

# Impact of changing leadership on the mining sector and its ability to comply

By [Janine Espin](#)

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The mining sector forms a crucial part of South Africa's economy, and the need for leadership in this sector is critical as any shortcoming in human resource and leadership skills can greatly affect the development of this sector. Any change in leadership is just as perilous for the industry and has the potential to create instability and uncertainty for employees, shareholders and labour unions, which may result in a negative shift in compliance and labour law adherence by the company.

To take the sting out of these issues, mining organisations should seek a partner that can assist with continuity of compliance, project management and legal advisory services. This will ensure stability and sustainability within the company, even if there is a high leadership turnover.



Janine Espin, managing director at Economic Development Solutions

## Compliance is key to creating certainty

Every leader has their own leadership style and the minute this changes, there is likely to be an impact. Compliance from a mining perspective is multi-faceted, and leadership style has a direct impact on how employees and the surrounding communities are engaged. Additionally, compliance has the positive effect of broader stakeholder buy-in and a positive outlook on what the mine is doing and aiming to achieve. Social and labour plan compliance is essential for happy, healthy employees and productive unions, ensuring that the relationship between mine and surrounding communities is one that is mutually beneficial, and not exploitative. Environmental, health and safety compliance are important to ensure healthy, productive workers and communities, and a mining business that is sustainable because it takes all the necessary steps to minimise the impact on the environment in which it operates.

As a contributor to the local economy, having a healthy, engaged workforce is important. Compliance is essential to avoid union grievances or labour disputes where health and safety standards are not being adhered to, for example. However, every compliance requirement is an ongoing process, which makes it important to have the right people to implement compliance in addition to continuous monitoring. Because social and labour plans are long-term plans, it is also essential to have the right structures in place to ensure that programmes are being implemented correctly and provide the ability to adapt in response to changing circumstances.



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## Creating certainty in compliance

With so many moving parts in mining compliance, it's easy to get bogged down by the details and lose sight of the bigger picture. A partner that specialises in compliance can make all the difference when it comes to getting it right and maintaining the balance once it's achieved. From stakeholder engagement to social and labour plans, health and safety, environmental impact and carbon tax compliance, there are far too many legislative responsibilities placed on the industry for one organisation to handle alone. Mining enterprises would thus benefit greatly from a compliance partner that can mentor their employees to make sure they understand what compliance means and how it can be achieved and maintained. Such a partner would also be indispensable in defining and executing on a compliance strategy that manages the expectations, objectives and outcomes for all the stakeholders involved. A compliance partner provides an impartial outsider's perspective that brings it all together, while emphasising the human element in everything that mine does.

## Protecting employment and economic development

From communities, to workers, union reps and mining management and shareholders alike, finding the middle ground that works for all of these participants can be tricky but it's critical. When compliance requirements are met, this ensures that not only are the economic objectives met, but the community's requirements are fulfilled as well. The mining industry is a major contributor to South Africa's economy and job market, and the role it plays in our economic recovery moving forward will depend heavily on achieving the balance of compliance.

## ABOUT THE AUTHOR

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