

Assumptions made in the adaptations of the Management Control and Skills Development formulae:

There are numerous errors in some of the formulae which have been detected in the newly amended Codes of Good Practice Gazette No. 36928 and whilst awaiting clarification from the Dti, the developers of Africandi BEE Calc New in consultation with other role players in the industry have adapted the formulae as per Statement 000 Paragraph 2.2:

“In interpreting the provisions of the Codes any reasonable interpretation consistent with the objectives of the B-BBEE Act as amended and the B-BBEE Strategy must take precedence”

Therefore in the Management Control and Skills Development Element the following assumption were made in order to obtain a reasonable interpretation as per above:

- The sub-race target for each sub-race group as per the (Commission for Employment Equity – CEE) Report has been multiplied by the black Economically Active Population target to obtain the 100% black people denominator.
- This sum has been multiplied by the target for that particular management level or skills sub-category on the Management control and Skills Development Scorecards to obtain the actual target to be achieved in each sub-category
- The percentage of management or skills spend achieved is limited to the target for the sub-category
- The final result of this calculation is multiplied back to the total black population of management or skills spend as per sub-category.

The following example demonstrates the assumptions in Management control:

Table 1: The total population EAP target as per the CEE Report

	Black male	Coloured Male	Indian Male	White Male	Black female	Coloured female	Indian female	White female	
EAP Target (Insert applicable EAP target per race and gender breakdown)	40.70%	5.80%	1.90%	6.40%	34.20%	5.00%	1.10%	4.90%	100.00%

*Table 2: The total **Black** population EAP target as per the CEE Report*

	Black male	Coloured Male	Indian Male	Black female	Coloured female	Indian female	
EAP Target (Insert applicable EAP target per race and gender breakdown)	40.70%	5.80%	1.90%	34.20%	5.00%	1.10%	88.70%

Table 3: The averaging of the total Black population EAP target excluding the White percentages

	Black male	Coloured Male	Indian Male	Black female	Coloured female	Indian female	
EAP Target (Insert applicable EAP target per race and gender breakdown)	45.89%	6.54%	2.14%	38.56%	5.64%	1.24%	100.00%

Table 4: The total Black EAP population as per Table 3 multiplied by the target for senior managers i.e. 60%

	Black male	Coloured Male	Indian Male	Black female	Coloured female	Indian female	
EAP target for Senior Managers	27.53%	3.92%	1.29%	23.13%	3.38%	0.74%	60.00%

Table 5: Actual percentage Black Senior Managers as an example

	Black male	Coloured Male	Indian Male	Black female	Coloured female	Indian female
%Senior Managers (total per category / total senior)	5.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Table 6: Capping of Black Senior Managers to their EAP targets x 60% target achievement

	Black male	Coloured Male	Indian Male	Black female	Coloured female	Indian female	
SM / Capped SM	18.16%	25.49%	77.81%	4.32%	29.57%	100.00%	/600

The final assumption is the multiplication of the result in Table 6 by the total black population percentage in the Measured Entity.