

# Enhanced Transformation and Accessibility: a challenge for the private healthcare sector



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South Africa is a country with a past characterised by institutionalised inequalities and a present that former President Thabo Mbeki refers to as consisting of “two economies”. In this situation, “private” will always be contested territory.

The very title of this paper would seem to be contradictory, depending on the reader or audience confronted with it. The current debate around the relationship (or lack thereof) between the private and public healthcare sectors adds a further dimension to the discourse that is generated by the topic, and can potentially “shift the goal posts” even further.

For some readers, the very concept “private” releases negative energies as it is equated with elitism. Other readers equate it with quality and choice. The other two loaded concepts here are transformation and accessibility. For those still grappling with transformation – and, consequently, experiencing it as diverting their attention and energies away from their *core business* – this article would seem to add fuel to the fire by suggesting that this “thing” should be further strengthened. Transformation (and specifically *sustainable* transformation) needs not to be experienced as a “lastigheid” (nuisance), but

rather as an opportunity to engage in *breaking new ground*.

Any attempt to pin down transformation to the confines of a definition would merely be an academic exercise that could lead to endless debates, and one is weary of debates that do not necessarily lead to clarity, delivery or implementation. Furthermore, one is well aware of debates that are meant to stall implementation or are purely conducted for the sake of debating. Suffice it, therefore, to state that transformation is a process that is set in motion by the necessity to shift from the status quo to a desired state – the key word here being process, a process that entails revisiting one’s established practices and alliances with the view of further developing one’s business. There also needs to be some consensus about the necessity to shift, and it is crucial that the vehicles be provided, identified or acquired to set the process in motion. One of these vehicles could be legislation.

**TRANSFORMATION AND/OR ACCESSIBILITY**

The maintenance of this vehicle, as the only means of transportation to the “desired state”, can be extremely costly, especially if the driver feels compelled to operate it. The other vehicle – with low maintenance, cost-effective and which the driver has opted for – is a model that views transformation as a business strategy.

While the former can yield measurable results, the point of departure could be mere

compliance, which could then lead to abrupt stops and uncontrolled starts – not all drivers are able to kickstart a vehicle when it has stalled in heavy traffic! Since the latter approach, that is viewing transformation as an integral part of business, is not viewed as an added burden on the company, the chances of successful implementation and sustainability are virtually guaranteed.

**TRANSFORMATION AND BUSINESS STRATEGY**

The title suggests that we have long crossed the point of deciding whether transformation is good or bad. We are now supposed to be at the point where we need to strengthen it, to make it sustainable. As indicated earlier, the road towards sustainable transformation starts at the point where it is viewed as a business strategy, that is going beyond compliance or merely being fashionable or politically correct. Doing the right thing is often more challenging than doing something for the sake of visibility, or so-called window-dressing.

This demands a commitment that starts with integrating one’s transformation agenda into the business of the company, meaning that when goals and objectives are determined at an annual management indaba, transformation should be part of that engagement. This strategy would ensure that transformation is not relegated to the fringes of company business or treated as an

unwelcome step-child. When a business entity like Medi-Clinic has identified *growing the company* as one of its objectives, it becomes imperative that the company spells out how transformation initiatives can add value to achieve that objective. On the other hand, we will be taking aim at our own feet if transformation is seen as a potential stumbling block to the stated objective.

**TRANSFORMATION AND THE MANAGEMENT PROCESS**

Having achieved the goal of integrating transformation into the business of the company, a next crucial step centres around actively managing the process in order to ensure that the stated goals are pursued. This management process should also entail supporting the transformation agenda by creating an enabling environment.

Not all “elements” within an organisation will voluntarily embrace transformation – especially within the current environment that is still grappling with its exploitative and racial past. One would, therefore, have to embark on a planned programme that would prepare employees and top management for the changing environment.

A good starting point would be to not only get buy-in from top management, but also, ideally, to have the first diversity management workshop with this category of employees. This step would not only send the right message to the other levels of employees within the company,

but would also ensure that all levels are covered. One too often assumes that top management does not need a workshop on diversity.

**THE HEALTH CHARTER**

The not-yet-finalised Health Charter does offer guidelines with respect to enhancing transformation in this sector. This document highlights access, equity, quality and broad-based black economic empowerment (BBBEE) as “key areas” to be attended to in order to ensure meaningful transformation within the healthcare sector.

It should also be stated that some role-players have already embarked on significant transformation initiatives, largely guided by the Department of Trade and Industry’s BBBEE Codes of Good Practice. Another view states that the process cannot wait for the charter to be finalised, and one, Shoks Mzolo, recently expressed the view that lack of a charter should not be forwarded as an excuse for not having a transformation agenda<sup>1</sup>.

The initiatives that some companies have already engaged in could actually give guidance and inform the final content of the charter, as these could be considered to be tried and tested.

Much as one is tempted to focus only on the codes, we should be mindful of the fact that our transformation strategy should not only be guided by the codes. The codes can be used to measure progress with reference to specific elements.

The transformation agenda should be guided by the company’s vision, which should have a clearly articulated strategy element that speaks to how transformation will be dealt with within the company.

**OVERSEAS VENTURES**

As far as the ownership element is concerned, it would be important for companies who venture abroad to take their empowerment partners along. This would take care of the perception that such companies are engaging in tactics that in essence constitute some form of neo-separate development. This (taking them along) would mean that these empowered shareholders have access to and are participants in the global economy at a more meaningful and empowering level. Venturing abroad thus entails transforming, as well as growing the company. Both the company and its empowerment partners would, in this way, be breaking new grounds in a mutually beneficial manner.

**ENTERPRISE DEVELOPMENT**

Closely aligned to ownership is, of course, enterprise development, through which companies can develop and assist enterprises owned or co-owned by people from the designated groups. This kind of engagement should be structured so that it makes business sense, that is leading to the growth of the company on the one hand and ensuring sustainability of the empowered enterprise on the other hand.

This meaningfully structured approach would ensure that the enterprise remains viable, and that the sponsoring company cannot be accused of setting it up for failure. In short, pumping funds into a venture, without any other or further supportive role to play, cannot be considered to be meaningful empowerment, and thus will not necessarily lead to enhanced transformation.

**THE SKILLS FACTOR**

Studies across the board are indicating that the skills shortage globally is reaching alarming proportions, and that the health sector is particularly hard-hit. It has also been alluded to that our higher education institutions are not able to address this challenge adequately on their own. Employment equity and skills development are two elements that should be complementing each other, that is developing the skills of your workforce, bearing in mind your employment equity policy and plans. It is, once again, important that these elements are not looked at in isolation, but that support systems such as mentorship and development programmes are an integral part of assisting designated employees to progress in their respective areas of operation. The much talked about skills shortage in this country calls for a concerted effort to strengthen and grow the existing partnerships between the private healthcare sector and tertiary institutions. Focused research in this regard, making

resources and monitoring mechanisms available, would be crucial if we are to make meaningful progress in addressing the skills shortage.

### PUBLIC-PRIVATE PARTNERSHIPS

It is common knowledge that our public healthcare system is facing seemingly insurmountable challenges and, in the quest to address these challenges, the private healthcare sector will either be a logical partner or a logical target. Some commentators state quite categorically that we need to acknowledge the fact that the public healthcare system is in crisis. Mamphele Ramphele has on occasion expressed the concern that “the public healthcare system (was) broken and (had) to be fixed”, and has consequently suggested that the only way in which it can be “fixed” would be when “we work together – the government, the public healthcare sector and the private healthcare sector”. A major issue addressed by Ramphele here is access to quality healthcare by the poor, and the need for joint action<sup>2</sup>.

There is a dire need to look at and offer what Medi-Clinic describes as “alternative mechanisms to enhance access to quality healthcare”. In her article, Ramphele cautions against “destroying the private (healthcare) sector”, suggesting instead the need to “leverage what the private (healthcare) sector has to offer”. Considering the fact that for the foreseeable future we will have people who

cannot access private healthcare services because of cost and/or location, it is incumbent upon us to research the possibility of offering low-cost products to accommodate the poorer and currently disadvantaged communities.

Through well-planned corporate social investment initiatives, the private healthcare sector can take pro-active steps to project the sector positively. These could include focused interventions that address access to healthcare services by communities that would normally have been excluded.

### WHAT NEXT?

Firstly, we need to move from a position that asks the question: “How is transformation affecting my company?” to: “How can/is my company enhancing transformation?”. Secondly, it is imperative for us to make the move from mere compliance to genuine transformation, that is going beyond pumping all our energies into figuring out “how to beat the system”. In this regard one commentator, Sibonelo Radebe, laments the fact that sustainable empowerment is hampered by the emergence of a culture of compliance. Radebe further notes that there are now empowerment gurus who are focusing on ways to score on the scorecards<sup>3</sup>.

In embarking on a transformation agenda, we will need to focus on the relationship between growth and transformation, in other words to look at transformation as a

vehicle for growth. We will, therefore, need to invest the resources required to ensure that our transformation is sustainable and that it leads to growth for the benefit of all.

What is ultimately needed, is a joint effort to make quality healthcare services available to a broader spectrum of our people. Important stakeholders here would be government, the departments of health and education, the private healthcare sector and non-governmental organisations. History has shown us that unilateral actions and decision-making seldom yield solutions – there is an urgent need to create and utilise a participatory environment in order to effectively address our challenges. We are, therefore, challenged to find ways in which to channel our energies into enhancing transformation and push the frontiers of access while growing the business.

The ultimate aim should be to give meaning to the slogan “transformation for sustainable access”. If we focus our collective energies on this, we would indeed be *breaking new ground*.

### REFERENCES

- <sup>1</sup> Shoks Mzolo, *Financial Mail*, Special Edition, Top Empowerment Companies, 4 April 2008
- <sup>2</sup> Mamphele Ramphele, *Sunday Times*, 20 April 2008
- <sup>3</sup> Sibonelo Radebe, *Financial Mail*, 16 November 2008