



International
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The Next Normal in Africa series: Case Studies



► INTRODUCTION

As part of the “Next Normal in Africa: How Africa’s workplace is changing” series, the International Labour Organization (ILO) commissioned a series of five company case studies. The companies are drawn from a mixture of sectors and country realities.

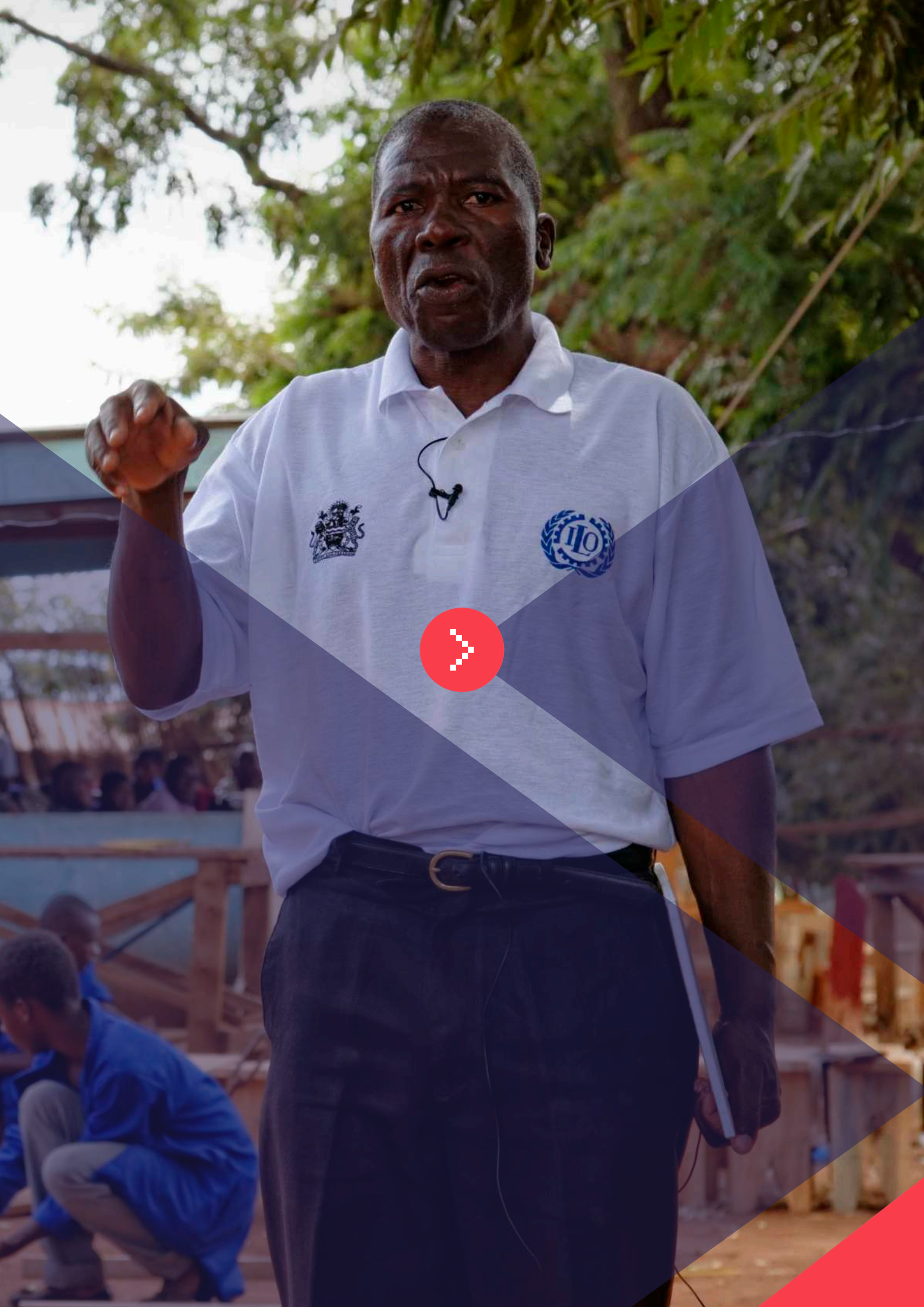
- TansUnion is services company with operations in eight African countries, and a staff base of 600 in Africa. Its parent is headquartered in the US.
- Mondelēz International Inc. is a manufacturer of confectionery, food, and beverages. It operates in five African countries with a (African) staff of 3,000. It is part of a US Multinational.
- Pretoria Portland Cement, PPC Limited (PPC) is a SA owned company operating in six African countries. It has a staff of 3,600.
- OneLogix Group Limited (OneLogix) is a Road freight logistics and vehicle storage group. It is SA owned and operates in nine African countries. Its staff is 3,000.
- Aspen Pharmacare Holdings Limited (Aspen) is a pharmaceutical manufacturing company which operates in nine countries. It has 4,000 employees on the continent.

Each case study is structured around the following headings:

- i. Workforce;
- ii. Workplace;
- iii. Policy and Regulatory Framework;
- iv. Wider Societal impacts; and
- v. Gender and Diversity.

Drawing on this framework, these issues are explored in terms of impacts on the workforce, workplace, and the broader work setting, possible scenarios, and wider societal impacts of the pandemic. The case studies presented in this report also consider technological impact and gender as cross-cutting concerns. Importantly, the issues and scenarios identified in this research provide a basis for further investigation.

The case studies were developed through high level interviews with C-suite executives. These insights provided multi-issue and multi-country perspectives. The experiences mirror to a large extent the findings from the main report “Africa’s changing workplace” and provide useful context and explanation to some of the emerging trends we are seeing. The case studies were developed by Adrian Saville, Natalie Buckham, Theresa Onaji-Benson, and Ian Macleod with interviews taking place in November and December 2021. We are indebted to all the interviewees who gave their time for this project. It is much appreciated.



► CASE STUDY 1: TRANSUNION AFRICA

About the Company: TransUnion Holding Company Inc. (TransUnion)

Business	Risk, information, and insights solutions provider
Operations	Services 30 countries worldwide, including eight African countries: Botswana, Eswatini, Kenya, Malawi, Namibia, Rwanda, South Africa, and Zambia.
Established	1968 and operating in Africa since 1993.
Headcount	8,200 with 600 in Africa.

TransUnion is a US\$2,7 billion turnover company, headquartered in Chicago which began as a credit reporting agency in the late 1960s in the United States. Credit reporting remained the company's core business until the 1990s when the company branched into analytics and insights, expanding their offerings directly to consumers and, in so doing, expanding their traditional business-to-business model.

TransUnion Africa is part of the listed US parent company which owns a number of subsidiaries across Africa, all operating under the banner of TransUnion Africa. The company entered the African market by setting up operations in South Africa in 1993. Today, it has a presence in Botswana, Eswatini, Kenya, Malawi, Namibia, Rwanda, South Africa, and Zambia.

The company steadily grew its revenues from US\$1,5 billion in 2015 to US\$2,7 billion in 2019, an increase of 15.3% per annum, which is well in advance of global nominal GDP growth. After suffering losses in 2013 and 2014, TransUnion posted profits in 2015 before going on to achieve a profit of US\$350 million in 2019. TransUnion's balance sheet went from just under US\$5 billion in 2016 to US\$7 billion in 2019.

As of December 2020, TransUnion employed 8,200 people globally, including 600 people in Africa.

Background to the Executive: Lee Naik, Chief Executive Officer, TransUnion Africa

Lee Naik has been CEO of TransUnion Africa for the past five years and is responsible for eight countries in the region. Mr Naik was formerly the Managing Director of Accenture Digital in Africa, spending a total of 19 years with the company working in the field of digital transformation.

Economic Impact on the Industry, the Company, and Workforce in Lockdown

Globally, TransUnion reported that the pandemic had a material and adverse effect on the company, impacting negatively on customer demand across all business segments. Despite this, revenues

increased by just over 2% (though profits declined by 1% in 2020). Since then, both the international business as well as its African subsidiaries have seen a resurgence in customer demand for services and solutions, but the uncertainty of Covid 19 and its waves remain.

TransUnion Africa was able to avoid pandemic-related job cuts and salary cuts. In addition, the company was able to pay bonuses following its December 2020 year end.

Response and Recovery in Operations, Financial Performance and Workforce

Globally, the company's response to the pandemic was to focus on the safety of its workforce. Early on, TransUnion Africa moved all its employees to a work-from-home model.

Within TransUnion Africa, the organisation went to great lengths to enable their employees to be as well-equipped and comfortable as possible when working from home. Free internet was installed in employees' homes and each employee was allocated US\$500 and a designated list from which to purchase items such as offices chairs, monitors, and cameras. On the African continent, where many countries grapple with power cuts because of insufficient power supply or unreliable power supply (including loadshedding), TransUnion Africa supplied employees with battery packs to ensure that their work could continue without disruption from irregular power supply. New starters received a package, delivered to their home, containing all the hardware and software they would need to set up their "home office" and to enable them to work comfortably and effectively. In three of its eight African countries, the company did not renew office leases once these had expired, but rather invested in permanent work-from-home set-ups for its employees as the organisation had decided to move to operating a hybrid model consequent to the impacts and experience of Covid 19. Consequently, where leases have not yet expired, the plan is to rent smaller spaces once these leases expire in which offices will be primarily for collaborative work.

In addition, TransUnion Africa supported its labour force by offering discounts for childcare providers, assistance with homework, and additional back-up childcare options. The company also provide their staff with access to free mental healthcare resources for themselves and their dependents.

TransUnion Africa Case Study: Covid 19 and the Workplace

The company's overarching approach to the disruption and turbulence caused by Covid 19 was to seek opportunity in crisis and was focused on the following axis: "Growth. Transformation. People." As the CEO mentions, "Some were playing just to survive. We were playing to thrive." This belies his approach of making the best of a tough situation.



"Many leaders were not able to consider growth during the crisis. But shareholders want growth. They don't invest their money just for you to stay in business. There is opportunity in the midst of adversity to capture growth in your market."

However, revenue and margin expectations are no longer the same as they were in 2019 as some (company) units lost ground. According to Naik, "We took a product that was performing very well but we decided to sunset the product, so we had space for the leadership to think about what would work for a three-year growth trajectory." The strategy looked well beyond the likely end of the pandemic.

On the issue of transformation, Naik believes the transformation that Covid 19 brought about was more about an acceleration that he had seen coming than a totally new phenomenon: "Working from home was always going to happen. We just didn't know that a pandemic would come along to make it happen overnight."

This demanded several adjustments. Out of the eight countries Naik oversees, the company opted not to renew the leases on office space as they came to an end. In those contexts, they have moved to a complete work-from-home model. In the Johannesburg office, they have simply cut their square footage. "Here we have moved to roughly a 50-50 hybrid model," he says, "We have revamped our workspace to better suit collaborative activities, which is one sort of activity we need to be together for. I find the body language element is key for certain tasks. I also prefer work that deals with sensitive data, such as payroll, to be done from an office."

Several rapid steps were taken to enable people who work from home to be productive. Basic steps included provision of a web camera and free

internet for everyone. Naik also recognized early on that there was a need for people to be able to create a space in their homes where they could feel like they had entered work mode. That required some physical adjustments. "We gave everyone the option to choose from US\$500 worth of equipment to set up a home workspace. The list included some hardware, like keyboards and monitors, as well as furniture, like office chairs."

One reality of the African context that Naik had to address was the unreliable supply of electricity. This is a reality that has the potential to cost a great deal in terms of human hours of work. In places like South African and Zambia, it may be up to eight hours of power outages on some days. "We provided everyone with a battery pack," Naik says. "So, there is no longer an excuse that I couldn't meet a deadline because the power utility was down all day."

Covid 19 and the Workforce

Naik is quick to add that during Covid 19, nobody at the company lost their job. Salaries and bonuses got paid: He observes:



"The world of business goes round because of people. We may use lots of data and insights, but it is people that are the engine room. If people don't find connection between their purpose and the organization's purpose, then it's easy to fail. If people aren't motivated, if we don't look after people and consider people, then it will be hard to succeed."

But how does a leader help people find shared purpose and motivation in times of such difficulty and disruption? The focus on the stakeholders needs to be put on the front burner – customers, employees, and shareholders – an integrated strategy that allows the business to meet the varying needs of this diverse group. First, the customer. Naik asserts that:



"Part of the solution is to focus on the customer. Customers don't care about your internal operating model. If I'm hungry, I want that hamburger you make. I'm not wondering about your accounting system. And this mental model of focusing on the customer should be shared throughout by all our people."

TransUnion Africa regularly audits employee engagement and satisfaction and, by recent barometers, suggests that the company has managed staff well during this crisis period. Their employee engagement scores indicate that they

are the highest they have ever been, at 91% on the last measure. Naik notes:

► “To win in this new world, we must find new ways to build employee engagement and working arrangements that make sense. There is no standard that works for everyone, though.”

With Covid 19, Naik recognized early on that there was a need for a new way of approaching work skills. One that ensures that employees are empowered with the technological resources, the skills to use them, and the softer skills around working from home (including time management). He comments that:

► “In this future world of work, creativity and analytics are key ... But there are lots of softer skills that are increasingly important.”

TransUnion Africa have also reassessed the skills needed in the business, versus those that can be harnessed from outside the business. He explains: “Jack Welch used to talk about the partnering economy. So, I ask myself, are we doing in our back office what some people do in their front office? There are skills we are much better off by outsourcing. We just can't do them as well or efficiently ourselves.” Here he highlights their outsourcing of information technology engineering to India. “This means the service is on 24/7. They have the sort of shift system that means we can always get help, regardless of the time of day.”

Covid 19, Gender, and Diversity

TransUnion has a diversity and inclusion policy. Globally, 40% of TransUnion's employees are women, and 30% of senior leaders are women. As reported by the group, in 2020, they formed a special task force to put Diversity, Equity, and Inclusion at the forefront of their activities. TransUnion also formed a Racial Equity Task Force focused on advancing fairness and racial justice inside and outside of the business. In pursuit of their goal to reach global gender parity in senior leadership by 2030, the business launched a Gender Equity Steering Committee in 2019. This group, led by the Chief Financial Officer and the Chief Strategy and Planning Officer, is ensuring intentional action to advance women in leadership during opportunities like hiring, promotion, and succession planning. As further evidence of TransUnion's practices and progress in diversity and inclusion, the business was ranked amongst “Best Places to Work for LGBTQ Equality 2020” in the HRC Corporate Equality Index.

In considering the pan-African businesses – when

it comes to gender, diversity, and inclusion – Naik begins with a condition of his joining the company in the first place: “I made it a requirement of my taking the job that the shareholders committed to full support of transformation, especially relating to broad-based black economic empowerment (B-BBEE).” This is South Africa's legislative scheme aiming to empower previously disadvantaged groups economically and socially. He goes on to elaborate what TransUnion Africa already had in place prior to the pandemic to support diversity and inclusion:

► “The process had started in 2017 as a cultural initiative born out of our Transformation Committee. The focus then was to promote ongoing dialogue amongst our employees. We did this by introducing coffee conversations for us to understand whether there were any non-inclusive practices within the organization and to get peoples' input and perspective on what we needed to change or improve to make TransUnion Africa more inclusive and an employer of choice for all. The discussions also focused on associate experiences relating to issues such as conflict, being open to different perspectives, respect in the workplace, as well as ethnic and cultural differences. Hence, when the pandemic hit, this was already an established practice at TransUnion, so it was an easy transition to virtual sessions. In this way, we continued our discussions on race, gender, sexual identity and orientation, style, religion, and culture.”

Naik acknowledges the society-wide challenges that have had worse impact on marginalized groups during the pandemic:

► “Many people lower on the economic rung just don't have pleasant living conditions, and they have been forced to spend more time at home. And we know that increased unemployment has exacerbated gender-based violence – an already extreme problem in many of our countries.”

That said, however, the effects of Covid 19 effects were felt across the workforce, as Naik describes:

“The impact of the pandemic and the transition to working remotely has posed challenges to all our employees. Helping our employees navigate these trying times and managing anxiety that came from this was a primary focus for us. One thing that became glaring was how different personality types experienced the challenges brought on by the pandemic, differently. The impact also differed

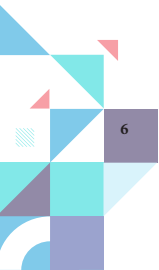




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depending on their family structures. We therefore had to have a multipronged approach to how we supported them. Some of the common challenges our employees had to overcome included having to adjust to hard lockdowns and school closures, loss of income, heightened isolation and loneliness, domestic violence and gender-based violence cases on the rise, dealing with loss of loved ones as well as civil unrest in South Africa and Eswatini.”

The company had existing mechanisms to enable feedback and engagement from staff and these were scaled up:



“We ensure everyone, especially marginalized communities, have a voice. Be it in finding solutions or in the budgeting process. Before Covid 19 we already had regular townhalls.”

To assist and support their employees, TransUnion Africa responded with a number of initiatives, including:

- creating mandatory “away from keyboard time”, and having a policy of no meetings after 2pm on Fridays, to allow employees to balance the demands of home and work;
- assisting in the entertainment of employees’ children during working hours with their Kids Connect series to enable working parents to have a break by children’s activities being facilitated by TransUnion volunteers who read stories, facilitated arts and crafts projects across all age groups, and found helpful resources and ideas to share with parents;
- creating a TransUnion fund to assist employees whose household income was negatively impacted due to job losses;
- partnering with registered clinical and industrial psychologists to talk to employees and to provide them with coping strategies to better manage stress and anxiety;
- granting TransUnion global holidays to help employees find better balance and to celebrate successes;

- promoting more flexible work arrangements by not adhering to standard office hours to suit the needs of employees; and
- bringing back the fun with virtual social engagements to ensure that people remained connected, including team drinks and virtual games across the business.

When asked about the nature of TransUnion Africa’s dialogue with its workforce and whether it had changed at all over the past two years, Naik replied that it had:



“We are intentional in our diversity, equity and inclusion efforts where we actively involve and partner with our employees on what matters the most to them through multiple networking resource groups and committees. We are also having much more dialogue on how we reinvent ourselves as an organization, and as employees to meet the challenge of the future world of work. We are constantly talking about ways for us to do and achieve more, and we are constantly pushing for ownership of our business success.”

TransUnion Africa sees inter alia as the main priorities and challenges for with respect to diversity and inclusion a drive to continuously improve the company’s culture by focusing on, and addressing, unconscious bias linked to shifting paradigms where systemic issues exist “beneath the surface” due to beliefs, race, gender, thinking, and work styles. Another priority is to continuously promote the company’s transformation agenda. This includes gender equity, with an increasing focus on female growth and development. Finally, TransUnion Africa aims to become more inclusive and unified as a company, and to create equal opportunity for all eight African countries in which they operate; recognizing that diversity challenges may differ from country to country. Being adaptable is therefore important, hence initiatives are implemented that are fit for each one of the countries.

► CASE STUDY 2: MONDELÉZ INTERNATIONAL INC.

About the Company: Mondelēz International Inc. (Mondelēz)

Business	Manufacturers of confectionery, food, and beverage brands.
Operations	Operates in 80 countries across North America, Latin America, Asia, the Middle East, Europe, and Africa, with operations in Algeria, Egypt, Morocco, Nigeria, and South Africa.
Established	2012
Headcount	80,000 with 3,000 in Africa

Mondelēz is a US\$27 billion company, headquartered in Chicago. It owns several well-known snack brands, some dating back many decades. Amongst the Mondelēz stable are Oreos, Clorets, Cadbury, Toblerone, Tuc, and Ritz (to name but a few). The snack industry is a highly competitive industry and Mondelēz faces competition from a range of avenues, depending on the category – be it biscuits, gum, or savoury snacks.

The company's turnover was flat at US\$26 billion during the three years leading up to the COVID-19 pandemic. During the same period, profits ranged from US\$3 to US\$4 billion. The size of Mondelēz's balance sheet remained in the region of US\$60 billion and US\$65 billion between 2016 and 2019, pointing to stable operating performance and efficiencies.

Mondelēz employs 80,000 people globally across 80 different countries; 12,000 of these employees are based in the US. On the African continent, Mondelēz has offices and operations in a number of countries, including Algeria, Egypt, Morocco, Nigeria, and South Africa (employing approximately 3,000 people on the African continent).

Background to the Executive: Faith A. Chaibva-King'ori, Strategy Director: Sub-Saharan Africa, Mondelēz International Inc.

Faith Chaibva-King'ori is a former management consultant, with extensive experience in strategy development and implementation in the field of consumer-packaged goods (CPG) across a range of markets within sub-Saharan Africa. She joined Mondelēz International Inc. as Strategy Director: Sub-Saharan Africa in early 2020.

Economic Impact on the Industry, the Company, and Workforce in Lockdown

The group grew its top line globally during the 2020 fiscal year when revenue increased by 3% year-on-year to December 2020. The segment hardest hit by the pandemic was gum (representing 5% of revenues), with demand for breath freshening

products slumping because of global lockdowns and the move towards working from home. Group profits, however, felt the impact of the pandemic, decreasing from US\$3.9 billion for the twelve months to December 2019 to US\$3.5 billion a year later.

In response to the shock and subsequent uncertainty posed by Covid 19, a headcount freeze was put in place in the African region. However, there were no redundancies, nor salary cuts on the continent because of the pandemic. Prior to Covid 19, about 50% of Mondelēz's office-based employees in the Middle East and Africa region were already working remotely because of cross-regional reporting lines and teams.

Response and Recovery in Operations, Financial Performance, and Workforce

Once the pandemic hit, office-based staff were able to transition to work from home with relative ease. Factory staff, however, needed to report to their sites throughout lockdown to ensure continuity of production. It is observed that initially there was perhaps some negative sentiment towards office-based workers who were perceived to benefit from the opportunity to work from home. However, this perception appeared to reverse when it became apparent that jobs in different sectors were at risk as the economic effect of lockdowns began to take hold across countries and within societies on the continent.

A lasting change at Mondelēz because of Covid 19 is the fact that the organization will now shift to a permanent hybrid workplace.

From an operational and financial perspective, the company was able to largely avoid adverse repercussions during the 2020 fiscal year, but they clearly highlighted the ongoing risks to their businesses at the end of 2020. One example is the risk posed to distribution channels by the global upheaval in supply chains that began to make itself felt once major economies had returned to more normalized economic activity in the third and

fourth quarters of 2021. The snack food industry may have benefited from lockdowns during specific periods in specific countries, but it remains at risk with respect to Covid 19 disruptions around the world.

Mondelēz Case Study: Covid 19 and the Workplace

Part of what strikes an observer in the case study of Mondelēz is that an effective response to the virus was an emergency task force. Chaibva King'ori, the strategy director highlights that:

➤ “[The company] immediately formed an emergency task force headed by someone senior in the supply chain. The basic structure for this was already in place. We got together every day to assess what was happening across the company and the country, looking at any new regulatory changes and logistics barriers that cropped up. So, we looked at internal and external issues. We acknowledged that there were things we didn’t know. But we knew what we cared about.”

Despite the major disruption brought about by the pandemic, the company’s business model is not expected to change. Though there is a need to adapt operations around logistics and supply chain issues, Chaibva King’Ori observes the basic premise of the business remains what it is:

➤ “We make products and distribute them. You sell chocolate in a retail store. That’s the way it will stay. Of course, the ways of working will have to adapt ... We now need new and different skills in the value chain especially. The way you visit buyers, for example, is now about a different sort of relationship. It needs a different type of skill. We still need interpersonal skills. But people must learn to do this in a hybrid world with in-person and online interactions.”

Prior to Covid 19, Mondelēz had started a process of improving their digital engagement. With Covid 19, these processes were sped up. The willingness to change to a more technologically-driven work environment was well accepted, and not much of an organizational culture shock for the workplace. Chaibva-King’ori uses two words to sum up the changes during the last two years of work: “Microsoft Teams.” She goes on: “We have been able to transition and even do things like on-boarding new staff using electronic tools.”

This move to technological engagement meant that office staff were able to easily do a pivot to working

from home at 100%, whereas production staff did not have that ‘luxury’. Differences in working engagements like this is bound to bring about tension between staff. To this end, the severity of the Covid 19 pandemic made it relatively easier for production employees to appreciate their opportunities.

Chaibva-King’ori reckons that this dynamic made it easier to resolve the issue. She explains that:

“Our production facilities had to keep running throughout. Of course, we implemented all the necessary safety protocols. But even so, some production staff felt slighted. They reasoned that the office staff who could work from home had it easier than they had it as production workers. I think, as we all progressed, they saw how many people lost jobs and they had realised work-from-home staff didn’t have it easy or easier. This recognition was helped by regular communication and ongoing dialogue with workers.”

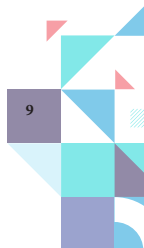
One difficulty the “MS Teams revolution” brought to the business was extended working hours. “People from head office started working much longer hours,” explains Chaibva-King’ori, “It became hard to switch off. One really must plan and make sure you have a workspace and a home place.”

Being a company within the food industry meant that production did not take a big hit. However, some products, like chewing gum, were not as sought after as they used to be. It seemed that reduced social engagements reduced the pressure on having fresh breath. This development is like the increased demand for tracksuits and pyjamas in the clothing industry: there was just little need to purchase formal office wear (at least from the consumers’ perspective).

The relative fall in production in one category of products led to a drop in company revenue. The implication of this fall in revenue meant that the business had to adapt strategies to ensure that it remained above water, the essence of a resilient strategy. Chaibva-King’ori highlighted its importance to the business:

➤ “People realized there was a new way of working. And they adapted. We had to be resilient. We lost a great deal of business. Some segments fell away ... and budgets were cut. Functions like marketing suffered disproportionately.”

On the plus side, segments like chocolate that experienced a sharp increase in consumer demand, flourished. This boosted revenue. At the same time, costs fell in this division as less was spent on travel and research, which are usually a large percentage of the company’s budget. Notably, overall



individual productivity increased, with employees committing more hours and doing more in those hours. In addition, working from home meant that employees in different countries could more easily connect and expand their network. This also had a positive influence on the company's organizational culture. In the words of Chaibva-King'ori: "people really came together. Going through a shared challenge brought us together. It strengthened our culture."

Covid 19 and the Workforce

One factor assisting this preserved culture was the ability to avoid layoffs and unpaid leave. The business instituted a hiring freeze and people were asked to take all their leave days. As people return to the office in line with Covid 19's gradual resolution, Chaibva-King-Ori explains several workspace changes that will be implemented including more technology, like access tags, more biometric screening to gain access to buildings, and new practices (including entrenching personal distancing).

Apart from the hard physical health and economic effects of the Covid 19 pandemic on businesses, 'softer' issues abound. The year 2020 has been described by readers of the Washington Post as one that was exhausting, not only because of the hard obvious effects, but also because of the increased exposures to mental health issues. Faith Chaibva-King'ori captures part of the human struggle that lockdowns have brought, she maintains that though productivity has not suffered, the interpersonal elements of running a business are clear and important:



"'Back then' you could sit with someone who was upset. When you're with someone in person, you can detect those emotions. You can share understanding and empathy. But now that we are working from home because of the pandemic, you often don't know what is going on with a person in their personal and emotional well-being. There is so much depression, but you can't touch and feel someone's energy. So many people feel stuck in no-man's land, isolated. How do you discern the softer stuff? The technical stuff can be solved remotely, but personal issues are hard to detect and even harder to resolve."

A particular challenge does emerge as Chaibva-King'ori explains: "It is important to make sure there aren't voices you aren't hearing. If someone is a bit quieter or culturally different, they need the space to speak up and be heard. Virtual meetings make that more difficult – and an even greater imperative in this context is to ensure inclusion."

From a productivity perspective, Chaibva-King'ori believes that at least 50% of productivity is down to purpose. In this respect, she reports that there is a very strong sense of purpose at Mondelēz: people understand who we are, what the brands are and what they stand for. She suggests that the other 50% of gain in productivity is attributed equally to training and skills, on the one hand, and capital and technology on the other.

Covid 19, Gender and Diversity

Prior to the pandemic, the group had a global Diversity & Inclusion Council. In South Africa, the organization was already implementing BB-BEE, which is the national policy and legislative framework for racial inclusion. Diversity and inclusion have always been tailored to business units in the particular countries and markets in which they exist to speak to the particular issues and sensitivities inherent across different cultures. As she notes:



"We already had in place diversity and inclusion forums to make sure we have diverse representation on hiring committees. We recruit in line with our inclusion and transformation mandate. In this, the representation of women has long been a key theme for Mondelēz. With Covid 19, I don't think we have needed new efforts. Our approach has always been to allow staff with family responsibilities to come in later, fetch their children from school during the workday and resume work later."

There has been a material shift in terms of the focus on diversity and inclusion since the pandemic, most likely as a result of the Black Lives Matter (BLM) movement in the United States. Mondelēz also recently appointed a global Chief Diversity Officer and as noted above, the business now has in place a global Diversity & Inclusion mandate. In addition, the group has been driving inclusive procurement by buying from minority suppliers. A further Covid 19 development has been setting Diversity & Inclusion Learning Hubs in 2021 for training purposes, which can be virtually accessed.

It has been found, however, that it is much more challenging to drive diversity in the virtual workplace – it was far easier when people were based in the office. On the positive side, the dialogue has changed in the past two years because now the organization is having conversations about diversity and inclusion, whereas before it had been a challenge to talk about people's differences. Importantly, the company recognises there is much to be done in this space:

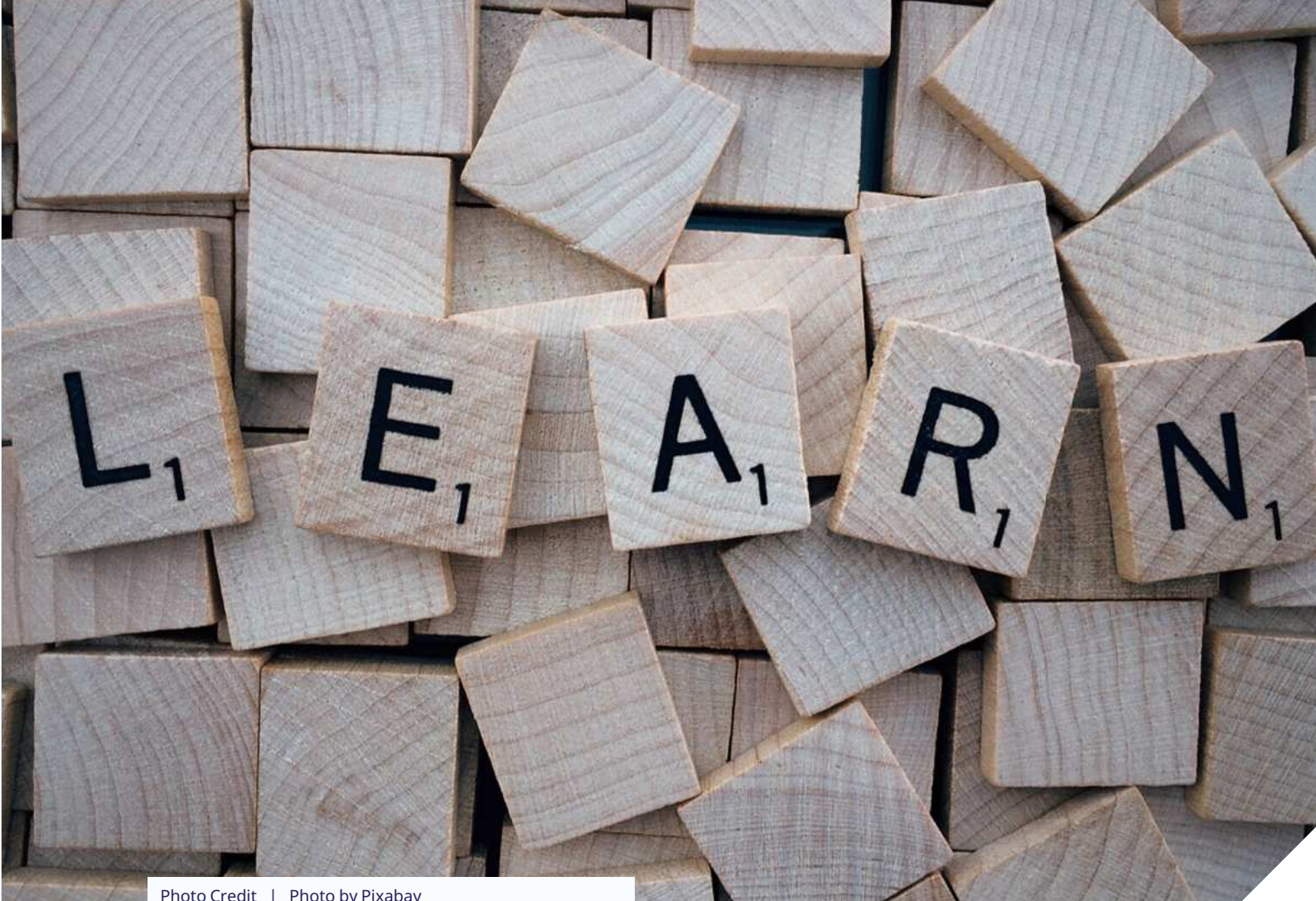


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We are learning to be okay with having uncomfortable conversations. This is a journey that we are being deliberate about.

Chaibva King'ori reports that in South Africa, unconscious biases with respect to race have been exacerbated by being online during the pandemic, with inclusivity becoming more challenging. Her sense is that black females have struggled to feel included coming into the organization. A priority, therefore, needs to be to focus on making the workplace inclusive and free of bias in order to make employees feel as though they truly belong. Going forward, Chaibva King'ori believes that the pandemic will make this kind of culture shift very difficult as the organization will not be able to hold in-person focus groups, for example:

“Representation is easy. But true inclusion is so much harder. We continue to do that work. But we have not won, yet. To be honest, we are afraid. We are afraid of conflict. These are difficult things to talk about. But it is important to hold each other to account. We must find ways to remove the fear and other barriers, and to have these difficult conversations. Part of the solution is to ensure we have spaces for diverse voices to be heard. And here we must be careful not to be exclusionary in

our inclusion. By that I mean that there is a real risk that [some] staff feel excluded. We must bring everyone along with us ... Senior people [need] to be champions of diversity and inclusion. And they shouldn't necessarily be from underrepresented groups.”

Chaibva-King'ori is strong in her criticism of the regulatory response to the crisis: “The world of remote work needs a very different structure to the employer-employee relationship. It just isn't the same environment anymore. Regulators need to work with industry bodies to adapt faster.” From a pan-African perspective, one of the benefits of the pandemic and the new way of working has meant that the company is less “home-country-centric”. Executives in multinational companies now have real opportunities to pay greater attention to their subsidiaries. In the case of Mondelēz, Chaibva King'ori tells us that:

“I pay more attention to ... [other countries] now than I did before. Being at home rather than the home-country office, I can see how I was focusing too much on my geographic locus.”

Her personal experience has seen a material shift in workplace from “physical office and in-country emphasis” to “virtual office and pan-country” in the allocation of her time and engagements.

► CASE STUDY 3: PPC LIMITED

About the Company: PPC Limited (PPC)

Business	Manufacture and supply of cement and materials.
Operations	Botswana, Democratic Republic of Congo, Ethiopia, Rwanda, South Africa, and Zimbabwe.
Established	1892.
Headcount	3,600.

Formerly Pretoria Portland Cement, PPC Limited (PPC) was listed on the Johannesburg Stock Exchange in 1912. Its primary business is the production and supply of cement: 89% of revenues are from cement, with the remaining 11% being from materials such as lime, ready-mix concrete, and aggregates. PPC's turnover is in the region of US\$600 million. The company has a balance sheet of approximately US\$1 billion and – although it has been through a turbulent and highly disrupted period – earnings before interest, taxation, depreciation, and amortization (EBITDA) have been between US\$100 million and US\$160 million in the five years to March 2020, prior to the outbreak of Covid 19.

PPC has a staff complement of approximately 3,600 across the six African countries in which it operates and female representation of 23% in 2021 (down slightly from 24,2% the year before).

The group divides its business segments into 'South Africa & Botswana' and 'International' (consisting of the Democratic Republic of Congo, Ethiopia, Rwanda, and Zimbabwe). The former contributed 69% of revenue in 2021, but only 48% EBITDA, with the remainder coming from the 'International' segment.

Background to the Executive: Ndima Rawana, Head of Human Capital: South Africa & Botswana, PPC Limited

Ndima Rawana is Head of Human Capital for the South Africa and Botswana business segments of PPC. Prior to joining PPC, Ndima spent nine years with the South African subsidiary of chemicals company, Johnson Matthey, where he rose to become a Human Resources Director, before being promoted to Head of Human Resources. He was also a member of the board of directors of the company. Presently, as the Head of Human Capital for the South Africa and Botswana business segments of the PPC group, Ndima looks after approximately 60% of its workforce. In this role, he has been integrally involved in ensuring the safety and well-being of staff across the board and

is pioneering the change towards a more flexible and digitised work environment, while maintaining culture and connectedness within the company.

Economic Impact on the Industry, the Company, and Workforce in Lockdown

The cement industry in southern Africa has faced severe competition from imports from Pakistan. The initial hard lockdowns globally benefited PPC and its local competitors as no imports of cement could take place during this time. Since then, PPC and its competitors have successfully lobbied the South African government to put in place protectionist policies to restrict imports for the next five years.

Hard lockdowns, however, also meant that demand for cement in the first half of 2020 was subdued. During this time, the company attempted to continue production as far as possible to do its part in maintaining economic activity. Following the easing of lockdown restrictions, PPC benefited from a sudden resurgence in demand, mainly from retail customers as they sought to undertake residential improvements having been confined to their homes, with many continuing to work from home. Increased infrastructure spending also contributed to overall financial improvement compared to the prior fiscal year to March 2020. Revenues increased by 3%, and EBITDA increased by 16%.

During the most severe lockdowns, the company had to navigate the fact that labour unions were at pains to point out that many of their members in manufacturing were forced to go to work while others were able to remain at home. This created a sense amongst those that were required to remain in the workplace that they were at higher risk than those who were working from home, that they were doing the work whilst those working from home were receiving full pay and enjoying the benefits of remote work and that the demands being placed on them were unfair. Addressing this required ongoing communication which has been effective in addressing and removing this perception.

Covid 19 showed the business that not all aspects of manufacturing require employees to be on site. Prior to the pandemic, the company did not have a culture of promoting flexible working, even for office-based employees. Covid 19 thus forced the company to adapt in this regard. Tragically, there were those amongst the workforce who lost their lives to Covid 19, as well as staff who had to be hospitalised for months at a time.

Response and Recovery in Operations, Financial Performance, and Workforce

As a fiscal response to Covid 19, PPC made cash generation and capital preservation a key priority in the face of ongoing pandemic-related uncertainty. The group is also focused on cost competitiveness, although admittedly this was already reported before the industry was awarded import protection on cement. In addition, PPC looked to reduce capital expenditure during 2020, as well as decrease operational fixed and variable costs.

Operationally, the group endeavoured to optimize production and processes whilst simultaneously implementing strict Covid 19-related safety and risk mitigation measures. Workspaces had to be re-arranged and some company facilities, such as gyms and canteens, were closed to mitigate the risk of virus vectors.

On the labour front, PPC reports that there were Covid 19-related retrenchments in the 'South Africa & Botswana' segment, with 15% of this business segment losing their jobs and headcount decreasing from 2,200 to 1,870. At the time of writing, the company was looking to begin recruiting again in areas where cuts have been most felt. In addition, the pandemic has exposed the need for a handful of new, senior, highly-skilled roles; particularly relating to the company going digital. Certain job descriptions have also had to be revised to respond to the 'new normal' ushered in by Covid 19.

Training and development staff had to pivot from delivering in-person training to doing so virtually. This has led to a need for new skills to be developed amongst training staff. It has also nudged the company to investigate e-training solutions to encourage self-learning.

PPC's Human Capital division has received much positive feedback since Covid 19 forced the company into remote working, reporting that employees have benefited from more time with their immediate families. However, the company is conscious of maintaining its organizational culture which becomes more challenging with remote working. The company believes that a hybrid model for all office workers is ideal. In 2020, PPC held monthly virtual town hall sessions with all their staff to maintain employee engagement. These sessions were led by the CEO. Employees were given the opportunity to submit any questions they had on


any topic they wished to cover. There was also a set agenda, primarily covering safety performance, learning events, and company performance and results. All sessions were recorded for those unable to join. Employees really appreciated this platform and, as such, PPC has continued with their monthly town hall meetings. They also set up a human resource roundtable to encourage collaborative input with respect to strategic human capital priorities. PPC also engaged regularly with labour unions across the different regions in which they operate. The company realised that during the pandemic it was critical to share as much information with staff as possible, since Covid brought with it great uncertainty – both within the industry and within the company.

From a health and mental well-being perspective, PPC partners with a company that offers employees and their dependents access to a range of services, such as counselling. Employees who contracted Covid 19 were given sick leave on full pay for the duration of their quarantine and recovery. PPC also covered the costs of Covid 19 tests for staff and their families. Even though, for the time being, PPC has not made vaccinations mandatory, they have strongly encouraged their staff to get vaccinated and put incentives in place (such as paid leave for someone to be vaccinated) should they wish to travel to a particular vaccination site. Now that vaccinations are largely available, unvaccinated staff will no longer benefit from paid sick leave should they contract the virus.

PPC Case Study: Covid 19 and the Workplace

"Challenging and unpredictable, but full of opportunities," says Ndima Rawana, summing up the business world for the last two years.

Being in the business of voluminous cement plants, the company experienced significant operational difficulties, especially at the onset of the crises where countries were in complete lockdown.

 "In the initial period of hard lockdown ... we had to suddenly shut down operations. But there are big costs to stopping some of these complex machines. And it takes time to restart them again."

After the initial hard shutdown, the kilns and crushers were fired up again and gave rise to a labour relations issue. It seemed that unions were unhappy that labour was not being fully utilized, though the industry was back in production mode. This was an issue that had to be effectively managed given the company's intentional relationship with its stakeholders.

The shift to work-from-home was a move that did not come naturally to PPC. "We weren't big on

flexible work before Covid 19,” explains Rawana, “It wasn’t part of our organizational culture. We are working on entrenching a new approach where employees can work from home without disconnecting. We are working out a hybrid model. That is the future. It brings difficulties in terms of work-life balance; and I find we need to re-assure people more often. This demands more one-on-one discussions and informal engagements.” More so with the socio-economic circumstances in some markets, most notably South Africa where people who could afford to work from home are “mainly white” and those who are not able to work from home are “mainly black”. This racial dynamic could further disenfranchise those without access and increase the levels of inequality and workforce tension. This remains a major concern for the company.

Adapting to the global technological challenges requires that strategies are employed to meet these issues. Rawana reckons that the new digital world has raised the need for new positions to handle the management needs that digital technology presents. On this, Rawana points out:

► “[A] key need is for a very senior information communication technology (ICT) role. This person will be the champion of ‘going digital’. We have also just appointed a business analyst to focus on digital trends, such as payment patterns.”

There is also the requirement to train and develop staff differently:

► “We used to deliver 99% of training and development in person. Now we need to equip trainers to produce the same quality training virtually. To help, we are also looking to introduce an e-learning platform that will enable some self-learning online.”

From a sales perspective, the work-from-home shift has had an unexpected benefit, with increased consumer demand for home renovations. This has led to an increase in the demand for cement and hence a boost for the company’s sales revenue.

Covid 19 and the Workforce

Following the onset of the pandemic, productivity was driven by a combination of actions that the company took to promote productivity, but this also was promoted by the attitude of its people. Within a context of economic uncertainty, staff rallied and made extra efforts. As part of its “Jabali” organizational culture programme, the company made a point of clarifying their purpose, so that people could collectively buy-in to this common

purpose. PPC also discovered that the necessary rightsizing of the organization had the positive effect of bringing clarity about who was accountable for what. An additional company initiative to drive productivity was the rationalization of the business by means of a three mega plant strategy to improve efficiencies.

With operations from South Africa to Ethiopia, PPC employs people from a wide spectrum of economic backgrounds. Rawana emphasizes that this means different challenges for different people:

► “Our more well-off staff were able to quarantine without too much difficulty. However, at the other end of the economic spectrum, some of our staff live in informal settlements. That makes it almost impossible to self-isolate if you pick up Covid 19. In those cases, we helped move people to the government isolation facilities. But that was psychologically tough on them and their families.”

Related to this point, there is the task of adequate skilling of the company. There is recognition in the company that the current model needs to adapt to allow more flexible approaches:

► “This model must change. We are too rigid. The traditional approach has said that there are three ways to obtain a skill: build, borrow or buy – the ‘three Bs’. This must be applied more fluidly than ever before. We need to do far more renting in of capabilities. Just think of an area like decarbonizing. This is a critical task for the industry. But we don’t have all the necessary skills in-house to do that. I think we’ll need to borrow those skills.”

Due to the health challenges associated with Covid 19, some employees fell ill and, in extreme cases, there were instances of death which meant that the company had to consider the psychological challenges of such news to the entire workforce. Rawana recalls that this brought about disengagement from the workforce. Though resilient, people still needed a lot of encouragement to carry on. He observes:

► “We [got] the right medical experts [to come] in early on to talk to our people and deal with the many uncertainties. Given the problematic rate of HIV-AIDS in many of our communities, there were many questions about this particular co-morbidity with Covid 19.”

Taking care of the company’s people extended

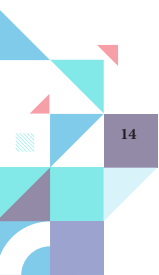




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beyond only employees to their families as well. Maintaining the physical, mental, and psychological health of employees needs to address those of their loved ones.



“We absorbed the costs of testing not only for employees but also for their families. The same goes for the services of our wellness partner [ICAS]. All family members had the various services available to them. We also offered paid leave so people could take care of themselves and their loved ones, be it to get vaccinated or to isolate after a positive Covid 19 test.”

On the issue of whether to allow diversity in peoples positions on taking the vaccines or not:

“Government needs to show leadership here. This is not something that should be left up to organizations. Either say ‘vaccines are mandatory for everyone’ or we will never make vaccines mandatory’. We need that clarity. Right now, we are waiting for case law. But it is a problem to wait. We haven’t taken the step of our own mandates. For now, we are incentivizing people to get vaccinated. We’ve said that if you aren’t vaccinated and you end up in hospital with Covid 19, we won’t pay for any sick leave. Parts of the workforce are up in arms, but this is us taking the lead.

We are providing as much information as we can through our usual channels of digital screens, pamphlets, and team meetings on the floor. Senior leaders have also been sending out photos of themselves getting the vaccine.”

Covid 19, Gender and Diversity

PPC’s board composition evidences some diversity, made up of 30% South African white male and 30% South African black female. However, white

females and black males each make up 10% of board composition. Foreign nationals make up 20% of the board. Rawana reports that PPC had some interventions in place to support diversity and inclusion prior to the pandemic. These included an Employee Assistance Programme (EAP) to support the well-being of all employees and their families. The assistance provided ranged from financial coaching, bereavement, and general counselling. In addition, diversity workshops were held which aimed to raise awareness. These workshops helped leaders to manage diversity better. However, the company recognises that the road ahead remains long.

Over the past two years, the nature of the company’s dialogue with its workforce became very much about health and safety matters. In addition, the dialogue became centred around the business’s strategy and purpose and conversations around a purpose-led organizational culture were encouraged.

When asked whether the pandemic highlighted any particular diversity and inclusion issues, Rawana responded that female employees had been hardest hit. He attributed this to school closures and the consequent need for family and care responsibilities falling mostly on female staff. PPC’s response was to introduce a flexible working guiding policy for working from home. However, he adds that not all employees were able to work from home owing to the nature of their jobs which posed many challenges for these employees. PPC therefore allowed employees to swap work shifts to accommodate some of these challenges, while also ensuring that the workplace was safe. A further challenge was that many amongst their blue-collar workforce could not self-isolate at home as their household set-up was not conducive to this. They were thus obliged to leave their homes to quarantine in available facilities. Trade unions were also impacted as they were unable to have mass meetings. PPC assisted them by providing advice on opportunities to go digital in order

to communicate with their members. PPC also needed to continuously engage the unions and to allow them the space to communicate since their members had immediate concerns about job security. PPC set up screens across their operations through which they communicated on business performance as well as health and safety. Previously, PPC's engagement with unions had always been face-to-face, but Covid meant that this was no longer possible. Conferencing facilities were made available by PPC for such engagements, and WhatsApp groups were created as most employees have the application installed on their mobile phones.

A positive consequence of the pandemic with respect to gender, diversity, and inclusion, is described by Rawana:

“[O]ne fantastic outcome of working digitally has been the flexibility it provides to employees [working from home]. This is now one of our value propositions. In particular, female staff have really appreciated the freedom. This comes through in feedback from staff. Many have been able to spend more time with their children, fetch them from school, and cook meals at home. Working remotely means a saving of as much as two hours of commuting per day for some people.”

Rawana reports on some of the priorities and challenges affecting diversity and inclusion going forward. The main challenge is that it continues to be difficult to attract talented women to an historically male dominated industry. In an attempt to overcome this, the organization has prioritized a number of strategies and areas for attention. These include:

- i. prioritizing conversations about diversity,

- equity and inclusion topics to avoid unconscious bias;
- ii. setting up diversity and inclusion resource groups that will help identify gaps and prioritize initiatives;
- iii. developing a diversity and inclusion policy which has been approved by the executive committee, where the next step is to operationalize it by forming resource groups and an executive committee member will be the sponsor of this work;
- iv. drawing up a budget for diversity and inclusion initiatives and developing clear key performance indicators; and
- v. linking diversity and inclusion questions into engagement surveys to gauge workforce sentiment.



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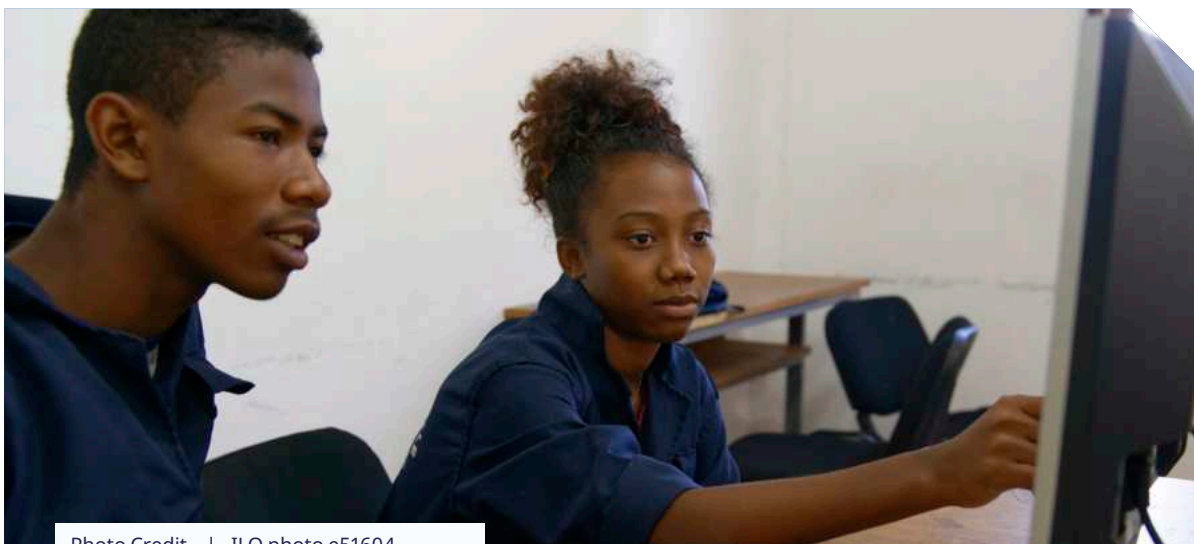


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► CASE STUDY 4: ONELOGIX GROUP LIMITED

About the Company: OneLogix Group Limited (OneLogix)

Business	Road freight logistics & vehicle storage group.
Operations	Botswana, the Democratic Republic of Congo, Malawi, Mozambique, Namibia, South Africa, Tanzania, Zambia, and Zimbabwe.
Established	1988.
Headcount	3,000.

OneLogix is a supply chain and logistics group, headquartered in South Africa and listed on the Johannesburg Stock Exchange. The group has 27 offices in Southern and East Africa. Whilst the group has an extensive African operational footprint, working across nine countries, operations report to the group's South African head office.

The group is comprised of 13 companies, with most of these offering various types of freight transportation services by road. Exceptions are OneLogix IT (which offers a managed services solution), OneLogix Warehousing, and OneLogix Cargo Solutions. The latter companies operate out of the port cities, providing warehousing and freight forwarding services to importers and exporters.

In the five years leading up to the financial year ending May 2019, the group doubled its revenues from approximately US\$90 million to US\$180 million. Over the same period, OneLogix increased its balance sheet by one third to approximately US\$130 million and posted profits ranging from US\$5 million to US\$10 million.

The financial impact of Covid 19 was already evident in the group's second most-recent reporting period to 31 May 2020. A hard economic shutdown ran for a period of five weeks in its biggest markets, meaning all but essential services were closed down for the better part of two months in key markets beginning in late March 2020. Following a 19% uptick in revenue for the twelve months to May 2019, revenue to 31 May 2020 was down by 4%. Thereafter, turnover decreased year-on-year by 6% to May 2021. Profits however, dipped even more significantly, shrinking by 60% over the same 24-month period. Although the balance sheet grew materially over the same period, with total assets climbing 28%, this was the result of corporate action and investment activity rather than operational resilience.

OneLogix has a total staff complement of approximately 3,000 employees, of whom roughly 30% are office-based workers and 70% are operational, working in the various logistics businesses.

Background to the Executive: Ian Lourens, Chief Executive Officer, OneLogix

Ian Lourens was the co-founder of a successful private post office and printing franchise, PostNet Southern Africa (Pty) Ltd, which was acquired by what later became the OneLogix Group Limited. He was also one of the co-founders of the logistics group and was appointed as Chief Executive Officer in 2002 and he has remained at the helm ever since.

Economic Impact on the Industry, the Company, and Workforce in Lockdown

The hard economic lockdown initially imposed as a result of Covid 19, impacted the group negatively both directly and indirectly. First, many of its trucks were unable to operate; and second, much of the economy was forced to shut down, causing demand for logistics to grind to a virtual halt. Further waves of infections and subsequent lockdowns also impacted the economy and hence the group.

The group has also been affected by Covid 19-induced knock-on effects which include a reduction in manufacturing by Original Equipment Manufacturers (OEMs) not wishing to hold stock, as well as global component shortages in the automotive industry. This was compounded by the fact that the building of a large vehicle storage facility had been underway prior to the pandemic. This is material, because a core part of OneLogix's business involves the motor industry in terms of transporting vehicles to ports for exports or within Southern Africa for domestic consumption, as well as providing warehousing of vehicles waiting to be cleared for export. This contraction was not specific to OneLogix but rather global in nature, with new vehicle sales volumes declining by 15% between 2019 and 2020.

Notwithstanding the material business impact, only 2,5% of OneLogix' workforce was retrenched in 2020 following the outbreak of the pandemic. In addition to the difficulty of workers losing their jobs, the group also incurred retrenchment costs amounting to approximately 1,3% of annual payroll.

Response and Recovery in Operations, Financial Performance and Workforce

OneLogix experienced significant net cash outflows because of the pandemic for the fiscal year to end May 2020. Management’s response during the following financial year was to implement cost control measures to reverse this impact. These measures were effective, and the group realised an 8% reduction in operating costs over the course of the 12 months.

To mitigate the effects of the slowdown in automobile manufacturing, and the accompanied decline in demand for vehicle storage, the group concluded a sale and leaseback transaction of the newly built vehicle storage facility.

Since the end of 2020, operations have been able to recover almost all the ground lost to Covid 19 as regional economies and cross-border movements have increasingly normalised. With this having occurred, from a labour perspective, the group has been in the position to re-employ almost all the workers who were retrenched.

Further lockdowns and consequent economic slowdowns are on ongoing risk. Because logistics forms an integral part of the economy, the group’s performance is highly impacted by the macroeconomic climate in the regions where it operates.

OneLogix Case Study: Covid 19 and the Workplace

Ian Lourens describes the impact of Covid 19 and associated responses on OneLogix as “Disruptive, frustrating and difficult”.

The impact of Covid 19 on African businesses has been immense. More so for companies that are not traditionally designed to operate digitally. This reality is evident in the experience of OneLogix. The Chief Executive Officer describes the company as:

► “[A]n old-world, real economy style business. We have trucks that move loads. It is all physical stuff. Our ‘workshops’ aren’t discussions, they are hands-on places where we fix machines and load trucks. So, when lockdowns were implemented, we had the difficulty of maximizing loads. Even where we had a full load getting somewhere, we struggled to load up the truck for the return journey. That makes it very hard to turn a profit.”

The changes in the nature of work and organization implied that such traditional business models were faced with the goal of survival first. With decreasing sources of revenue, the crises meant that ways to cut down costs needed to be implemented. In the experience of OneLogix:

► “The whole nature of our work and organization changed dramatically and quickly when Covid 19 struck. Our goal became to stay in the game and survive. That meant being circumspect but still bold enough to ensure the business sustained itself. Some of the challenges that emerged weren’t so much new as risks that were accelerated. But fundamentally, this crisis was something nobody anticipated.”

Even though company responses needed to be agile, in some companies it was not so much about new business models, but rather applying tactical strategies to ensure survival. Strategies to manage the challenges of a strangled supply chain were also needed. As the global supply chain took a massive hit, reduced chip shortages, hence reduced car production, hence reduced need for storage. For OneLogix, this meant that their storage utilisation went down to only 12% of capacity – a substantial loss of revenue for a logistics company. Their response was to focus more on significant sectors during the crises, like the agriculture and food industry. Lourens notes:

► “We were proactive about finding new business. Much of that came in the form of agricultural equipment. We were able to pick up more tractors and combine harvesters to replace some of the lost demand.”

To remain financially sustainable, reduced revenues meant reduced expenditure, even if only to break even. On this score, Lourens explains:

► “[O]ne concrete step was to create breathing room on the balance sheet. We had to curb capital expenditure. We sold off an entire superfluous fleet. Even though it hadn’t been superfluous a month or two before. Sadly, we also had to retrench people.”

Covid 19 and the Workforce

Reduced revenues in OneLogix took its toll on the workforce, especially given the traditional model of the logistics company. Lourens says that the staff of 3,100 people went down to 3,000 people, and that about three quarters of that was via retrenchment and the rest from attrition. Primarily, drivers and vehicle loaders had to be let go as there was not enough demand to maintain the expenditure that their labour costs presented the company. With the post-Covid 19 economic revival, some of the workforce have been reabsorbed. The truth, Lourens asserts, is that:





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"[O]ur workforce has largely been with us for a long time. There are good people in the group that we had to let go. Fortunately, with the subsequent upturn in the market, we have hired back many of them. So, from a personal perspective, those employees saw a 'benefit' in having received retrenchment pay-outs and, a few months later, they were back in a job."

One might argue that even though employees got their financial stability back, the impact of the retrenchment and the process of it might have taken significant tolls on their emotional and mental health.

Even though many of the company's employees could not shift to working from home, they kept going. With the benefit of hindsight, Lourens speaks highly of the attitude of many of these staff who kept going throughout the pandemic. He reckons that the response from the workforce has been encouraging:



"We were pleasantly surprised. People adapted quickly and took the safety protocols seriously. In fact, we improved productivity explained almost entirely by a greater sense of purpose and motivation. Everyone knew it was difficult for all of us, and the teams pulled together. That is testament to the quality of our people. They realised we can only control what we can control."

One of the adaptations to deal with the strain of Covid 19 was the OneLogix Care programme. This is an initiative that seeks to provide substantial care to employee welfare through company funds. The stress brought on by Covid 19 was significantly alleviated by the operations of this initiative as employees facing tough circumstances could access some assistance. Important to note, though,

is that this programme was in place to look after setbacks to employees such as medical or personal setbacks, and that the programme was repurposed to deal with Covid 19, identifying instances where Covid 19 had impacted households and providing financial support and relief in kind.

In terms of technology and the new world of work, it is no longer a novel finding that Covid 19 has had a significant impact on the uptake of technology across different industries. From the use of meeting platforms, like Zoom and MSTeams, to the increasing importance of digital collaborative tools like Slack, these rapid technological adoptions were also experienced in OneLogix. Although "an old-world, real economy style business", it still employs a good number of office staff – approximately 30% of the total. Existing technological infrastructure meant that in response to Covid 19, office staff could immediately and successfully switch to remote work. Covid 19 also meant that OneLogix's businesses across the continent could better engage across borders as every office staff was now equidistant – one Zoom call away. Lourens reckons that:



"[W]ith 27 offices spread around Africa, we were fortunate enough to already have the technology in place for the new virtual world of work. We made the move seamlessly. Office staff worked from home, and we had our meetings via Zoom calls. All it took was an adjustment period to the culture change."

Increased use of digital platforms and technology implied that security systems needed to be developed to safeguard the company's data and protect the system from electronic attacks as this was identified as one of the risks of the increased uptake of technology.

One possible challenge that employers are still grappling with remains around employee performance. Moving from work cultures that



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encourages performance through presence, to one that values outputs remains a challenge. Monitoring performance in the work-from-home world brings new puzzles. For Lourens, it was not the headache one might assume:

➤ “We found you need champions who ensure quality and deadlines are still met. Some people will hide and pretend to work. But we monitored output. Most people showed ingenuity and willingness. If anything, it improved the esprit de corps.”

One uncommon tool that helped OneLogix was their “in-house storyteller” who provided and communicated staff narratives. This role existed before Covid 19, but it seems to have taken on renewed importance with the pandemic. Lourens explains:

➤ “When we’re working together in person, it is far easier to help someone who is struggling. We can miss the signs when working remotely. For example, you may not hear about a colleague’s daughter who has a particular difficulty. But we were still able to share our stories. Our storyteller could distribute these personal narratives. People rallied around people.”

Covid 19, Gender and Diversity

The logistics business has long been dominated by males. “It has been about 75% male for decades,” says Lourens, which is very much the demographic

make-up of OneLogix. OneLogix has for some time addressed the disparity with initiatives that seek to empower women drivers and workshop operators that are effective and can compete fairly in the market. Although OneLogix does not have a diversity and inclusion policy, it has a transformation policy. Speaking to this transformation policy, Lourens reports “We have an initiative to train female drivers and workshop operators. It isn’t only for us. Many graduates go out into the market after completing our programmes. We regard this as an important positive externality or spill over of our work.”

With a gradual return to normal and regular easing up of lockdown restrictions, Lourens and his leadership team are upbeat about returning to the office. “We need the face-to-face contact,” he explains, “There is lots to be gained from the serendipitous interactions in the corridor and other things you just can’t recreate online. It is more productive to deal with issues instantly and in person. One exception is the information technology team. I find they can be fully online, and they seem to be enjoying it. There is some push back against the return to office. But in-person is better for us.”

Some two years into this unprecedented crisis, Lourens has had plenty of time to learn. “The most meaningful change I see us taking out of this is the flexibility we have found. Things you didn’t anticipate can happen in an instant. The answer is to be as effective as you can at trying to identify the left-field events, but also to be able to respond effectively when you are surprised. So, you scan the environment to identify and understand risks, but when crisis strikes, you have to be more responsive than your competitors.”



► CASE STUDY 5: ASPEN PHARMACARE HOLDINGS LIMITED

About the Company: Aspen Pharmacare Holdings Limited (Aspen)

Business	Manufacture and marketing of post-patent pharmaceuticals.
Operations	71 offices in 50 countries, including Egypt, Ghana, Kenya, Mauritius, Morocco, Nigeria, South Africa, Tanzania, and Uganda.
Established	1997.
Headcount	9,800, with 4,000 employees in Africa.

Aspen is a multinational pharmaceutical group comprised of commercial and manufacturing businesses, with a turnover of approximately US\$2,5 billion, 60% of which is earned in emerging markets. The group manufactures and/or markets a broad range of branded generic medicines for the hospital and consumer markets across 150 countries, focusing on affordability as well as quality. Its business divisions are Sterile Focus Brands, Regional Brands and Manufacturing. Its 71 offices include 23 manufacturing plants. Despite being a relatively young business, the group had already responded to the HIV/AIDS pandemic, as well as drug resistant Tuberculosis on the African continent and hence had some experience of responding to a health crisis. As a result of the Covid 19 pandemic, one of the group's subsidiaries entered into an agreement with Johnson & Johnson for the manufacture of 300 million Covid 19 vaccines per annum at one of its African sites.

For the five-year period prior to the pandemic, the group's revenues remained consistent around the US\$2,5 billion mark. Aspen grew its balance sheet by nearly 40% to US\$8 billion in the five years to June 2019, principally explained by various corporate actions. Prior to June 2019, profits had been steady at around US\$350 million, before dipping significantly in 2019. Since then, the group has participated in a material recovery in earnings as a result of strategic realignment.

Aspen has a total staff complement of approximately 9,800 employees, with 4,000 based on the African continent.

Background to the Executive: Stavros Nicolaou, Senior Executive: Strategic Trade

Prior to heading up Strategic Trade, Stavros was the Chief Executive Officer of Aspen's export business. Stavros was instrumental in negotiating with global pharmaceutical entities to allow for the manufacture of generic anti-retroviral medication for people living with HIV.

Economic Impact on the Industry, the Company, and Workforce in Lockdown

Overall, Aspen's financial position has not been materially affected by the pandemic, thanks, in great part to its relevant product portfolio. A key component of the group's business prior to Covid 19 included anaesthetising medication as well as thrombosis drugs and muscle relaxants – the latter being administered to patients on ventilators. These were all able to contribute towards sales when the pandemic first hit. That said, in the latter half of the 2020 financial year, the uncertainty and volatility of Covid 19, its waves, and consequent country-specific lockdowns adversely impacted Aspen's regional medicine brands business. Products associated with elective procedures also saw a dip in demand that translated into a fall in revenues. By mid-2021, its year-end results for the period ended June 2021 saw Aspen's revenues climb back to US\$2,5 billion, after falling to US\$2,2 billion in the previous year.

Aspen's balance sheet has been substantially impacted by corporate action, with assets declining by 10% year-on-year for the twelve months to June 2021, following the disposal of their European Thrombosis business.

Aspen's shift towards increasing its manufacturing capacity to produce Covid 19 vaccines, relative to its commercial business, resulted in somewhat lower gross profit margins overall. This is because manufacturing margins are relatively lower in this segment. Despite the lower margin, 2020 saw an increase in profits aided by a broad-based recovery in performance on the back of the strategic realignment of the group portfolio, with bottom-line profit of US\$320 million recorded for the financial year.

From a labour perspective, Aspen was able to continue to operate at full capacity, given the nature of its business in the face of the pandemic. Office-based workers moved to remote working

while those in manufacturing, continued to be on-site, with the necessary protocols in place.

Response and Recovery in Operations, Financial Performance and Workforce

Prior to the pandemic, Aspen had worked on building up its sterile manufacturing capacity, which meant they were well positioned to partner with Johnson & Johnson for the manufacture of vaccines on the African continent. The group is investigating ways to expand this capacity. In addition, negotiations are underway for Aspen to be awarded a licence for Covid 19 vaccine manufacturing for Africa.

Operationally, the group has sustained pre-Covid 19 performances. With healthcare deemed an essential service, the group has been able to operate without interruption to its core production process, although specific impacts were experienced in parts of the portfolio, including pharmaceuticals related to elective surgery.


Aspen is considering a mandatory vaccination policy for its global workforce. One rationale behind this is that a significant portion of employees interact directly with frontline healthcare workers, and it would be irresponsible to unnecessarily subject these individuals to further risk, or to put their patients at risk.

As of the end of 2021, the group was looking at a phased return to the workplace for its office workers and was considering a hybrid model of remote and on-site working.

Aspen Case Study: Covid 19 and the Workplace


The impact of Covid 19 on Aspen was truly unprecedented. How does a Chief Executive Officer go to bed one night thinking of what new business opportunities need to be maximized, and then wake up the next morning to a crippling pandemic that threatens the livelihood of individuals and the businesses’ sustainability? That is the story of the Covid 19 crisis, according to Nicolaou.

For some companies, like Aspen, the benefit of globalization meant that there was a lot of knowledge exchange which allowed the company to be relatively better prepared; what Nicolaou describes as a “head start” that allowed the company to “pivot and pirouette” where needed. The company’s large footprint across Europe allowed them to be able to monitor the occurring trends to adequately respond. One such production strategy was in response to the health needs of people who had taken ill. Nicolaou recalls:

 “We are a large supplier of muscle relaxants anaesthetizing drugs. Those have a role to play in treating patients with Covid 19. So, we had an immediate task to address. We

upped our output of those drugs as well as dexamethasone, a therapeutic ... which we consider to be testament to our capacity to repurpose, innovate and solve a problem.”

This ‘repurposing’ strategy meant that unlike some other industries, such as the food and hospitality industry, Aspen had the option to increase its competitive advantage by increasing its capability by producing the Covid 19 vaccine. This ‘entrepreneurial spirit’ strategy has led to significant windfalls as the multinational remains one of the few pharmaceutical companies producing the vaccine on the African continent:

 “[T]hat has been the defining characteristic of those who succeeded during the pandemic. Were you able to pivot? Those who were able not only to sustain themselves and avoid calamity, but to take advantage of new opportunities.”

In a society, where opportunities abound to contribute to addressing socio-economic challenges, the company feels it’s been making a considerable societal contribution. Obviously, contribution, is not in reference to the typical accounting expression that speaks to the bottom line. Contribution is about the sustainability of the entire economy. It is about the bigger picture.

Nicolaou asserts: “It is no use if we just survive on our own. Maybe you can make a profit yourself for a short time. But what then? If you don’t contribute to the sustainability of the whole economy, you don’t have a business in the longer term. So, it is not only the right thing to do, but also the right thing to do for your business. It may be a cliché, but if you set out to save lives, the business opportunities follow.”

In reacting to Covid 19 Aspen had relatable experience to rely on. When the pandemic of HIV/AIDS hit South Africa in the 1990s, the business was one of the forerunner responders. In the early 2000s, when multi-drug resistant tuberculosis hit the southern African region, Aspen was again at the forefront. These experiences also provided significant capabilities for the business to respond to the Covid 19 pandemic.

Covid 19 and the Workforce


The ‘entrepreneurial spirit’ strategy paid off for a broader group of stakeholders including shareholders and employees. Aspen employees were therefore not significantly affected through job losses or pay cuts. With financial sustainability under control, Aspen also needed to ensure that its workforce was adequately prepared to remain productive by staying healthy. Aspen has



introduced mandatory vaccination policies for all its customer-facing staff.


"[L]ots of (sales) reps are out there dealing with healthcare workers on the front line. It would be irresponsible not to take the right precautions here. We're also on a phased return to the office. Part of that will be getting people vaccinated."

With the new way of working brought about by Covid 19, businesses now need to think of innovative ways of maintaining and measuring performance. Nicolaou reckons that there are significant improvements in productivity. At least from a personal point of view:

 "I am as productive as ever. I get up at the normal time, get in the car and I'm at the office with my coffee at 7.15am. I find Zoom meetings allow me to better manage my time and keep a routine. So, it will certainly be a hybrid model from now on."


Nicolaou reckons that although it is possible that some productivity will be lost with working from home, it will vary from individual to individual. For the employees there are personal commitment levels that need to be maintained: "When it gets to the point where you have to be tracked, it means you don't really want to work for the company."

Over and above these observations, there have been increased productivity benefits in the company. Nicolaou acknowledges the improved productivity benefits from the new hybrid work environment for his broader workforce. However, the need for innovative ways of measuring performance remains important.


 "There are certainly general benefits to the work-from-home model. You can slash travel budgets. I think there remain times when you must meet in person. Those are in circumstances where human contact will optimize the interaction."

In order to drive productivity during the pandemic, Aspen refocused the company's business strategy which necessitated the resetting of organisational structures and roles. They invested in digital transformation and continue to do so. For example, major SAP enterprise projects were concluded in the last two years. They also invested in leadership, functional and behavioural upskilling, and reskilling across their global workforce, and – once again – they continue to invest in these areas of employee development.

As for measuring productivity, Nicolaou notes that Aspen has not made major changes.

 "In the factory setting, it is much the same. Many of our people were real heroes. They had the necessary permits and came to work throughout the pandemic. In this setting we can measure output as per usual. On the commercial side, we still measure sales and revenue. But we have had to adjust our targets. If your sales drop 50% but the market dropped 70%, you did well. So, we were reasonable about that."

Due to the Covid 19 pandemic, many employees across the world have had to deal with their mental health in addition to the instability in the economic and social side of their lives. For Aspen, it is unclear to what extent this might be the case.

 "We know the economic challenges in South Africa. And we know the nationwide statistics say that gender-based violence has risen as has alcohol abuse. Like any business, we have people who have suffered from Covid 19, lost loved ones, and had severe mental health challenges. However, we haven't seen major warning signs with our people. For example, we haven't seen them taking off inordinate amounts of time. But I do worry that people are good at hiding these things. So perhaps more problems will emerge with time."

After the onset of the pandemic, dialogue with employees became more frequent and more informal, encouraging leaders to check in and check out often with employees. The shift in dialogue as a result of the pandemic also involved leaders being asked to focus on the "whole" person and to be truly concerned about the person from a psychological and personal perspective. In other words, it was no longer simply about the work but about how the person showed up every day to do the work. Aspen has thus stressed the "human" aspects of the company's human resource pool across the world.

With Covid 19, Aspen reported that new realities became the norm, but that resilience and strength allowed them to achieve as an organization. Combatting the spread of Covid 19 will continue to be a priority as the company looks at mandatory vaccination policies across the Group and examines their own position on a mandatory policy. It is felt that this may impact engagement and therefore that the work done to position this correctly, will be critical.



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Covid 19, Gender, and Diversity

Aspen's workforce of 9,100 employees is comprised 52% males and 48% women, as reported by the company; the board is comprised 70% male and 30% female directors; five of the seven male directors are white, and one of the three female directors is white. To promote diversity and inclusion, Aspen has a diversity and inclusion policy in place.

Cognizant of the specific challenges to women, Aspen pays careful attention to empowering women in the business. "We have tools in place, like a women's forum, to ensure we hear about these challenges," says Nicolaou. With Covid 19, Nicolaou recognizes that it is perhaps too soon to make observations around discrimination. However, he asserts that Aspen is actively engaged in promoting diversity and inclusion:

➤ "With or without Covid 19, we know that women enjoy less opportunity than men as a matter of course in the economy ... the real issue is whether you believe in diversity and practice what you preach. I believe we do. We are highly engaged with our diverse communities."

In terms of supporting diversity and inclusion after the pandemic hit, Aspen had already put in place robust reporting mechanisms to monitor Covid-19 effects and to engage employees around return-to-work protocols whilst ensuring the health and safety of teams. Workplace readiness plans were completed whereby vulnerable employees were quickly identified. Aspen then made accommodative work arrangements and completed return to work training. They also relooked at their flexible working arrangement policy to accommodate employees and created awareness around their employee assistance programmes (EAP), to encourage mental and psychological wellbeing.

The company was sensitive to the fact that with lockdowns and remote working, parental challenges and issues of loneliness were heightened. They therefore ramped up visibility of their EAP programmes and increased the number of town halls held to ensure communication remained dynamic. Furthermore, Aspen empowered line managers with skills on how to ensure engagement was not compromised during remote working. They also acknowledged that gender-based violence (GBV) became a global second pandemic and ran a global programme on 16 Days of Activism.

Aspen recognises the need to be intentional in all things transformational. The company has clear deliverables to create diverse teams, and to ensure that everyone is included and has a strong sense of belonging. The company also acknowledges the need to give greater support to practices, policies, and culture anchors that allow for a truly equitable and inclusive organisation. Aspen's areas of focus for 2021 with respect to diversity and inclusion were the following:

- i. To roll out a talent management strategy and framework across the Group.
- ii. To roll out a Group-wide equity, diversity, and inclusion (EDI) plan, including a wellness strategy and to create a Global Women's Forum.
- iii. To integrate the new world of work and Covid-19 realities into the workplace, the workforce and the work being done at Aspen through policy and practice. For example: implementing a flexible working policy as well as non-discrimination and anti-violence policies.
- iv. To focus on skills development for manufacturing excellence and leadership.
- v. To be cognizant of the fact that as Aspen drives its sustainability strategy, topics like inclusion and belonging are critical and that social issues like GBV can no longer be ignored. Aspen is therefore taking concrete steps to address GBV.

► SUMMARY AND CONCLUSIONS

The Covid 19 pandemic is one that has taken a significant toll on individuals, businesses, countries, and global organizations. The political, economic, social and health effects are tangible, even as stakeholders remain innovative in their strategies to adapt, survive, and succeed. For businesses in Africa, the challenge remains substantial as underlying socioeconomic and infrastructural issues abound. Our case studies highlight the many issues that business executives need to address that emphasise concerns for the workplace and how to remain sustainable in a challenging and complex environment, and concerns for the psychological, technological, and physical health of the workforce.

The evidence from our case study interviews suggests that the Covid 19 pandemic has challenged businesses to think and act more innovatively. Resilience, flexibility, and care are some of the choice words proposed to proactively engage with the events and impacts of Covid 19. In a post-Covid 19 world, our conclusion of this report focuses on three recurring concerns for business executives around navigating the digital complexity; managing workplace performance; and ensuring inclusion and diversity.

The quest to navigate new digital technologies requires that we take a step back to assess whether potential employees have the necessary conditions to work with new systems and absorb new knowledge. Though Africa boasts of a potential for a youth dividend, there are concerns around the quality of education provided. Do the foundational educational resources provide enabling environments for young Africans to learn new skills and develop innovative digital capabilities? Are potential employees future fit? Will they be able to remain agile in the face of certain uncertainty? And, in the words of Aspen's Nicolaou, can they pivot and pirouette where needed to defend and/or build businesses' capabilities? These are some of the questions that business organizations in the new world of work will need to grapple with in empowering employees to employ new technologies – not just as consumers but as developers who can co-create useful technologies that contextually suit their environments.

In a similar vein, measuring performance in our new world of work is a key concern. Finding

the balance between people and performance requires organizations to strategize on more efficient and caring ways to increase production. The ability to keep teams motivated in a world where working in isolation threatens the mental and psychological health of employees presents new challenges. Organizations now need to think differently about productivity in an environment where many – or even most – of their staff work from home. How can businesses ensure that their employees stay motivated to perform? How can performance be differently measured, assessed, and rewarded? These are some of the questions that our new way of work throws at executives operating in challenging business environments, like those in Africa where technological, public, private, and social infrastructural challenges abound.

Concerns around diversity and inclusion as they pertain to gender and representation of women, disability, sexual orientation, identity, and race are not new. These conversations have been ongoing. The Organisation for Economic Co-operation and Development (OECD, 2016) reports that losses of up to \$12 trillion per year (or 16% of global income) have been attributed to gender discrimination. This is a dire statistic, even as ongoing business and policy activities have been in place to ensure that women are represented and fully included in decision making. Issues around discrimination and race remain on the front burner as organizations engage in directed action to address these issues. One such example is seen in South Africa with a B-BBEE policy which exists to ensure that previously economically-disadvantaged groups are better empowered. These are issues businesses need to address urgently and proactively to ensure that they take advantage, not just of the value that such diversity brings to organizations, but also that they are appropriately poised to contribute to meeting some of the sustainable development goals designed to keep our world sustainable. Newer concerns around vaccine diversity also needs to be tackled by business and policy makers. Should employees be allowed to choose whether to take the vaccine or not? Will they be able to keep their jobs if they choose not to vaccinate? What considerations will need to be made to ensure that no one is left behind, regardless of their healthcare beliefs and vaccination choices? These are some of the key questions around diversity

and inclusion that business organizations and policymakers will need to actively engage on and carefully make decisions about.

The key words of the executives interviewed in the five case studies succinctly capture the impacts on business and responses of companies. It is evident that no company had immunity and that it was rather the extent of the impact that varied. Further, responses and reactions – even if to some extent pre-empted by other forces – vary widely and are not generic, but specific to circumstances in the business and conditions in the workplace. What is common to the case studies is a clear sense of purpose and commitment amongst executives to promote inclusion, engagement, well-being, and financial, physical, psychological, and emotional safety.

Across the cases, we were struck by the extent to which executives reported cohesion and collaboration in the workplace amongst workforces that generally were swift to adjust to workplaces and work practices that were changed at an historically unprecedented pace. We do not come away with a sense that the changes in the African workplaces where we interviewed executives will lead to wholesale changes in monitoring and managing productivity. If anything, changes that were described on this front were modest or otherwise regarded as not meaningful. Moreover, on this score, we can report a consistent note across the five case studies of productivity, if anything, having increased across the workforces of the five industries. Although the sample is small, the messaging was consistent. A specific takeaway from the case studies is that the driver of this productivity across industries, companies, and countries is overwhelmingly attributable to “purpose and commitment” to cite one of our interviewees, rather than “technology or capital”. This is not to suggest investments in skills, training, and technology played no role – they did – but it strikes us that it is overwhelmingly that, in and of itself, Covid 19 has catalysed productivity, all else being equal.

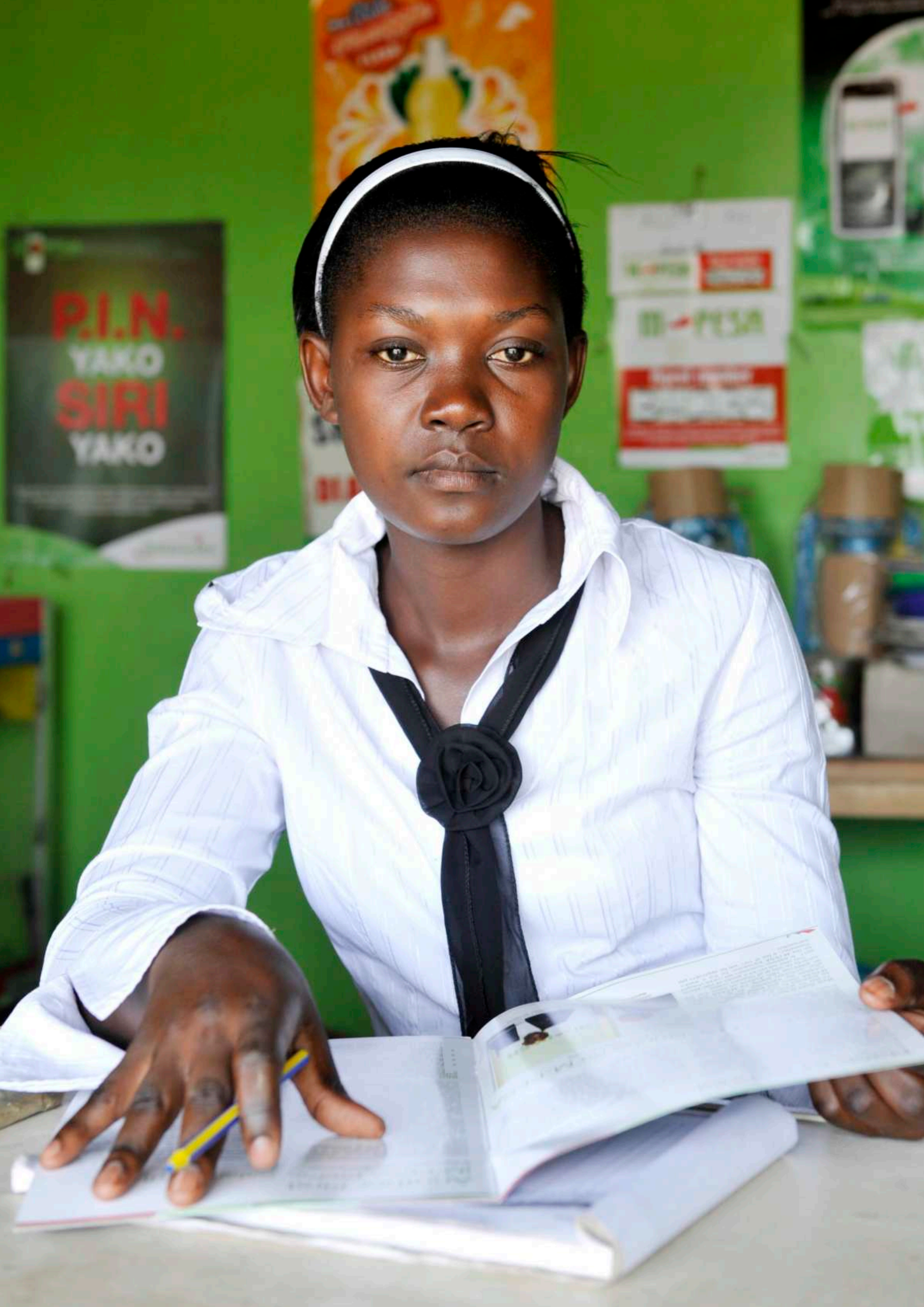
Another meaningful and consistently reported commonality was reference to labour market regulations being behind the curve. Executives noted across the case studies that there is a key need for laws to catch up with the changed circumstances brought about by Covid 19.

Somewhat related, it is also clear that the changed workplace brings about new stresses and fresh tensions relating to sources of inequality and exclusion. Two points that stand out, on this front, include references to the impact new work models (work from home or hybrid models) have on worker’s perception of fair treatment; and the risk that digital exclusion, infrastructure gaps and skills deficits will make new work models even harder to access for many.

As a closing observation, the case studies leave us with some positive evidence, including nimbleness in management practices as a critical feature of coping with Covid 19, and an overwhelming sense of agility in the employees of the case studies to deal with change, including adopting new workplaces, embracing shifts in work practices, and exploring different modes of training, reporting, and delivery. What is also clear from the case studies is that the changes in work practices and workplaces that were sprung upon labour forces in Africa under Covid 19 are here to stay, and this will demand new skills, new models and modes of management, new infrastructure, and new regulations.



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International Labour Organization
Route des Morillons 4
1211 Geneva 22
Switzerland

