

# Designing for impact: Prioritize human outcomes

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# Introduction

It is fundamental for organisations to understand the value of topics like climate, equality and human risk in order to thrive in this new world of work. In the Deloitte 2023 Global Human Capital Trends survey, more than 80% of organisations reported purpose; diversity, equity and inclusion (DEI); sustainability, and trust as top focus areas.

More than half of the organisations surveyed this year aspire to create greater connections with the society they work in, which indicates that the social enterprise (as defined in the 2018 Deloitte Global Human Capital Trends Report) continues to be a relevant topic in the world of work.

In this summary we share how Namibian organisations view this trend.

To access the full Deloitte 2023 Global Human Capital Trends Report, please follow the link [New Fundamentals for a Boundaryless World.](#)



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# Taking bold action for equitable outcomes

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## Taking bold action for equitable outcomes

### *The DEI conversation shifts from activities to outcomes*

*Diversity, equity, and inclusion (DEI) are often treated as a single objective, rather than separate but mutually reinforcing sets of actions—with diversity and inclusion being necessary prerequisites to achieve equitable outcomes. DEI progress has traditionally been measured based on activities and effort, often with little consideration for actual outcomes achieved. DEI actions should be in service of achieving equitable outcomes in the workforce—and broader society—while boosting an organization’s innovation, competitiveness, and long-term business success.*

Workers across the ecosystem, customers, suppliers, shareholders, and society now expect organisations to fulfil their commitments and responsibility to make a positive impact on the world not simply by demonstrating activity but by proving progress and living up to the expectations of a social enterprise.

Amongst several examples, Generation Z and millennial workers who are satisfied with their employers’ societal and environmental impact, and their efforts to create a diverse and inclusive environment, are more likely to want to stay with their employers for more than five years.

However, actions and programs that are diversity or inclusion focused do not always result in equitable outcomes. As an example, many organisations have developed leadership programs for women in pursuit of more gender diversity in senior leadership roles. These programs often are intended to promote diversity and enable a culture in which the program participants feel included. Yet, many organisations may not update systemic processes, such as internal mobility or performance management practices, which may serve as barriers to equitable advancement. A focused program does not guarantee equity for those program participants. Instead, equity acknowledges that the organization as a system is designed to give everyone (with both consideration for and regardless of identity) equitable opportunities to thrive.

### **organisations face four common challenges in furthering DEI progress:**

- ▶ Too much emphasis on activities, not enough on equitable outcomes
- ▶ More focus on solving for the individual than on solving for the system
- ▶ Over-aggregated data to report progress or results
- ▶ A disconnect between DEI objectives and other business objectives

## **The Namibian readiness gap:**

According to the Namibian data from the Deloitte 2023 Global Human Capital Trends survey, the **majority of business leaders (60%) believe that embedding DEI** into everyday ways of working and teaming while measuring outcomes is important or very important to their organisations’ success. Yet only 38% of business leaders are very ready to do so.

# What Can Namibian Leaders Do In Response To This Trend?

## Survive. Thrive. Drive.

<b>Survive</b> <i>Remain viable in the marketplace</i>	<b>Thrive</b> <i>Differentiate to gain competitive advantage</i>	<b>Drive</b> <i>Lead the market by radically innovating and transforming</i>
<ul style="list-style-type: none"><li>• Set DEI goals and assign them to leaders</li><li>• Use currently available data as a basis for measurement and reporting</li><li>• Report on representation, participation rates, and workforce sentiment broadly internally and as is required by local regulators</li><li>• Designate a full-time DEI leader who is informed about all workforce practices, policies, and processes</li></ul>	<ul style="list-style-type: none"><li>• Identify and execute goals based on desired equitable outcomes, with a focus on finding insights and root causes that will directly impact goals and actions</li><li>• Embed equity goals in the strategy and execution of each talent practice</li><li>• Launch campaigns such as self-ID (as allowed by local law) to increase data accuracy</li><li>• Hold all leaders accountable for equitable outcomes (tied to their performance management and compensation)</li><li>• Identify leading practices to try as experiments, and iterate over time</li><li>• Release publicly available transparency reports (as transparent as local laws allow)</li></ul>	<ul style="list-style-type: none"><li>• View workforce processes as a system to understand equity implications within and across processes</li><li>• Build trust so workers understand how data will be used, benefits of sharing, and feel safe self-identifying</li><li>• Shift analysis from historical and current to predictive to determine where the next inequity might occur</li><li>• Make DEI part of the leadership DNA, exemplifying and actioning DEI priorities on their teams</li><li>• Provide the DEI leader with investment, influence over work practices, and access to the C-suite</li></ul>





# Advancing the human element of sustainability





## Advancing the human element of sustainability

*Human sustainability rises to the fore of organisations' sustainability strategies*

*Enterprises' initial efforts to address sustainability issues have been largely driven by public relations or brand defence, with less regard for meaningful outcomes. More recent efforts, such as reducing emissions in operations or manufacturing, are producing real but incremental improvement at the borders of the business. Now it's time to take the next step to achieve tangible outcomes by focusing on the human element by operationalizing people-enablers in the organization, planning for the right technical and soft or human skills, making work better for humans, and designing for human sustainability. This is where fundamental and lasting change takes root and outcomes can be achieved.*

Sustainability issues have a real and existential impact on society and the earth, and organisations are often being called on to play a more central role to create meaningful outcomes for people, the planet, and prosperity. Many executives understand the importance and the need to make meaningful change, with nearly 70% of surveyed organisations incorporating more sustainable materials or increasing the efficiency of energy use. However, just funding sustainable “things” will not produce sustainability outcomes.

The truth is that many sustainability efforts only touch at the fringes of the business and ignore the human element, which is where meaningful and lasting change takes root. For example, many companies have scaled back corporate travel or switched to more sustainable materials, but those actions alone don't hardwire sustainability into the workforce or the work itself, which is the kind of change needed to cultivate a culture of sustainability that could fundamentally shape a company's energy and social impact. Humans are the channels for material and lasting change.

### The Namibian readiness gap:

In the Namibian space 46% of the business leaders that were took part in the Deloitte 2023 Global Human Capital Trends survey acknowledge that understanding the impact of sustainability on their organization and defining ownership for driving progress and outcomes is important or very important to their organisations' success. Yet only 29% feel they are very ready to address this trend.

# What Can Namibian Leaders Do In Response To This Trend?

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<ul style="list-style-type: none"><li>• Align leaders around the sustainability ambition, vision, and goals and their accountability to outcomes</li><li>• Strategically communicate to ensure internal (workforce) and external (market) visibility into leadership commitments, progress, and outcomes of sustainability goals</li><li>• Provide your workforce with sustainability or "green" upskilling opportunities relevant to your industry and organizational strategy</li><li>• Manage the changes associated with new technology, processes, tools, and ways of working as a result of sustainability investments</li></ul>	<ul style="list-style-type: none"><li>• Cocreate your sustainability strategy with members of your ecosystem (workers, partners, customers, suppliers, vendors, etc.)</li><li>• Rearchitect work to drive environmental sustainability, workforce equity, worker health, safety, and well-being</li><li>• Evolve your operating model, organization design, job architecture, compensation, and rewards to align with and enable your sustainability strategy and commitments</li><li>• Pay attention to the jobs most at risk for negative impact on health and well-being</li><li>• Take a holistic approach to work, in which the health, safety, and well-being of the worker is prioritized, and work output contributes to sustainability outcomes</li></ul>	<ul style="list-style-type: none"><li>• Account for shifts in skills and expertise that will enable long-term sustainability capabilities within your workforce planning approach</li><li>• Design for human sustainability and account for intended and unintended consequences of sustainability decision-making on your workforce, the market, your community, and society</li></ul>





# Elevating the focus on human risk

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## Elevating the focus on human risk

*Opening the aperture and changing the lens on risks to focus on the human element*

As C-suites and boards of directors' grapple with contingencies for a growing list of disruptive external risks—including environmental, social, technological, political, and economic issues—they should consider expanding their focus beyond the operational and financial effects of those risks, to include the human implications. It is imperative they understand that the impact of these disruptive risks on humans (both inside and adjacent to organisations) is substantial, as is the linkage between the human impact and that of the organization at large. Seeing these disruptive risks through a human lens paves the way for greater resiliency, enables superior business results, and creates a more effective and informed set of solutions for mitigating—and thriving in the face of—these disruptions.

When it comes to human-related risks, organisations and their most senior leaders focus on a narrow set of workforce risks—the potential risks that human workers pose to the business. These risks include operational concerns such as worker turnover, poor efficiency, difficulty acquiring and retaining talent, and compliance with regulations. Typically, their primary focus, has been on the financial and operational impact of these risks. C-suites and boards have only occasionally expanded their focus to include their reputational implications and, more rarely, their human effects. Yet all risks have a significant human element.

As such, we refer to these as human risks because they affect humans' professional and personal lives in intense ways, in addition to the impact they have on your organization's short-term performance, long-term viability, reputation and brand.

**Findings from the Deloitte 2023 Global Human Capital Trends survey shows this level of prioritization on human risks is lacking across several dimensions:**



**Environmental.** Climate change and the availability of natural resources could profoundly alter the availability, location, and conditions of work as well as the workforce. According to the Deloitte 2023 Global Human Capital Trends survey, only 18% of respondents believe climate will be a top risk facing their organization in the next 2–4 years. Yet, there are clear signs this will continue to drive where work gets done, how work gets done, and the local availability of workers.



**Social.** Injustice and inequality don't stop at the workplace door. These social issues can affect how workers feel about work, how they collaborate, and their sense of value and belonging to their organization. According to Deloitte's Global 2022 Gen Z and Millennial Survey, two in five workers have rejected a job or assignment because it did not align with their values around societal and environmental impact and/or diverse and inclusive cultures. However, only 12% of the Deloitte 2023 Global Human Capital Trends survey respondents believe social and racial injustice will have a substantial impact on the workforce in the next 2–4 years.



**Technological.** Data privacy and security, virtual work, and automation are vital to the health of a business, but they also shape the experience of getting work done and the types of work available to humans. Yet only 9% of the Deloitte 2023 Global Human Capital Trends survey respondents noted that their organisations believe technology replacing humans is a top risk facing their workforce today. And just 21% believe cyber risks like data privacy and security will have a significant impact on the workforce.



**Economic.** The impact of income disparities— including access to health care, food, and education—affect the abilities and effort that people bring to their work, yet only 30% of respondents acknowledge the workforce impacts of this risk.



**Political.** Government regulation and political polarization or conflict profoundly influence the nature of the worker-organization relationship and the relationships workers have with one another, yet only 24% of Deloitte 2023 Global Human Capital Trends survey respondents expect this to have a significant impact on their workforce over the next 2–4 years.

## The Namibian readiness gap:

According to the Deloitte 2023 Global Human Capital Trends survey, 46% of Namibian respondents acknowledge the importance of anticipating and considering broader societal and environmental risks like political instability and social injustice when making workforce decisions. Yet less than 19% believe their organisations are very ready to address those risks when making workforce decisions.

The survey also shows that 65% of leaders are however currently managing the impacts of these human risks on their workforce by re-evaluating their business strategy and workforce planning as they experience disruption.



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<ul style="list-style-type: none"><li>• Expand the criteria that you use to evaluate risks to include the human impacts along with financial and brand risks</li><li>• Ensure your holistic workforce is included when evaluating the human impact</li><li>• Collect data regularly to inform your decisions around high priority human risks as part of your periodic business planning efforts</li><li>• Create more transparency in communicating human risks and mitigating actions to your workforce</li></ul>	<ul style="list-style-type: none"><li>• Designate roles and/or teams across your workforce ecosystem to focus on sensing, scenario modeling, and risk preparation</li><li>• Consider current and emerging human risks when defining your business and workforce strategies</li><li>• Instill accountability for preparing for human risks at the board and executive level</li></ul>	<ul style="list-style-type: none"><li>• Identify the behaviors that drive human risks and create incentives and a culture of shared accountability to change those behaviors</li><li>• Use advanced data and analytics to sense patterns, predict risks, and drive planning and preparedness both inside and outside your organization</li><li>• Share your approaches and insights with other organizations, communities, and regulatory bodies to advocate for and benefit all humans in society</li></ul>





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