEE cul-de-sac and drive a meaningful improvement in the living conditions of the majority of the country's citizens.

The necessary redress of the economic injustices imposed on the majority of non-whites will also require a shift in the self-perception of South African policymakers with respect to their relation to foreign investors versus their duties to their fellow citizens. For the decolonisation of minds to be effective, it is therefore necessary to initiate a complete overhaul of the Eurocentric epistemic system from whose perspective social and economic policy is still being shaped in this country today. Afrocentricity offers the best chance to redefine the negative identity imposed on black Africans to make true empowerment possible through institutions that place them at the centre of their own development strategy. While the damage done to the self-perception of non-white South Africans may take long to recover, any economic, cultural or social strategy that ignores the need to heal that damage on psychological and spiritual levels is unlikely to bring any durable relief.

Endnotes

1   As of 2017, The top 0.01 percent of the wealth distribution, i.e., the richest 3 500 individuals, owned more than 15 percent of all household net assets, which is more than the total net assets of the bottom 90 percent. On top of this racialised wealth concentration, globalisation and financialisation have come to exacerbate the already glaring disparities by both shifting ownership of local assets to foreign capital investors and increasing the movement of white South African financial assets to larger overseas interests.

2   See Mdulwa (2017).

3   According to Terreblanche (2018), this alliance seems to have been reached through a series of meetings in 1990-1994 involving white politicians and white capitalists, a leadership core of the ANC, and American and British pressure groups. This compromise retained an economic edifice biased towards white monopoly capital interests and left undisturbed the lopsided wealth distribution.

4   Acemoglu et al. (2007) sketched a network map showing the intricate connections between influential ruling parti politician and white dominated corporations to show this co-optative alliance. They also note that it may not be seen as a mere coincidence that the first BEE deal was proposed and concluded by Sanlam, an Afrikaner-controlled company that had been closely connected to the apartheid regime for very long.

5   Acquisition of shares in these 'transactions' had to be funded through future dividends on the transferred shares.

6   A wide consensus has emerged amongst observers to depict the B-BBEE policy as a failure in terms of its objective to empower a broad base of formerly excluded blacks (see Kovacevic, 2007; Hamann, Khagram & Rohan, 2008).

7   Through its wielding of state power and controlling government financial assets, the ruling party is widely perceived as having become the new champion of protecting the privileged capitalist wealth (Williams & Taylor, 2000). Ironically, the colonisation of South Africa was initiated by a trading corporation, the Vereenigde Oostindische Compagnie (VOC), which brought farmers and slaves to the Cape colony to provide supplies for its merchant fleet.

8   The black consciousness movement (BCM) that emerged after the Sharpeville massacre in 1960 sought to awaken the consciousness of this subjugation amongst black South Africans

to trigger a revolution of the minds and catalyse their liberation. After the murder of its intellectual leader Steve Biko in 1977, the BCM became fragmented and started to lose influence (Graham, 2017).

9   Accumulated epistemic repression by white colonial rule resulting in *cultural imperialism* (Young, 1990) and the internalisation of racial subordination, that renders post-apartheid black elite incapable of challenging *white innocence* and *normative superiority* (James, 2014) and developing own value system geared towards affording a fair share of the country's economic opportunities to the formerly economically excluded black majority.

10 The concept of 'racial capitalism' has a longer history in South Africa and originates in the writings of liberals such as Merle Lipton, who drew a connection between segregation and apartheid policies and capitalist economic development in South Africa. They argued that the racial basis of segregation and apartheid were important for the development of capitalism in South Africa.

11 Darwin's theory of human evolution was applied to creating a hierarchy amongst human societies and used to justify colonialism and defend the idea that it required a racial hierarchy that "naturally" privileged the population of European descent. As a result, colonial powers in the United States and Europe came to regard racism as a "natural order" for positive political evolution.

12 As argued by James (2014), labelling racial justice measures as "unfair", implies *white innocence* and is a rhetorical leap often employed to challenge affirmative action by presenting whites as victims of racial redress policies. By suggesting that whites have not received any unearned benefits, it reaffirms belief in the myth of meritocracy and blindness to white privilege.

13 Some of these companies were the major pillars of the apartheid regime and used share transfer to politically connected blacks as a means to ensure protection of their property and therefore stifle possible de-racialisation of the economy (Southall, 2004; Acemoglu, 2007). The transfer of equity shares at a deep discount to politically connected black individuals or entities has frequently been used by various white-dominated companies in order to shed the past image of racism and exclusion under the guise of supporting BEE policy (Southall, 2004). Some of such individuals, referred to in the public discourse as "black diamonds", have managed to amass a considerable amount of wealth at the expense of meaningful economic transformation for the majority.

14 Testimonial epistemic violence is closely related to the discriminatory epistemic violence because it is often rooted in the presumption that Western way of knowing is the only validation benchmark based on rationality and the heritage of the enlightenment.

15 This has been narrowed from the previous system, which had seven elements, with employment equity and preferential procurement being absorbed into the other five elements to reduce the overall number.

16 For the comparable New Economic Policy (NEP) implemented in Malaysia with the aim to reduce the economic gap between native Malays (Bumiputera) and Chinese ethnic minority, of the RM54 billion's worth of shares allocated to the Bumiputera under compulsory reservation of new security issued on the Kuala Lumpur Stock Exchange, only RM2 billion's worth of shares were left in their hands in March 2010, according to a Bernama report (https://bit.ly/3hsWzzU).

17 This hold on economic power was enshrined in the democratic constitution of South Africa through the clause on the preservation of property rights (Section 25).

18 At the eve of democracy in December 1993, the media landscape in South Africa was dominated by the SABC, Argus Holdings Ltd, Times Media Ltd (TML), and the Afrikaner-owned Perskor and Nasionale Pers, all interconnected within the wider web of South African monopoly capital (Tomaselli, 1997).

19 For the modus operandi of mass media in shaping public opinion in favour of the ruling class, see Herman and Chomsky (2008)[1988].

20 The concept of a living wage relates to remuneration enabling workers and their family to not have to live in poverty, according to Global Living Wage Coalition. It should be sufficient to ensure that workers and their families are able to afford a basic lifestyle considered decent by society at its current level of development. In South Africa, a minimum wage of R3 500 per month was introduced as of 1 January 2019. Before the entry into force of the minimum wage, 47% of the workers were earning below that threshold, according to Cosatu president Zingiswa Losi (Omarjee, 2019).

21 See Hutchinson (2008).

Acknowledgement

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Occupational health and safety in small businesses: The rationale behind compliance

Author:

Dr Elriza Esterhuyzen[1]
[0000-0002-2940-387X]

Affiliation:

[1] Department of Operations Management, University of South Africa

E-mail:

estere@unisa.ac.za

Abstract

Occupational health and safety (OHS), as a fundamental human right, forms the basis of the obligation of employers to employees, requiring employers to do what is right. Responsible management practices encompass cognisance of sustainability, responsibility as well as legal, financial and moral aspects related to OHS compliance. As point of departure, an overview of core OHS criteria for small businesses is provided, with reference to awareness of these criteria in the G20 countries. This article utilises quantitative and qualitative data analysis to examine the reasons why small business owners/managers comply with occupational health and safety directives, such as the Occupational Health and Safety Act (OHS Act) and the Compensation for Occupational Injuries and Diseases Act (COIDA) in South Africa, determine if such reasons for compliance culminate in actual compliance, and determine the perceived effect of direct and indirect costs of OHS incidents. A total of 350 small business owners/managers took part in this study. The findings indicate that whilst small business owners/ managers realise the rationale behind OHS compliance in terms of moral, legal and financial components, moral aspects related to OHS compliance are deemed most important. Small business owners/managers thus seem to realise the importance of OHS compliance. However, when it comes to adhering to their responsibility in terms of general safety regulations of the OHS Act and registration with the Compensation Fund as specified in the COIDA (as examples of actual compliance), small business owners/managers' compliance does not reflect such realisation. A model to enhance OHS standards in small businesses, encompassing legal, moral and financial rationales, is proposed.

1.   Introduction

The obligation that employers have towards employees has been recognised for many years and is evidenced by society pressing for reasonably safe workplaces (Heinrich, 1959:43; Kasperczyk, 2010:51; Duluth, 2013:22; Louw, 2020b:380-382). Occupational health and safety (OHS) practices, beyond mere legal compliance and financial considerations, include the moral rationale related to society as a whole and are increasingly being highlighted (London, Tangwa, Matchaba-Hove, Mkhize, Nwabueze, Nyika & Westerholm, 2014:49; Wang, Mei, Liu & Zhang, 2018:1; Esterhuyzen, 2019:233). OHS is a fundamental human right of employees and should therefore be recognised in all business activities (Dinerstein, 2014:1054; Tshoose, 2014:280).

Legislation in most countries provides for OHS directives, with developing countries such as South Africa not being excluded. Section 24(a) of the Constitution of the Republic of South Africa (RSA, 1996) unequivocally states that everyone has the right to an environment that is not detrimental to health or well-being (thus including the workplace). The Occupational Health and Safety Act No. 85 of 1993 as amended by the Occupational Health and Safety Act No. 181 of 1993 (OHS Act) is aimed at providing for the health and safety of persons at work as well as for the protection of others against hazards to health and safety that might arise out of the activities of the business (RSA, 1993). However, precarious employment agreements are often relevant to small businesses in South Africa, resulting in employment conditions not being conducive to the safety of employees, their families or the surrounding communities (Benach, Vives, Amable, Vanroelen, Tarafa & Muntaner, 2014:230). OHS has been identified as one of the operational mechanisms that can be utilised in the management of small businesses (Robinson & Jonker, 2017:78) with the organisational context being recognised as a direct influencer of behaviour (Constantinescu & Kaptein, 2019b:122).

2.   International and national OHS context

OHS guidelines and practices apply to businesses of all sizes throughout the world. To practically assist small businesses with OHS, awareness should be benchmarked against international constituencies. The Group of Twenty (G20) countries, as forum for international economic cooperation (G20, 2013:2), provides a relevant backdrop for contextualisation of OHS practices as highlighted in its mandate regarding safer and healthier workplaces (G20, 2014a:7). The G20, through its collaboration with international organisations such as the International Labour Organisation (ILO), World Health Organization (WHO) and the International Monetary Fund (IMF), contributes to OHS requirements (G20, 2014b:1) that are applicable to OHS compliance in small businesses. Even though it is acknowledged that OHS laws and regulations differ between countries, the global principle of protecting employees in workplaces remain constant (Doumbia, 2015:4; Mashwama, Aigbavboa & Thwala, 2018:68). Therefore, basic OHS requirements applicable to small businesses were used to serve the purpose of benchmarking awareness in the G20 countries. These core OHS criteria were identified,

following a long-term inquiry, by the National Occupational Safety and Health Committee (NOSHC) of the Royal Society for the Prevention of Accidents (RoSPA). RoSPA, as a registered charity aimed specifically at accident prevention in the United Kingdom (UK) and worldwide, has been in operation for more than 100 years (RoSPA, 2015a:1). The identified core OHS criteria, as a joint statement of RoSPA and NOSHC, for small businesses comprise (RoSPA, 2015b:1-3): health and safety policy and organisation; ensuring health and safety measures; risk assessment (and safe systems of work); access to competent advice; training and information; individual qualifications and experience; workforce involvement; contracting procedures (i.e., using contractors); cooperating and coordinating with others; accident and near-hit reporting and investigation; first aid and emergency measures; and monitoring, checking and reviewing performance. The awareness of all member countries of the G20 (Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, United Kingdom, United States and the European Union) regarding the core OHS criteria have been determined, thus confirming agreement on OHS focus and allowing for benchmarking against world's best practices and consistent OHS innovation in small businesses (Esterhuyzen, 2017:115).

Procedures aimed at ensuring OHS, or when applicable, OHS certification, are indicated as important constructs regarding the social dimension and sustainability practices of small businesses (Cantele & Zardini, 2018). South Africa is a full member of the International Organisation for Standardisation (ISO), with the South African Bureau of Standards (SABS) being the recognised national institution tasked with the development, maintenance and promotion of South African National Standards (SANS) in line with international standards (SABS, 2015:9,13). Standards are aimed at protecting humans, property and the environment against all hazards, including safety hazards. SANS 14001 (or ISO 14001 as international standard) specifically provides a framework aimed at the enhancement of business performance and corporate responsibility (Hasan & Chan, 2014:2). In addition, SANS 45001 (or ISO 45001 as international standard) focuses on OHS managements systems and provides for systematic process thinking to enhance OHS compliance (Karanikas, Weber, Bruschi & Brown, 2022:105674). Even though it is advisable that small businesses owners/managers take note of international and national standards regarding OHS, South African small businesses do not always have the resources required to do so (Hasan & Chan, 2014:4,10; Thaba, Mbohwa & Pradhan, 2015:3). However, small business could benefit from the correct application of such standards, as it could assist in reducing the regulatory burden associated with OHS, as well as the costs associated with OHS incidents (SABS, 2015:5). Small business owners/managers should be encouraged to pursue and implement the relevant standards, as such endeavours express the societal legitimacy of the small business, signal social acceptance, and indicate knowledge regarding the impact of OHS incidents (Legg, Olsen, Laird & Hasle, 2015:192).

3.   Small business sustainability

Businesses of all sizes are experiencing increasing pressure to be responsive and accountable through the implementation of sustainability practices, with sustainability being regarded as the primary moral and economic imperative of the 21st century (Price Waterhouse Coopers [PWC], 2009:1; Louw, 2020a:77). South African legislation emphasises sustainability in businesses, aimed at enhancing economic growth (Morrison-Saunders & Retief, 2012:34) whilst taking cognisance of people and their needs (Wildlife and Environment Society of South Africa [WESSA], n.d.:1). Even though OHS has not always been specifically mentioned as part of business sustainability, increased focus on environmental, social and economic considerations as components of sustainability encompass OHS as an integral part (Buchholtz & Carroll, 2012:57; Louw, 2020a:83; 2020b:393). However, OHS has been catapulted to the forefront of sustainability considerations due to the 2020 Covid-19 global pandemic having led to a restriction of all non-essential economic activities and a substantial impact on worldwide economies, thus requiring preventive OHS practices to allow for economic reactivation whilst preventing further outbreaks (Gallardo, De Arroyabe & Arranz, 2020:1-2).

Small businesses are not exempt from sustainability practices and associated OHS directives. The National Small Business Amendment Act No. 29 of 2004 (Republic of South Africa [RSA], 2004:3-4) defines small businesses in terms of both qualitative (such as the structure of ownership and distinctness of the business enterprise) and quantitative criteria (such as number of employees and annual turnover). For this study, small businesses with an annual turnover of less than R10 million and fewer than 50 employees were included, based on previous findings indicating that small businesses seldom achieve excessive turnovers and employment (Arocena & Nuñez (2010:398). Owners (who own, control and operate the small business) and managers (who plan, organise, lead and control employees to achieve business objectives) of small businesses were included in this study. Small business owners/managers have been identified as a determining factor in terms of the sustainability practices of the small business (Oosthuizen, 2014:85; Robbins, 2001:2-3). Coercive isomorphic pressures, including laws and regulations as well as societal requirements, are forcing South African small businesses to conform to expected sustainability practices in terms of the economic (such as reduction of operating costs, productivity and training), environmental (such as waste, pollution and renewable resources), as well as social (including employee motivation and management) dimensions of sustainability (Masocha & Fatoki, 2018:3-6). The collective actions of a small business owner/manager play a crucial role in the improvement of sustainability practices of such small businesses (Del Giudice, Khan, De Silva, Scuotto, Caputo & Carayannis, 2017:1396). The reputation of the business and the organisational commitment to sustainable business practices are of vital importance for the development and survival of small businesses (Cantele & Zardini, 2018:166-167, 174). The occurrence of OHS incidents in the workplace leads to a presupposition that the employer does not hold the safety of employees in high regard, thus requiring small businesses owners/managers to realise the importance of acting in a socially responsible way to enhance sustainability (Goetsch, 2014a:603). In addition to extrinsic motivations (such as legislative directives, financial

aspects and societal expectations), intrinsic motivations (such as moral rationale) allow for enhanced sustainable business performance (Constantinescu & Kaptein, 2019b:119).

The competitiveness of small businesses should be balanced against the promotion and protection of the basic rights of employees, including the provision of protection to vulnerable employees (Compensation Fund, 2018:18). Small business owners/managers play a vital role in ensuring that the moral aspect (in addition to the legal and financial aspects) of OHS is included in the setting, implementation and maintenance of effective safety-management programmes aimed at ensuring optimum OHS. Unethical OHS business practices should therefore be avoided to enhance the reputation of the small business, in turn leading to enhanced sustainability (Louw, 2020b:398, 404).

4.   Beyond legal compliance

Traditionally, OHS has been indicated as a stand-alone compliance discipline, but the modern systems thinking perspective requires safety management to transcend various disciplines and requires managers to expand their knowledge of OHS. Connecting with people and communicating a common OHS purpose to motivate people to achieve OHS goals and objectives are vital skills required from managers in any workplace (Safeopedia, 2020). Society expects businesses to be ethical in their conduct, thus staying clear of questionable practices and doing what is deemed as right, fair and just. Such expectations thus go over and above legal requirements (Buchholtz & Carroll, 2012:37; Marín, Rubio & De Maya, 2012:365). A business engaging in socially responsible conduct is deemed to be a business that is doing well whilst doing good (Hategan, Sirghi, Curea-Pitorac & Hategan, 2018:10), thus taking cognisance of doing well in terms of legal and financial indicators whilst doing good in terms of corporate social responsibility (which includes OHS). Moral leadership thus encompasses doing what needs to be done out of a sense of duty towards employees, society and other stakeholders through taking cognisance of basic human rights (Legg, Battisti, Harris, Laird, Lamm, Massey & Olsen, 2009:15; Constantinescu & Kaptein, 2019a:12,14). Leaders (small business managers/owners in this instance) play the most important role in creating a safety culture in any business. Leadership in OHS requires more than doing things because they must be done; it requires doing the right thing and embracing OHS as a core value of the business (Sharman & Hackitt, 2020).

OHS is one of the aspects deemed to be of utmost importance in developing countries, such as South Africa, to enable businesses to have a positive effect on its surrounding community (Maamoun, 2013:8). South African legislation places emphasis on both the financial and social sustainability of businesses and economic growth, with people and their needs being of vital importance in sustainable development (Morrison-Saunders & Retief, 2012:34; Wildlife and Environment Society of South Africa [WESSA], n.d.:1).

Even though OHS compliance might result in an initial increase in costs, this cannot be used as an excuse for non-compliance. Employers should value their employees and not compromise on their safety in striving for business sustainability (London et al., 2014:51).

In fact, employee safety and health are not debatable and increase productivity, performance and business image whilst reducing incidents and accidents and the associated lost time spent on injuries as well as property loss (Doumbia, 2015:4; Mashwama, Aigbavboa & Thwala, 2018:68). Despite the high emphasis on legal compliance in terms of the OHS Act, South African small business owners/managers do seem to consider financial and moral reasons for compliance.

It is important to note that the OHS policy of any business, including small businesses, demonstrates the morals, values, aims and ideology of the owner/manager of such a business. (European Network for Workplace Health Promotion [ENWHP], 2001:10; Cambra-Fierro, Hart & Polo-Redondo, 2008:652). Moreover, small businesses should follow an integrated approach to ensure that OHS forms the basis of all other business operations (Mohammad, Osman, Yusuff, Masood, Yahya & Jalil, 2013:897; Nuñez & Villaneuva, 2011:58). The moral dimension of practice encourages good and acceptable behaviour, which should be embedded in the strategic processes of small businesses (Tsoukas, 2018:323-324), also regarding OHS practices and associated legal, moral and financial responsibility. The importance of an OHS compliance culture, the acknowledgement and involvement of stakeholders, continual improvement, as well as synergy between OHS and other business components, should therefore be recognised by small business owners with the view to enhance business sustainability (Rebelo, Santos & Silva, 2014:373).

5.   Cost of OHS incidents in the workplace

Small businesses are, in essence, deemed to be resource-restrained entities, with small business owners first focusing on costs before turning to profits. While small businesses have small safety margins, the margins for error are large (Clarke, 2010:61-62) and research indicates high accident risks in small businesses (Hasle & Limborg, 2005:7). OHS incidents can lead to substantial financial and other losses, including the loss of many economically active workers. According to the South African Compensation Fund (2016:19-20) and Churchyard (2014:1), such incidents (in general) lead to a loss of around 5% of the gross national product (GNP) of South Africa. Despite efforts by government and the private sector to curb OHS incidents in the workplace, there are still unacceptably high levels of OHS incidents in South African workplaces. The 2017/2018 financial year saw 179 689 claims for OHS incidents being reported, with resultant benefit pay-outs amounting to R3.6 billion (Compensation Fund, 2018:8). OHS incidents have a demoralising effect on employees, their families, as well as the surrounding community (Nuñez & Villaneuva, 2011:56). Moreover, they lower employee morale, increase worker compensation costs, increase employee turnover, and lower productivity (Kasperczyk, 2010:51). The importance of support to small businesses aimed at reducing costs due to OHS incidents is recognised through policies such as the small and medium enterprise (SME) policy of the Institute of Occupational Safety and Health (IOSH) (2015:1). Small businesses should thus be assisted with cost-effective preventive measures, that are practically applicable, to curb OHS incidents in small businesses (Hasle & Limborg, 2005:9).

Even though zero accidents are the ideal situation, this is an unrealistic expectation with many accidents continuing to take place resulting in direct and indirect costs. Even though it is not possible to fix all at once, something can be done immediately, as even focusing on being one percent safer can make a huge difference. Incremental progress and marginal gains are the preferred methods for sustainable OHS performance improvement (One Percent Safer, 2020).

6.   Legal, financial and moral rationales for OHS compliance

Three interdependent components are relevant to OHS in small businesses. In the first place, legal compliance in terms of the relevant OHS legal requirements and prescriptions is aimed at ensuring that requisite safety considerations are enacted in the workplace to ensure the workers are protected from harm (Goetsch, 2014b:131). The second component comprises the financial decisions that are inevitably interwoven with meeting OHS requirements and prescriptions, as well as costs related to OHS incidents (Valsamakis, Vivian & Du Toit, 1992:245; Hart, 2015:1). The financial repercussions for OHS incidents are divided into direct and indirect costs. Direct costs comprise costs in terms of money laid out for medical treatment, repair or replacement of equipment, damage to facilities, and compensation claims by employees or their families, related to loss of income, to name but a few. Indirect costs are related to damage to the image of the business and disrepute, amongst others (Goetch, 2014b:19, 27). The third component comprises the moral aspects related to OHS, with emphasis on both the increased scrutiny of business practices and the effect of such practices on society (Buchholtz & Carroll, 2012:29), as well as the desired behaviour of employees (Valentine, Hanson & Fleischman, 2018:669) which is based on internal safety locus of control and safety self-efficacy as mediators and playing a fundamental role in the prevention of OHS injuries and accidents (Nykänen, Salmela-Aro, Tolvanen & Vuori, 2019:330). OHS compliance should thus include both moral and financial rationale, and not focus only on the fear of possible repercussions associated with legal non-compliance. London et al. (2014:50) maintain that moral convictions should guide the OHS actions of small business owners/managers, not only legal directives and financial constraints.

7.   Compensation Fund

The South African Compensation Fund is an entity of the Department of Labour that plays a crucial role in the provision of a social safety net to employees in the event of OHS incidents in the workplace. The Constitution of the Republic of South Africa as well as the Compensation for Occupational Injuries and Diseases Act (COIDA) no 130 of 1992 (as amended by Act 61 of 1997) provides the mandate for the Compensation Fund (RSA, 1997; Compensation Fund, 2018:8). The Compensation Fund provides for employee needs in case of OHS incidents, thus placing a moral obligation (in conjunction with the legal and financial obligation) on small business owners/managers to ensure that their

businesses are registered with the Compensation Fund. Any business with one or more employees should be registered with the Compensation Fund, with such registration demonstrating an acceptance of the legal, financial and moral responsibility of a small business to provide for employee needs should an OHS incident occur. Registration with the Compensation Fund was used as an example of ascertaining actual compliance of small business owners/managers with OHS directives.

8. Research method

The South African OHS Act provides the legal directive regarding OHS compliance but does not directly address the financial or moral rationale behind OHS compliance. Therefore, the aim of this research was to determine the rationale behind compliance to OHS directives (the OHS Act, in particular) in small businesses in South Africa, to determine if such reasons for compliance culminate in actual compliance (using the Compensation Fund as example), and to determine the perceived effect of direct and indirect costs of OHS incidents. The positivism research philosophy was applied to this study as a structured methodology was used to present a replica of an end-product describing specific elements of the phenomena (Cooper & Schindler, 2011:139; Saunders et al., 2012:678). The drawing of conclusions from the general to the specific based on a deductive research approach (Saunders et al., 2012:144) was followed. A homogeneous purposive sampling technique (to ensure maximum similarity between respondents) was used to select the sample for this study, with this non-probability sample (unknown probability of selection to participate) being extended through snowballing (obtaining subsequent respondents from information provided by initial respondents) and referral techniques to reach the required sample size (Saunders et al., 2012:4; Devlin, 2018:60). Non-probability sampling was used due to limited population information, thus limiting accurate calculation of the population (Rea & Parker, 2014:177). No literature record with data specifically on small businesses within the set parameters could be found, thus limiting the accuracy of the population size.

A total of 350 small business owners/managers in the Gauteng, Western Cape, and KwaZulu-Natal provinces, as these provinces host the most active businesses (81.8% of active businesses) in South Africa (CIPC, 2013:3), took part in this study. Data collection took place between October 2015 and March 2016. Table 1 below indicates the breakdown of the sample used for this study.

Table 1: Breakdown of sample

Province	Population – number of active businesses	Population %	Sample
Gauteng	607 120	61.7	215
Western Cape	203 112	20.7	73
KwaZulu-Natal	173 101	17.6	62
Total	983 333	100.0	350

Source: Adapted from CIPC (2013:3); Esterhuyzen (2017:32)

Respondents all adhered to the eligibility criteria (being the owner/manager, having an annual turnover of less than R10 million, having fewer than 50 employees, and being in the provinces indicated in Table 1) to participate in the study. Most (187) of the respondents indicated employee numbers of 1 to 5 employees, 84 reported employee numbers from six to ten, 40 from 11 to 15, and 39 from 16 to 49. It is important to note that the OHS Act does not differentiate between part-time or full-time workers, and no distinction was therefore made in this study.

Economic sectors identified by the National Treasury, the South African Revenue Service and the Standard Industrial Classification (SIC) of economic activities were used to allow for distinction in terms of the primary sector in which the businesses operated (National Treasury & SARS, 2012:54; Statistics South Africa, 2012:26). Table 2 provides a breakdown of the responses received.

Table 2: Primary economic sectors of small businesses

Primary economic sectors	Total sample	
	n	%
Wholesale and retail	106	30.3
Repair and maintenance services	96	27.4
Manufacturing	57	16.3
Other (such as agriculture, education, tourism, recreation and pharmacy)	22	6.3
Construction	20	5.7
Accommodation, restaurants, catering and conference	20	5.7
Business services – other	10	2.9
Community, social and personal services – professional	6	1.7
Financial intermediation and insurance	5	1.4
Transport, storage and communication	3	0.9
Community, social and personal services – other	3	0.9
Business services – professional	2	0.6
Total (n)	**350**	**100.0**

Source: Adapted from National Treasury & SARS (2012:54); Statistics South Africa (2012:26); Esterhuyzen (2017:191)

The results presented in this article emerged out of three questions posed to the respondents. Firstly, an open-ended question was used to determine the reasons deemed important by the small business owners/managers regarding compliance with the OHS Act. The reasons provided regarding the importance of OHS compliance were qualitatively analysed. In addition, small business owners/managers were requested to indicate their actual compliance with general safety regulations (of the OHS Act) and registration with the Compensation Fund as part of their responsibility towards OHS in the workplace. These responses were quantitatively analysed to determine levels of actual compliance. Furthermore, small business owners/managers were required to rate (on a Likert scale) the effect of an OHS incident on the small business in terms of its direct and indirect costs.

Data analysis was conducted through the statistical software programme IBM Statistical Package for the Social Science (IBM SPSS), Version 23 as well as ATLAS.ti (Version 9.1) for the quantitative and qualitative analyses respectively. The data set is stored on password-protected computers and all people involved with the gathering, capturing and analysis of data were required to sign a confidentiality agreement.

9.   Results and discussion

The data analysis allowed insight into the reasons why participating small businesses complied with the OHS Act. These reasons were analysed and categorised in accordance with the foci of the reasons upheld. Guidelines used for the categorisation (legal, financial, and moral components) of the reasons provided comprised: reasons linked to a specific category were plotted in such category; main words in each statement were used as basis for categorisation; categorisation occurred based on exclusion; and overlapping was eliminated as far as possible. The responses received from the 350 respondents were captured on ATLAS.ti (Version 9.1). Thematic content analysis was applied to these responses with a view to identify themes and patterns to recognise beliefs of respondents (Lune & Berg, 2017:182; Saunders, Lewis & Thornhill, 2016:579). Figure 1 below graphically illustrates the rationale behind compliance in small businesses based on these responses. Health and safety of workers and provision of a safe workplace (moral rationale) seem to represent the most important reasons for complying with the OHS Act, followed by compliance being a compulsory legal requirement (legal rationale), and various financial rationales (such as protection against claims and compensation).

Visual representations of word frequencies are indicated through word clouds, with the font size correlating with frequency, thus representing frequently occurring words more prominently (Atenstaedt, 2017:231; Ertug, Gruber, Nyberg & Steensma, 2018:1613; Friese, 2018:17). Figure 2 below presents the word cloud (using ATLAS.ti) obtained by using all the responses received from respondents.

The analysis illustrated in Figure 2, supports the thematic content analysis depicted in Figure 1 below, indicating that small business owners/managers deem OHS compliance as more than a legal responsibility, with moral and financial rationales behind compliance being clearly recognised. Phrases to support this deduction include *employee safety*, *protect*, *prevent*, *safe*, *environment* (moral rationale); *law*, *compulsory*, *legal* (legal rationale); *claims*, *liability*, *loss* (financial rationale).

Despite small business owners/managers indicating moral, financial and legal rationale for compliance, the incident rates in South Africa do not seem indicative of these intentions to comply. To determine actual compliance with legal directives, participants were requested to indicate their actual compliance in terms of general safety regulations of the OHS Act as well as registration with the Compensation Fund in terms of the COIDA. Small business owners/managers indicated their adherence to this responsibility as indicated in Table 3 and Figure 3 below.

Figure 1: Reasons for complying with the OHS Act

Figure 2: Word cloud on the rationale behind OHS compliance

Table 3: Rating of actual compliance with general safety regulations in terms of the OHS Act

General safety regulations	1 Do not comply at all		2 Partially comply		3 Fully comply		4 Not applicable		5 Do not know		Total		Average
	n	%	n	%	n	%	n	%	n	%	n	%	
Personal safety equipment should be supplied if necessary	5	1.4	49	14	263	75.2	26	7.4	7	2	350	100	2.8
Intoxicated persons should not be permitted at the workplace	9	2.6	21	6	294	84	19	5.4	7	2	350	100	2.9
Display appropriate symbols and signs	18	5.1	70	20	232	66.3	20	5.7	10	2.9	350	100	2.7
Do not permit persons in dangerous premises	8	2.3	37	10.6	260	74.3	34	9.7	11	3.1	350	100	2.8
First aid emergency equipment and procedures must be in place with minimum contents of first aid box	22	6.3	54	15.4	247	70.6	16	4.6	11	3.1	350	100	2.7
Average weight		3.5		13.2		74.1		6.6		2.6		100	

Despite recognising moral, financial and legal reasons for compliance, the findings in Table 3 indicate actual compliance (excluding responses of 'not applicable' and 'do not know') on 2.7 to 2.9 out of 3.0 (full compliance). Average compliance for 'Personal safety equipment should be supplied if necessary' is indicated as being 2.8; 'Intoxicated persons should not be permitted at the workplace' at 2.9; 'Display appropriate symbols and signs' at 2.7; 'Do not permit persons in dangerous premises' as 2.8; and 'First aid emergency equipment and procedures must be in place with minimum contents of first aid box' at 2.7. This indicates that the compliance with general safety regulations in the OHS Act is not at the optimal level of 100% compliance. Full compliance should be reached if small business owners/managers truly take cognisance of the rationale behind compliance as indicated in their responses. This is vital to ensure that small business owners/managers do everything in their power to address the unacceptable levels of OHS incidents in South African workplaces. Truly recognising the moral, legal and financial rationale as the rationales behind compliance should motivate small business owners/managers to comply more rigorously with all OHS legislative requirements and directives, thus reducing workplace incidents and accidents.
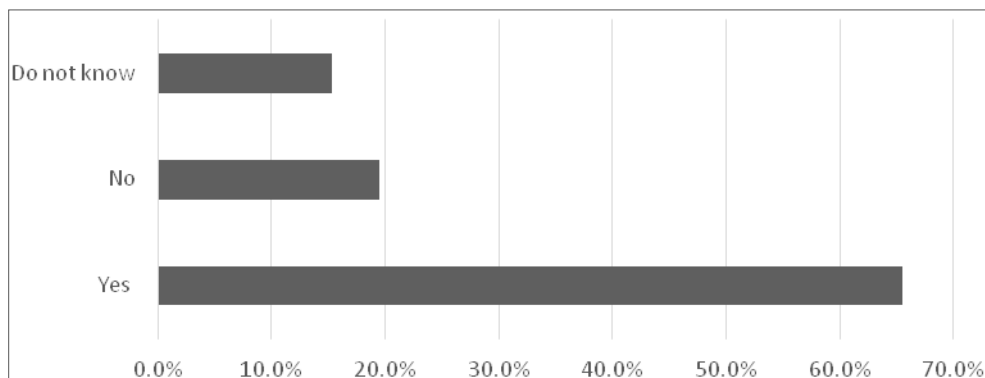
Figure 3: Small businesses registered with the Compensation Fund

Source: Adapted from Esterhuyzen (2017:202)

As a further example of actual compliance with regulatory requirements, findings (as depicted in Figure 3) revealed that only 66% of the small businesses were registered with the South African Compensation Fund, with 19% of small businesses not being registered, and another 15% of the small business owners/managers indicating that they did not know or were not sure. Even though 74.1% of small business owners/managers indicate compliance, only 66% of these businesses comply with the legally required Compensation Fund registration. This implies that should an OHS incident occur in these businesses, the employees of the businesses that are not registered will not be beneficiaries of the necessary pay-outs from the Compensation Fund regarding medical expenses, rehabilitation and re-integration into the workplace. Such lack of registration implies that small business owners/managers do not fully accept the legal, moral and financial responsibility to provide for the needs of employees should an OHS incident occur. It is of vital importance that small business owners/managers be enlightened as to the legal, moral and financial necessity associated with OHS compliance, including registration with the Compensation Fund.

Small business owners/managers were required to rate the effect (on a scale of 1–5) of OHS incidents on the small business in terms of the direct and indirect costs of OHS incidents, summarised in Table 4. Most small business owners/managers indicated that OHS incidents have an effect in terms of direct and indirect costs, with time lost or wasted being indicated as having the greatest effect.

Table 4: Perceived effect of OHS incidents on small businesses

Effects of incidents on OHS aspects		1 No effect		2 Minor effect		3 Moderate effect		4 Major effect		5 Do not know		Total		Average weight
		n	%	n	%	n	%	n	%	n	%	n	%	
Direct costs	Medical expenses	61	17.4	72	20.6	85	24.3	49	14	83	23.7	350	100	2.4
	Worker compensation	70	20	69	19.7	74	21.2	49	14	88	25.1	350	100	2.4
	Loss of production or sales	55	15.5	67	19.1	88	25.1	73	20.9	67	19.4	350	100	2.6
	Insurance costs	79	22.6	71	20.3	74	21.1	36	10.3	90	25.7	350	100	2.3
	Damage to equipment	55	15.7	82	23.4	71	20.3	62	17.7	80	22.9	350	100	2.5
	Time lost or wasted	35	10	68	19.4	79	22.6	93	26.6	75	21.4	350	100	2.8
	Re-training of employees	59	6.9	87	24.9	65	18.5	61	17.4	78	22.3	350	100	2.5
Indirect costs	Social effect	75	21.4	102	29.1	56	16	30	8.6	87	24.9	350	100	2.2
	Reputation of the business	85	24.3	59	16.9	68	19.4	61	17.4	77	22	350	100	2.4
Total	Average weight (%)		18.2		21.5		21		16.3		23		100	

Source: Esterhuyzen (2017:199-200)

The results of the perceived effect of direct and indirect costs are concerning, as small business owners/managers do not seem to fully recognise the potential impact of OHS incidents. As previously indicated, the fact that small businesses are often resource-restrained may indicate that small businesses might not survive the impact of the costs should an OHS incident occur, thus reducing business sustainability. Registration with the Compensation Fund to curb the potential financial and other repercussions of OHS incidents is therefore of great importance for small businesses.

10. Managerial implications

OHS compliance in small businesses, as part of responsible management, should encompass moral, legal as well as financial rationale aimed at sustainability and corporate social responsibility. Small business owners/managers should realise that OHS compliance must focus on doing the right thing, taking cognisance that laws might be wrong or insufficient and thus immoral. Small business owners/managers should thus clearly recognise that OHS encompasses more than mere legal compliance and transcend into doing good in terms of employees, society and the business itself. Socially responsible leadership is important for creating and sustaining a positive OHS climate within a business (Taştan & Davoudi, 2019:275), which should be used to enhance OHS compliance. Small business owners/managers have a moral, financial and legal obligation to ensure that OHS is managed at organisational level to allow for systemic and preventive approaches to managing OHS (Kasperczyk, 2010:69). The legal and financial aspects related to OHS non-compliance might be more detrimental for small businesses (Cunningham & Sinclair, 2015:213), therefore small business owners/

managers must clearly note the moral considerations associated with OHS compliance. Moral considerations affect business performance, promote business reputation and image, stimulate a sense of belonging, and ensure compliance with legal requirements (Caserio & Napoli, 2017:5).

Small businesses are numerous, geographically dispersed and diverse by nature. Therefore, it is generally a challenge to reach small businesses with OHS interventions. To address such a challenge, it is suggested that a high standard for acceptable working environments be communicated, and support systems be put in place (Legg et al., 2015:192). OHS intervention programmes are embedded in social systems, with such programmes being changed in accordance with feedback received from social stakeholders (Olsen & Hasle, 2015:242-252). Figure 4 below indicates a model (based on a colloquial approach), with specific reference to the legal, moral and financial components of OHS that can be used to guide small businesses towards acceptable OHS standards.
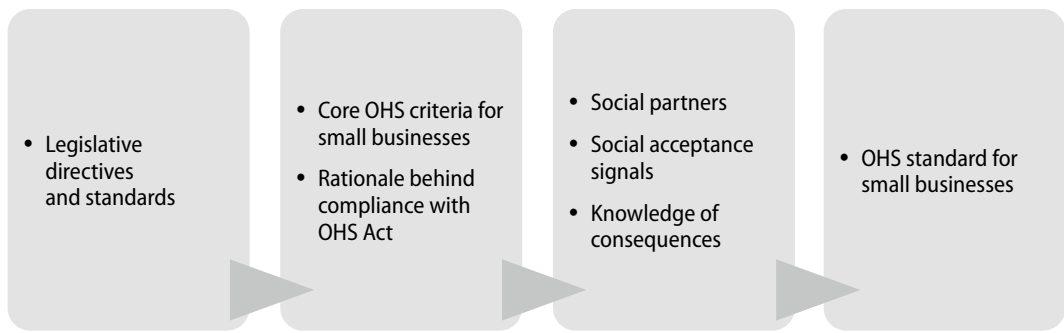

Figure 4: Acceptable OHS standard for small businesses

Source: Adapted from Legg et al. (2015:192)

Small business owners/managers should ensure that relevant directives and standards are identified as applicable to their small businesses. Thereafter, an investigation of the stance of OHS (in terms of the core OHS criteria for small businesses) in the small business should be conducted and legal, moral and financial responsibilities in terms of OHS clarified. Social partners (as part of a cooperative relationship for the mutual benefit of all parties concerned) should be identified, social acceptance signals determined (indicating acceptance of OHS practices of the small business), and knowledge of the consequences (direct and indirect costs) of OHS incidents be gathered and disseminated. The societal legitimacy of OHS practices in the small business should be implemented by the small business owner/manager. Feedback regarding acceptance of OHS efforts must be considered, and possible changes or suggestions implemented where applicable. The knowledge of small business owners/managers regarding the consequences of OHS incidents should be enhanced and OHS standards set for the specific small business. Incorporating OHS intervention strategies with business strategies can assist in enhancing OHS compliance as well as in producing positive social outcomes, rather than focusing on the negative aspects of OHS incidents (Kasperczyk, 2010:53).

11. Conclusion

OHS obligations transcend the mere legal compliance with OHS directives, thus resulting in OHS behaviour based on moral conviction rather than legal constraints (London et al., 2014:50) and financial implications. The overview of the core OHS criteria for small businesses in the G20 countries provided the foundation for this study, whilst South African small business owners and managers as respondents for this study, allowed for a unique perspective on occupational health and safety in the South African context. Even though this study is focused on South Africa, further research might be conducted to determine the rationale behind compliance in other countries and regions to allow for a comparative analysis and benchmarking. The results obtained from this study indicate that small business owners/managers do realise the importance of legal, moral and financial aspects related to OHS compliance. However, it seems that the effect of OHS incidents on business sustainability (in terms of direct and indirect costs) are not fully realised. As all small businesses are not registered with the Compensation Fund, as example of compliance, it raises concerns as to the prioritisation of OHS in small businesses. Small business owners/managers are morally obliged to meet the expectations of employees and society regarding the provision of a safe working environment, just as they are expected to adhere to applicable rules and regulations (which in essence depicts the moral concerns of society in writing) pertaining to safety in the workplace, whilst focusing on financial implications. The ongoing Covid-19 pandemic brought occupational health and safety to the forefront of workplace considerations across the world. It is suggested that OHS practitioners make use of this unique opportunity to enhance OHS awareness and compliance in workplaces of all sizes. Further research should be conducted to determine the possible impact of the Covid-19 pandemic on the behaviour of small business owners/managers regarding OHS compliance.

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Towards an understanding of corporate (dis)engagement with social justice advocacy

Authors:

Ms Louise Jones[1]

Prof. Arnold Smit[2]
[0000-0003-2061-327X]

Affiliation:

[1] Sustainability Institute, Stellenbosch University, South Africa

[2] Stellenbosch University Business School, South Africa

E-mail:

*louisetudorjones@gmail.com

arnold.smit@usb.ac.za

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corresponding author

Abstract

If it can be argued that companies should engage with social justice advocacy, what factors might deter them from doing so? This question is pursued in a qualitative research study with participants from corporate and social justice organisations. Six inhibiting factors are identified: a lack of understanding of social justice concepts; fear of reputational risk; short-term profit orientation; a compliance mindset; disconnectedness from operating environment; and recognition that business purpose will determine its societal engagement. This research extends the theoretical and practice boundaries of corporate social responsibility, while also advocating for an intensified engagement of management education with social justice in practice.

1.   Introduction

There is increasing focus worldwide on the role of business in society today. Globally, sustainability concerns and shifting value systems are re-shaping expectations of socially responsible business, as seen with the Sustainable Development Goals (SDGs), global corporate initiatives such as the United Nations Global Compact (UNGC), and leading standards such as the King IV Report on Corporate Governance (IoDSA, 2016). An important aspect of this corporate social responsibility (CSR) discourse examines the relevance and responsiveness of business to modern day challenges (WEF, 2021; Latapí Agudelo et al., 2019; Crane, Matten & Spence, 2014; Dobers & Halme, 2009; Newell & Frynas, 2007).

In this article, we argue that corporate engagement with social justice advocacy is an important and overlooked area of CSR which can enhance a business' societal responsiveness and legitimacy. This view finds basis in UNGC (2014) corporate sustainability recommendations that investing in communities and public policy advocacy supports social development and has business benefits, such as improved risk management and enhanced social license to operate. Further, social justice advocacy is recognised by civil society organisations and development practitioners as an effective mechanism to drive positive systemic change and advance human rights (PARI, 2020; Heywood, 2018; Advocacy Initiative, 2013; Klugman, 2011; Atlantic Reports, 2008).

Despite such recommendations however, research located in the South African context finds that corporates nevertheless appear reluctant to invest in advocacy of social justice issues, neither as part of broader corporate citizenship obligations, nor through their corporate social investment funding (Trialogue, 2021; Funding Practice Alliance, 2017). This corporate (dis)engagement with social justice advocacy holds relevance in a country described by the World Bank (2018) as having a dual economy with one of the highest inequality rates in the world, perpetuating both inequality and exclusion. Another area of bearing is the contraction of funding inflows into South African civil society which has compromised the sector's ability to engage with structural drivers of poverty and inequality (Maboya & McKay, 2019; Gumede, 2018: Ritchie & Judge, 2013). Further, the South African regulatory landscape, discussed in more detail in the following section, offers opportunity for advocacy engagement through (i) constitutionally enshrined socio-economic rights (Heyns & Brand, 2009; Republic of South Africa, 1996), and (ii) through corporate obligation to invest in socio-economic development, commonly termed corporate social investment (CSI) (Republic of South Africa, 2003).

Based on this landscape, this study undertook an exploration of factors that impact on corporate (dis)engagement with social justice advocacy. The study employed qualitative research through eleven semi-structured interviews across three defined target groups: (i) corporates who *do not* fund social justice advocacy, (ii) corporates (including corporate-established trusts) who *do* fund social justice advocacy, and (iii) social justice organisations.

The significance of the study lies with social justice advocacy as an aspect of CSR that deservedly requires more attention. Through surfacing the rationale and reasons which influence corporate attitudes on this topic, both corporates and civil society groups can engage more constructively to evolve CSR with an orientation to social justice, in relation to South Africa's socio-political context.

In the sections that follow, there is first an explanation of key concepts combined with a review of literature examining three approaches to CSR. The methodology section explains the qualitative engagement with the three target groups. In the section on findings there emerges an explanation of the intersectional factors that inhibit corporate engagement with social justice advocacy. The article concludes with recommendations for research, education, and practice.

2. Theoretical framework

2.1 Clarifying key concepts

'Social justice advocacy' is a term that encompasses the concept of advocacy work towards social justice and equality ideals (Mlangeni, 2017; Klugman, 2010). At times, the action of advocacy is already *assumed* into the definition of social justice (PARI, 2020). In the development context, policy advocacy in particular aims to bring about systemic change through legislative change, or application of policy to correct perceived injustices (Atlantic Reports, 2008). Here, advocacy can be understood as a range of activities that work together to achieve a defined outcome such as: conducting research and dissemination of the findings, raising public awareness about a key issue, community organising and grassroots mobilisation, building capacity, policy development, lobbying, litigation and electoral activity (Atlantic Reports, 2008). Where this article refers to social justice advocacy specifically, we recognise that advocacy work is essentially an instrumental action which can align to different goals, and these can include corporate-related interests such as lobbying for less regulated operating environments.

By comparison, social justice is a deeply complex notion on which there is an extensive body of literature. Social justice ideals are premised on the idea of human dignity and strive for a more just and equitable society for all, through positively changing structural drivers of poverty and inequality, to achieve a fair distribution of economic goods, political rights, and social equity (PARI, 2020; Mlangeni, 2017; Chipkin & Meny-Gibert, 2013; Klugman, 2010). The notion of social justice is not new, as Hemphill (2015) points to the tradition of philosophical literature and religious texts which have long since grappled with concepts of justice, fairness and righteousness. However, usage of the term 'social justice' appeared during the Industrial Revolution relating to economic justice for workers and has since slowly expanded to also include concepts of political and social rights, as well as human rights (Hemphill, 2015; Chipkin & Meny-Gibert, 2013; Klugman, 2010). While there is a tendency to conflate social justice and human rights, the differentiator is that human rights apply to all equally, whereas social justice aims to redress situations of disparity and inequality. An example underscoring the interplay between these two concepts is that the South African constitution ensures equal rights for all. However, because of persistent inequality, these rights cannot be accessed equally (PARI, 2016). More recently, climate justice is recognised as a social justice issue, where marginalised and vulnerable communities are most likely to bear the unequal burdens of future climate change challenges (PARI, 2020; Beltrán, Hacker & Begun, 2016).

An important notion underpinning social justice ideals is that of fairness. What is considered fair and just – and for whom – means that social justice is not politically neutral and remains an area of ongoing philosophical and political contestation (PARI, 2020; PARI, 2016). Classic liberalist proponents of social justice such as John Rawls advocate for equal basic rights, equality of opportunity and the interests of the least advantaged members of society (Wenar, 2021), whereas libertarian perspectives such as those of Friedrich Hayek focus on freedom of the individual as being paramount and oppose limitations or interventions by the state (Schmidtz & Boettke, 2021). Of interest to

this article, social justice scholar David Miller (cited in Chipkin & Meny-Gibert 2013) presents the notion that justice can also be pursued *through the structures and entities* that are responsible for the allocation of benefits in society. In practice, social justice organisations, although not a clearly defined sector, tend to fall within the ambit of those civil society organisations that lobby and advocate for social, political, and economic justice (PARI, 2016; Chipkin & Meny-Gibert, 2013).

To clarify the term 'corporate engagement' with social justice advocacy, we take the view that engagement covers a spectrum of actions which include: (i) multi-stakeholder engagement with social justice organisations as societal partners (WEF, 2021; Sangokoya, 2021; IoDSA, 2016; UNGC, 2014; Scherer & Palazzo, 2007), (ii) funding of social justice organisations in order to capacitate advocacy work and advance human rights (Corrigall-Brown, 2016; UNGC, 2014; Kraak, 2013; Atlantic Reports, 2008) and (iii) corporate leadership advocating on key societal issues, thereby positively influencing peers, consumers and governments towards responsible business practice (Zheng, 2020; Tempels et al., 2017; UNGC, 2014).

CSR addresses the fundamental role of business embedded within the context of society and the environment. Importantly, this business-society relationship, and societal expectations thereof, exists as a social construct within a specific context (Latapí Agudelo et al., 2019; Dahlsrud, 2008; Newell & Frynas, 2007). Thus, what constitutes socially responsible corporate practice is a continuously evolving concept shaped by ongoing conversations with society. While there exist many definitions of CSR (Dahlsrud, 2008), for the purposes of this article, we refer to the King III Report's definition thereof as:

> The responsibility of the company for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that: contributes to sustainable development, including the health and the welfare of society; takes into account the legitimate interests and expectations of stakeholders; is in compliance with applicable law and consistent with international norms of behaviour; and is integrated throughout the company and practiced in its relationships.   (IoDSA 2009, p.188)

This definition of CSR highlights a focus on social impact, the imperative for mindful decision making, for sensitivity towards stakeholders, and an embeddedness in existing ethical and legal frameworks, all of which may point towards corporate engagement with social justice. On this basis, we explore the theoretical framework for corporate engagement with social justice advocacy and discuss three approaches to CSR in the following section.

2.2   CSR as response to global sustainability concerns

Where CSR is approached as a response to sustainability concerns, it is held that corporates will integrate and apply sustainability principles as a guiding philosophy to determine their responsibilities (IoDSA, 2016; UNGC, 2014). Sustainability concepts are those which aim to promote responsible development that counter the negative impacts of overconsumption of resources and waste, and unequal patterns of power and issues of equity (UNGC, 2014; Swilling & Annecke, 2012). It is this expectation of ethical corporate

action for the common good, which crucially underpins leading sustainability frameworks such as the SDGs, the UNGC and corporate practice standards articulated in the series of King Reports on Corporate Governance published by the IoDSA since 1994. As example, the UNGC (2014, p.11) describes corporate sustainability as operating in ways that meet, at a minimum, "fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption" and further recommends policy advocacy to positively tackle societal crises through responsible business practices.

However, it is the normative nature of ethics-based CSR that presents conceptual and ideological differences around what constitutes responsible business practice and sustainable development (Dahlsrud, 2008; Scherer & Palazzo, 2007). Thus, without an implicit *value shift* underpinning a corporate sustainability rationale, the capacity to internalise and implement integrated thinking into areas of governance, management and culture can be compromised. This holds relevance particularly in areas of ethical corporate self-regulation and non-mandatory disclosure leading to criticisms such as the materiality of compliance-orientated reporting (La Torre, 2018; Struwig & Janse van Rensburg, 2016), or the lack of obligation on firms to report on harm inflicted outside the business (Flower, 2015; Gwanyanya, 2015). Thus, ideals of social and environmental equity embedded in sustainability principles, remain dependent on corporate will to implement.

2.3   CSR as discursive democracy

The area of political CSR theory recognises the business firm as a political actor in the public sphere. In the changing contexts of our globalised world, multinational corporations are seen to exert increasing influence in the public sphere, with corresponding insufficiency of nation-states to regulate global business or provide global public goods (Scherer et al., 2014; Scherer & Palazzo, 2011; Newell & Frynas, 2007; Palazzo & Scherer, 2006). Recognising this, the concept of CSR as discursive democracy holds that corporates should likewise employ democratic principles of inclusive discourse on matters relating to their exercise of power and public will formation in the public sphere. Here, Scherer and Palazzo (2007) describe this process of discourse as joint communication between different parties, and view this as the only means for pluralistic societies to find common ground on contested issues. The benefit of such collaborative work is that it allows corporates to practise political co-responsibility, develop contextual sensitivity, and pre-empt potential contestations between a business and its societal environment (Newell & Frynas, 2007; Palazzo & Scherer, 2006). In this regard, political theories of CSR embody social justice ideals of *participatory justice*, by shifting the focus of responsible business to its stakeholder engagement process. However, Scherer et al. (2014) observe that there are inherent power dynamics in business-society relations, and these can lead to participatory exclusion from the process of engagement. Other challenges related to the *intentionality* with which corporates approach such engagements means that there is risk of compliance-orientated interactions (Scherer & Palazzo, 2007); and recognition that civil society organisations are themselves political actors in the public sphere and must necessarily establish their own legitimacy as corporate partners (Baur & Palazzo, 2011).

2.4   CSR and South African legislation and governance

Given that this research is situated in the South African business context, this section reviews the relevant regulatory environment, noting the unique framework of legislation and governance practices relating to CSR. This includes the country's constitution (Republic of South Africa, 1966), the Companies Act (Republic of South Africa, 2008), the Broad-Based Black Economic Empowerment (B-BBEE) Act (Republic of South Africa, 2003) and the series of King Reports on Corporate Governance culminating in the King IV Report (IoDSA, 2016).

As the supreme law of the land, the Constitution, including the Bill of Rights, enshrines the rights of all people in the country and affirms the democratic values of human dignity, equality, and freedom. The South African Constitution uniquely recognises socio-economic rights – alongside civil and political rights – and requires of the state to take reasonable measures, within its available resources, to achieve the progressive realisation of these rights (Heyns & Brand, 2009; Republic of South Africa, 1996).

An amended Companies Act brought into effect corporate compliance with the Bill of Rights, and additionally required a Social and Ethics Committee be established for state-owned companies, listed companies and companies with an above-threshold public interest score. Guided by this, governing bodies of the Social and Ethics Committees are required to apply their minds to ensure their organisation does indeed produce social benefits to the economy, workplace, society and natural environment (Republic of South Africa, 2008; TEI, 2018).

The B-BBEE Act (Republic of South Africa, 2003) and its associated codes, strive to redress apartheid legacies through meaningful transformation for citizens previously denied access to economic opportunity, thereby reducing inequality and unemployment. In relation to this study, one element of the B-BBEE practice codes obliges corporates to invest in socio-economic development initiatives for the benefit of communities. Likewise, leading corporate governance codes such as the King IV Report (IoDSA, 2016) recognise business' responsibility to broader society and maintain that, ultimately, an organisation's ability to create value, is interdependent on its ability to create value for its stakeholders.

When read together, these legal and regulatory instruments provide both mandate and scope for corporates to engage with social justice issues. However, challenges to this mandate can occur where corporates adopt economic priority (that is short-term profit over sustainable value creation); an instrumentalist-CSR is likely to result in a compliance approach to legislative and governance requirements (Scherer & Palazzo 2007; Garriga & Mele, 2004). Further, Anwana (2020) notes that where corporates feel coerced to comply with legislation, they tend not to practice strategic CSR but instead invest in 'feel good' initiatives with little long-term impact on society.

A review of the literature finds that, despite theoretical differences in CSR approaches, there is consensus to support corporate engagement with social transformation. However,

challenges exist that hamper, restrict or negatively inhibit the intentionality for social transformation within these approaches. The research project set out to explore these factors in practice and the following section outlines the methodology for this purpose.

3. Research methodology

A qualitative methodology was applied, and descriptive data was gathered through the use of semi-structured interviews (SSIs). Qualitative research is increasingly recognised as an important approach to business research (Bryman & Bell et al., 2014) and SSIs are well suited to business-related research, as they allow for probing with open-ended questions to engage the thoughts of respondents (Eriksson & Kovalainen, 2015). In areas of new research, Adams (2015) note that SSIs also offer latitude to explore unchartered territory to find useful leads on potential issues and can provide space for respondents to reflect candidly.

Two objectives guided the execution of the research:

a) To investigate factors which impact corporate (dis)engagement with social justice advocacy in South Africa.

b) In the long-term, to contribute an expanded understanding of corporate citizenship and broaden discourse on the evolving role of business in society.

To strengthen data validity, the interview sample targeted three research groups, namely: (i) corporates *not* engaged in funding social justice advocacy; (ii) corporates, including corporate-established trusts, who *were* engaged in funding social justice advocacy; and (iii) social justice organisations (SJOs). Parameters for the three groups and respondent profiles are outlined in Table 1. In determining SJO participants, the study used the definition of Chipkin & Meny-Gibert's (2013) profiling of social justice organisations as those: (i) concerned with how resources are distributed in society and which seek a fairer/more just distribution of public goods, (ii) ensuring that the procedures, norms or rules governing political and public decision-making respect basic rights and liberties, and (iii) ensuring people are treated with respect and dignity by public institutions, members of the public and/or community structures.

The research sample consisted of eleven organisations across the three groups, with corporate respondents being at group executive and senior management level, and SJO respondents being in positions of national leadership. A non-probability approach was adopted, in line with purposive sampling methods (Sekaran & Bougie, 2016), to ensure that a cross-section of industry sectors and advocacy focus areas were represented. Interviews (45-60 minutes) were conducted telephonically or through face-to-face meetings where location allowed, and the necessary ethical clearance and interview consent was secured before conducting the interviews. The interview guides consisted of open-ended questions expressing the research interest of the project. Data was analysed using an inductive approach which identified codes and emerging themes relevant to the research question (Bryman & Bell, 2014). These themes are presented and discussed in the following section.

Table 1: Overview of research target groups, parameters and respondent profiles

No	Target group	Group parameters / Respondent profile	Industry sectors / Advocacy areas	Respondent profile
1	**Non-funding corporates:** Not engaged in funding advocacy for social justice issues	• JSE-listed, multi-national company. • Online Integrated Report <IR> available. • Not engaged in social justice advocacy. • Respondent at group executive level, preferably in business areas such as sustainability, corporate affairs or stakeholder engagement.	**Industry sectors represented:** • Financial Services • Mining • Media • Travel and Leisure	**Roles included:** Group Executive level (sustainability, stakeholder engagement, social impact)
2	**Funding corporates:** Incl. corporate trusts engaged in funding advocacy for social justice issues	• JSE-listed, multi-national company. • Online Integrated Report <IR> available. • Engaged in social justice advocacy. • Respondent at group executive level, preferably in business areas such as sustainability, corporate affairs or stakeholder engagement.	**Industry sectors represented:** • Fast Moving Consumer Goods (FMCG) • Financial Services • General Industrials **Advocacy areas supported:** • Human rights and refugee support • Constitutional rights • Education and nutrition	**Roles included:** Group Executive level (sustainability), Senior Management
3	**Social justice organisations:** SJOs engaged in advocacy work at national level	• Established organisation with national footprint, engaged in one or more social justice focus areas*. • Respondent should sit at national level. *as defined by Chipkin and Meny-Gibert (2013)*	**Advocacy areas supported:** • Constitutional rights • Media freedoms; access to information • Education • Access to justice; media independence; governance and accountability.	**Roles included:** Executive/National level

4. Findings

Six interrelated data themes were identified as factors which impact negatively on corporate engagement with social justice advocacy. These factors were found to be: a fundamental lack of understanding of the social justice terrain; a fear of reputational risk; a pursuit of short-term profit rather than sustainable profit; a compliance approach to regulatory and governance requirements; a disconnectedness from their operating environment; and recognition that a business' view of its purpose will ultimately determine the extent of its societal engagement. Table 2 provides an overview of these six data themes and underlying sub-themes, and notes the general tone of each theme. A discussion of each theme follows hereafter.

Table 2: Factors which impact corporate (dis)engagement with social justice advocacy

Data themes	Tone	Sub-themes
Lack of understanding	• "What is social justice?" • Ignorance • Unknown terrain	Lack of business understanding around social justice issues; social justice presents as unknown terrain.
		Business is not familiar with advocacy as a social justice mechanism.
		Business lacks know-how of systemic development practice such as social justice advocacy; applies CSI interventions.
		SJOs lack understanding of business logic, discourse and language; corporates present as unknown terrain.
Fear of risk and reprisal	• Guardedness • 'No-go' zone • Reputation risk	Business fears association with government critics; fear of reprisal; fears are exacerbated within racial and political narrative.
		Business fear of extremism or views perceived as extreme; business is risk averse.
		Corporates fear own exposure of inadequacy or wrongdoing.
Short-term profit orientation	• What's in it for us? • Immediate vs long-term thinking • Compliance vs ethics	Business questions return on investment; there are differing views on how to approach profit-making.
		Leadership metrics do not incentivise long-term views.
		Difficulty in quantifying social impact and social cost.
Compliance mindset	• Why do more? • Compliance seen as maximum • Functional vs intentional approach	CSI and B-BBEE compliance; no policy imperative for systemic approach / social justice.
		Social and Ethics Committees have varying levels of commitment to engage with their mandate.
		Stakeholder engagement takes a narrow approach; CSI is seen as community engagement; no broader societal voices included.
		Integrated reporting lacks integrated thinking.
Disconnectedness from operating environment	• Out of touch • Apartness • Inaccessible	Stakeholder-centricity and materiality is determined by business; power and perspective issues.
		Leadership commitment for engagement takes time and effort.
		Dialogue and access are impacted by power relations.
Business purpose	• World views/ philosophy • Different views • Leadership ethics	Purpose determines how business views its role in society; there are varying world views.
		Socio-political role of business is not well understood; especially relating to civil society and democracy-building.
		Leadership ethics will ultimately shape the business purpose.

4.1   Lack of understanding: Social justice as an unknown terrain

The concept of business 'not understanding' the social justice terrain was noted across all three research groups and included variations of terms such as 'not aware' and 'ignorance'. Analysis pointed to three areas where corporates lack understanding: (i) of social justice issues, (ii) of advocacy work related to social justice, and (iii) of systemic development practice such as social justice advocacy (as opposed to CSI interventions).

A fourth area points to lack of understanding by SJOs of the corporate terrain in terms of corporate rationale and discourse.

The aspect of corporates 'not understanding' social justice was noted with two non-funding corporate respondents requesting clarity on the topic at the onset of their interviews. In the SJO interviews, organisations confirmed that, from their experience, corporates have little understanding of nor show any support for advocacy-related work.

According to one SJO respondent (Respondent 6), "the first issue is simply awareness, corporates are not aware of advocacy as a work area". Corporates appear to be familiar with advocacy related to business interests but appear to lack understanding of advocacy for social justice issues. Another aspect highlights that corporates may lack knowledge of systemic development practice such as social justice advocacy, as opposed to 'doing good' through short-term CSI interventions. One SJO shared the view that corporate South African donors "rarely wanted to be included in advocacy work", and that there was greater uptake in advocacy interest from their international grant-making donors who were looking for social change, in particular to "change political dialogue into more democratic processes" (Respondent 12). An argument was also raised by a corporate respondent that SJOs should engage with business rationale, language and logic in terms of building a business case, rather than appealing to emotions and virtues: "You've got to make business realise why it's in their self-interest to do this, that's what you've got to do" (Respondent 9). This suggests SJO groups could enhance their engagement with corporates by familiarising themselves with corporate legislation, governance codes, logic and language.

4.2. Fear of risk and reprisal

Fear was observed as a theme in relation to corporates' concern around reputational risk by engaging with organisations involved in social justice or with social justice advocacy. This issue was acknowledged across all three research groups. One participant expressed the view that "corporates are very careful about reputation management" and were concerned that advocating for social justice issues may affect their stakeholder relationships (Respondent 6). The views expressed a tone of corporate caution and guardedness towards social justice engagement. On analysis, the issue of fear coalesced around three issues: (i) a fear of association with perceived government critics, (ii) a fear of association with extreme views and extremism and, (iii) a fear of potentially drawing criticism for own non-compliance or wrongdoing. Findings indicate that corporates may fear association with SJOs because this might be interpreted by government as businesses adopting an oppositional or critical stance, where this is taken as "a direct swipe at government saying that they are not doing anything" (Respondent 5). Commentary from two non-funding respondents observed that this fear aspect was further exacerbated within South Africa's complex racial and political narrative, where there is perceived tension between the so-called black state and white-owned capital. Interestingly, the fear of reprisal was deemed valid by all research groups, with one non-funding corporate

participant claiming their organisation had experienced such repercussions. However, one corporate-funding respondent maintained their organisation had benefited positively from supporting advocacy for constitutional rights, arguing that their corporate legitimacy and reputation as a responsible corporate citizen had been enhanced. Another perspective of fear noted that corporates appear risk-averse and unwilling to adopt controversial views, with an SJO commenting, "they don't want to rock the boat" and "they prefer to keep their head down" (Respondent 10). However, one corporate participant highlighted that corporates have the challenge of navigating a plurality of stakeholder voices on, at times, conflicting issues. The fear of attracting criticism or exposure for own non-compliance or wrongdoing was also noted as another inhibiting sub-theme, where one SJO respondent commented that business, like government, is fearful they will be called out on what they're not doing: "If you are going to fund social justice issues, you need to be sure your house is in order" (Respondent 6).

4.3   Pursuit of short-term profit as opposed to sustainable profit

A short-term profit orientation was noted as contributing to corporate non-engagement with social justice issues. All three research groups agreed that business was driven by profit, however some respondents held that the generation of profit could be achieved through a sustainable value-creation orientation. Data suggests that three issues drive the short-term approach to profit: (i) where businesses need to see a return on investment, (ii) where leadership metrics are finance-focused, and (iii) that challenges are experienced in quantifying social cost and benefits into business decision-making.

"Social justice, what's in it for us?" In response to the question of return of investment, one non-funding corporate stated that investing in social justice advocacy would present as "a hard sell to their Exco" (Respondent 14), as it would cost more over and above current corporate CSI requirements, would take longer to see results, and would not offer a return on investment in terms of direct benefit. The reference to return on investment in relation to their CSI spend suggests that compliance pressure is a contributing factor in profit-related decisions. The same respondent provided an example that their preferred social investment would be skills training that meets their CSI requirements and generates a talent pipeline for their industry. When viewed through this lens, investing in social justice may not present as a desirable option for business. An alternative perspective of return on investment was however offered by SJOs and funding corporates respondents, who maintained that all businesses have a vested commercial interest in an equitable society. One such SJO commented, "because the more we are able to actively create just communities, just economies and equitable environments, the better the corporate agenda can actually be fulfilled" (Respondent 12).

The aspect of leadership metrics was also noted as another contributing factor, with one SJO participant observing that corporate actions are driven by the metrics applied: "I think part of the problem is around how business measures itself, how it recognises and rewards performance" (Respondent 7). Aligned to this, the question of executive remuneration was raised, where CEO rewards are linked to financial performance,

but do not necessarily include a positive contribution to social justice issues. A third sub-theme relating to short-term profit suggests that corporates do not engage with social justice issues because business decision-making tools and criteria are not able to adequately quantify social impacts against financial metrics. In this regard, one interviewee observed that quantification is the preferred basis for business decision-making: "Developing measures in terms of social impact and social cost and benefits is extremely difficult. And unfortunately, in corporates, the numbers count. If you can put numbers to things, even though those numbers aren't perfect, it helps" (Respondent 9).

4.4. Compliance approach to legislation and regulatory requirements

A compliance mindset by corporates emerged as another factor which impacted on social justice advocacy. This was noted in relation to four different areas of business responsibilities namely: (i) CSI compliance with B-BBEE requirements; (ii) varying levels of engagement by Social and Ethics Committees; and (iii) adopting a narrow view to engagement with community stakeholders; and (iv) challenges noted with implementing integrated thinking and integrated reporting.

CSI compliance to B-BBEE requirements was noted with one non-funding corporate saying: "It's a lot of money we're putting into CSI. If you look at the reason why we put so much money into CSI, it's because of a need for compliance" (Respondent 11). Commentary from several participants provided a sense that CSI was seen as a 'required spend' and the primary motivation was to meet compliance pressure, and thus did not really encourage deeper engagement with social justice. Compliance also related to levels of commitment and engagement by Social and Ethics Committees. One respondent noted that, because of the statutory nature of this committee (Republic of South Africa, 2008), they have to comply for requirements of good practice: "So, yes, it is a bit mechanical and to a large extent tick-boxing because they're trying to make sure that they comply" (Respondent 11). Whereas other corporate commentary observed a shift in their Social and Ethics Committee towards intentional engagement with "more value-add, real strategic issues that affect the group" (Respondent 14). Importantly though, this interviewee acknowledged they were still not at the stage of addressing social justice issues.

A third aspect of compliance related to corporate engagement with society being understood through their CSI activities. In this regard, one non-funding corporate participant confirmed a "heavy, heavy reliance on CSI activities because that's where you can see evidence easily" (Respondent 5). However, whether these CSI activities are effective and authentic stakeholder conversations may be questioned, as Corrigall-Brown (2016) notes that donor-grantee relationships can be laden with power dynamics. Compliance was also noted in the way companies approached their integrated reporting requirements. Implementing integrated thinking and reporting was acknowledged as a challenge by participants. An SJO respondent opined that business was "still getting its head" around integrated reporting (Respondent 7), and one corporate interviewee acknowledged that

they "still continue to operate in a silo-mentality" (Respondent 5). This evidence suggests that, when corporates operate with a compliance approach, they tend to interpret legislative and governance requirements as the maximum (rather than minimum), which leads to functional decision-making and limited stakeholder engagement with other societal representatives such as social justice groups.

4.5   Disconnectedness from operating environment

The theme of disconnectedness was noted through various terms and phrases used by respondents where business was described as 'not penetrable' and 'insular' and 'its own system'. Interestingly, the non-funding corporate group did not contribute commentary on this theme, which could suggest a blind spot where these firms may not realise their own inaccessibility as experienced by others. The theme of disconnectedness centred around three areas, which included (i) stakeholder-centricity and engagement with society, (ii) leadership commitment to engage, and (iii) the concept of dialogue and release of power.

Stakeholder-centricity refers to how corporates orientate themselves to their stakeholders. One corporate interviewee expressed the view that most stakeholders have some form of legal relationship with the corporate (such as staff, shareholders, industry regulators, suppliers, customers), whereas societal groups have an ill-defined relationship with corporates. Where this happens, these varied societal groups are likely to be subsumed into a broad ill-defined category called 'community'. This suggests that concepts of 'community' and 'civil society' may warrant closer examination by businesses and SJOs. This holds relevance for how corporates manage calls for access and inclusion by societal actors, such as social justice organisations, whom they may deem to not be a material stakeholder.

The commitment, or lack thereof, by leadership to meet with external stakeholders was also factored as a contributor to disconnectedness. This was evidenced by a funding corporate interviewee who credited the efforts of their CEO saying: "We wouldn't have got as far as we have in doing this work, if we had a different CEO who didn't believe in this and wasn't willing to give time and actually sit down in a room and take hard criticism" (Respondent 9). A SJO reinforced this sentiment with commentary that businesses did not understand how civil society organisations operate, because they have not *taken the time* to focus on this. Further to this, the same SJO raised a caution against business leadership outsourcing this responsibility to consultants, thus inadvertently entrenching the concept of disconnectedness.

The lack of dialogue as a platform of engagement was noted as a contributing factor of corporate disconnectedness. SJO respondents maintained that dialogue with social justice groups could improve corporate awareness in 'real-time' of social justice issues on the ground and harness the creativity of their multiple perspectives in developing social justice responsiveness: "If you create that space and have that dialogue, the ideas will flow. Businesses themselves may not be able to think it through but talking to others

may help them to do so" (Respondent 7). One corporate interviewee observed though that dialogue may be difficult for corporates where it required them to relinquish some of their power, "and be willing to listen and change what they do, and that's hard for them" (Respondent 9). Thus, the theme of disconnectedness suggests a need for corporates to re-evaluate more critically their accessibility and connectivity.

4.6   Business purpose: Understanding of the business role in society

The idea of business purpose relates to the way a business views its role in society and recognises this will ultimately determine its engagement in social justice and social justice advocacy. Different views regarding the role of business suggest that (i) differing world views on business purpose will cause contrasting expectations and tensions around how business should function within society, (ii) particularly where this responsibility extends into the socio-political domain such as social justice advocacy, (iii) and that ultimately leadership ethics and values are the key determinants, which shape an underlying business philosophy.

Differing views were noted relating to the purpose of business. As example, one funding corporate maintained that "business is about society and for society" (Respondent 4), whereas another non-funding corporate stated that social justice issues were not relevant to their industry, hence their non-involvement. Another corporate (Respondent 5) questioned the societal role of business in relation to government, saying that "there is a lack of clarity regarding the roles of public and private sector relating to social responsibility". One SJO observed that there are different economic and political world views between civil society and the private sector using the example that businesses believed markets "could provide everything", whereas civil society called for government intervention and regulation for markets to operate more effectively (Respondent 10).

More specific to the purpose of business, findings suggest the *political role of business* as an actor in the public sphere is ill-defined and not well understood by corporates. This may lead to avoidance and non-engagement by corporates in areas relating to socio-political activity such as social justice advocacy. A similarity in views was noted between the funding corporates and SJOs where both groups interpreted corporate political responsibility as an enabler of democracy, thereby creating a positive business environment. One funding corporate respondent expressed the following criticism:

> South African corporations do not place a high enough value on the benefits they get from operating within a constitutional democracy. And so they don't understand that it is a public good, and therefore there's a market failure in funding it and they have a responsibility to make a contribution.   (Respondent 9)

On this topic, the role of robust stakeholder engagement was emphasised to mitigate against corporate influence in the public sphere. In this regard, corporates' relationship with civil society is one that may warrant close examination, particularly where this relationship intersects in areas of socio-political issues, such as democracy-building.

Leadership ethics were identified as an integral factor in shaping a business's operating world view. An SJO interviewee noted the critical role leadership plays "in terms of people being able to see the bigger picture and recognising the role of business in broader society" (Respondent 7). The topic of leadership values was noted in two areas relating specifically to (i) engaging with social responsibility at an ethical level, and (ii) adopting a long-term approach to business. One funding corporate interviewee summed up the view that boardroom values ultimately have a more definitive influence over a company than compliance to legislation. "You can legislate as much as you like, but unless you actually have a transformation of values in boardrooms and in executive management, you won't be able to solve it only through the stick of legislation" (Respondent 9).

5.   Conclusions

The major findings of this study identified six interrelated factors, which together, act as inhibitors of corporate engagement with social justice advocacy. These factors point to a fundamental lack of understanding of the social justice terrain, a fear of reputational risk, a pursuit of short-term profit rather than sustainable profit, a compliance approach to regulatory and governance requirements, a disconnectedness from their operating environment, and recognition that business' purpose will ultimately determine their societal engagement. An understanding of these corporate-held views and fears around social justice advocacy affords opportunities for both corporates and civil society organisations to engage constructively on this topic, to thereby extend CSR relevance and responsiveness.

The meta-findings recognise there are inherent tensions around CSR engagement with social justice concepts. These interrelating tensions ultimately point to (i) the fundamental role of responsible business in society; (ii) the responsible use of corporate power within the public sphere; and (iii) the importance of corporate accountability and accessibility. Faced with these ethical and philosophical tensions, we argue that corporates must indeed engage with social justice advocacy, however, should do so responsibly as part of their regular business practice, and within the context of meaningful multi-stakeholder discourse with civil society and other societal actors. This shifts the debate from whether corporates should engage with social justice advocacy, to mindfully determining how they should do so. This view resonates with the growing body of work on corporate social justice and politically responsible corporate citizenship (WEF, 2021; Zheng, 2020; Tempels et al., 2017; Scherer et al., 2014; Palazzo & Scherer, 2006),

Going forward, the manner and perspective with which corporates define and manage their stakeholder engagement processes warrants more robust examination. Without representation, key sectors of society such as social justice organisations are rendered voiceless within the business-society discourse, and corporates run the risk of becoming disassociated from critical societal pressure points, and more seriously, distancing themselves from accountability processes. To this point, Scherer and Palazzo (2007) expand on the practice of discursive CSR precisely to enhance a firm's *contextual sensitivity* as

an embedded corporation. Likewise, Tempels et al. (2017) and Newell and Frynas (2007) speak to the *importance of process* that CSR engagements should address impacts of corporate practice and irresponsibility. Engagements such as the WEF's Lighthouse Action on Social Justice through Stakeholder Inclusion (2021) seek to address social justice issues through greater inclusion (by both public and private sectors) of often marginalised and ignored stakeholders.

Evidence points to an ongoing need to engage, educate and challenge corporate leaders on the CSR–social justice discourse. Management education is integral to shaping business practice, and importantly, in shaping an ethical business–society understanding. This work embodies the UN Principles for Responsible Management Education (PRME) to integrate sustainability awareness into management education, and advance the UNGC's (2014) goals to develop future sustainability leadership and boards of directors. Where accessibility to engage business leaders remains a challenge, academic institutions, business schools and research think-tanks can play a vital role to create spaces for deliberation, by bringing together business leaders, civil society groups and other social actors in a supported dialogue process. Business forums such as the South African National Business Initiative (NBI) and related industry seminars can offer valuable platforms to engage corporate decision-makers. By extension, although beyond the scope of this article, education on social justice and responsible business practice should also reach into sectors such as the asset management industry, ESG investment ratings agencies and industry regulators given the influence these actors wield.

Further areas of study can examine the corporate–civil society relationship, in terms of how corporates understand or recognise the value of this relationship, particularly where their CSR work extends into the socio-political arena. Research could examine the basis on which corporates determine the materiality of their societal stakeholders, whether there is inclusion of social justice groups, and how contestation for inclusion as a material stakeholder is managed. More particularly, whether intersectional engagements with multi-societal stakeholders are conducted, and how societal stakeholder feedback is constructively 'centred' into CSR strategy (WEF, 2021; Sangokoya, 2021; Zheng, 2020; Scherer & Palazzo, 2007).

The limitations of this work acknowledge that there are broader political and economic systems which contribute to systemic poverty and inequality. As such, we recognise social justice advocacy as a development mechanism which should be situated within a responsible CSR strategy, and supported through ethical leadership and good governance. Additionally, these findings are situated within a single country with a particular socio-political context and regulatory corporate framework. Lastly, while the qualitative method employed in this study provided rich research material relating to corporate and SJO motivation, the size of the sample and scope of interviews engaged preclude a claim to any exhaustive statements on the topic but may nevertheless offer a useful platform for future work using various methodologies.

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Perspectives on business ethics in South African small and medium enterprises

Authors:
*Ms Ireze van Wyk[1]
Prof. Peet Venter[2]

Affiliation:
[1] Department of Business Management, University of South Africa
[2] Graduate School of Business Leadership, University of South Africa

E-mail:
*vanwyki@unisa.ac.za
ventep@unisa.ac.za

*corresponding author

Abstract

SMEs are the driving force of economies. However, they face challenges that affect their long-term survival, such as developing ethical business environments. Business ethics-related research is underdeveloped in SMEs, thus limiting our understanding of business ethics in SMEs. The purpose of this qualitative study was to investigate how business ethics is conceptualised in SMEs, using the Delphi Technique. In SMEs, business ethics is viewed as doing the right thing, having integrity, being transparent, trustworthy, and behaving responsibly towards internal and external parties. The contribution of this article is that business ethics is perceived as upholding quality, being transparent and trustworthy.

1.   Introduction

Globally, small and medium enterprises (SMEs) are recognised as significant players in both developing and developed economies. Collectively, they contribute significantly to the gross domestic product (GDP), employment and economic growth (Painter-Morland & Spence, 2009; Robinson & Jonker, 2017). In developing economies, such as in South Africa, SMEs have been described as the driving force of the economy (Chanakira, 2019; Mayanja & Perks, 2017; Painter-Morland & Dobie, 2009).

It is vital for South Africa's economy to develop SMEs to ensure their success. The key role of SMEs in poverty reduction, the creation of income equality, employment opportunities, and sustainable economic growth has been acknowledged (Olawale & Garwe, 2010; Smit & Watkins, 2012). However, despite the government's various efforts, the failure rate of SMEs has remained consistently high (Fatoki & Chiliya, 2012; Filho et al.,

2017). Due to their importance, the long-term survival of SMEs has become an important strategy for the South African government (National Planning Commission, n.d.; Gopaul & Rampersad, 2020). The many ways to ensure the long-term survival or sustainability of SMEs includes developing and maintaining ethical entities (Moin et al., 2020; Painter-Morland & Dobie, 2009).

The South African business environment is characterised by unethical behaviour, and corruption remains a top challenge to businesses, including the SME sector (Van Wyk & Badenhorst-Weiss, 2019). As a result, there is a need to create ethical business environments, and to encourage ethical business leadership and practices (Booysen, 2016; Lamprecht, 2016; Quintal, 2012). Large organisations can address this challenge through initiatives such as corporate social responsibility and formalised codes of business conduct. South Africa's lauded framework for corporate governance (the King IV report, or King Code) is another example of an initiative that promotes sustainability and ethical leadership in larger enterprises, but overlooks smaller enterprises (IoDSA, n.d.; PKF, 2016).

The field of business ethics is a prominent research field, and there have been many theoretical developments in this field within the context of South Africa (Smurthwaite, 2011). However, the general and global trend is that research in this field favours large organisations. Many scholars have highlighted this gap and have called for further research on business ethics in the context of SMEs (Fassin et al., 2011; Painter-Morland & Spence, 2009; Robinson & Jonker, 2017).

This call becomes more challenging due to the use of many related terms associated with business ethics, such as sustainability, corporate social responsibility (CSR) and corporate citizenship, to name a few. These concepts overlap, and concepts like CSR and business ethics are often used interchangeably (Fassin et al., 2011), causing challenges in academic literature. If researchers are not fully able to distinguish between concepts, it cannot be expected of organisations and practitioners, much less SMEs, to clearly differentiate between them (Fassin et al., 2011). For example, the differences between business ethics and CSR still need to be clearly defined in research (Ferrell et al., 2019). Hence, there is a need to clarify these concepts in SMEs, and to do so separately from the extant related concepts (Fassin et al., 2011).

There is a particular need to study business ethics in developing economies (Vivier, 2013), such as South Africa. The concept of business ethics is under-researched and under-developed in developing countries and in SMEs. In South Africa specifically, a need exists to increase ethics in the business regime, but scholars have yet "barely scratched the surface" (Painter-Morland & Spence, 2009). The limited understanding of the concept of business ethics in SMEs in South Africa adds to the difficulties of advancing the concept in practice. These limitations limit the development of ethical practices and measuring instruments, as well as the development of an ethical business environment, ethical leadership, and guidelines to increase business ethics in SMEs – particularly where CSR and corporate governance are voluntary and not enforced by regulations.

Following the work of Vivier (2013), Painter-Morland and Dobie (2009), Painter-Morland and Spence (2009), and Robinson and Jonker (2017), this article aims to advance the understanding of business ethics in SMEs in South Africa. The aim of this article is, therefore, to determine how South African SMEs conceptualise business ethics in practical terms.

2.   Literature review

Globally, SMEs are recognised as an important sector, and more so within South Africa. The high failure rate of SMEs and issues that impact the performance of SMEs are often attributed to poor management skills, such as marketing and financial management skills, as well as lack of access to credit facilities. SMEs also face technical skills problems, poor access to markets, and a lack of resources, information and time (Fatoki & Chiliya, 2012; Fernández & Camacho, 2016).

It appears that SMEs often have a narrow approach to their operations. Their lack of resources makes any commitment other than to their core functions burdensome or costly (Inyang, 2013; Ladzani & Seeletse, 2012; Painter-Morland & Spence, 2009). In South Africa, SMEs operate in an environment classified as an ethnically, culturally and linguistically rich environment. Associated with this environment are persistent socio-economic and spatial inequalities. Unemployment, corruption, and poverty are some of the major challenges in South Africa, and SMEs are often hailed as a solution to these challenges (Vivier, 2013).

On a micro level, SMEs operate in difficult economic and labour environments (Vivier, 2013), characterised by widespread corruption, fraud, conflict of interest and hostility (Painter-Morland & Spence, 2009). The general lack of peer support and organisation amongst SMEs mean that they have limited opportunities to share insights and discuss common problems, and are usually unable to create pressure groups to leverage powerful actors, such as government and large private organisations (Painter-Morland & Spence, 2009). Furthermore, they face a hostile regulatory regime, with burdensome tax structures and complex compliance requirements, and generally do not get the necessary support to assist in the burden of job creation.

Generally, SMEs experience pressure to survive (Fernández & Camacho, 2016; Robinson & Jonker, 2017) and this pressure is likely to escalate significantly during crises, such as the Covid-19 pandemic and subsequent lockdown. The South African SME Finance Association (SASFA) estimates that 75% of SMEs could close due to the trade restrictions imposed during the nationwide lockdown, and the lack of government financial support for certain categories of SMEs, such as non-black lenders (Dlamini, 2020).

Considering these challenges, SMEs often face the temptation of compromising their ethics to survive or overcome their difficulties. Stated differently, they need to survive even if that means without ethics (Arend, 2013; Enderle, 2004; Wiid et al., 2013). In addition, the challenges or risks SMEs face, alongside the poor example set by the South African government regarding corruption, negatively impact the ethical orientation

of SMEs, which means that a key challenge to SMEs is to develop an ethical business environment (Fatoki & Chiliya, 2012; Robinson & Jonker, 2017).

2.1   Contextualising business ethics

Although there have been various attempts to define business ethics, the definitions remain conflicting and unresolved (Ferrell et al., 2019; Yılmaz, 2019). In academia, the concept of business ethics is often combined with Corporate Social Responsibility (CRS). The two concepts overlap, however, and in practice they have different meanings (Ferrell et al., 2019). CSR is related to corporate performance and stakeholders, while business ethics theory is about positive and negative impacts on stakeholders (Ferrell et al., 2019). Business ethics is concerned with making good decisions and engaging in good conduct in the business setting, and is based on rules, standards and principles (Ferrell et al., 2019; Shabbir et al., 2019). Ultimately, business ethics entails good decisions and conduct within the workplace and towards other stakeholders (Borah & Hazarika, 2015; Drover et al., 2012; Goldman & Bounds, 2015; Haron et al., 2015; Pearce, 2013; Shabbir et al., 2019).

According to Schwartz and Carroll (2008), business ethics broadly means applying ethics, integrity and values in the workplace, while a narrow meaning includes adhering to laws and regulations. Corporate social responsibility and business ethics are conceptually the same concept, applied to different units of analysis. However, while they are related, they are also distinct (Ferrell et al., 2019; Weller, 2020). The distinctions, according to Weller (2020), are in the purposes of each concept. Business ethics has moral reflection as foundation, while CSR has beneficial stakeholder outcomes as foundation.

A study conducted by Fassin et al. (2011) found that SMEs differentiate between business ethics and CSR, and it suggested that the two concepts should not be used interchangeably. The study's findings indicated that CSR has a macro focus (society and the environment), while business ethics has a micro focus (behaviours and actions). Perhaps a differentiating factor lies in the differing outcomes of the two concepts. For CSR, the outcome seems to be the value created for stakeholders, while the outcome of business ethics seems to be ethical decisions and promoting ethical behaviour within the business setting. Both outcomes show evidence of overlaps in their application.

In summary, business ethics can be defined as decisions and conduct that are infused with moral reflections, compliance (to regulation, legislation, and industry rules), upholding values, and doing the right thing (decisions and behaviour) towards internal and external shareholders. The outcome, in essence, is an ethical decision and ethical behaviour. Within this definition, the levels of business ethics, namely, the individual (or personal), organisational (and managerial), industry (professional) and societal level are evident (Carroll et al., 2018; Van Wyk, 2016).

While this definition broadly assists in understanding business ethics, the concept remains dynamic, challenging to delineate with similar concepts such as CSR, and hence open to interpretation. A better grasp of this concept is to understand how business ethics is perceived (in practice) in relation to how it is defined (academically).

2.2 Business ethics in practice

Business ethics has been researched from various viewpoints, such as the perspective of the customer, managerial, non-managerial and business student (i.e., the future business leaders) on ethical businesses or related practices (see, for example, Coelho et al., 2014; Diallo & Lambey-Checchin, 2017; Marsh, 2013; Siu & Lam, 2009; Smyth et al., 2009). Various studies have compared the perspectives of customers, managers, and non-managers or students against each other (see, for example, Coelho et al., 2014; Diallo & Lambey-Checchin, 2017; Marsh, 2013; Siu & Lam, 2009).

Research in business ethics has addressed various topics, such as brand loyalty, marketing (Diallo & Lambey-Checchin, 2017; Gaedeke et al., 1992), business performance (Eisenbeiss et al., 2014), determining attitudes towards business ethics (Smyth et al., 2009; Gaedeke et al., 1992), ethical risk areas (Jonker & Robinson, 2017) and ethical leadership (Crews, 2015). However, there seems to be little research on how business ethics is conceptualised or defined in practice. From the literature and the practical perceptions and perspectives of business ethics, a few key concepts are evident in how business ethics is perceived.

Table 1 summarises these concepts, provides an explanation, and lists the sources where the concept was identified. The focus in compiling this table was on the perception or perspective displayed in the literature on business ethics or corporate ethics in a broad and practical context and by current and/or future business leaders (business students) and employees. The focus was not on individual functional areas, such as perceptions of retail business ethics or marketing ethics, or customer perceptions. Perception studies that indicate how the perceptions of business ethics differ based on traits, or how they have changed after introducing a stimulus, were not included, as these studies evaluate changes in awareness, sensitivity or attitude towards a scenario or business ethics.

Table 1: Key concepts in perceptions of business ethics

Key concepts	Explanation / Rationale	Sources	Respondents
Compliance	• Adhering to laws and regulations (and industry standards), although ethics extends beyond the law.	Painter-Morland & Dobie (2009) Weller (2020) Moin et al. (2020) Cacioppe et al. (2008)	• Intermediaries and SME owners • Senior managers of public, private and non-profits (large companies) • Business students • MBA and management students
Consistency	• Consistency in your word and promises (doing what you said you would do). This includes delivering services/ products at a cost the client agreed upon, and what is delivered matches what was promised.	Vivier (2013)	• Case study in one SME
Doing the right thing	• "Doing the right thing" or "the right thing to do"	Jonker & Robinson (2017)	• SMEs

Key concepts	Explanation / Rationale	Sources	Respondents
Gut feeling	• Having a sense of what is wrong and right.	Vivier (2013) Bonde et al. (2016)	• Case study in one SME • SMME
Integrity	• Integrity was identified, but not explained *per se*.	Vivier (2013) Anggraeni (2014) Rambe & Ndofirepi (2017)	• Case study in one SME • SMEs • SMME
Quality in products/services	• Maintaining ethical behaviour through high-quality products.	Lahdesmaki (2005)	• Small Entrepreneurs
Responsible behaviour towards broader society	• Good decisions and conduct within the workplace and towards other stakeholders.	Painter-Morland & Dobie (2009) Cacioppe et al. (2008)	• Intermediaries and SME owners
Responsible behaviour towards the planet	• Good decisions and conduct towards the environment.	Cacioppe et al. (2008) Painter-Morland & Dobie (2009)	• MBA and management students • Intermediaries and SME owners
Values	• The inherent convictions about desirable conduct and decisions. • Values identified in business ethics literature include quality, social responsibility, transparency, credibility, respect and integrity, commitment, humility and fairness. Values can include religious values and societal values. • Having predefined values or core values that inform codes of ethics, training, and orientating initiates.	Weller (2020) Moin et al. (2020) Vivier (2013) Painter-Morland & Dobie (2009) Rambe & Ndofirepi (2017)	• Senior managers of public, private and non-profits (large companies) • Business students • Case study in one SME • Intermediaries and SME owners • SMME
Societal causes	• Being involved with societal causes or activities aimed at the betterment of the community. • Responsibility and responsiveness to worthy causes regarding humanity, community, environment and government.	Painter-Morland & Dobie (2009) Moin et al. (2020)	• Intermediaries and SME owners • Business students
Moral judgements	• Moral judgements about what is right and what is wrong.	Bonde et al. (2016)	• Students
Obeying social standards	• Obeying the social standards of society.	Bonde et al. (2016)	• Students

From Table 1, managers in large organisations, business students and SME owners/managers perceive business ethics as the act of being compliant to legislation and regulations. Consistency and doing the right thing were observed in the perceptions of SME owners/managers, while having a sense or gut feeling about right and wrong was identified by SMEs and business students. Integrity was noted in the perceptions of

SMEs, while quality of products and services were identified in the perceptions of small entrepreneurs. Being responsible towards stakeholders, society and the planet were identified in the perceptions of business students and SME owners/managers.

Values were identified in the perceptions of large organisations, business students and SMEs. Values and integrity were the predominant key concepts related to business ethics. Integrity refers to the moral character of an entity (individual or organisation). It means being consistent in applying personal values, while values refer to inherent convictions about right and wrong (Noelliste, 2013; Rossouw & Van Vuuren, 2017). Although integrity is identified as a value, values and honesty are also associated with integrity (Noelliste, 2013).

Social causes were identified in the perceptions of SMEs and business students. Moving from responsible behaviour to being responsive to societal problems, indicates value creation for stakeholders, and there is a blurry line between business ethics and CSR for SMEs (and students, the future business leaders). This indicates mixed findings and that SMEs may and may not differentiate between business ethics and CSR. Lastly, business ethics is perceived as making moral judgements on what is right and wrong, and obeying social standards as perceived by students.

The concepts identified in Table 1 are not novel to business ethics literature. However, they do give insight into how ethics is, in practical terms, conceptualised by the individuals responsible for managing ethical behaviours and creating ethical businesses. Comparing the perceptions of business ethics in larger organisations to those in SMEs, the differences in the perceptions of business ethics of SME owners/managers appear to be on consistency, quality, gut feeling, being responsible towards society/stakeholders and the planet, and doing the right thing. It may be that large organisations have guidelines or predetermined standards, and therefore, may have a relatively more defined perceptions of business ethics rather than merely perceiving it as doing the right thing. Larger organisations may also relatively clearly differentiate between business ethics and CSR, with responsible behaviour towards the planet and stakeholders/society associated with CSR often situated in an organisational function.

In addition, social causes add to the debate and confusion related to delineating business ethics from CSR. The social causes are also typically associated with the notions of CSR, indicating the complexity between the two concepts in practice. This may also indicate that there is perhaps no clear understanding of business ethics in SMEs in certain contexts, countries, or business sizes.

Moral judgement and adherence to society's standards were observed within the perceptions of business students. Moral judgement may relate to the perceptions of doing the right thing, while social standards may relate to responsible behaviour towards society.

A few studies have included SMEs as a unit of analysis (see, for example, Painter-Morland & Dobie, 2009; Vivier, 2013; Anggraeni, 2014; Bonde et al., 2016; Jonker & Robinson, 2017).

However, there is limited literature on the perception of business ethics in SMEs, and how business ethics is defined, perceived, and applied in this context. This is especially true within South Africa, the context of this article. An interesting observation in defining business ethics is seen in the identification of the complex concepts. Mentioned earlier were the conflicting terms of CSR, and now integrity and values seem to be equally confusing, with values and integrity part and parcel of each other.

In the South African context, only two studies asked the question: "How would you define ethics?" as a sub-focus within the broader purpose of the articles. The primary focus was on the SME owners' perception of business ethics or the role of ethics in relation to stakeholders. The central view of business ethics, based on empirical findings, is that it concerns compliance, values, consistency, community (including social causes), and gut feeling. For its part, integrity was identified as a value (Painter-Morland & Dobie, 2009; Vivier, 2013).

Compared to the broader perceptions of business ethics, moral reflections, quality, and doing what is right were identified in literature, but not explicitly identified in the empirical findings for South African SMEs (Vivier, 2013; Wiid et al., 2014). The notion of quality as an expression of business ethics was also not observed, either theoretically or empirically, within the South African SME context.

The view on business ethics presented by these two studies done in South Africa, are bound by the limitations of the studies. Painter-Morland and Dobie (2009) included participants that either dealt with, or represented SMEs, with most participants (21) being intermediary organisations working with SMEs, and only five (5) SME owners. The study of Vivier (2013) included one (1) SME with three participants (the three owners). The sample, namely, one SME with three owners, vs the perception of intermediaries, and a handful of SMEs could contribute to the differences in the findings of the two studies. The studies contribute towards understanding how business ethics is viewed in SMEs, but to reiterate the words of Painter-Morland and Spence (2009), researchers have "barely scratched the surface".

3. Research method and design

As SME owners generally have limited time, and often do not see the value of research, this affects their willingness to set time apart to participate in research studies. In addition, this research was conducted during the Covid-19 pandemic and 'hard' lockdown (level five), which further affected their willingness to participate. Within these constraints, South African SMEs were recruited using both convenience and snowball non-probability sampling techniques. For this article, the number of employees in the SME (maximum 100) was used as a criterion to define SMEs (Kloppers & Kloppers, 2006; Liberman-Yaconi et al., 2010; Nene, 2017).

Table 2 lists the profiles of the participants, including the details pertaining to the service/products, entity size, and years of experience as a top-level manager or owner.

The SMEs that participated originated from diverse industries, had operations across all nine provinces of South Africa, and were VAT registered.

Of the SMEs that participated in the study, four were micro entities, five were very small entities, seven were small entities, and four were medium-sized entities (South Africa, 1996:2). Most of the participants were male (16), and the demographics pertaining to home language included IsiZulu (3), Sesotho (1), Shangaan (1), IsiXhosa (1), Tswana (1), English (5), and Afrikaans (8), indicating a reasonable inclusion of different cultures.

Table 2: Participants' profiles

Pseudonym	Products / Services	Years of experience	Size of the company (number of employees)
Participant 1	Mechanical and civil work	9	11–20
Participant 2	Retailer	10	0–5
Participant 3	Advisory services, capital raising	4	6–10
Participant 4	Construction	10	6–10
Participant 5	Health, safety and environmental consulting services	5	0–5
Participant 6	Property management services; real estate; supply and deliver; construction	5	0–5
Participant 7	Legal services	4	51–100
Participant 8	Manufacturing services – Oil and gas/marine	16	51–100
Participant 9	Maintenance services and plant hire	5	11–20
Participant 10	Mining engineers	23	0–5
Participant 11	Accounting and auditing	30	21–50
Participant 12	Steel and hardware	15	51–100
Participant 13	Animal health remedies	11	21–50
Participant 14	Industrial instrumentation	31	11–20
Participant 15	Location intelligence solution and spatial data asset and inventory management systems for the telecommunications industry	26	11–20
Participant 16	Retail meat and deli products	12	51–100
Participant 17	Strategic brand and marketing communication services	40	21–50
Participant 18	Litho and digital printing	16	11–20
Participant 19	Training and development	18	0–5
Participant 20	HR consultancy	28	11–20

The Delphi Technique, a qualitative research design that uses elements of induction and deduction to develop theory, was used. The combination of elements of induction and deduction allowed the participants to define and refine the data and do continuous member-checks. According to Saunders et al. (2016), using these two approaches in combination to develop theory is possible and advantageous. During the various rounds, no additional data were collected and tested (thereby no abduction), and by implementing elements of deduction, the study was able to refine the initial findings.

The Delphi Technique is ideal when investigating complex issues (such as business ethics) and allows the researcher to capitalise on expert knowledge (Fefer et al., 2016). This technique ensures anonymity, and the feedback process is controlled (Hsu & Sandford, 2007). It is also inexpensive, minimises group conflict, and is an effective method to combine knowledge from various experts in different locations (Fefer et al., 2016). The Delphi Technique also minimises researcher bias, since the technique relies on the participants to define and refine the data collected during various rounds of iterations. This technique consists of a series of rounds (or feedback loops), with the aim of reaching a consensus (Hsu & Sandford, 2007). Iterations also allow participants to revaluate their initial judgements (Fefer et al., 2016).

Convenience and snowball sampling allowed the researcher to obtain a sample group, namely, VAT-registered SMEs, with no more than 100 employees. One multinational organisation with offices in South Africa, and a South African-based membership institution agreed to distribute the open-ended online questionnaires (and subsequent rounds) to their SME members and/or vendors. A few additional SMEs were recruited though snowball sampling. A total of 313 online open-ended questionnaires were initially distributed. Round 1 was completed by 20 participants, and Round 2 was completed by 10 participants. This is well within the parameters of the Delphi Technique and the needed panel size (Sobaih et al., 2012).

In the first round, participants were asked an open-ended question: *How would you define business ethics in your workplace?* Round 1 resulted in 20 usable responses. The findings were diverse, and in most cases, practical and entity-specific answers were given. In other cases, mere listings were provided (for example, "honesty", "value", "integrity"). To limit the risk of sample fatigue, it was decided to identify the most frequently occurring themes (or universal descriptions) in the data (i.e., identifying universal descriptions and key opinions and issues) (Grisham, 2009; Hasson et al., 2000).

These themes were drafted as 'group generic statements' and presented to the participants in Round 2. Examples from the original statements were included. They were asked to agree, add, or correct the group statements, or to remove them. While the most frequently reoccurring themes were reflected in the group statements, the draft statements were continuously reviewed and compared against the original data. This was done to ensure that no important statement (albeit not an identified theme) was accidentally overlooked.

The second round consisted of the group findings of Round 1 condensed into a set of statements, with which participants had to indicate their agreement. Percentage ranges for consensus has been a common method of interpretation and observation (Avella, 2016; Giannarou & Zervas, 2014; Hsu & Sandford, 2007; Powell, 2003). For this study, consensus was determined when 70% or more of the participants agreed (or disagreed) with statements (Sekayi & Kennedy, 2017). A seven-point Likert scale was used, as it provides more freedom and distinction (especially in terms of qualitative research designs) (Grisham, 2009). Given the seven-point rating scale, 70% of the responses had

to fall within either the positive or negative side of the scale. The number of rounds in the Delphi Technique can range from two to six rounds (Hallowell & Gambatese, 2010). In this study, consensus was reached during Round 2. The third round provided the remaining participants with the opportunity to give feedback.

The authors ensured transferability, credibility, dependability, and confirmability (Given & Saumure, 2008) through proper paper trials and detailed documenting of the methods. Real-world knowledge was obtained from experts (SME owners), and the Delphi Technique allowed for member-checks during the three rounds. Lastly, the participants were central to analysing the data (through defining and refining), which minimised researcher bias.

The incorporation of thematic analysis assisted in simplifying the data analysis process and provided for flexibility, while offering dependable data. During this process, common patterns and crucial topics were identified, organised and understood across the data collection process (Schutte et al., 2019; Uys et al., 2019). All data were imported into ATLAS.ti and a research notebook was kept. Ideas and insights that emerged from reading through the data were logged. The answers varied from written responses to one-word answers and listings. Through coding 'in vivo' (50 codes in vivo), open coding and research notes, the specific codes emerged and were logged in the research notebook (Babbie, 2016; Saunders et al., 2016; Sekayi & Kennedy, 2017).

Axial coding (16 recurring themes) grouped open codes with similar meaning together, and redundant codes were excluded. 'Specific-entity-related' practical statements were reworded to present a group generic statement to participants (Babbie, 2016; Saunders et al., 2016; Sekayi & Kennedy, 2017). The remaining codes were revised and grouped under overarching themes (Schutte et al., 2019).

3.1   Data analysis

During Round 1, five (5) themes were identified (pertaining to elements for a definition for business ethics). The concepts of values, honesty, and integrity were evident in the data. In accordance with the literature, the theme was identified as integrity, with values and honesty as two sub-themes. In addition, the concepts of openness, honesty and transparency were also evident in the data, with honesty and transparency listed in the same response. For these reasons, honesty (and "keeping no secrets") was included under integrity, while transparency and openness were included under the theme of transparency.

The concepts of trustworthy, loyal, always on time, trust and reliability were also identified from the empirical data. Consistency indicates keeping to business commitments, and the authors regarded loyalty and reliability as extensions of the concept of consistency. While not explicitly identified in the literature on defining business ethics or on the perceptions of business ethics, trust is a prominent construct in business ethics literature. Trust refers mostly to building trust in the workplace and with stakeholders, as well as building organisational trust (Turyakira, 2018). Trust, in essence, refers to one individual's

(a customer or staff member) positive perception of another (a business leader or the business) as ethical, competent, honest and benevolent (Pučėtaitė et al., 2010; Pučėtaitė et al., 2015).

Trust seems to be an outcome, and is evident within business relationships, with integrity and trustworthy behaviour and characteristics, leading to trust (Engelbrecht et al., 2015; Holley et al., 2019). The antecedents of trustworthiness are ability, benevolence and integrity (Holley et al., 2019). Trustworthy behaviour refers to the behaviour of individuals, such as keeping promises, commitment to obligations, performance and being reliable (Cairney & Wellstead, 2020; Schweitzer et al., 2006). Therefore, the concepts trustworthy, loyal, always on time, trust and reliability were included under the theme trustworthiness.

True to the nature of the Delphi Technique, the respondents had the opportunity to correct statements, and provide input on each generic statement drafted in the follow-up rounds. Table 3 summarises the five (5) themes and indicates the frequencies (number of times they were observed).

Table 3: Frequencies of themes observed

Participant	Theme 1: Doing the right thing	Theme 2: Integrity		Theme 3: Transparency	Theme 4: Trustworthy	Theme 5: Responsible behaviour	
		Values	Honesty			Internal	External
1	-	-	-	-	-	-	X
2	-	-	-	-	-	X	X
3	-	-	-	-	-	-	X
4	-	-	X	X	-	-	-
5	X	-	-	-	-	-	-
6	-	X	X	-	-	-	-
7	X	X	X	X	-	X	-
8	-	-	X	-	X	-	-
9	-	-	-	X	-	-	-
10	X	X	-	-	X	X	X
11	X	-	X	-	-	-	-
12	-	-	-	-	X	-	X
13	X	-	X	-	-	-	-
14	X	X	-	-	-	X	-
15	-	-	-	-	-	X	-
16	-	-	-	-	-	-	-
17	-	X	-	-	-	X	-
18	-	X	-	-	X	-	-
19	-	X	X	X	-	X	X
20	-	X	-	-	-	-	-
Sub-theme totals	-	8	7	-	-	7	6
Theme totals	6	15		4	4	13	

4. Empirical findings

Table 4 provides examples of verbatim statements from the participants on which the conclusions were based, and from which the generic statements were developed. The last column includes the generic statements generated, as well as the few additional statements identified from the data, for example, being compliant was identified in the data but did not fall under a specific theme and was only identified once (one count). In the literature, compliance was included in the discussions on being ethical, and doing the right thing. Considering the themes and perceptions of business ethics, it best suited the theme of doing the right thing.

The generic statements (presented in the last column in Table 4) were forwarded to the participants in Round 2 to indicate their agreement, and to give them the opportunity to modify the statements (optional). The participants' original answers were also provided, but they could only see their own answers.

Table 4: Generic statements

Themes	Verbatim statements	Generic statements (GS)	
Theme 1: Doing the right thing	• "Do the right thing always, delivering the best quality products, services, processes, and technologies in the industry." (Participant 14) • "Doing the right thing." (Participant 5) Additional statement identified: • "It is one of our critical values which we live by dealing with our clients, employees and suppliers ethically and by compliance to all legal and financial laws." (Participant 19)	• Business ethics is about doing the right thing. Additional statement drafted: • Business ethics is about being compliant with legal and industry-specific regulations (for example, financial regulations).	(GS 1) (GS 2)
Theme 2: Integrity	• "Honesty, value and integrity." (Participant 6) • "We are what we repeatedly do. Excellence, then, is not an act. But a habit." (Participant 14) • "It is better to take the correct and honest decision, as opposed to taking decisions solely based on short-term gain." (Participant 13) • "I would say we operate in a highly professional manner to all our principals, users and staff." (Participant 15) • "Our people, planet, and principles framework, guides our responsibility to sustainable operations and enables us to accomplish our business priorities." (Participant 14) • "We are guided by our own moral compass. The business has been successful because of the integrity, respect and trust that exists in relation to its shareholders and senior executives." (Participant 10)	• Business ethics is upholding integrity (values and honesty) while doing business. • Business ethics is about upholding values (for example, upholding principles, excellence, beliefs, or being professional). • Business ethics is about being honest.	(GS 3) (GS 4) (GS 5)
Theme 3: Transparency	• "Good. We conduct business in an open and transparent manner." (Participant 9) • "Of utmost importance, we believe in doing business openly and honestly." (Participant 19) • "We believe that transparency, communication, honesty and integrity is the foundation of our company culture and ethics." (Participant 7)	• Business ethics is being open and transparent while doing business.	(GS 6)
Theme 4: Trustworthy	• "Professionalism, Trustworthy, Loyal, Always on Time." (Participant 18) • "Trust is the foremost quality I look for when entering a business relationship with someone." (Participant 12) • "Loyalty, honesty and be creativity." (Participant 8)	• Business ethics is about being trustworthy (reliable and loyal) in what we do.	(GS 7)

Themes	Verbatim statements	Generic statements (GS)	
Theme 5: Behaving responsibly	• "As a small entrepreneurial business, we have a well-defined purpose and a clearly articulated set of values with corresponding behaviours applicable to our people. We follow a relatively simplistic philosophy of doing good, purposeful business and ensuring that the work we do makes a positive impact across the business." (Participant 17) • "Our motto has always been that we source and produce only the best quality that is possibly available. Our suppliers also know that we stand for quality, and nothing less." (Participant 16) • "Trust is the foremost quality I look for when entering a business relationship with someone." (Participant 12)	• Business ethics means behaving responsibly towards internal and external stakeholders. • Business ethics means behaving responsibly towards other members on the management team. • Business ethics means behaving responsibly towards other stakeholders (for example, our employees, customers, and suppliers).	(GS 8) (GS 9) (GS10)
	Additional statements identified: • "Company responsibility" • "Taking energy forward - making it safer, cleaner, and more efficient for people and the planet." • "Do the right thing always, delivering the best quality products, services, processes, and technologies in the industry. Maintain ethical practices."	Additional statements drafted: • Business ethics means behaving responsibly towards the planet. • Business ethics is about delivering products and services of good quality.	(GS 11) (GS 12)

All the responses (100%) in Round 2 were on the positive side of the rating scale used, with the majority in the last two scales of the seven-point Likert scale (See Table 5). The participants made no changes (adaptions) to these statements and no added elements were suggested. Round 2 provided 10 total responses (out of 20 from Round 1) and consensus was reached after this round.

Table 5: Findings and consensus

Generic statement (GS)	Strongly not applicable to my definition	Mostly not applicable to my definition	Not applicable to my definition	This is neither applicable or not	Applicable to my definition	Mostly applicable to my definition	Strongly applicable to my definition	Consensus (%)
Theme 1: Doing the right thing								
GS 1	-	-	-	-	-	4	6	100%
GS 2	-	-	-	-	2	2	6	100%
Theme 2: Integrity								
GS 3	-	-	-	-	-	3	7	100%
GS 4	-	-	-	-	1	3	6	100%
GS 5	-	-	-	-	-	2	8	100%
Theme 3: Transparency								
GS 6	-	-	-	-	-	4	6	100%
Theme 4: Trustworthy								
GS 7	-	-	-	-	-	2	8	100%
Theme 5: Behaving responsibly								
GS 8	-	-	-	-	-	2	8	100%
GS 9	-	-	-	-	-	3	7	100%
GS 10	-	-	-	-	-	3	7	100%
GS 11	-	-	-	-	1	5	4	100%
GS 12	-	-	-	-	-	2	8	100%

The above themes provide guidance on how business ethics is seen by the SME owners that participated in this study. However, the themes are not always straightforward, and

some are integrated. For example, one could argue that doing the right thing is also about upholding integrity, and being honest is also about being transparent.

4.1   Doing the right thing

"Doing the right thing" or "do the right things" appears to be integral to the view of business ethics. It was often mentioned in the empirical data, but no further elaborations were provided by the participants. Our suggestion is that "doing the right thing" is a very broad theme and includes both internal matters and external matters. It can also encompass all the other themes in "doing the right thing". For example, being honest or behaving responsibly towards the planet can be seen as doing the right thing. Due to the encompassing nature of this theme, it was decided to include being compliant to regulations (industry standards) and legislation. An industry-specific standard, such as financial regulations, was mentioned.

4.2   Integrity

Integrity was frequently mentioned, coupled with honesty and values, which are part and parcel of the definition of integrity. Doing business in an honest way, and being honest when dealing with clients, employees and suppliers, as well as having a set of values, were highlighted. Some of the values identified in the data were being fair and having respect for employees, being honest, and being professional.

4.3   Transparency

Being open and transparent was also a recurring theme and was closely followed by "being honest". Participants highlighted the importance of being open and transparent. This implies that information ought to be communicated (or shared), provided and should be accessible. One respondent mentioned that transparency (amongst other matters) is the foundation of the entity's culture and business ethics. Transparency and openness imply deliberate communication and deliberate sharing of information – and perhaps in a proactive way.

4.4   Trustworthy

Participants indicated matters such as trust and loyalty as important, hence, the theme trustworthy which condenses both elements. These two elements were specifically mentioned in the context of co-owners, as well as a quality (or trait) sought when entering business relations. Although loyalty was mentioned, it was more in reference to consistency or continuous support. This could possibly refer to the loyalty of clients and suppliers, or to loyalty in the behaviour of the manager and entity itself towards their clients, suppliers or distributors. Unlike the other themes, which indicate the traits that SME owners or the entity ought to have or display towards shareholder and stakeholders, trust was also sought in business relationships.

4.5   Behaving responsibly

The last identified theme was "behaving responsibly". This theme captured the essence of business ethics in SMEs. Participants indicated that being ethical means to behave responsibly towards internal shareholders (management team) and external stakeholders (client, employees, or the planet).

5.   Discussion

The findings provide empirical evidence of consensus on the elements of a definition of business ethics or how ethics is viewed in practice amongst SME owners/managers in South Africa. The study also addresses the current gap on this topic in the literature and adds to the understanding of how business ethics is conceptualised in SMEs. The above findings both validate and highlight differences in the current discussions on how business ethics is viewed in SMEs.

Aligned with the broader perceptions of business ethics (see Table 1), business ethics is perceived as doing the right thing (Jonker & Robinson, 2017), being compliant (see, for example, Painter-Morland & Dobie, 2009; Weller, 2020), having integrity (see, for example, Vivier, 2013; Anggraeni, 2014), behaving responsibly towards stakeholders, shareholders and the planet (see, for example, Cacioppe et al., 2008; Painter-Morland & Dobie, 2009). These findings also concur with how ethics is defined by scholars (see, for example, Schwartz & Carroll, 2008; Borah & Hazarika, 2015; Drover et al., 2012; Goldman & Bounds, 2015; Haron et al., 2015; Pearce, 2013; Shabbir et al., 2019). While transparency and integrity were listed as values (see, for example, Vivier, 2013; Painter-Morland & Dobie, 2009), the findings of this study emphasise transparency and integrity as key concepts of business ethics in South African SMEs. Perhaps these should be regarded as core entity or business values over and above personal values.

Consistency was identified in the SME context and in the literature (see Table 1) (Vivier, 2013), and the empirical findings of this study appear to validate consistency through the notions of integrity and trustworthiness. The empirical findings emphasise trustworthiness, integrity, quality and transparency as key concepts of business ethics for SMEs. Social causes and gut feeling were not empirically validated in this study, as per the broader perceptions on business ethics. Moral reflections (see Table 1) (Bonde et al., 2016) were also not empirically validated or identified; however, moral reflections are implicitly evident considering values, integrity and in doing the right thing.

The findings may indicate that, within this context, SMEs view business ethics as behaviour and actions, with an emphasis on business relationships. The findings reflect mostly the perceptions of smaller SMEs and may be differentiated from business ethics and CSR in larger SMEs. The study also contributes to bridging the different perspectives on the current view of business ethics in South African SMEs. Business ethics in SMEs appear to be more value-driven than rule-driven.

Perceived or expected rules of behaviour or informal codes of conduct were mentioned by Painter-Morland and Dobie (2009). In SMEs, the practice of business ethics is more

informal, with no or few formal policies. It appears to be based on an internal or morally infused drive, with the owner central to it. Being owner-driven and informal is the characteristic of SMEs, and while there may not be a formal business ethics framework as one might find in large organisations, the findings indicate a business ethics framework. However, the lack of predefined core values or expectations may cause employees to grapple with ethics in the workplace.

A business ethics framework could assist SMEs to better understand business ethics in their own enterprises, assist with business ethics-related communication, or shape business ethics training – for owners/managers and non-managers. This framework could also assist with building ethical infrastructures in SMEs, and direct future research to measure or elaborate on these elements (constructs) in SMEs.

Business ethics in SMEs can be described in three dimensions (see Figure 1). Figure 1 illustrates and summarises the view on business ethics in relation to SMEs as found in this study. Firstly, there are certain pre-defined traits that are associated with "being ethical". The SMEs that participated in this study regard integrity (encompassing honesty and positive values) and transparency as traits they associate with the ethical orientation of their entity.
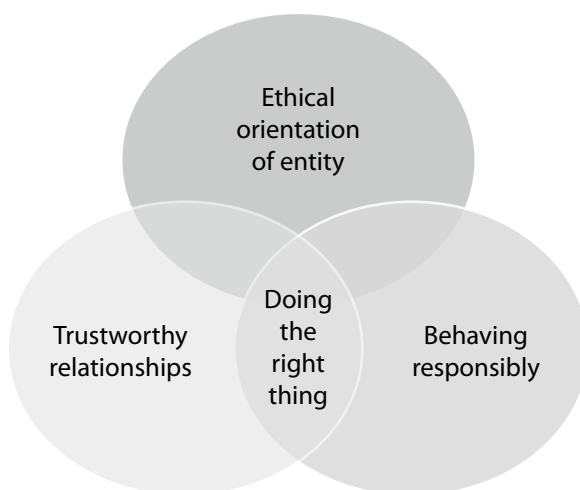
Ethical
orientation
of entity

Trustworthy
relationships

Doing
the
right
thing

Behaving
responsibly

Figure 1: How SMEs view business ethics

Secondly, ethical relationships were also identified as being integral to ethical business, and were characterised as "being trustworthy", which means that there is trust, reliability and loyalty between relationship partners. Trustworthiness has not previously been explicitly identified in empirical research in the South African SME context, as it has in this study. More research is needed on loyalty and what it means for SMEs, particularly, to determine if it is a trait they seek for in business partners (as with trust), or a trait they want to cultivate in the entity itself. A relational basis of business ethics in SMEs is evident in SMEs, which is also integral to the characteristics of SMEs. This was highlighted by Vivier (2013) and Painter-Morland and Dobie (2009), and evident when reflecting on the themes and the findings of this study. Being loyal and trusting, open and honest,

and behaving responsibly towards the relevant parties point to the relationships with internal and external parties.

Finally, ethical behaviour was described as "behaving responsibly" towards stakeholders and delivering quality products and services. Quality is also a newly identified element in the perceptions on business ethics in South African SMEs. Research could investigate how quality is determined, defined or measured in the context of business ethics in South African SMEs. This could be done from the perspectives of the SME owner/manager, or perhaps the customers.

The findings of this study did not explicitly support the view of business ethics involving a gut feeling, as well as the responsibility and being responsive to worthy causes regarding humanity, community, environment and government as highlighted by the broader perspectives on business ethics (Table 1). It is perhaps within this dimension of business ethics that the lines between business ethics and CSR overlap?

The dimension "doing the right thing" seems to encompass a trait (i.e., someone that tends to do the right thing), a characteristic of relationship (i.e., doing the right thing in business relationships) and a behavioural component (i.e., doing what is right). According to Vivier (2013), it is an internal sense of what is right and wrong. For that reason, it was seen as integral to the other three components. In this study it is proposed that "doing the right thing" broadly encompasses all the themes identified.

This internal sense or gut feeling also relates to the nature of strategic decision-making in SMEs being dominated by intuitive approaches (Brouthers et al., 1998; Liberman-Yaconi et al., 2010). Further research could explore this intuitive view or application to business ethics. Included in this theme was compliance to legislation and regulations. Only accounting and financial regulations were mentioned. While compliance with the law was identified as being ethical, legislation is not always 'ethical', for example, discrimination and restrictions on human rights were legal under the Apartheid regime in South Africa.

However, adhering to the 'bare minimum' (compliance), and the internal or morally infused view on business ethics is a stark reality for SMEs, as they do not have many resources to allocate to matters other than their core functions. Hence, we generally find business ethics in SMEs being informal, with no formal policies or documentation being present.

6.   Conclusions and future recommendations

The purpose of this study was to add to and provide additional insight into the current limited knowledge and advances on the view of business ethics in SMEs in South Africa – a field that requires additional research and development. Using a qualitative design and the Delphi Technique, the findings support the current views on business ethics, in the broader context, in SMEs and in South African SMEs, but also expanded on the current knowledge in this field.

Within the limitations of this study's scope, and in concurrence with current broader literature, business ethics is viewed as doing the right thing, being compliant with legislation and regulations, maintaining values, and behaving responsibly towards various stakeholders and shareholders. This study found that, in addition to the current debate, business ethics in SMEs, specifically, is viewed as being transparent, trustworthy, which includes being reliable (and this was also expected from third parties) and providing quality products and services.

The contribution of this study adds to the current limited knowledge on the views related to business ethics within the South African context – specifically, smaller SMEs. The findings indicate that business ethics entails responsible behaviour towards shareholders, however, being responsible towards social causes is still debatable. The latter is typically associated with CSR, and perhaps 'value created for stakeholders' or 'stakeholder (beneficial) outcomes' is a possible differentiating factor. Future research opportunities could investigate social causes in SMEs, and whether these social causes add value for stakeholders, or whether they are mere charity causes (i.e., sustainable uplifting projects versus ad hoc donations). The findings confirm the broad and narrow definitions to business ethics provided by Schwartz and Carroll (2008).

Research on transparency could possibly investigate any deliberate communication, and deliberate sharing of information with shareholders to determine the means they use to share information. This would assist in differentiating transparency as a deliberate managerial activity or merely maintaining honesty as a value, and if there is a difference in perception between transparency and honesty. In addition, it could determine what information is being communicated and shared, and how, and with whom.

Research could also investigate the apparent differences related to the view of business ethics purely in enterprises versus the view related to business ethics towards other parties. Research on responsible behaviour could include a focus on the type of responsibility and responsive behaviour it entails, as well as what SMEs define as worthy causes in their communities. Such research could attempt to classify such initiatives as business ethics or CSR and distinguish between smaller SMEs and medium-sized SMEs.

Future research could explore how business ethics is communicated or maintained in the SME workplace and/or communicated to internal and external parties. Based on the constructs (for example, transparency or trustworthiness) that are identified models or instruments may be developed that can assess the 'ethical' SME environment.

The opportunities for future research, in line with the call for research to investigate business ethics separately from other related concepts, include conducting similar studies in other developing countries. Future research could also broaden this study to include a larger sample or focus on the size of the entity (for example, micro enterprises) to investigate differences related to the views regarding business ethics. Another area worth exploring is the various concepts, and how these concepts are conveyed, or communicated in the entity.

Lastly, research could focus on developing models or instruments, based on the concepts identified, that can assess the 'ethical' SME environment, as well as identify additional concepts through extensive literature reviews and empirical research.

The research examined the view on business ethics amongst a variety of SMEs, and a few additional concepts were identified that can be added to the body of knowledge. The findings give an indication and guideline to SMEs' business ethics-related strategies, and could guide conversations between practitioners, ethicists, and academics. On a practical level, these findings provide SME owners with greater awareness of their view on business ethics, and also provide guidelines for thoughts, decisions, communications, and behaviour within their own practices. The findings could also assist SMEs to informally develop ethical business environments, leadership and practices, and guide the SMEs' policy initiatives should a formal approach be considered.

Ethical considerations

Participation in this study was voluntary, and participants could decline and/or withdraw their consent to participate in this research study. They could do so at any stage during this study, and the data obtained from withdrawing participants were discarded. The authors maintained objectivity as much as possible in the analyses of data and the reporting of the findings.

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