

Strengthen your business - outside the office

Issued by [UCT Graduate School of Business](#)

14 Apr 2014

When business neglects to nurture real relationships with community stakeholders, a tragedy like Marikana can easily happen.

Neglecting the needs of important stakeholders has implications not only for the company and its industry, but even the national economy.

South Africa's business history is littered with examples where a failure to take stakeholders such as local communities properly into account has led to tragedy - the most recent of which is Marikana.

Elsbeth Donovan, who convenes an executive education course on Strategic Social Engagement Practice at the University of Cape Town Graduate School of Business (UCT GSB) refers to Marikana and recalls a quote by a mining executive about how "if you can't get stuff right above the ground, you can't get to the stuff in the ground."

Aside from the human cost which culminated in 44 Lonmin miners being shot dead at Marikana during a strike for higher wages in 2012, Lonmin, the world's third-largest platinum producer, lost about \$170m worth of output during the six week strike, and saw its share price fall 19% in the same period.

Donovan says unless relationships with stakeholders are based on trust, it is difficult for businesses to convince communities that they operate to create value for the community.

The Strategic Social Engagement Practice at the UCT GSB is a five-day short course that is designed to boost the capacity of all managers and professionals to respond effectively and innovatively to emerging system pressures and trends affecting the development agenda. In the context of increasing societal expectations, the course aims to develop the ability of participants to engage positively with all stakeholders impacted by their organisation's operations. Stakeholders refer to anyone who has an impact on or who is impacted by an organisation along its entire value chain. Donovan explains that the course considers the practice of strategic social engagement through the lens of considering what an organisation's social purpose is.

UCT GSB Director Professor Walter Baets says the course offers business leaders the opportunity to learn how they can not only function better but more meaningfully - a cornerstone of the business school's vision. "Business schools should not only educate but also inspire and motivate for bigger and better community-development focus."

Donovan says it is important for managers and business leaders to ensure open communication channels with stakeholders and to keep the organisation's message consistent.

"This is often considered a PR exercise, but it is much more than that. It is about creating value beyond financial value and understanding the social and environmental context of businesses and companies. Understanding the system you are a part of and the knock-on effect that you and your organisation have on the system."

For more information about the 2014 Strategic Social Engagement Practice course please contact Ann Wium at the UCT GSB on 021 406 1314.

" Inaugural Africa Impact Summit to showcase how impact investing can transform the continent 5 Apr 2023

" Take your startup to the next level! Join the e-Track programme 1 Mar 2023

" UCT GSB conference to share insights on how to do business in Africa 6 Dec 2022

[UCT Graduate School of Business](#)



The University of Cape Town Graduate School of Business (GSB) is recognised as one of the best business schools in the world. Its innovative approaches to teaching and learning and commitment to relevance and social impact set it apart from most.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>