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GENERATION UNLIMITED
Our Time.
Our Turn.
Our Future.

From disruption to transformation

Bridging the digital divide in civil society

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From disruption to transformation

Shifting civil society into the digital space

In March 2020 PwC launched a three-year strategic, global collaboration with UNICEF in support of Generation Unlimited (GenU), which aims to help upskill millions of young people around the world. The collaboration brings together public, private and civil society stakeholders to develop programmes and innovations that support young people on their path to productive futures and engaged citizenship, and to conduct research on the global skills challenge. Additionally, PwC and UNICEF, in support of GenU, are collaborating in India and South Africa to develop, expand and fund education and skills programmes for young people. **https://pwc.to/UWY-2020**

New world. New skills

New world. New skills is PwC's global programme aimed at helping millions of people around the world to improve their understanding, knowledge and skills for the digital world. It is evident that there is an urgent need for organisations, governments, educators and citizens to come together to address the growing problem of the lack of digital skills. We are convening discussions and working with a broad group of stakeholders to help find solutions that work in every country. We are helping organisations in the public and private sectors anticipate the skills they will need in the future and work together on comprehensive solutions. Furthermore, PwC is committed to upskilling its people—training our people, investing in technologies and supporting clients, communities and other stakeholders across our territories. **www.pwc.com/upskilling**

UNICEF

UNICEF works in the world's toughest places to reach and impact the most disadvantaged children and adolescents—and to protect the rights of every child, everywhere. Across more than 190 countries and territories, we do whatever it takes to help children survive, thrive and fulfil their potential, from early childhood through to adolescence. And we never give up. UNICEF| For every child **www.UNICEF.org**

Generation Unlimited

Launched by the UN Secretary-General in 2018, Generation Unlimited is a Public-Private-Youth Partnership on a mission to skill and connect the world's 1.8 billion young people aged 10-24 to opportunities for employment, entrepreneurship and social impact. Anchored in UNICEF, the partnership brings together global organisations and leaders including heads of state, CEOs, United Nations leaders, and civil society champions with young people to co-create and deliver innovative solutions on a global scale. **www.generationunlimited.org**

Capacitate

Capacitate, a social enterprise operating across Africa, provides a range of technology solutions to help drive digital transformation in the social and green economy. Through collaboration, Capacitate is developing platform cooperatives that will facilitate better collaboration and the integration of services to enhance and scale positive change. **www.capacitate.co.za**

Foreword

Note from Dion Shango,
PwC Africa Territory Senior Partner

At PwC, our purpose is to build trust in society and solve important problems. The New Equation, our global strategy and guiding light, positions us to ensure **a future that is human-led and tech-powered**. For us, people and technology work hand in hand. It's about how human ingenuity combines with technology, innovation and experience to deliver faster, more intelligent and better outcomes, while building trust across the value chain.

We are also driven by our societal purpose, which enables us to meaningfully think about and action the impact that we want to have on the African continent and in the communities where we operate. Our societal purpose strategy is aligned with seven of the United Nations' Sustainable Development Goals (SDGs). These include quality education, gender equality, affordable and clean energy, decent work and economic growth, reduced inequalities, climate action, and good health and wellbeing.

This shows that, while we are a business, we are also in the business of contributing to society by helping others thrive, particularly in these challenging times. Understanding that the private sector has a responsibility to contribute to the empowerment and advancement of all, including those who are marginalised due to the geographies in which they live, we partner with skills development organisations to impart essential business skills and support. I am very excited about the work we are doing in this space, stemming from PwC's strategic collaboration with UNICEF and the Generation Unlimited initiative. My hope is that this will impact many organisations as an outflow from the phenomenal work done through our collaboration.

Note from Muriel Mafico,
Deputy Representative UNICEF South Africa

The challenges that young people face are real. The triple burden of poverty, unemployment and inequality that disproportionately affects the youth of South Africa impacts on their futures and in-turn their mental and physical wellbeing.

Yet still – through partnerships – there is always hope. Public, private and civil society stakeholders working together can develop innovative programmes and solutions that young people need to guide them on their path to productive futures and engaged citizenship.

What brought UNICEF and PwC together was the shared knowledge that, if young people are prepared with the relevant skills, they can thrive in their transition from learning to earning. In the process, they will not only improve their own wellbeing but that of their families and society more broadly, while advancing progress towards the United Nations' Sustainable Development Goals.

Young people in South Africa represent a huge opportunity if their creativity, energy and voices are nurtured and put at the centre. That's why the Generation Unlimited initiative is so important because it recognises that, as a collective, we can engage and invest in youth – particularly the most marginalised – to unlock their full potential and ensure that their progress is unlimited.

From disruption to transformation: Shifting civil society into the digital space

Background

In 2020 PwC and UNICEF entered into a strategic global collaboration focusing on upskilling youth, including those who are currently excluded, those entering the workforce and those in the next generation, to gain the knowledge and skills they need to better understand and navigate the digital world. As part of this collaboration, Capacitate Social Solutions, one of UNICEF's partners in this collaboration, developed a platform cooperative for the youth sector. The access and integration of services for youth and other vulnerable populations remains a key challenge across the South African development landscape, and across the globe. The unavailability of open and easy-to-use platforms hampers access to learning and restricts development outcomes. The multi tenant platform developed by Capacitate Social Solutions empowers youth organisations with a modular suite of tools to help enable the digital transformation of youth work.

It has become clear that organisations need to drive transformative change for the betterment of youth and communities. **The digital technology revolution** is different from any we have seen before in terms of its speed and scope of change, and the implications.

The digital divide

The inequality that pervades almost every other area of society has now extended into technology with the emergence of a digital divide. This is an additional dimension to the exclusion that many of the poor and marginalised across the world are subjected to. 'Digital inequalities, therefore, tend not only to reinforce social inequalities already existing in the offline society, but also to enlarge the gap between the less advantaged and the most advantaged individuals'.[1]

Recent research conducted by Capacitate Social Solutions has shown how this digital divide has extended to an organisational level where small enterprises and not for profit organisations (NPOs) are unable to access technologies that could enhance their productivity, improve their outcomes and scale their impact. These organisations are being excluded from the benefits of an increasingly digital economy because they simply do not have the resources or the skills to access and use relevant technologies.

How do these barriers manifest within organisations?

1. Awareness barriers

In many instances, organisations are simply **not aware of all the technologies that are at their disposal**. The leadership teams in these organisations usually have very little experience with technology and their primary focus is on implementing programmes that can deliver social and environmental impact.

2. Financial barriers

The resource limitations in the development sector are the norm rather than the exception. The perpetual struggle for survival and sustainability is quite synonymous with the sector, notwithstanding the critical nature of the services provided by organisations and the urgent needs that they fulfil for the most vulnerable of the population. This state of scarcity has a significant impact on establishing effective infrastructure and accessing mechanisms that could improve delivery – such as Information Communication Technology (ICT). Funders in the sector are often reluctant to fund infrastructure where the spend cannot be directly linked to beneficiary impact. This means the organisations that are implementing programmes are trapped in using **traditional mechanisms** or **outdated technologies** to deliver programme outcomes.

3. Skill barriers

While civil society is populated by many passionate, mission driven people with strong socially focussed skill sets, the sector has been unattractive for technically skilled people. Uncompetitive salary scales, difficult working conditions and often uncertain contracts linked to donor funding do not make for an appealing proposition. Indeed, while the talent attracted to the sector cannot be questioned when it comes to their commitment to driving positive change, when it comes to non-programmatic competencies like ICT and technology, it is extremely difficult to compete with the private sector.

These conditions place many organisations in a potential technological predicament as they need technology to improve their efficiency and effectiveness, but they do not have the time and resources to acquire and implement the technology. Many organisations are just not equipped to design, procure, implement, and manage technology solutions that could bring considerable benefit to the organisation and the beneficiaries that they serve. Central to PwC's Workforce Campaign, the recent global Hopes and Fears Survey[2] highlighted that in South Africa:

50% of respondents said their employers are upskilling employees to address a lack of skills/labour.

52% of respondents felt that South Africa lacked skilled workers.

Upskilling is key. It's about anticipating the right skills for the future, laying the cultural foundation, delivering modern upskilling programmes, and building a learning and development function with the right digital technology to deliver a vastly better return on upskilling investments.

1 Digital Capital: A Bourdieusian Perspective on the Digital Divide. Massimo Ragnedda & Maria Laura Ruiu (2020)

2 https://www.pwc.com/gx/en/issues/workforce/hopes-and-fears-2022.html

4. Adoption and acceptance barriers

There is inevitability a reluctance and some level of fear that organisations encounter when embarking on a change to their traditional systems or processes. When it comes to technology, there are several theories that provide an explanation for this resistance to accept, adopt and use new technologies. Theories such as the Universal Theory of User Acceptance[1] explain how performance expectancy, effort expectancy, and social factors influence behavioural intention to use a technology, while behavioural intention and facilitating conditions determine technology use. This inevitably puts people in a constant state of disruption, which heightens stress levels. **Digital disruption** describes the change that happens when new digital technologies, services, capabilities, and business models affect and change the value of the industry's existing services and goods.

It is essential that a journey of digital transformation includes not just access to technology, but also **support, mentorship and coaching** to shift perspectives and manage the change necessary for the adoption and use of new technologies.

5. Data governance and privacy pressures

There is increasing pressure on organisations and businesses to ensure that they are protecting the information that they collect about their customers, constituents, and beneficiaries. The source of these pressures are the General Data Protection Regulations (GDPR), Protection of Personal Information Act (POPIA) and Promotion of Access to Information Act, combined with the increased threats of cyber-attack and risks of malicious software. Most entities are ill equipped to navigate the complexity around these issues, much less implement appropriate technologies to help them manage their documents and data in a compliant way.

6. Operationalisation and sustainability

Fuelled by an urgency to achieve digital transformation and to better leverage technology to realise impact, there have been a plethora of systems developed by stakeholders across the development sector. Implementing organisations, funders, and community forums have invested significantly in a wide range of technology solutions that, it is hoped, will support greater impact. Unfortunately, many of these efforts have met with limited success and have often been challenging, unsustainable undertakings. The reasons for this include:

a. Misalignment

Defining organisational or beneficiary technology needs and translating these requirements into a software development scope that can be understood by a development team is a difficult process. This is often beyond the capabilities of a NPO and leads to a misalignment between the software developers and the organisational requirements. This in turn results in a technology solution that does not meet the needs of the organisation or the beneficiaries that it is meant to serve.

b. Technology lifecycles

Systems and platforms are, in many ways, like living things that need continuous attention. Many organisations labour under the mistaken impression that once a system is built it will exist and operate independently without any additional attention or investment. This is not the case. Systems require regular attention and care to ensure that they continue to operate optimally, especially considering the growing security and privacy concerns.

c. Poor sustainability planning

Systems require on-going resources both in terms of the infrastructure where they are hosted and the specialists required to maintain the databases, codebase and infrastructure where they are housed. These costs are often not considered. In addition, systems and platforms require ongoing user and operational support. Most organisations are under-resourced and ill-equipped to manage the systems that they have built.

d. Adoption and usage

'***If you build it, they will come***' **–** Ray Kinsella, played by Kevin Costner, said in the film Field of Dreams.

There are no fields of dreams when it comes to technology. A considerable body of research has been dedicated to technology adoption with various theories and models emerging to describe the factors that contribute to the adoption and use of technology. Suffice to say that there is considerable effort required both before and after the development of a system to ensure that users will accept, adopt and use a technology. It is thus essential to **include a human layer to any technology undertaking if it is to succeed**. This is something that is often not considered, nor within the capabilities of most organisations.

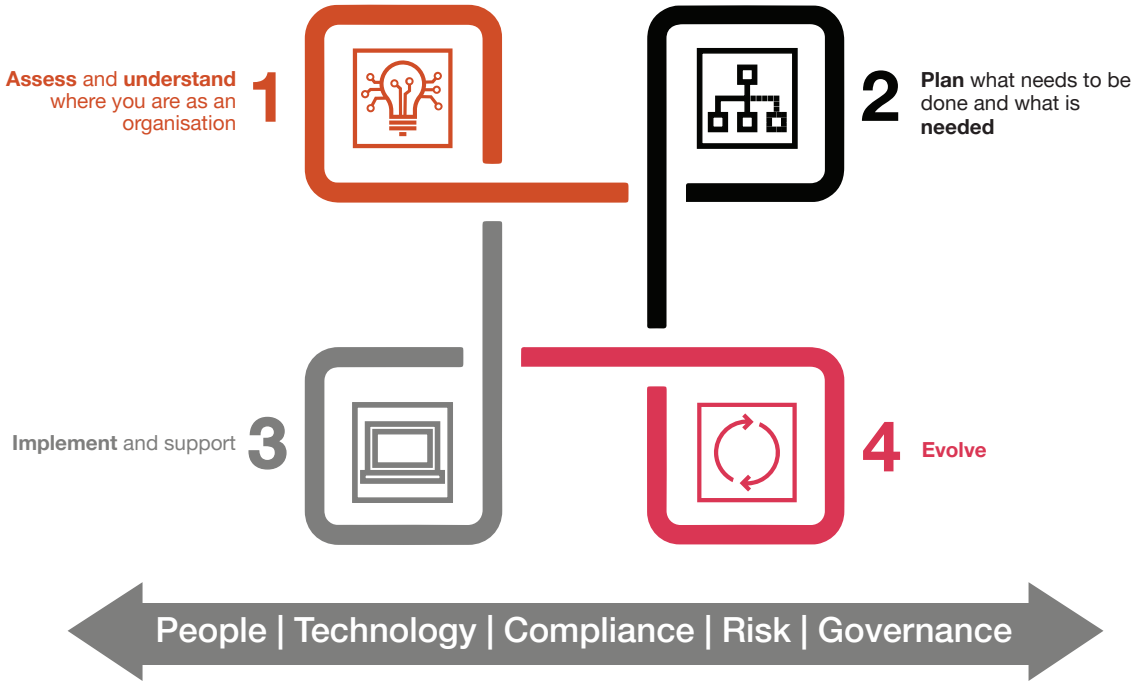
e. Governance and compliance

Managing the new risks that come with bringing people and technology together is often last on the list of considerations and potentially the area of greatest concern. The absence of necessary policies and procedures to mitigate the potential risks that accompany the introduction of technology to support programmes and operations represents a real and persistent threat that many organisations are not even aware of.

3 Venkatesh, Viswanath and Thong, James Y.L. and Xu, Xin, Unified Theory of Acceptance and Use of Technology: A Synthesis and the Road Ahead (May 1, 2016). Journal of the Association for Information Systems, Vol. 17, No. 5 (2016), pp. 328–376., Available at SSRN: https://ssrn. com/abstract=2800121

Driving digital transformation

Technologies have the potential to reduce labour and transactional costs, increase productivity and information flows in the social and green economy. In the resource-constrained environments of developing countries, technology can also help overcome logistical bottlenecks and corruption in supply-chain management and administrative processes while supporting information security and compliance. The journey to realise this potential, however, can be a difficult one. Having a clear roadmap with the necessary support is the only way that many organisations, especially smaller, poorly resourced ones, will be able to make the transition to a digitally optimised operation. This roadmap requires support to both navigate the technology and to ensure that the people come along for the ride and that the required policies and procedures are in place to institutionalise the changes. Adopting a **phased approach** can help to ease the transition:



Phase 1 – Assessment and planning

Pivotal to starting this process is defining a clear digital strategy which will provide a view of the current digital maturity of the organisation, identify the capabilities required within the organisation and consider which digital tools are most feasible to enable the strategy.

A clear digital strategy needs to be actionable and tailored to your strategic intent. This allows you to have a clear investment focus, prioritising initiatives that will bring the most impact.

What are the **key considerations when defining your digital strategy**?

- **Define your 'right to win'** – Understand the future business ecosystem and the capabilities you need to formulate a unique value proposition.
- **Engage increasingly digitally savvy beneficiaries** – Redesign beneficiary journeys and touchpoints to serve new and critical needs (access, speed, online-to-offline).
- **Identify the optimal product and service mix** – Identify your future youth and community segment mix and form the ideal set of differentiated as well as table-stakes products/services
- **Digitise your operations** – Identify areas where new technologies can make a significant impact in your organisation's bottom line and build further differentiating digital capabilities.

Digital strategies require the creation of dual-speed cultures and new capabilities within your organisation, as well as heightened attentiveness to youth and community needs.

How can you focus your efforts to quickly obtain the critical capabilities and technology to execute your digital strategy?

Step 1: Translate the strategic into the everyday

- Map out your current beneficiary user experience and define how this would look like in the future
- Identify the initiatives and investments required to execute the strategy
- Plot out your future-state aspirations for your organisation
- Define an organisation-wide capability framework to guide learning and develop your workforce.

Step 2: Accelerate transformation efforts

- Identify and engage with potential strategic partners and streamline procurement frameworks
- Develop a learning culture focused on promoting new behaviours through experiential-learning games, simulations and mixed-team problem solving sessions

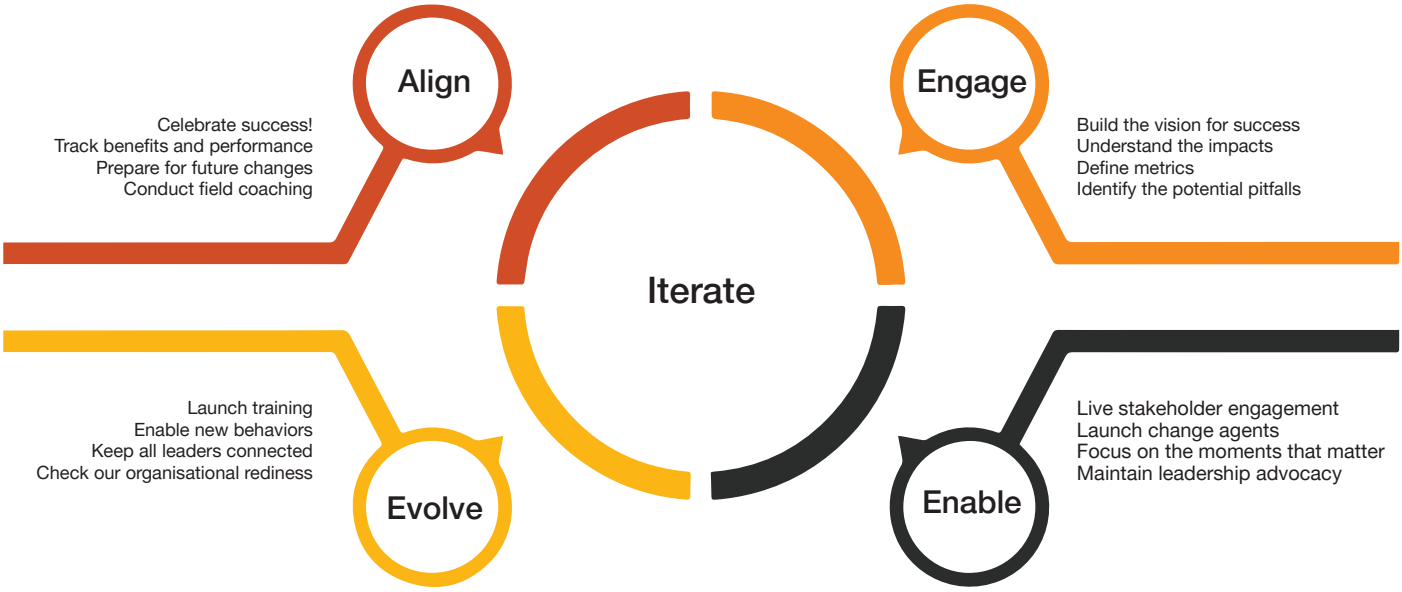
Phase 2 – Digital migration

Without the resources to continually update processes and upgrade systems, many organisations have remained trapped by their legacy of paper-based processes and informal, unstructured document management practices. To make the leap to a paperless environment, digital operations may not be feasible in the short term. What might be needed is an interim step to help organisations manage the migration from paper-based assets to digital ones. A range of solutions can be explored to manage this migration phase for the capture and storage of hardcopy documentation into digital formats and the extraction of data from them.

Phase 3 – Digital transformation

Digital transformations represent a significant change in ways of working and how talent and capabilities are organised. Assessing and planning for organisational change readiness is a critical step to any digital transformation and can be instrumental in identifying potential challenges / risks as well as proactively ensuring employees are ready to adopt new behaviours, skills, and ways of working.

The following **change management framework** can enable a cohesive approach to change to bring big ideas and outcomes:



An organisation can only truly be digitally transformed once it has moved out of the state of complete disruption and can use technology for empowerment purposes. Once organisations have been digitally enabled, they have a foundation to evolve and advance their use of technology.

There are two primary categories of digital tooling required within the civil society sector: Operational tooling and Programmatic tooling. The digital tools to support operations might include systems for finance, HR and administration while the tools used for programmes might include digital solutions for e-learning, monitoring and evaluation, case management and even immersive learning through virtual reality. While many organisations have started their technology enablement with operational tools, programmatic digitisation has lagged considerably behind.

It is important that organisations are able to make the right decisions to include fit-for purpose tools.

The following questions can be reflected upon when making such decisions:

1. What are the needs of your organisation?
2. What product fits the needs of your organisation?
3. Do you build, buy, assemble or rent a solution?
4. What pricing model fits your organisation and what budget do you have available?
5. Is your workforce prepared to adapt to and adopt technology and have you allocated sufficient time for adoption, training and support?

Digital tools are not static solutions, they are likely to evolve and will require ongoing maintenance. Of course, any tool, regardless of how good it is, will only be effective if it is placed in the hands of a skilled operator who knows how best to use it for its intended purpose. It is at the **intersection of empowered people and technology that true digital transformation can flourish**.

Phase 4 – Digital compliance

As organisations are transforming and building their digital competencies, they will need to implement suitable governance structures to manage their data and ensure that they are compliant with the minimum security and privacy related requirements. Robust risk management is the guardian of every organisation's reputation and continued ability to operate successfully in the future. No two organisations are the same, however compliance to digital regulations is of utmost importance. Considerations that need to be made, but are not limited to, are: cyber security, insight and data quality and sourcing risks with regards to cloud computing[3].

All digital objectives need to be operationalised and sustained through: support, training, risk management and general operational management of various systems. In doing so, organisations will be able to achieve economies of scale to provide affordable, scalable support and infrastructure management globally for all the systems in their care.

Conclusion

Many organisations are progressively embracing technology to advance the quality of the services they provide. However, too many are lagging behind in an increasingly digital world. Bridging the digital divide at an organisational level, to empower the organisations working across civil society, is a complex problem that requires all stakeholders to work together and make the world a more resilient, capable and inclusive space.

PwC in partnership with UNICEF, together with Generation Unlimited, are proud to be contributing to growth initiatives. We endeavour to honour our values – which are to act with integrity, make a difference, care, work together and reimagine the possible – through our commitment to being a responsible corporate citizen and creating sustainable value in the communities in which we operate.

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3 Building digital trust: https://www.pwc.co.za/en/assets/pdf/building-digital-trust-the-confidence-to-take-risks.pdf

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