

Determining the role of your business in society

By Khanyi Nzukuma, Chief Executive of Glacier by Sanlam

Previously I spoke about the importance of strategy in leading and growing your business. Once your business has reached a point where it is comfortably sustaining you and your employees, you may want to start considering the role it plays in the broader society. There are many critical areas that need to be addressed – from unemployment, to education, to access to safe water and quality food – and government can't do it alone. It needs to work together with the private sector, and small businesses have their role to play too.

Ways in which businesses impact society

Perhaps without even realising it, you are more than likely already contributing in many ways. These are just some of the ways that companies – including small businesses – can have an impact:

- Job creation – Without employment, your customers won't have money to buy your products and services. Addressing unemployment and the resultant crime is a key area needing urgent solutions. Government's role is not to create jobs, but rather to create a business-friendly environment where companies can thrive and create employment. The jobs of the future are more likely to come from small and medium-sized companies.
- A stable tax base – Companies, as well as the individuals employed by the company, pay tax. The higher the employment rate, the higher the tax base will be. A government needs a solid tax base in order to provide services such as security, transport and healthcare.
- The broader economy – When small businesses do well, they need to buy more inputs or raw materials and services from larger companies – who in turn then also do well, as do their employees and shareholders. Your actions as an individual business owner can have an effect on so many people in a circular economy.
- Growing the economy – You already provide your customers with a product or service and likely have some form of feedback from them. You can use that to further improve your offering or even to bring about a new innovation. Many new products and ideas, that have since become entrenched in society, have come from small businesses.
- The environment – Businesses also leave their footprint on the natural environment. We've seen the damage that can come from oil spills in the ocean, and the destruction of the

Amazon rainforest. This is particularly prevalent in the case of agriculture and mining companies but is by no means restricted to those industries. Businesses can also educate consumers by highlighting and supporting issues that their customers may not have been aware of. A few questions to consider include: Are your inputs and raw materials sourced sustainably; are you recycling waste correctly and could you reduce paper usage.

In the devastating Table Mountain fire in Cape Town earlier this year, we saw businesses and individuals rallying together to provide help where they could. Collectively we can achieve so much more.

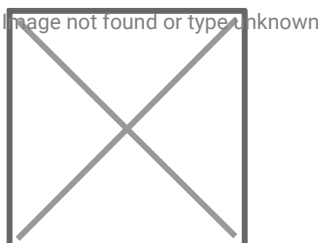
When your business is financially stable and you feel you're in a position to contribute to the community around you, it will be worth your while to design a formal corporate social investment (CSI) strategy. This will help formalise areas you wish to focus on – in line with the vision you have for your business – and will aid in decision-making when you receive requests for financial assistance.

Achieve something you're proud of

I've seen several articles recently that describe 'languishing' as the over-riding emotion of 2021. People still have energy but feel aimless and don't experience joy. While mental health is a critical topic and outside the scope of this article, we do know that focusing on a bigger cause does lead to a sense of fulfilment and takes your thoughts away from your own situation.

If you are running a small business, or if you're a decision-maker in a larger company, don't underestimate the impact you can have on society. We spend most of our day at work – make sure you ultimately achieve something you're proud of, and something that will have a lasting effect.

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Khanyi Nzukuma obtained a BA in Psychology from Rhodes University in 1991. He then obtained a Masters in Business Administration from Potchefstroom University in 1998 and a Doctor of Psychology degree from the University of Johannesburg in 2011. Khanyi joined Sanlam in 1994, where he spent 11 years, starting as a Financial Adviser, and thereafter occupied a number of junior and senior management roles. He joined MMI Holdings in 2008, where he spent eight years, starting as a CEO of Metropolitan. In 2017 he was appointed CEO of Momentum. In January 2018 he left MMI and re-joined Sanlam as CEO of Glacier by Sanlam.

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