

Leadership

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vs. effective leaders

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Inside Africa's most
illustrious airport

Priscillah Mabelane

Setting a significant
milestone for women

Mining Indaba Primer

Better times ahead after a rocky road

Lebo Gunguluza

Pioneering digital change

Inga Vanqa

Daring to Dream Big

ISBN 0251-9988



Cape Town International Airport continuously growing to enhance our future



**CAPE TOWN
INTERNATIONAL AIRPORT**

AIRPORTS COMPANY SOUTH AFRICA



As the gateway to an attractive destination such as Cape Town, Cape Town International Airport (CTIA) has an important role to play in the region. We have seen strong growth on both the domestic and international front, with the 10-million passenger mark being surpassed in 2016, the Airport's growth trajectory remains strong.

Air Access Initiative

Although the City has always been marred by seasonality, the gap between the low and high season is closing. Initiatives such as the Air Access, which is a Wesgro-led collaboration between CTIA, the three tiers of Government, Tourism and the private sector has been key to the growth success. Since the Air Access initiative started some two years ago we've seen 10 new routes and 11 route expansions, adding some 750 000 additional one-way seats in and out of the City. Equally, the pipeline remains strong with some 4 new routes and 3 expanded routes under discussion for next year. This collaborative approach that's being adopted across varying industries, is what makes Cape Town such an award-winning City.

Expansion Projects Coming Soon

With a growing airport comes growing pains, the growth has placed quite a bit of pressure on our infrastructure and processes. Airports by nature undergo construction phases quite often to accommodate for the growth. In the very near future, construction will commence again at CTIA. There are three major projects that will be coming on stream. The first being the realigned runway – the runway will be displaced at the Northern end by 220 metres to the East and rotated at an angle of 11.5 degrees. The other projects are at the Domestic Arrivals – this will reconfigure the arrivals area, provide an express exit as well as an additional carousel with more room in between carousels. Another project is the Terminal 2 project, this means that the expansion of the departure baggage hall, the addition of two additional carousels and the reconfiguration of the customs and international arrivals area.

Socio-Economic Growth

Airports are catalysts for socio-economic growth. Cape Town International Airport has organically been growing into an Aerotropolis – a concept which



sees an airport at the core of extensive economic activity. Together with our regional partners we are actively driving this opportunity to see Cape Town and the Western Cape continue to grow and to leverage off the advantages that comes from a well-run airport.

Together with the City of Cape Town, Western Cape Economic Development Partnership we intend on developing the South-East Metro, making it more economically viable and ensuring that people in these communities have got work opportunities close to home. This space is ideal for organisations which requires easy airport access. The idea is to create a mixed-use area on Symphony Way where the ownership of land is split amongst the City of Cape Town, Cape Town International Airport and Provincial Government. The project will include an industrial and residential area known as the Symphony Way Corridor.



The other project is the Swartklip land, a 500-hectare space that was previously owned by Denel. With the realignment of the runway, the noise impact will be lessened as the flight path will be over Swartklip. This implies that less communities will be directly affected by noise. To ensure that the land is used effectively, the buildings on the property will be used by an educational institution for industrial courses. The land however, lends itself to more than that – it has the potential to be an area where people can work, live, learn and play. This land is situated in the middle of Khayelitsha and Mitchells Plain and the intention of the Swartklip development is to bridge the gap of the apartheid legacy.

Helping our communities grow

As a business, we have never been more aware of our responsibility to make a meaningful socio-economic contribution into the lives of the people of Cape Town. We take the role of managing airports very seriously, but we are also committed to making a positive and lasting impact on the lives of our neighbours. We see the Airport's growth as the catalyst to doing just that. As a growing airport it is our responsibility to ensure that our surrounding communities grow with us. We are excited about what the future holds for the airport and the City.



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HAS IT REACHED THE PEAK?



Inga Vanqa, an award-winning entrepreneur and the founder of one of the fastest-growing built-environment consulting firms in the country is a shining example that, with self-motivation and passion, success can be achieved.

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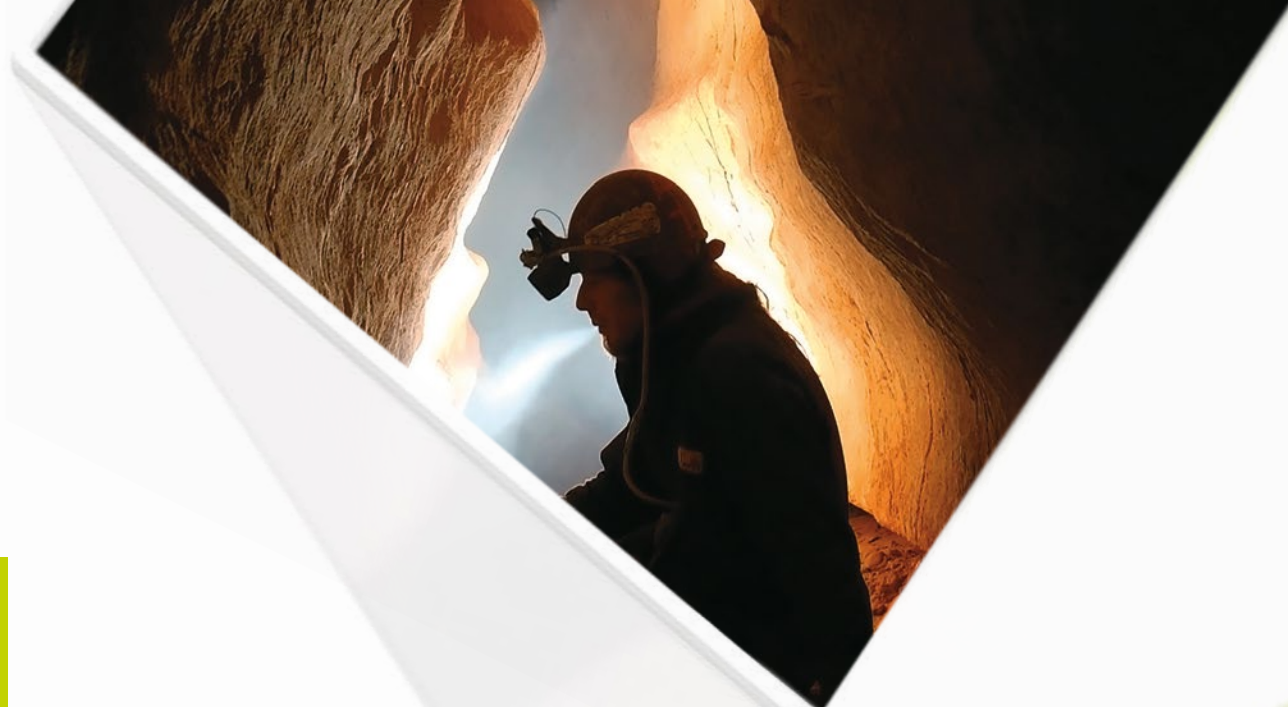
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Leadership

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Leadership

Ethical leadership in demand

As we enter 2018, it is difficult to ignore the massive failure of ethical leadership we have seen during the past year. Not only have top leaders in government and state-owned enterprises committed serious ethical blunders—we have seen veritable private sector companies left destroyed, reputationally scarred, or financially crippled by alleged and proven deficits in ethical leadership.

It is therefore crucial that we as South Africans—and leaders globally—remind ourselves of the following requirements for ethical leadership:

On an individual level, I first need to clarify my own values and act with integrity even when it is not in my direct self- or short-term interests to do so. I need to establish myself as a leader of integrity who people can trust. My “yes” is yes and my “no” is my no. What you see is what you get. I avoid or openly declare conflicts of interest. And I sleep well at night.

On an interpersonal level, I build business relations on transparency and fairness, and conduct business within the letter and spirit of the law. Where appropriate, I meticulously follow the precepts of professional codes of conduct because I understand the higher moral expectations that others hold me to. I do not collude with others to defraud the public and never take unethical risks that endanger the funds invested in my company.

On an organisational level, I play a key role in establishing, nurturing and vigorously protecting a culture of doing the right thing. People know they do not take ethical chances in this organisation.

They also know that performance appraisals include not only financial performance, but also my ethical behaviour. My people believe that long term success is based on public trust. They understand that our vision is carried by living our values, and not simply putting them on the walls as a cheap marketing exercise.

On a global level, I believe that good will overcome evil when ethical leaders take a stance. There are matters of global common good that we should promote: An ecology that makes sustainable living for all species possible; an economy with greater distributive benefits in the face of stark inequalities; raising levels of education and access to the digital world; taking all stakeholders into account in our decisions and creating a world order in which human rights and freedoms flourish.

It has little value to bemoan the lack of ethics evident in the Guptaleaks or the Panama Papers or in the office of the Public Protector. We must turn the tide of seemingly unchecked wrongdoing.

It starts with speaking up, with renewing our own value commitments, and by effectively leading the people in our sphere of influence towards a more ethical future.

Foreword



PROF PIET NAUDE

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Cape Town's grim water forecast

Take a drive over the Franschhoek mountain pass: it is spectacular. Then look into the valley beyond: it will shock you.

The Theewaterskloof dam, supplier of Cape Town's water needs, has dried up to a broad expanse of sand with a mirage of water down the far end.

Cape Town could be the first major city in the world to run out of water. With dire warnings, the citizenry is acutely aware of the need to cut back and those that can have sunk boreholes or installed rainwater tanks.

Exacerbating the worst rainfall on record has been the massive influx of migrants in the past 20 years.

Immediate funding is needed: drilling into Table Mountain aquifers and building desalinisation plants (there is a vast ocean of water staring the city in the face).

This cash crunch is ironic.

It is central government's job to provide water.

The city is tasked with reticulating water to the city.

So successfully has Cape Town responded to the dire situation that they have trickled down usage (lower consumption, short showers, reusing grey water, and no car washing, pool filling or garden sprinklers). Income from water sales has fallen and money is needed to fast-track programmes.

Popular politics and our 20-year-old constitution give every person the right to water. In Cape Town's context, this means millions of new residents are entitled to free water (along with free electricity, free housing, free education...).

This all points to a new spate of awareness: just how much water is needed to produce food and packaging? To buy a single litre of bottled water (or milk, or soft drink), hundreds of litres of water are needed in the process. For a simple steak or hamburger, the water consumed along the way soars (the growth of the cow from birth, milk raising, feed and grazing and slaughter) to thousands of litres. Just for one hamburger.

It's easy to think that the best things in life are free. But what is rare and desirable is expensive.

"Aaah well. It can't be all bad. It's a deep blue day in the Cape—a halcyon day. Time for a whisky, no ice, no water."

Publisher's Note



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Leadership

Separating man from machine

Welcome to another edition of South Africa's favourite business monthly as we fire-up the engines on another pulsating year, which is make or break for a flagging economy.

It has been pleasing to see some direction emerging after the ANC presidential race, as Cyril Ramaphosa takes the reigns as the next contender for the hot seat. The veteran political head and successful businessman has had his up and downs over the years, with some sticky moments during his time in the mining sector.

If elected there will be a honeymoon period for the economy, which has already shown signs of promise, but only time will tell for long-term predictions. One thing is certain, many South Africans are ready for change, and Ramaphosa brings hope.

He is undoubtedly a master negotiator with keen business savvy, which if used wisely can benefit South Africa where people with real business acumen in key government positions have been scarce at times.

The Fourth Industrial Revolution continues to steal the headlines too as, for example, farm robots are developed and rolled out that can pick and sort food. It is only a matter of time before we face a sink or swim scenario locally, with our labour-heavy workforce, especially in agriculture.

Will we see a similar scenario, as in the motor industry where a certain amount of product needs to be made in South Africa to avoid import duty? In a similar way, will a time come when by law a certain percentage of jobs need to be 'performed by humans' and not AI. If not, how can we protect jobs?

If companies are allowed to go full AI, in less than 20 - 30 years some semi and skilled jobs will be replaced altogether. What then, what are the job prospects for the next generation? It will redefine society as we know it and the value of your skill set.

It is also fascinating to read about how AI actually works. Instead of designing a robot that knows how to do X, Y and Z, a more human progression of learning is applied.

A robot starts off with a child-like mind and is then programmed to start learning new skills, for example, a new language in four hours, becoming a chessmaster or learning accountancy. It does not come out of the box complete, but rather 'updates' itself with various skills.

It has been found that the biggest key to learning is regret. For example, people who don't regret poor decisions never learn, because they are unaware.

Therefore AI is programmed to acknowledge when it makes a mistake, and learn from it. The ultimate question is, can AI show compassion, real compassion, because for me that is what separates man from machine.

Editor's Note



A handwritten signature in black ink, appearing to read 'Greg Simpson'. The signature is stylized and somewhat abstract, with overlapping loops and a long horizontal stroke extending to the right.

GREG SIMPSON
Editor

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Inga Vanqa: from humble beginnings to an entrepreneurial powerhouse

The award-winning Inga Vanqa attributes his successful quantity surveying career to his unwavering passion, determination and fierce entrepreneurial spirit. His strong sense of self-discipline ultimately led to the realisation of a dream: the establishment of Inga Vanqa Quantity Surveyors (IVQS) and Project Managers, one of the fastest-growing built-environment consulting firms in South Africa.

Vanqa's modest upbringing did not deter his desire and motivation to achieve the goals he set. With a genuine love for constant self-improvement and learning new things, he completed his quantity surveying studies and embarked on his career journey in 2004 in an industry he was passionate about.


After working for a small quantity surveying firm, Mazwana Maqetuka Peirson, in East London, he joined Turner and Townsend in Johannesburg where he was introduced to the mining industry.

Thereafter, he joined Davis Langdon as a Senior Quantity Surveyor and later, he joined TWP Projects.





“It’s still very tough to be a black business person in this country. The first problem is the access to finance and the second is the access to the market”



“As much as it is tough being a black entrepreneur, I believe it’s even tougher being a female, especially being a black female”

Vanqa says, however, that starting his own business after gaining the necessary experience and qualifications was always part of his larger plan.

Upon completing his Master’s degree, he set out to achieve his goal within a ten-year period—he did so in eight.

“I was a professionally registered Quantity Surveyor, a professionally registered Construction Project Manager and I felt I’d gathered the experience and the qualifications, there was nothing that could stand in my way,” he says.

Subsequently, he founded his company, IVQS, in 2013. After quitting his job in Johannesburg, he moved back to his parents’ house where he was generously given their garage to use as a makeshift office.

Humble beginnings

The beginning stages of starting his business were not without their difficulties and he faced a number of challenges, finance being the most burgeoning one.

“The company was formed from my own savings and no other funding. It was very

tough, the savings that I thought would carry me through until the business started being sustainable were not enough, so I went through a bit of a financial crisis,” he says.

Due to a lack of finances, Vanqa was unable to employ any staff for two years and took on all the roles himself.

“I couldn’t afford to employ people. I was the tea lady, I was the receptionist, I was the IT guy,” he reminisces.

As challenging as this was, he chooses to see the silver lining, saying the experience enabled him to understand every aspect of the business and function in every role.

He experienced moments of disillusionment and almost gave up, but his ambitious nature would not succumb to defeat.

“A lot of people would say, ‘I think you’re biting off more than you can chew’, or, ‘You’re punching above your weight’. I’d go for contracts or projects that are big, much bigger than what the company was capable of handling but that turned into something positive for me because we landed a very big contract, which is the one that I think turned things around for the

company. It was a R200-million office complex,” he says proudly.

After a difficult start, opportunities arose and he describes the experience as a thrilling rollercoaster ride ever since.

Future growth and expansion

Over the years, IVQS has gone from strength to strength, business has picked up substantially and the company has attained a lot of success, so much so, it’s continually expanding its service offerings.

“Initially, we offered only quantity surveying and consulting services but as it grows, we keep on adding to the service offering. We now offer construction and project management, we offer green code in consulting, arbitration and advisory services to the government on infrastructure development,” he explains.

This year, the company turns five years and Vanqa has expressed his plans to rebrand the entire business, because “now, it’s not only quantity surveying. In short, we call it IVQS because, in the beginning, it was just Inga Vanqa Quantity Surveyors. Today, that’s a

fraction of what we do,” he says, explaining that there are now opportunities in mining, construction and machinery.

Vanqa is eager to be as broadminded as possible in terms of business and with the rebrand, he is excited to take advantage of the opportunities the African continent has to offer as well as to grow the business within South Africa.

Currently, IVQS operates in a local capacity. Vanqa explains the company is based in Queenstown in the Eastern Cape, but due to its growth, they now have another office in East London.

Additionally, they’ve got projects in George and Johannesburg and the plan is to expand even further, beyond the borders.

“There are already opportunities and already people calling, wanting to see me about opportunities in the Democratic Republic of Congo and in Ethiopia because of all the exposure that I’ve received,” he enthuses.

“I still believe that, in spite of all the turmoil that’s happening in the country, there are still opportunities for companies like mine. I still want to grow the company and I see opportunities in the turmoil that’s happening.

crisis the country is currently facing. He strongly believes the government must create a conducive environment in order for those small businesses to thrive and grow into bigger businesses.

Vanqa believes that education and mentorship will play a big role if the situation is to be changed

That’s what an entrepreneur does—they see opportunities where others run away. I go in there,” he says.

The role of entrepreneurship in SA

In a country like South Africa, Vanqa says entrepreneurship, especially in the small business sector, is the solution to the employment

“It is encouraging that our government is considering making entrepreneurship part of the basic education curriculum as that would help to equip young people from a young age with the necessary skills to run successful businesses,” he says.

He adds that it is the responsibility of people who are already in business not to “kick the



ladder” and to ensure that more entrepreneurs are groomed by mentoring them and sharing experiences so that they do not repeat them.

“Our economy will greatly benefit from more people starting businesses and the Department of Small Business Development needs to be capacitated into a fully-fledged department as I feel that there is a lot of work to be done in assisting small businesses and in getting more people to start a business.

“Countries like China and India are economic powerhouses today on the back of a strong entrepreneurial culture and we need to build that culture here in South Africa,” he explains.

According to Vanqa, not only does entrepreneurship promote economic growth but it is a deeply satisfying endeavour.

“For me, what is most satisfying is looking back and seeing how much progress I have made and how much the business has grown. The responsibility of being an employer is also fulfilling, knowing that the livelihoods of a number of families rely on the decisions you make as a business leader,” he says.

The knowledge that you’ve provided employment to people who would most likely have been unemployed and unable to provide for their families is what allows him to sleep well at night.


He cautions that, while there are financial rewards over time, one should not make the mistake of making these their sole drivers, thus overlooking other aspects of running a successful business.

In terms of female entrepreneurs, Vanqa says entrepreneurship is still largely male-dominated and that not enough women are participating in business activities.

“As much as it is tough being a black entrepreneur, I believe it’s even tougher being a female, especially being a black female, as they are negatively stereotyped without being given a chance to prove themselves.

“The numbers are even worse in the sector I am in—the built environment and engineering—as it is still heavily dominated by males and very few women own businesses,” he says.

Vanqa believes that education and mentorship will play a big role if the situation is to be changed, adding that “those women, even males, who have achieved a certain level of success in business have a responsibility to ensure that they groom more young women to also reach their level of success”.



“I believe in leading by example and showing them how it’s done”

The government also needs to play a role in getting more women to participate in business by introducing or strengthening procurement legislation that is biased towards women, he adds.

A shining role model

A goal-orientated, driven businessman, Vanqa is an inspiration to other entrepreneurs who wish to follow in his entrepreneurial footsteps.

“I get calls, even now, there’s a guy that’s saying, ‘I see you’re in Cape Town, I want to meet with you’.

“It took time for me to accept that kind of responsibility, that people look up to me and want to emulate me. It comes with a lot of responsibility as well, because everyone is watching what you’re doing.

“I think there’s a lot of publicity around me—I’m in magazines, I’m on TV, I’m on the radio. I would like to believe that I am a positive role model,” he says.

His advice to budding entrepreneurs is both realistic and wise. Vanqa says that while it’s not easy to start a business—it’s probably one of the most difficult things one could do—persistence is crucial.

“I don’t think there will ever be anything more difficult than what I do, so it’s going to be tough in the beginning, it’s like that with everyone. Just persevere through the hard times and things will eventually turn around,” he says.

Research on the particular industry is also encouraged, as background knowledge is paramount.

When it comes to those who have inspired him, Vanqa says he admires people like Sandile Zungu, Khanyi Dhlomo, Sisa Ngebulana and a gentleman by the name of Luvuyo Rani, who also hails from Queenstown.

An award-winning entrepreneur

Vanqa attended the 16th Big Time Strategic Group BBQ Awards as a nominee in October last year. He received the New Entrepreneur Award, an acknowledgement that has meant a lot to him, in both a personal and professional capacity.

He speaks of the experience in a humble, excited manner, saying it was the first time he has ever attended an event of this nature with such esteemed black businessmen and women.

“I didn’t have an idea of what that was like. To go there and be in the same room as the

captains of industry and guys that I have always looked up to, even if I didn’t win, this was a big enough achievement, just being there,” he enthuses.

He describes winning the award as the best thing that could ever have happened to him and he is grateful for the recognition for all his hard work and for the potential that was seen in him.

“For the company as well, for people to recognise that this is a company for the future, this is a guy that’s got his mind in the right place—it gives the company some credibility.

When you start a company, people don’t believe in you easily, they ask, ‘Who is this

“Being able to effectively and unambiguously communicate is another important leadership lesson I have learnt, communication needs to be frank and straight to the point”

guy, what if he closes tomorrow?’ To receive a national award—I’ve won a number of other awards before but this one is the best,” he says.

Corporate Social Investment

Vanqa is a firm believer in Corporate Social Investment (CSI) and the importance of its role, pointing out the country’s glaring divide between the people who have and the people who don’t have.

“It’s not only the responsibility of the big corporates and the government to play a part in CSI, even smaller companies such as mine must get involved,” he says.

And IVQS walks the talk. The company is involved in a number of CSI projects, including school building and renovation projects in the Eastern Cape and in the rural areas, a church building project and the sponsoring of a sports tournament on Youth Day, to name a few.

While Vanqa feels that not enough is being done in the country to bridge the widening gap, he believes that as long as we keep trying and giving of our time and skills if a financial contribution is not an option, we can still make a difference.

The state of black businesses

South Africa’s corporate landscape has undergone a welcomed transformation over the years, but Vanqa says black business owners still aren’t receiving the support they should be in order to promote business prosperity and growth.

“It’s still very tough to be a black business person in this country. The first problem is the access to finance and the second is access to the market.

The private sector is still very much closed off to black-owned businesses. I have been fortunate in that I have had opportunities in the

private sector but it’s very difficult to get into the private sector,” he explains.

Vanqa says that, currently, black businessmen and women are often limited to government work, which can come with its own set of challenges due to the politics involved and the issue of late payments.

Leading from the front

Inga Vanqa demonstrates exemplary leadership and it’s his desire for people to see in him what he tries to instil in them.

“I can’t tell people, ‘You can’t be late to work’, and I’m the one who is late all the time. I believe in leading by example and showing them how it’s done. As previously mentioned, for a long time after I started the business, I was doing everything, so I know the ins and outs of the business. I can show people how things are done,” he says.

In addition, inspiring the team is very important to Vanqa and it is commonplace for him to hold motivational meetings as often as possible.

Vanqa says that a leader must be an embodiment of the culture they want to create and the outcomes they would like to achieve. Tackling

problems head-on instead of running away from them is also very important and that requires a level of responsibility and maturity. These are pertinent lessons he learnt during the course of his career.

“Being able to effectively and unambiguously communicate is another important leadership lesson I have learnt, communication needs to be frank and straight to the point. The message needs to be relayed, no matter how uncomfortable it makes the person on the other side feel.

“I am constantly appraising myself and finding areas for improvement and that requires honesty with oneself. It is important you know when and where you have gone wrong as it helps in shaping one into a better leader,” Vanqa says.

Striving to achieve balance

Vanqa has been married for over two years and is the father of two beautiful children.

He says finding and maintaining a balance between his personal and work life can be difficult, especially when you own a start-up business, which demands a substantial amount of your time. Add to that the fact that he’s currently working on his PhD research proposal and will be tackling his PhD studies this year.

“Hopefully, I’ll be able to manage my time better this year than last year, but that’s also something that I’m passionate about—education. I have my Master’s degree and I would love to take it further and complete my PhD,” he says.

“I miss the school functions, I don’t get opportunities to take the kids to school and things like that, but it’s part of the sacrifice that one has to make.

“I believe success comes with a lot of sacrifice but hopefully, I will retire early one day. I’ll be the house husband and stay-at-home dad,” he muses.

The lesson he would like to one day impart to his kids is simply to work hard and to believe in themselves. This combination, he says, will take them anywhere they would like to be.

“They might not want to follow in my footsteps in terms of a career choice, I will support them in whatever they choose to do. As long as they believe in themselves, they work hard and they have good values,” he concludes. ▲

Monique Jacobs



Flying High: Cape Town International Airport sets gold standard



One of the crowns of Cape Town's tourism and business infrastructure is undoubtedly the dynamic Cape Town International Airport. It serves millions of tourists yearly, en route to being awarded the title of the best airport in Africa in 2017.

And it is not by luck that any airport can win such a prestigious prize. Many of Africa's leading centres are building lavish new airports to keep up with the swelling numbers of tourists, wishing to break the winter chills to experience the warmth of an African summer.

And with more and more direct flights calling Cape Town home, the future is looking bright. The airport has really made an effort to make life easier for passengers, 30 minutes parking is free for pick-ups, and checking in is often fast and seamless. Gone are the days when you'd have to arrive at the airport two hours early and queue for an hour.

There is obviously also a push to keep flights on schedule to avoid delays, especially when dealing with international travel that often relies on connecting flights from other destinations.

To find out more, Gregory Simpson caught up with highly experienced General Manager at Cape Town International Airport, Deon Cloete, who has nearly 30 years' experience in the



aviation industry. During this time he served at all nine of our airports and was also seconded to South African Airways in 2000/2001, where he served as General Manager: Support Services.

He serves on the Boards of Wesgro, the Western Cape Economic Development Agency responsible for tourism, trade and investment as well as the National Sea Rescue Institute (NSRI).

Keys to success

He begins by outlining his keys to success. “We’ve got a secret ingredient called people that are really passionate about what they do. We’re blessed with a great team that’s prepared to really commit themselves one hundred percent to making each and every passenger feel at ease,” says Cloete.

“Although we are in the volume game, and it’s not just ACSA, it’s a consolidation of all of our stakeholders, that have really been able to make sure that we carefully plan and execute the value proposition, making sure to provide the safety and security context, and most importantly, convenience. People just want convenience, they don’t want to be hassled, and they want to be in and out.”

Record numbers

Cloete explains that the airport has recently gone through ten million passengers per annum, on the back of some very exciting growth.

“We are still a destination of choice, we’re not talking Cape Town we’re talking about the country as a whole”

“Overall you’re talking 7-8%, but if you unpack that internationally, we’re 27% up, that was 2016 and the year prior to that exactly the same. You’ve got double-digit growth on double-digit growth so it creates a lot of volume but you can’t lose the quality element.

“It’s through a common situational awareness, an all hands on deck approach to the job and what needs to be done—the planning and execution— that maintains the level of quality control. And in instances where mistakes are made, we all get together and evaluate where we went wrong and what we can do to prevent a repeat experience.

“If there’s an issue, we deal with it and transparently so and really make sure that we try not make the same mistake again. I really believe as much as we have world-class facilities and infrastructure, it’s the people that make the difference.”

Affordability and accessibility

In terms of affordability and accessibility, Cloete explains that this an area in which they are hard at work, and they are looking at surrounding local communities where there are a large segments of people that have never travelled before.

“We are really pushing hard, and I must say that the airline collaborations have been fantastic, and we work together to achieve the high growth. We started this air access initiative some two years back, and in those two years we have added ten new routes and eleven expanded routes.

All of these new routes have given us a lot of volume and it’s great to have—it was 750 000 seats one way in, 750 000 seats one way out, but those are seats, they’re not passengers. You have to put bums in seats, and you can only do so if you have a good value proposition and the airlines have really made it a big priority to make affordability a focus.”

Cloete explains that in consultation with the airlines they agreed on a significant investment programme to respond to the growth while retaining affordability.

“Historically the criticism levelled against us is to say that you’ve got growth and are responding to it, but in doing so you now have a situation where tariffs are increasing and that’s not good for the industry as a whole. So the approach that we took with the airline associations AASA and BARSAs was to say let us really make sure we don’t lose the investments. If we’re going to invest let’s say R5 billion at Cape Town International Airport let’s get that committed but at the same time how can we make it more affordable, without going into all those reiterations and the workings.



“But we were able, at a group level, to reduce our tariffs as the Airports Company since April of this year by 35%. Now 35% is very meaningful, certainly it is a huge plus for the travelling public. The same benefit goes to the airlines so they pay less in terms of landing, landing fees and as passengers. The parking of aircraft and the passengers get the benefit of the departure tax, 35% is 35%.”

In addition the initiative has acquired some international business as well as both provincial and city participation.

“So it’s the three tiers of government led by Wesgro, who is the implementing agent, and



“You’ve got double-digit growth on double-digit growth so it creates a lot of volume but you can’t lose the quality element”

their CEO Tim Harris and his team that are doing some fantastic work. Recently SA Tourism also joined the collaboration as a partner.

“And then you tag in big corporates, and big business that see the value of having good connectivity in a city where they are set up, and they also start supporting the initiative and then you’ve got a really good solution on the table.

“The growth is critical—he growth drives everything. If you don’t have growth we won’t have investments, we won’t have jobs, and it has to change and shape in terms of the region and the city we serve.”

Time for celebration

Would you believe it, it has been 25 years since the airport was re-branded from DF Malan into the Cape Town International Airport, which has seen more than just a name change. Massive investment was made prior to the 2010 Soccer World Cup, which gave many of SA’s airports a much-needed facelift and modernisation. Cloete remembers how it all evolved.

“We’re celebrating 25 years this year. Initially in the first few years I was privileged to be part of that journey, we put a lot of focus on the asset you know, we invested in the asset, SA opened up to the world, we were the flavour of

the month and the year. It was a honeymoon period and you know it was just flooding in, and we just had to make sure we could cope, so we furiously built infrastructure and then we had this world cup and we built again.

“We are very proud of what we’ve achieved as a country and particularly in terms of the airport we really believe we have world-class airport. We also then realised that we need to slightly shift our focus and this is strongly endorsed by the board.

“We also need to start looking at the out and not just the in and Cape Town is a very good example. “

Upliftment

Anybody who has driven to the airport will know that it is surrounded by poor communities that are in desperate need of more employment and hope. The airport, as it grows, provides an opportunity for more jobs, not only in aviation, but peripheral industries like catering and hospitality.

Cloete says, “We have surrounding communities which desperately need upliftment and hence us adopting what we refer to as an aerotropolis where we say let this airport not only benefit the airport but let us start shaping and changing the surrounding communities. And we’ve got very good examples of that happening now, because of the airport

expansion some 2 500 families have moved out of their current desperate circumstances into formal housing.

“We also have community members being trained by colleges to know how to build their own homes— creating real empowerment and a future together and doing things that will not only enable the airport but really drive the opportunity to create more jobs, getting more businesses set up and then very importantly good housing solutions.

The City will lead this and make sure that people don’t have to travel so far to get to a quality job and they don’t have to spend so much money to just get to work, that work will be on their doorstep and by the way this is not just a

new doorstep, this is a new house. So yes, we also dream but a lot of that happens. I mean we have, since we started this journey about five or six years ago, some 500 families who have already moved into their formal house, that’s fantastic.

“It’s one of the best experiences to be with somebody the day they receive the keys to their house after they’ve waited 20 years. It’s just an unbelievable experience.

“So we are obviously clear on our role and mandate as an airport operator and that will always be our priority. However, a huge, huge push from our side in the community side of things and how we shape and improve the lives of people is important,” he says.





New runway

There has been a lot of talk recently about the new runway that is on the cards to fully accommodate the bigger Airbus A380 for international flights and cargo.

At the moment the planes are unable to fly at maximum payload given the length of the runway. Cloete goes on to explain exactly where it will be placed.

“If one is familiar with the current runway, it’s parallel to the terminal. That runway is over 50 years old, and it has served us very, very well and we still maintain it, it’s in good nick, in fact we refurbished it about five years ago, spending just short of R200 million to make sure it’s in really good condition. We can’t have a runway fail on us, there’s just too much at stake.

“The beauty is that that runway, in the future configuration, will be a taxiway so it’s not money wasted, we are still going to use it as part of the infrastructure, but we then—picture this—we lift the runway and move it 200 metres to the east towards Stellenbosch, first towards Stellenbosch and then we rotate the runway 11.5 degrees. We rotate so that it opens up towards Somerset West, at the Denel site.

“In terms of the engagements we had with the pilot fraternity and the engineers, it gives us a very good technical solution on the ground. The runway is meant to achieve optimum efficiency, optimum safety and other considerations. Equally so, it just so happens that it also gives us the best noise footprint on the ground. We’ve just concluded the EIA, and



“The main argument that we’re putting forward (for the new runway) is that as a responsible developer we will create 50% more capacity”





have secured approval for our project, which has been suspended pending the processing of one appeal, and which we hope to have processed by the end of the year.

“The main argument that we’re putting forward is that as a responsible developer we will build this runway, and in so doing we will create 50% more capacity, i.e. we can move from 30 flights per hour to 45.

“We can now accommodate any aircraft including the A380 and with all of this growth and additional capability we’re actually reducing the noise footprint.

“If we had continued with the current runway it would be far worse than doing the new runway,” insists the likeable Cloete.

Politics vs. tourism

With SA in a state of political turmoil and recession for much of 2017, the airport’s tourism figures were unaffected over the last calendar year. This would indicate that people are still regarding SA as a prime destination, perhaps due to the weak rand, warm weather and plethora of cheap flights from Europe.

Cloete says, “Travellers are very resilient. I have just seen an article that suggested exactly that, we are still a destination of choice, we’re not talking Cape Town we’re talking about the country as a whole and the proposition is there so we must just not mess it up and we mustn’t take it for granted.

“So our focus is the additional volume and we’re very mindful that everyone is watching and there’s a certain expectation.

“The travellers that are coming in during the high season come every year and they become accustomed to a certain level of service, so if you now get stuck in a queue for two hours it’s not acceptable and if you don’t have your luggage arrive it’s just not acceptable.

“You’re only as good as your last passenger so certainly for us the focus will be to make sure that we support growth initiatives—and I must just mention that this growth is on the back of careful planning.

“We don’t just randomly allow flights to fall in here, we go through a slot request and approval process, we schedule the airlines very carefully so that we can do the volumes we’re doing. The year before last was a good example, the winter of 2016 in Europe was exceptionally bad and when you have a very harsh winter your flights arrive here randomly, they’re all out of schedule,

some are a bit early some are a bit late, they literally arrive here on top of each other and then you have some congestion so we work very hard on normalising the operation.”

Time is money

In the modern era of high-paced business and travel, time is money and delays can cost and airline or airport valuable time and reputation, neither of which can afford to be lost in a highly competitive space.

Cloete knows the importance of this, “We’ve got a centre here called the airport management centre, all of the roleplayers sit and they have full view of what’s going on, and they are also in contact with centres in Johannesburg and Durban and elsewhere.

“We put a lot of effort into making sure we keep the flights on time. We are very proud of the fact that we’ve got an almost 90% on time performance rate and that is why we are in category number six in the world for on time performance—not for the continent—in the world. The on time performance gives passengers predictability and comfort so that they know they won’t have frustrations. And if it happens, it really is the exception and not the rule.”

Master plan

As the airport continues to grow it is essential that the surrounding infrastructure develop with it. The BRT bus network has certainly helped travellers reach the city centre from the airport with ease.

“However, with the amount of congestion on the roads, it is essential that we develop rail links too. The success of Joburg’s Gautrain is a shining example of what should be done for the Mother City.

“On the master plan level, we have a rail link into the airport and we will have to press that button when the time is right but certainly currently with the BRT or the bus service being very efficient, it works well. Now that we’ve also passed the ten million passenger mark we have to look at the airport slightly differently, we know it’s coming and probably with the type of growth we’re seeing now sooner rather than later. It is really unprecedented to have the type of growth we have had at Cape Town International Airport,” concludes the knowledgeable Cloete. ▲

Shannon Manuel and Gregory Simpson



Mining for good: Why mines must get better at talking

As mining's leaders make their annual pilgrimage to Cape Town's African Mining Indaba, the sector is facing some of its most daunting hurdles yet—including winning the confidence and collaboration of vulnerable local communities whose sustainability is increasingly threatened by global impacts like climate change

It is no longer a point of debate where the most pressing operational risks for mining lie; as difficult as the issues are that relate to commodity price cycles and finance raising, these do not top the list. Instead, the main concerns are primarily social and environmental, according to Mining Journal's 2017 World Risk Report.

The report cites social licence, environmental management, project permitting and mine closure as today's most important operating risks. Not only are they considered the biggest risks currently, they are also rising

in significance, and are considered to be the hardest to manage.

While this research certainly confirms what we have been saying to our clients for some time, it also represents a serious warning that many players in the sector are finding these challenges difficult to address. We have advised our clients to actively continue with stakeholder engagement during the downturn to facilitate the development of new projects once financing becomes available.

The real danger is that the broader social, economic and environmental conditions in which mining operates are becoming harder

to navigate, even as we explore and trial new models of sustainable management. Key among the forces at play in the current mix of factors is climate change, and the effects that this is having on subsistence agriculture, water supply, food security, the rise in terrorist activity, and migration.

Amid the difficulties, there has been considerable progress in mines' efforts in terms of safety, health, environmental management and stakeholder engagement—and the complexities of the challenges should not obscure these achievements.

Rising temperature of resistance

Community resistance to a mine is not just a more common phenomenon; it is also having growing consequences for mining companies, often bringing large projects to a standstill and even causing investors to walk away completely from mineral opportunities.

Climate change is likely to exacerbate this trend, as it worsens living conditions in many areas and renders communities more vulnerable—indeed, more desperate—and reliant on

sharing in the value of previously isolated and self-contained mining operations. In addition to mines' effects on communities, there may also be competition for scarce resources—such as water – between communities and mines.

African countries like Niger and Senegal, for example, have already experienced a rise in ambient temperature that affects food security, and desertification continues apace. It is affecting livelihoods of especially rural communities, and famines are occurring in record numbers. The disruptions felt in these communities are reflected by terror-related instability and growing migration in many parts of Africa. Mines can no longer exist as islands of wealth on a landscape of endemic poverty; engagement with other stakeholders now has to be more proactive, and better coordinated—with civil society and the public sector in-country, as well as with the broader global community of explorers, developers and investors.

Furthermore, mines are often not managing their environmental impacts effectively or fully implementing those management measures which are legally required in their approved

environmental management plans; this can also trigger community resistance and action.

Roots of mistrust

In many ways, the challenge now facing many mining companies on this front is a shortcoming of management, a failure to prioritise stakeholder relationships and to systematically manage their communication and interaction. Promises may be made and not followed through. False expectations may be created and not dispelled soon enough. Most importantly, trust has not effectively been built and maintained, leading to frustration that simmers under the surface and periodically bursts into violence.

For us as consulting engineers and scientists, we encounter this frustration and other negative sentiments frequently in the course of our work in stakeholder engagement. It commonly shows itself at public meetings during the public participation phase of our social and environmental impact assessments. These gatherings are sometimes the only forum for local people to voice their concerns, many of which relate to



The mining sector in Africa is not alone in terms of falling short of community expectations when managing the social impact of its work

legacy issues and past instances of unfulfilled expectations.

These are management issues for mines in the sense that the complex links and engagements between a mine and its in-country stakeholders have often not been properly documented, shared and agreed. Mine staff come and go, and commitments made by one incumbent are not always honoured or even remembered by the next; hence the importance of systems and mechanisms to record and track these engagements, which will ensure institutional memory.

But the community remembers; they remain, where mine employees may be transient. And when the green but hapless ‘community officer’ attempts to progress the company’s corporate vision on building local trust at a local level, they often find the community hostile and unforgiving. These sentiments are expressed—if perhaps at a more abstract but equally heartfelt level—at the fringes of the African Mining Indaba itself, in the form of the Alternative Mining Indaba.

This prevailing atmosphere is confirmed in recent research by the International Council on Mining and Metals (ICMM), itself a powerful and progressive force in favour of responsible and sustainable mining practices. On the strength of almost 800 surveys with stakeholder groups in mining, the research shows that the mining industry continues to operate in an adverse social environment, “with persistent concerns around the license to operate, be it with local communities or the general public”.

Engagement and transparency

The ICMM reiterated “the wide array of both environmental and social impacts” that mining has on society. “These historical pain points and the increased pressure to deploy meaningful engagement with local communities,” it said, “seem to contribute to a climate of anxiety, also fuelled by the prospect of challenging community conflicts with dramatic consequences on the levels of social acceptance”.

In terms of possible solutions, it concluded that “sustainability implementation, stronger local community engagement, and transparency are most frequently mentioned [by respondents in the research] as pathways for building broader public trust in the industry”.

As we are also in the business of solutions, SRK is continuously generating, testing and



The real danger is that the broader social, economic and environmental conditions in which mining operates are becoming harder to navigate



The mining sector in Africa is not alone in terms of falling short of community expectations when managing the social impact of its work

implementing practical and integrated interventions that aim to have positive outcomes for all involved; our experience leads us to emphasise the grievance mechanism, for instance, as a process that needs careful management. These processes must also lead to close-out, so that there is some form of resolution of the matter in the eyes of all stakeholders.

The mining sector in Africa is not alone in terms of falling short of community expectations when managing the social impact of its work; African governments have experienced similar shortcomings on large state projects, which come back to haunt the prospects for future initiatives in ways that can scarcely be anticipated. Over half a century after the massive resettlements that made way for the Kariba Dam, for instance, some descendants of those affected still carry grievances about lack of livelihood restoration that makes them indisposed to formal collaboration with public or private sector initiatives.

Attention to detail, then, is vital for mines to build firmer foundations of engagement; mine officials need to carefully plan and track their communications and interactions with

communities; as in other operational areas, records must be kept of meetings and decisions, to feed and maintain institutional memory. An obligations register, for instance, which sets out timeframes and allocates obligations, is a particularly useful tool to help the process outlast transient mining staff.

A regular question should be: what is the baseline prior to mining, so that mines can meaningfully measure benefits that a mine brings to local communities and broader societies? While environmental baseline studies are now conducted as a matter of course, mines will seldom formally measure the economic conditions in areas where a mineral development takes place. When a mine wants to assert that it has made a material difference or improved conditions in the area, therefore, it is not possible to convince stakeholders that the 'before' situation is quantifiably better than the 'after'—as there is no baseline from which to judge.

Management accountability

A further practical issue that subtly but profoundly affects the drive with which mining companies meet their constructive obligations

—whether to society or the environment—relates to incentives. It is usual for CEOs and other senior executives to be employed on contract for a certain term, and many are rewarded with bonuses during their tenure and on their departure, based on financial performance.

In most cases, the shareholders demand a clear financial focus from the executives, who dutifully do their best to deliver on the bottom line. What is not always so clear is the impact that financial success may be having on other operational priorities in the long term; indeed, many unintended consequences of current management will only be felt by shareholders in the years to come.

This opens for discussion the way that bonuses are paid out, and whether shareholders are really in a position to judge executive performance until some years down the road. Failure to properly resource the business units that address social and environmental impact, for instance, may show itself immediately as a bottom-line benefit and for which the executives may be handsomely rewarded.

Five years later, however, a disgruntled community could bring the operation to a halt due



to the mine's insufficient attention to its social impact; by this stage, however, the incentive has been paid out.

Shareholders in this situation may justifiably ask themselves whether they have paid fair value for the services rendered, or whether they have unwittingly encouraged their executives to focus on quick wins instead of long-term sustainability. Perhaps there is scope for revised incentive structures, which reward executives over the number of years that their decisions will continue to reap consequences. Nowhere are these consequences more significant to investors than in the social and environmental space.

Technology and productivity

Even mines' efforts to become more productive—as they certainly must, especially in countries with deep and mature mines like South Africa (SA)'s—are going to have social impacts. Broaching the subject of mechanisation and automation in certain countries leads quickly to the question of employment losses, and how many jobs are at risk when machines start doing more of the work.

Clearly the sustainability of mining operations is based on many external factors to which mines simply have to adjust, through productivity and other measures. A more practical question for mines is the way their skills profile will be affected, and new skill sets become required by modernised tasks and processes. As importantly, how will the mine ensure that local people will be in line to fill these positions? This is particularly tricky in environments where mineworkers are mainly semi-skilled without a depth of good education or trainability.

Apart from optimising current benefits from mining, the thrust of sustainability thinking is also forcing mines to consider and address their role in helping secure a future for their host communities and countries after mining has ceased. This is the implied or explicit intention of many countries' mining regulations, as exemplified in SA's 'Social and Labour Plan' element of mining licences.

Getting real closure

This creates not just an opportunity but an obligation for mines to 'plan' their social impact even before they start mining; once again, however, this is an area where successful application lags considerably behind a commitment to the concept. One of the reasons is, again, the

The sector is emerging from a situation where closure planning in countries like SA has been undertaken largely by engineers and scientists. The result is a focus on mitigation of environmental and social impacts and residual risk reduction, bringing sustainable and beneficial post-closure land use into focus, as opposed to the historical approach of just returning to a pre-mining condition.

In recent years, however, SRK has seen a wider range of specialists becoming involved in closure planning, with social scientists, stakeholder engagement practitioners, health practitioners, biodiversity experts and others now playing a role.

While this happens mainly when major mining houses are driving the process, it is certainly a positive development that we would encourage across any size of client companies.

If closure planning is supposed to achieve an ultimate goal of sustainability, then a change in philosophy is required.

The mining sector needs to stimulate multi-disciplinary thinking—where town and regional planners, landscape architects, community development specialists and social scientists are all included in the planning teams, along with the engineers and biophysical scientists. This is

The thrust of sustainability thinking is also forcing mines to consider and address their role in helping secure a future for their host communities and countries after mining has ceased

challenge and complexity of working effectively with communities, especially in societies that are highly stressed by economic hardship aggravated by environmental change or degradation. It is no coincidence that SRK's social and environmental work has grown rapidly, both in the innovation of its interventions and in its scope in recent decades. Applying sociology to mining is every bit as complex as any of the other scientific disciplines, and it is perhaps no surprise that mines are struggling to succeed on this front.

likely to require a change of priorities for many operators as well as the authorities, particularly where new and unfamiliar methodologies may be proposed. ▲

Marcin Wertz, partner and principal mining engineer at SRK Consulting, Andrew van Zyl, partner and principal consultant at SRK Consulting, Darryll Kilian, partner and principal environmental consultant at SRK Consulting and James Lake, partner and principal environmental scientist at SRK Consulting.

The world is changing and that's a fact

2017 was a whirlwind year for all South Africans with every single aspect of both personal and business life being disrupted by political, socio-economic and regulatory change and uncertainty

Many of the changes were anticipated and expected, some were predicted, and some may have caught people by surprise. Change and uncertainty have been particularly prevalent in the South African (SA) mining and natural resources sector, a key barometer for the state of business, which remains critical to the SA economy and which, if managed properly, can continue to contribute significantly to growth and development, to the benefit of all South Africans.

The mining and natural resources sector's position as a key contributor and as a potential significant driver for growth and development has been hampered by significant challenges faced by the sector in 2017.

This included the publication of the Reviewed Broad-Based Black Economic Empowerment Charter for the SA Mining and Minerals Industry 2016 on 15 June 2017 (Mining Charter 3), and the immediate, widespread, and generally negative response to Mining Charter 3.

Unlike the reaction to the two previous versions of the Mining Charter, the response was more widespread, with criticism coming from a broad spectrum of stakeholders, and initially including the Chamber of Mines (COM) representing the majority of mining companies, trade unions and other interested and affected parties.

In November 2017 the High Court of SA granted a request by the Centre for Applied Legal Studies (CALs) and Lawyers for Human Rights (LHR), that represent various community organisations, to join the COM's application for a review of Mining Charter 3.

While the CALs and LHR are addressing Mining Charter 3 for reasons that may differ from those of the COM, the fact remains that CALs and LHR represent important stakeholders who have also taken up a position that is critical of Mining Charter 3.

Despite some positive views on the SA mining and natural resources sector, there have also been a number of aspects that have impacted, significantly. Without question, the most debated and discussed topic of 2017 was the impact of Mining Charter 3. It was estimated that mining stocks lost approximately R50 billion in value following its publication, with the rand losing ground at that time.



The COM immediately launched legal proceedings, and the grounds of challenge went to the heart of Minister Zwane's powers and functions under mining legislation and the constitutionality of Mining Charter 3. The COM and various other stakeholders have argued that Mining Charter 3 is harmful to industry and the economy because of its content, as well as its vague and contradictory language.

Mining Charter 3 does not only impact SA mining companies, but also SA and foreign suppliers of goods and services.

In addition to Mining Charter 3, Minister Zwane published his intention to issue a notice placing a moratorium on all applications for new prospecting and mining rights, renewals of prospecting and mining rights, and ministerial consent in terms of section 11 of the Mineral and Petroleum Resources Development Act 28 of 2002 (MPRDA) (in summary where a right or an interest in a right is to be transferred or there is a change of control, ministerial consent is required).

The Minister indicated his intention to issue the moratorium notice under section 49 of the MPRDA, which vests the Minister with the authority to issue a notice prohibiting prospecting or mining in respect of certain geographical areas or certain minerals for a particular period, having regard for the natural interest, the strategic nature of the mineral in question and the need to promote the sustainable development of the nation's mineral resources.

Various stakeholders expressed the view that the Minister had exceeded his powers under section 49 of the MPRDA by intending to issue a blanket notice. The COM again initiated court processes and the notice was not issued.

The dates for the hearing of the COM's application to review Mining Charter 3 by a full bench of the High Court remained 13 and 14 December 2017, despite the Order of the High Court granting the request by CALS and LHR to join the application.

Initial concerns that these dates would be pushed out have been addressed, and the focus has now turned to the substance of the challenge to Mining Charter 3. By the time this article is published, the High Court should have handed down its judgment and, hopefully, provided clarity and a level of certainty to the SA mining and natural resources sector and all stakeholders.





Without question, the most debated and discussed topic of 2017 was the impact of Mining Charter 3

Mining Charter 3 has been blamed by a number of stakeholders for the high number of job losses in the mining and natural resources sector in 2017, or that it was at least a significant contributing factor.

While there may be some merit in these arguments, it would be far too simplistic to attribute the job losses to Mining Charter 3 only – there are many contributing factors, such as regulatory and policy uncertainty, which are broader than just Mining Charter 3, the external investor perceptions of political stability, corruption and nepotism, and the significant increases in the cost of mining operations in SA.

Feasibility studies for new investment and investment in expansion projects now, of necessity, include pricing the risk associated with policy and regulatory uncertainty, and this costing has resulted in cautious decisions on new investments and expansion projects which would, under other circumstances, have been feasible.

The negative consequences of the job losses are widespread. It is generally acknowledged that a multiplier effect applies, and that for each person in the mining and natural resources sector who loses his or her job, another six to eight persons who may be dependent on that person are affected. It is, however, not only direct dependants that are affected – there is a ripple effect to service providers that provide food, transport, accommodation, etc. These service providers are often, themselves, small to medium enterprises that cannot absorb the loss of business.

On a positive note, the threatened strike for late 2017 in the coal subsector was called off and despite Eskom's announcement that it has sufficient coal stockpiles across its coal-fired power stations and was building them ahead of the potential strike, there were concerns that electricity-reliant businesses could be impacted at a critical time of the year.

Not all news has been bad news. In November 2017 delegates who attended the Chromium 2017 Conference were informed that SA is an irreplaceable supplier of chrome ore and ferrochrome, and continues to hold its position as a dominant global chrome producer. SA remains a significant exporter of chrome, predominantly to China. SA has, however, lost out in its number one producer position to China.

2016/2017 also saw mining companies challenging instructions and decisions of the

Department of Mineral Resources in the SA courts. One of the matters that was commented on extensively during 2017, was involving AngloGold Ashanti Limited, the Acting Chief Inspector of Mines, the relevant Principal Inspector, and the Inspector that issued a section 54 instruction in terms of the Mine Health and Safety Act 29 of 1996 (MHSA). In late 2016, the Labour Court handed down a judgment in favour of AngloGold Ashanti.

In the matter, an inspector conducted an inspection on Level 44 of Section 12 of AngloGold Ashanti's Kopanang Mine, situated in the District of Orkney, in the Northwest Province.

The area where the inspection was conducted constituted a small part of the overall mining operations at the mine. A series of six instructions were issued in terms of section 54 of the MHSA, stopping various operations. AngloGold Ashanti challenged the instructions.

The Labour Court held in the matter, in relation to stoppage notices, such as section 54 instructions, that "it is the notion that one ought not to use a sledgehammer to crack a nut". The AngloGold Ashanti judgment provided useful guidance to all stakeholders in the industry, in 2017. The judgment urged all stakeholders to carefully consider their positions and to engage, meaningfully, to ensure the ultimate objective of zero harm.

From a health and safety perspective, 2017 has raised the question of whether "zero harm" is achievable. As at the end of November 2017, there were 82 fatalities, which surpassed the total 2016 figure of 73, ending nine straight years of a decrease in fatal accidents. It has been suggested that this is as a result of the disruption to the "mining rhythm" as a result of mine stoppages, restructuring programmes, retrenchments, and placing shafts on care and maintenance.

2017 has also been a year of disruption for the mining and natural resources sector as a result of developments in renewable energy, the fourth industrial revolution, more commonly referred as Industry 4.0, the Internet of Things (IoT) and the strides being made in artificial intelligence.

From a global perspective, renewable energy is dominating development of capacity, and is likely to outstrip fossil fuel-generated energy in the short to medium term. The growth of renewable energy capacity is attributable, to a large

extent, to the lowering of the costs associated with renewable energy.

SA may be losing out. While renewable energy is very clearly on the agenda, whether it is being implemented properly is another thing, entirely. In contrast, for example, China is now a leader in the push for renewable energy and has taken the dramatic step of banning any new coal-fired power plants. This has been in support of China's constitutional environmental imperatives and its programme of "Beautiful China".

SA remains heavily reliant on coal-fired electricity generation, but even SA's coal mining industry will have to acknowledge the drive for cleaner energy.

Industry 4.0, the IoT and artificial intelligence are a reality that should be embraced to improve efficiencies, while balancing a critical component of the SA mining industry, namely its employees, through the implementation of appropriate programmes of re-skilling, implementation of open source/access infrastructure that can be shared by sectors such as the agriculture sector, and buy-in from key stakeholders in the mining and natural resources sector.

A number of mining-focused events were held in the latter part of 2017 including Africa DownUnder, Joburg Indaba, and Mines and Money London. The views expressed at these events have generally been positive, and there is certainly the perception that progress made in the mining and natural resources sector in 2017 is sustainable and that, at the very least, the first quarter of 2018 is likely to see further improvements.

One thing is certain, the super cycles previously experienced, are unlikely to be seen in the near future, if ever, again. Prudent mining companies will therefore keep a very close watch on mining costs to ensure that operations remain profitable, while at the same time, creating monetary reserves for possible expansion and acquisition projects.

SA has been acknowledged for its "can do" approach, and many innovations developed in SA have been successfully exported abroad. It is critical for leaders to come forward who embrace the changes that are so necessary for the success of SA and all its citizens. ▲

Warren Beech, Partner and Head of Mining at Hogan Lovells, Nicholas Veltman (Partner), Eben van Zyl (Senior Associate), Refiloe Vengeni (Associate)



2017 has also been a year of disruption for the mining and natural resources sector as a result of developments in renewable energy, the fourth industrial revolution, the Internet of Things (IoT) and the strides being made in artificial intelligence



“Women are very focused and when you look at behaviour attributes, empathy is strong”

Breaking new ground for women

Trailblazer Priscillah Mabelane is breaking new ground in the oil and gas industry and is the first woman in the history of South Africa (SA)'s oil industry to head a multi-national company – marking a significant milestone in the organisation and industry's transformation journey

With over 20 years service in a number of key leadership positions, Mabelane brings a wealth of world-class experience and expertise to her new role as CEO for BP Southern Africa (BPSA). She most recently served as Operations Director for BP's UK retail business, where she is credited with maintaining a strong safety record while delivering record levels of financial performance and progress on key strategic milestones.

Prior to joining BP, Mabelane held various executive roles in a number of large South African companies including the Airports Company where she was CFO, Ernst & Young where she was a tax director and Eskom Holdings Limited where she held various roles in finance, tax and general management. She is a qualified chartered accountant and has a BCom Honours in accounting.

"Given her proven track record in her previous executive roles, we are confident that Priscillah will be a strong leader for our business, especially as we continue to explore new areas of growth and development," says BPSA Board Chairperson, Adv. Thandi Orleyn.

BPSA currently boasts the highest number (six) of women in leadership positions, which is over 50% of the executive team. The organisation's board chairperson position is currently held by a woman, Adv. Thandi Orleyn, since 2011. Gregory Simpson caught up with Mabelane recently for the inside scoop.

What is the significance of your appointment to the position of CEO of such a prestigious company like BPSA?

It is a significant milestone for women, let alone black, in an environment where the diversity profile is not where it could be. But my aspiration is not to make this an individual achievement, but to say, "How can we build the right attributes and give confidence to young women for the challenges that are coming through".

When you go into the industry and see the talent profile, you see many young and capable women coming through in the technical areas, for example, technology and engineering is female dominated. But there is a funnel that you need to go through, so I'm hoping that my appointment signifies a shift. Having said that, it is very important that we demonstrate the right leadership and become the right role models,

able to inspire that confidence and ensure that we give back.

There is an argument that women are better in certain positions in the working environment than men, would you agree?

My experience is that from a technical ability perspective they are better, women work much harder, often twice as hard as their male counterparts, which comes naturally. We are very focused and when you look at behaviour attributes, empathy is strong. In a world that's always moving and innovating, the ability to tap into different profiles and diversity irrespective of gender and race, you need that broad empathetic leadership, which women are better suited to, being able to respond appropriately.

Where have you identified key opportunities for BPSA in sub Saharan Africa?

It is still a growth continent for us, but we have some challenges in the short term in SA and Mozambique from an economic perspective. Our business needs to be resilient to be able to go through that. But overall we see a growth opportunity for BPSA going forward. We're continually looking for investment opportunities in

Southern Africa and making significant investments over the next five years to upgrade our network and convert our convenience stores in partnership with Pick n Pay.

Within our refinery we have a number of dynamic shifts to cleaner fuels and making sure that we are competitive in meeting our demands.

Bio fuel is slowly making inroads into the mainstream diesel market as an alternative fuel, just how far down the line are we with those developments in Southern Africa?

At a global level we are looking at cleaner technology in terms of bio fuel, but not in Southern Africa. If you look where the region is, the opportunities that we are exploring are more

inline with our current business and expanding and growing that.

Looking to the UK, where you spend a lot of time at BP headquarters, what do you make of the proposed banning of fossil fuel cars by 2040? How do you plan for such events and diversify your offerings to remain relevant?

I think we need to understand that we are operating in a global world and we are not excluded from these dynamics. Having said that, the pace will differ from one market to the next based on maturity. SA will probably be the first African market to shift in terms of global technology. We will continue to monitor that. The good thing about operating in a global system like BP is that we are responding to the technology at a

global level, and the issue is deployment into each market at the appropriate time.

Cleaner diesel legislation is closer to the South African business reality, with legislation stuck at levels that Europe was at 10 years ago. Most local trucks run on Euro 2 and 3, while Europe runs on Euro 6 engines, which can be 20 - 30% more efficient and kinder to the environment. What is the latest?

We are operating in a regulated environment compared to the rest of the world where it is an open, competitive environment. The biggest challenge is balancing the interests of our customers and those of the major players involved. We need to make sure that the pace of change and the framework supports that. We



I think we need to understand that we are operating in a global world

also need to be mindful about the security of supply. The amount needed to make the change is significant so we need certainty about some of the macroeconomic drivers.

What kind of leadership style do you admire and try to follow as you lead your own team?

I strongly believe in orchestrating delivery through people, and being a visible and active leader. Able to listen and engage to inspire confidence while being adaptive in terms of different people and contacts. Knowing when to push and when to pull, while ensuring that I set the right challenge for people to grow and continuously get better. That is how I operate. I believe in walking the floor, interfacing with customers to understand their needs, spending

time with the sales team, while understanding the risks that we operate under.

BP and Pick n Pay have been strengthening their partnership at filling stations and plan to rollout a fresh new look for their convenience stores. What are you doing to stay competitive with the likes of Engen, who have a partnership with Woolworths?

We operate a retail business, a convenience business, so need to make sure that we are offering our customers the right products when they visit our stores. Pick n Pay, as you know, has market penetration which is appropriate for our business and we are very fortunate to partner with them. Shale gas was a big talking point in years gone by, but with no clear signs of

large deposits, yet things have gone quiet. What is BP's position? In SA it is not on our agenda at all so we're not having any discussions around that at this point.

How much cleaner has BP made their operations over the last 20 years locally?

In SA we have been investing in cleaner technology at our refinery, and in the medium term we are committed to ensuring that we can meet the demands from a cleaner fuel perspective.

I've seen you say that being authentic is essential for you. How do you keep your individuality working in such a large company?

I joined BP because the values of BP aligned with mine. I'm an integral part of leading those values and don't see any limitations in being a multi-national company, which gives me an



We operate a retail business, a convenience business, so need to make sure that we are offering our customers the right products

opportunity to live the values that I believe in. That is important for anybody. I'm aware that when you work with a diverse group of people in a large team those values get tested, but my boundaries are very clear.

What are some of the keys to balancing family and a high profile job that requires a lot of travelling overseas?

I'm fortunate that in the last ten years my kids are much older and can balance some of that. You need to be mindful of your time, and creating time for the kids without distraction is very important. You need to continue to be whole with your family and set boundaries between time in the field with BP and time at home.

Always one for the next challenge, what are your long term goals since you have presumably achieved one of them already at BP in your new position?

I believe in continuous growth, I am young and the future looks fantastic. I intend to put my head down and enjoy what I have today, while

making a meaningful contribution to others people's lives and to be an inspiration.

“We need certainty about some of the macroeconomic drivers”

The Fourth Industrial Revolution and AI have been stealing the headlines of late, are you excited about the possibilities or quietly cautious about the job loss component?

The reality is all industries are going to be affected by Fourth Industrial Revolution. We have a huge focus on that and its very exciting and we'll continue to share some of our strategies at a global level. But it is a phenomenal

shift, and I tell my team that in the meantime we have a business to run and shape in order to continue to be sustainable while being able to adapt. Job loss and re-skilling: I think it will be a combination, and I am nervous about the implications for SA from a skills set and capability standpoint, and how we can ensure that we minimise the impact on employment. At BP we are already looking at where we can upskill and adapt to the change.

BP had a fantastic year in 2017 globally, showing a tidy profit margin to investors after a down year in 2016. What do you put the growth down to?

It's due to all the investments upstream and downstream to remain at a competitive advantage, and to simplify and modernise the business.

Our retail and downstream portfolio has changed significantly and unlocked value for us. ▲

Gregory Simpson



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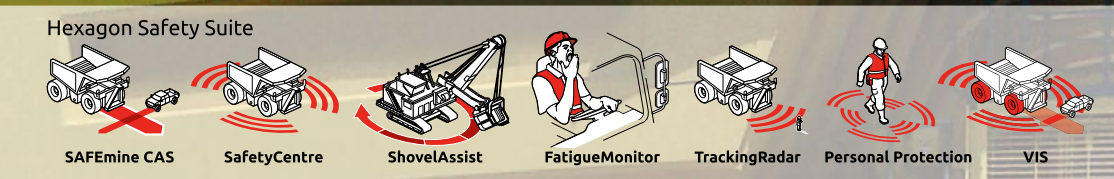
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What does 2018 have in store?



It's the time of year when investment and economic commentators gaze into their crystal balls and come up with an outlook for the months ahead. While these forecasts can be both interesting and entertaining, they are too often wide off the mark, and the more precise they are, the more incorrect they tend to be. However, it has to be said that the general outlook at the start of 2018 appears healthier than it has been for a number of years.

But before we get into that, let's do a quick recap of three important lessons from last year.

Don't overreact to "noise"

After much gnashing of teeth, South Africa (SA) was downgraded to junk status following the firing of Finance Minister Gordhan in March. Another round of downgrades followed in November as a result of the mini-budget's shocking projections. Interest rates, however, did not surge as many predicted, and the rand actually ended the year stronger against the US dollar. Why?

Markets respond to the factors that give rise to ratings changes—weak economic growth, rising government debt, financial challenges at Eskom—in real time, long before the ratings agencies do. Much of the bad news, including the downgrades, was priced in by the time the agencies made their official announcements. The international backdrop also helped, with foreign investors hungry for higher yields irrespective of credit rating. The muted market

Price	Chg	%Chg	Shares	Value
86.560	0.650	▲ 0.650	57.030	57.030 57.030
57.030	807.5	▲ 57.030	5.7540	5.7540 5.7540
5.7540	0.607	▲ 807.5	0.7540	0.7540 0.7540
0.7540	540.5	▲ 540.5	86.560	86.560 86.560
WEF	EFF	-WEF	EFF	-WEF -WEF
0.7040	405.4	2.2400	▲ 405.4	8.6350 8.6350 8.6350
0.5030	054.0	4.9870	▲ 054.0	8.7860 8.7860 8.7860
0.650	8.6350	767.6	5.3230	5.3230 5.3230
0.7030	0.650	86.560	▲ 0.650	57.030 57.030 57.030
0.7540	807.5	57.030	5.7540	5.7540 5.7540
0.7540	0.607	5.7540	▲ 807.5	0.7540 0.7540
	540.5	0.7540	▲ 540.5	86.560 86.560 86.560

28,812	56,965	+56,965	+56,965	28,812	56,965
247	478	+478	+478	247	478
207	109	+109	+109	207	109
500	770	+0.770	+0.770	500	770
678	346	+0.2346	+0.2346	678	346

Lang	M	Relev	As of	1/01/00
10 : 37	NSA	STOCKS EXCHANGE : BYE 44% FOOD COMPANY (AS) : CENTRE		
10 : 12	NSA	WORMINNUD AGAINTS MOTICE TEAM		
11 : 01	NSA	0.83745R7T +453U594		
12 : 44	NSA	77% -----M AP MARKETING		
13 : 32	NSA	0000 09 -02.75583+ TIMES		
10 : 37	NSA	STOCKS EXCHANGE : BYE 44% FOOD COMPANY (AS) : CENTRE		
10 : 12	NSA	WORMINNUD AGAINTS MOTICE TEAM		
11 : 01	NSA	0.83745R7T +453U594		
12 : 44	NSA	77% -----M AP MARKETING		
13 : 32	NSA	0000 09 -02.75583+ TIMES		

Symbol	Price	Chg	%Chg	Shares	Value
rs	23.86	+0.45	+1.93%		
urz	63.75	+0.34	+0.53%		
mtz	5.12	+0.12	+2.34%		
mtb	22.72	+0.16	+0.70%		
mtc	11.56	+0.16	+1.38%		
mtf	22.84	+0.12	+0.53%	100	\$ 22,840
mtg	60.12	+0.17	+0.28%	300	\$ 18,036

response to the downgrade reiterates that investors should not overreact to negative news headlines, and that international trends also need to be considered.

Stay invested

The FTSE/JSE All Share Index posted an excellent return of 20% in 2017, most of which came in the second half of the year. The blistering rally kicked off at a point in time when things were looking particularly bleak locally: SA had just been downgraded to junk status, was in a technical recession, and faced major political uncertainty.

While many investors would have been tempted to sit on the sidelines and wait for the

The real lesson is that the best defence against such an unexpected event is diversification. A diversified portfolio would have suffered a bit of a knock, but not a wipeout.

Looking ahead globally

The good news is that global growth ended 2017 on a high note, and this positive momentum looks set to carry over into the new year. All the major economies—including the US, Europe, Japan and China—are growing at the same time, constituting the first “synchronised” upswing since the end of the Global Financial Crisis in 2009.

It is not that global growth is historically strong now—it is pretty much in line with long-term average growth—but that over the

about potential deflation), interest rate increases are expected to be gradual. All in all, it is what many commentators have called a “goldilocks” environment—not too hot (i.e. no overheating and runaway inflation) and not too cold (in terms of economic activity)—for financial markets.

Local outlook also better

The outlook for SA is also (and quite suddenly) better. To understand why, it is important to realise why things were so dire to begin with. Between 2013 and 2017, the global environment was extremely unfavourable towards SA: commodity prices collapsed, capital flowed out of the country (and other emerging markets) and the rand fell sharply, putting upward pressure on inflation and interest rates.

The country also experienced the worst drought in a century, which not only hurt the farming community, but also resulted in a food price shock. And then there were the “own goals”, including load-shedding, restrictive new visa rules, surprise cabinet reshuffles and political uncertainty in general.

In terms of the global environment, things are now much more favourable towards us. The global economy is finally firing on all cylinders, and SA—as a small and open economy—tends to follow the global cycle with a bit of a lag. Commodity prices have firmed up and capital has been flowing into emerging markets.

It also looks like we’ll see fewer own goals being scored this year. Specifically, sentiment around the political situation has improved substantially following the ANC’s December elective conference at Nasrec. Since winning the ANC presidency in a tight race, Cyril Ramaphosa has made all the right noises in terms of focusing on economic growth, investor confidence, combatting corruption and fixed state owned enterprises specifically. The latter is crucial, because though Eskom is no longer crippling the economy with rolling blackouts, it risks doing so with its debt burden. It is too early to tell to what extent he can walk the walk, since there are a number of constraints on his ability to implement wholesale reforms.

The rand roared ahead when it became apparent that Ramaphosa would win. The 10% rally against major currencies gives an idea of the kind of risk premium foreign investors attached to SA because of political uncertainty. A stronger currency improves the inflation outlook, which means that the real income

The SA government needs to stop the unsustainable growth in its debt level, but its tax revenues have grown disapprovingly slow

“dust to settle”, such unexpected rallies are not uncommon, and highlight the difficulty of trying to time exit and entry points into the market. This demonstrates the importance of staying invested (“time in the market, not timing the market” is a cliché but no less true). After all, the All Share delivered almost three times more than cash in the bank in the second half of 2017.

Diversification is key

While the local investment community was divided over Steinhoff’s aggressive debt-fuelled global expansion path and exceptionally low tax rate, even the sceptics would have been shocked by the revelation of suspected accounting manipulation. Analysts, ratings agencies, regulators, banks, and crucially, independent auditors, have all seemingly had the wool pulled over their eyes.

While full details have yet to emerge, this proves that it is clearly possible to deliberately deceive even some of the sharpest minds in finance and auditing.

Passive investing would not have helped either as index trackers would have had to hold Steinhoff shares at benchmark weight, and it was one of the largest companies on the JSE.

past decade we’ve become so used to mediocre growth, not only because consumers gradually reduced debt and banks repaired their perilous finances following the GFC, but further shock waves tripped up various large economies. Think of the US fiscal cliff and Japanese tsunami in 2011, the Eurozone debt crisis which reached a crescendo in 2012, and the commodity price collapse that accelerated between 2013 and 2015 and pushed the likes of Russia and Brazil into deep recessions. Instead, we could very well now be at the early stages of a virtuous cycle of rising confidence, faster economic growth, job creation and fixed investment spending.

Favourable backdrop for markets

With stronger economic growth, companies can grow top line revenues. The bottom line is helped by the fact that financing costs (interest rates) are still very low and that wage costs are increasing very slowly. US companies have just been given a further gift of a massive corporate tax cut, from 35% to 21%. All of this is positive for shareholders. As the world economy returns to normal, interest rates should also rise, but with inflation still low around the world (but no longer so low that central banks are panicking

growth of South Africans can improve. Since South Africans tend to spend what they earn, real income growth is the main determinant of consumer spending, which in turn accounts for around 60% of economic activity.

SA households have also not been borrowing to spend, and have instead reduced debt relative to income over the past decade. A bit of borrowing growth could lift spending further. The other benefit of lower inflation is that it gives the Reserve Bank some room to potentially cut rates once or twice later this year.

The big potential headwind for consumers will come at the February Budget. The SA government needs to stop the unsustainable growth in its debt level, but its tax revenues have grown disapprovingly slow. At the same time, the ability to cut spending is limited and the announcement of free higher education for low income students just adds to the long list of spending needs. Tax rate increases are therefore likely, possibly even an increase in the VAT rate.

If the economy surprises on the upside – if we also have a virtuous cycle of sentiment, growth and investment, all of which are low and with plenty of room for improvement – tax revenue collection should also improve and limit the need for tax rate hikes. This is the tricky balancing act the Minister of Finance

(whoever he or she will be in February) will have to follow: hike taxes too much and you might hurt the economy and end up getting even less tax revenue.

Investment implications

Regarding the investment implications, the current environment is clearly a positive backdrop for local bonds—the one local asset class that offers clear value. Despite the recent rally, however, bond yields are still higher than average and well above expected inflation. For equities, companies that focus on the domestic economy, and which have understandably been under some pressure in recent years, have the ability to improve earnings growth.

The JSE, however, is dominated by companies that do business globally, and while they should benefit from stronger global growth and firmer commodity prices, these shares are impacted in the opposite direction by the rand exchange rate than domestically-focused shares.

This makes things tricky in the short term. If the rand strengthens, it could drag down the JSE at an index level but some sectors will do very well. Because of these global players listed on the JSE, the overall local market also never became cheap, even as the domestic economy struggled. However, bear in mind that it is a

handful of global shares—Naspers, Richemont, British American Tobacco, and the mining giants—that drive the headline index. Though they offer exposure to global growth and protection against a weak rand, and do so without running into the complications of capital controls, where possible it is better to get these benefits in a less concentrated manner. In other words, through a broad basket of global equities.

One final thing to consider when thinking about the year ahead

Humans like to categorise things in precise boxes like calendar years, which is why each year starts with an investment outlook and ends with a review. But markets are not bound by such distinctions. Good periods will necessarily be interspersed with periods of mediocre or downright negative returns, without sticking to a schedule. What matters then is that investors benefit from the strong months and years as they come along, which has resulted in historically good real returns over time. To do so requires the patience to sit through periods of disappointing returns, as the experience of 2017 again highlighted. ▲

Izak Odendaal, Investment Strategist at Old Mutual Multi-Managers





The flight of crypto

Only a few short months ago, the gossip around the house was still about the neighbours, braais were still dominated by the Springboks poor performances or the Proteas who are on the up. How times have changed. Suddenly, no matter where you are or where you look, the talk of the town seems to come down to one subject—Bitcoin.

Social media has been overtaken by many “experts”, while some rush to get their quick investment in. The thought of a quick buck can send many into a tailspin. Some of those who jumped in without care or thought have already learnt their lesson.

It was a very small portion of the population that can claim to be regular investors in coins—it is a slightly bigger small portion now but many have spoken, offered opinion and then decided to rather not get involved. So, is it a good idea to get involved, or will the Bitcoin crash like the many “experts” predict?

Well, firstly, what seems clear is that no one can with 100% clarity tell you what will happen in terms of crashing or not crashing. Those who understand it best are the ones who won't tell you to invest or not to invest, but rather inform you of the possibilities and the risks involved.

In order to understand this new phenomenon a little better, Mike Scott, CEO of the Cape Town-based technology company, Nona Creative, shared his insights.

Despite the recent outpour of headlines, Bitcoin is not new on the market. A quick Google search will show you there are around 1 465 other coins on the market.

Scott, who has extensive experience in the game says he got involved in 2012. Unfortunately for him, back then, it wasn't all fun and games.

“As exciting and romantic as it sounds, it was actually a disaster—we bought in and almost immediately it crashed quite dramatically before stabilising for two years. So, as great as people think it is, it actually took a lot of fortitude to hold on for so long when nothing was happening,” says Scott.

Bitcoin has created awareness around cryptocurrencies now. People are talking about it and maybe starting to understand it better, but Scott believes that a dangerous precedent has been set.

“I think a lot of people are investing just because other people are investing, which is dangerous, it is very dangerous,” he cautions.

Cryptocurrency is known to be very volatile, which adds to the risk investors take. This ensures that plenty of research is required before getting involved. However, Scott believes that while it will always be volatile, Bitcoin will be stabilised by the institutional money coming

into the space. As of 18 December 2017, Bitcoin was launched on CME Futures market, “which allows Wall Street to trade on Bitcoin value without actually owning Bitcoin,” he explains.

According to Scott, this will bring “smart money” into the space. At this point, post all the positive reviews and headlines, the money coming into the space has mainly been from people “thinking they have missed out on this opportunity and better invest now, while not quite understanding what they are investing in,” he says.

Scott continues, “When you open this up to Wall Street in the Futures market, it is really clever, smart money trading—these are like Algorithmic traders, these are Macro's traders,

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these are guys that know what they're doing when it comes to trading volatility and when it comes to trading any financial instruments, so I think that will massively increase the price, and at the same time decrease the volatility, which is obviously a very good thing.”

Many experts have called this a bubble while others have claimed that Bitcoin has probably reached its peak, and while Scott doesn't completely disagree with this assessment, he firmly believes that Bitcoin still has a fair way to go.

Scott explains, “I just don't think we have scratched the surface, with regards to cryptocurrency, yet. So, if you look at the market capitalisation, I think we're sitting on around US\$540 billion in total crypto market valuation.

“You know, the Dotcom bubble—I stand to be corrected—but I think that it was over US\$1.6-trillion when it burst, and that was just in America, crypto is the world over.

“What I'm essentially saying is that there is a lot of hype and I do think many people will lose money because they are not prepared to do the research to understand what they are investing in, but I also think there are some pretty amazing technological advancements coming out of this, much like what happened in the Dotcom boom, Amazon, Facebook, Google, AWS—they all came out of that and similarly, I think the decentralised technical world is what's going to come out of this ‘bubble’,” he explains.

Despite many people's reservations around cryptocurrency, Scott believes that there is a bright future. If his observations become reality, it might have a few people on the edge of their seats. With the digital trust it has built up, you technically do not need third parties such as banks and insurance companies anymore.

“I want to be clear, I'm not saying that insurance will no longer be required, but the middleman will no longer be needed.

“There are many very interesting start-ups going around now, they are being referred to as IPOs, but essentially they are start-ups. A good example of one is Fizzy, I think they are an American company, which does flight insurance.

“So what it does is, it uses the Ethereum (crypto) smart contract to remove the need for a third-party trust centre in insurance contracts. What happens is, I want to fly to London, I book my flight, then go to Fizzy, it's a very simple user interface, you don't even know that you're using blockchain, which is actually really good. As with anything, you decide if you want to use them and if the answer is yes, you pay your premium to, for example, insure you for 2 000 pounds if your flight is delayed by more than two hours, but what you're really doing is you're entering into a smart contract that is now binding on the Ethereum network, and while you're entering into an auto-executing un-editable single source of truth powered by the block-chain.

“Now, typically what would happen is the flight would be late, I would then have to phone an agent, I would have to say, ‘Hey, my flight is delayed’, and I would probably have to fill out some paperwork and hope to get paid in the next day or two or week.

But now what happens, it's completely automated, the flight is missed, the smart contract thinks an oracle, which in this case would be the flight database, it thinks, ‘Oh, that flight number

is late', it automatically executes the contract, automatically initiates payment and everything is 100% frictionless with no people required at all. It's 100% legally binding, which is absolutely amazing, so you've completely removed the need for a third party to sit in the middle with that transaction, which could probably apply to most financial institutions," Scott enthuses.

Blockchain

However, for the average South African, cryptocurrency is new. What is even less understood is blockchain technology, the driving force behind cryptocurrencies.

"What we are really passionate about is the blockchain and there is definitely no bubble there, that is here to stay—it is really a little irresponsible to see crypto as its own thing, we have to consider all things together and as long as blockchain is around, crypto will be needed to fuel it," Scott explains.

During the first quarter of 2018, Nona Creative will be running a course for people

interested in crypto but more specifically, blockchain technology. Scott is keen to stress that while they as a company enjoy crypto as it is fun and intellectually stimulating, it is really the blockchain that they are interested in. This course will cover both aspects, but it is with blockchain experts that they want to align.

The problem, Scott explains, "Is that one has to be very careful in this space. You don't want to be advising people who really cannot afford to get involved—one should only get involved with money you are prepared to lose.

"You has to be very careful—some people think they are now amazing investors because they invested in Bitcoin and then it happened to go up 150% in a month—it is not intelligence, that is luck. It happens, and good for them, but you cannot suddenly think you can quit your job because this game is easy.

"It is a different story if you can say that over the last six months, I have averaged X profit due to the strategy I took on my investments."

It is clear, according to Scott, that the question

shouldn't be which crypto, or how much crypto one should invest in, but questions should be based on educating individuals on the crypto and blockchain space.

Nona Creative is not telling people how to go about it, but rather showing them. Last year, they were the first company to buy out a shareholder using solely Bitcoin. Other than for business reasons, it was done this way to show people how simple it actually is to do these sorts of transactions.

Currently, Scott says they are working on something which he cannot share much about right now, but it has to do with a mechanism to do cross-border transactions using crypto throughout Africa.

We might be getting a good glimpse of the future here, or maybe the future is here. Depending on how things go, we might very well all be using these transaction methods shortly. ▲

Ralph Staniforth



Gordon Angus (CCO) Ed O'Reilly (COO) Mike Scott (CEO)



For as long as I can remember I've heard people lament the state of organisations—Africa, the world we live in, etc. These sad, frustrated, scared observations are followed over and over again by the exclamation: “It's lack of leadership!” Because lack of leadership or poor leadership is seen as one of Africa's biggest challenges, we find ourselves calling for or trying to be “strong leaders”, sometimes even in the form of a “benevolent dictator”.

Supreme Leaders VS. Effective Leaders



Be careful what you ask for, for you may receive. A dictator is a person holding complete autocratic control. This means, in the best case, that the people have given over total power to one person, trusting completely that this person will decide and act in their best interests, saving them from destruction and securing their future. Historically, dictators were installed by the senate of ancient Rome in emergency situations.

However benevolent the intentions of this person may be, can any human being be trusted to this extent? Can it be ethical for any person to accept such a mandate? The dictator, per definition, will always extinguish independent thinking and contributions from followers. Can the long-term effect of this form of leadership ever be empowering? What do individuals, organisations and societies really need from their leaders in order to ensure survival, sustainability and growth?

As Robert Dilts (NLP coach and author) says, "Leadership is about creating a world to which

people want to belong." Do we do this with the power we hold as leaders? When are we creating and empowering, when are we destroying and dis-empowering?

The latest Star Wars movie shows us some typical examples of the dark (dis-empowering) and light (empowering) sides of leadership and the ongoing tension between the two. Much of the dark side is represented by the First Order and their Supreme Leader, who issues top-down commands, rules by fear, finds fault, punishes harshly, and is obsessed by maintaining and increasing his own personal power.

This, of course, determines the leadership culture within the whole organisation or society. It is no secret that leaders shape culture through their own behaviour. The obsession with personal power and advancement starts with the Supreme Leader and can be observed in all other leaders along the hierarchical chain of the First Order. Within this leadership culture, individual leaders spend a lot of energy on appearing strong, hiding their own vulnerabilities, identifying where others are vulnerable and using these vulnerabilities against them.

Like predators they nourish themselves at the expense of others and value territories over relationships.

This Supreme Leader type can be quite successful in the short term, which makes it so seductive to go there for quick results, to show-off and to boost self-esteem. The opening crawl of Star Wars: The Last Jedi begins as follows:

"... The First Order reigns. Having decimated the peaceful Republic, Supreme Leader Snoke now deploys his merciless legions to seize military control of the galaxy. . ."

Even if they comply with the leader's wishes at first, in the long term, followers who have been dis-empowered and trained to focus on destruction will begin to resist or rebel at some point. When they do, they turn what power they may still find within themselves against the leader they once trusted.

This is how the Supreme Leader is destroyed, the entire organisation confused and left without purpose. In a nutshell, Supreme Leaders are ineffective because they actively dis-empower others, and inadvertently themselves, too. Let's remember that the next time we think we need



to go after our workforce with a big stick. . . or a laser weapon.

In contrast, Effective Leaders focus on a clear purpose, which they share with their followers. As Simon Sinek says, they “start with why”. This purpose comes with strong common values and shared goals. General Leia Organa, the leader of the Resistance in the Star Wars movie, focusses on keeping the Resistance alive and inspired to build a brighter future. Many of our real-life leaders started out that way, too, but then got distracted along the way.

It is very easy to get distracted by short-term successes, including fame, power, and wealth. Leaders need to remember that not their own heroic image, but what they accomplish through their followers, is the key to long-term effectiveness.

Leia leads in a flexible, nurturing way, recognising the individual potential of followers as well as their needs. She caters to these needs and therefore enables people to grow. At the same time, she is not a walk over and can clearly tell the difference between actual needs and immature wants, which are irrelevant or even destructive for the greater whole. Collaborating with others, inviting feedback, and respecting other people’s contributions and points of view adds to her effectiveness, as does her ability to express herself freely and appropriately.

When this type of leader is lying unconscious in sick bay for a while (living with vulnerability), others will carry on planning and working towards the common goal – bearing in mind the learnings they received from her. They will cope with rapid change and will do whatever they can to protect her and nurture her back to strength.

The traits of the Effective Leader described above are essentially what Susannah Temple (originator of the Functional Fluency Model and TIFF profiling system) calls the ‘Fabulous Five’ keys to effectiveness:

- Reality assessment
- Guiding and directing
- Looking after people
- Relating to others
- Expressing my self

The starting point—the first key—is about being mindful of the present, making sense of what is going on here and now, noticing, realising. This includes taking into account possibilities of light and dark, assessing significances and



considering consequences. Another commonality between the Star Wars characters and real-life human leaders is that they are not inherently good or evil, effective or ineffective. They hold the potential for both within themselves and constantly have to decide what action to take within the tension between light and dark. The mindfulness described above enables leaders to consciously respond to what is going on and therefore to effectively use the other four keys.

The stories of leadership development shown in Star Wars are not stories of perfect leadership, but stories of learning through success and failure. Every leader must have experienced bad days where, under stress, mindfulness disappears out of the window and ineffective autopilot reactions kick in. We may focus on what has gone wrong and put people down. We may overdo the helping hand and fail to set limits. We may resist with aggression or passivity. We may react on impulse in a self-centered way, without thought for the consequences.


It is incredibly useful to notice unintended consequences of our actions, to reflect on them and learn from them for the future. Legendary role models, mentors and coaches play an important part in developing the next generation of leaders.

Even long-time leaders, who are role models themselves are not exempt from making mistakes and learning from them. Sometimes they need to be nudged into this awareness by someone younger and less experienced. This is perhaps the biggest challenge, especially for many of our respected African elders, who believe that they must know everything all the time and that hiring a coach equals showing weakness.

As John Maxwell observes, “Leadership develops daily, not in a day”. For this journey of development from day to day I wish all of us as leaders a good dose of humbleness and that “the force be with us”. ▲

*Dr Layo Seriki,
leadership development expert*

The Twelve Apostles Hotel: Unforgettable elegance



The Twelve Apostles Hotel is an iconic landmark in the Mother City of Cape Town, and has welcomed guests from around the world since the 1990s, providing them with some of the finest luxury accommodation and ocean views in the entire Western Cape

With unforgettable vistas of the sea and Camps Bay to the right, while being protected by the majestic Twelve Apostles Mountain Range, it really is a prime position for the well-heeled traveller.

This is top-end luxury at its finest, and is five stars all the way. No expense has been spared on making the hotel an experience to remember, and all the staff are very willing to help make the experience memorable.

Check in is simple and quick, and you'll be sipping sparkling wine on your own private balcony in no-time.

We stayed in a luxury suite with both mountain and sea views. Expect to witness jaw-dropping sunsets from your room, and with a fully stocked bar fridge and room service, you can laze the days away without trouble.

The energetic traveller can take a dip in one of the outdoor pools, either a rim-flow overlooking the ocean, or a well-designed rockpool at the

back of the hotel under the majestic mountains. Personally I preferred the rockpool as it is often less busy than the pool at the front of the hotel. But if you want to see and be seen, the pool overlooking the ocean is the place to be, while you soak-up the rays and peruse the lunch menu.

Speaking of fine dining, they have two restaurants, the famed Azure Restaurant, which is more formal than the Cafe Grill that serves à la carte 24/7. The Azure is fine dining at its best, with a choice of three and five course meals, together with an extensive wine list, which includes many of the Western Cape's best vintages. Fancy a cocktail or gin tasting, the Leopard Bar has you covered.

The hotel also has a small gym and spa facilities for high-end pampering, including a variety of relaxing and refreshing massages, facials and beauty treatments, a recommended option before you take on the highly regarded dinner menu.

There is a real continental feel to the hotel, perhaps due to the many overseas guests and

the foreign owner. I might just be used to eating earlier having kids, but the Azure Restaurant was buzzing at 9:30pm when we had finished our delicious catch of the day, a tastebud delight.

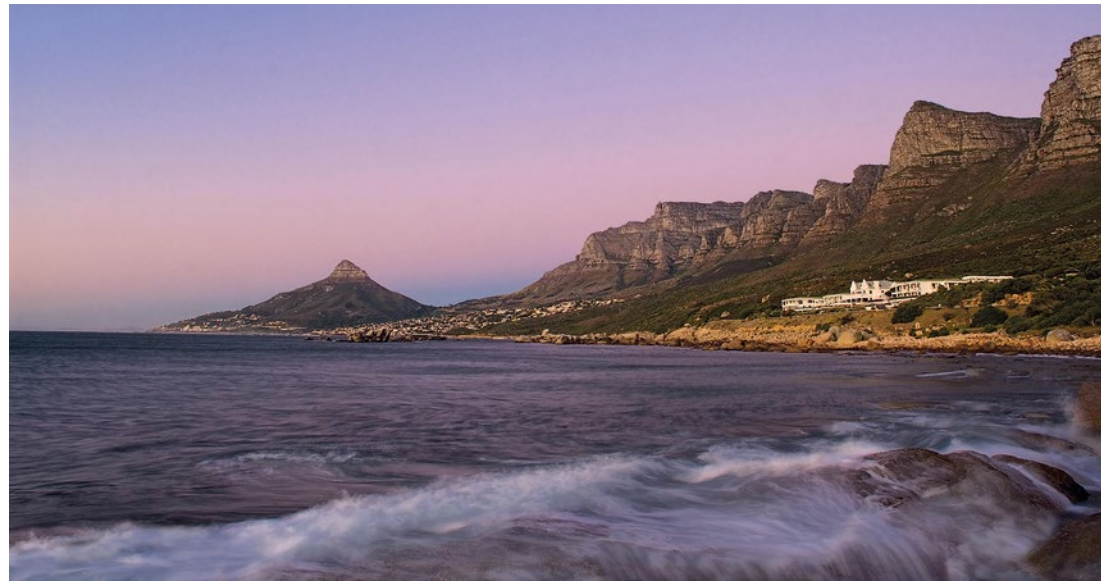
Pricing for the restaurant and accommodation is not cheap, given the prime location next to the sea, between exclusive Camps Bay and Llandudno, it is no surprise.

You'll expect to pay from around R6 000 a night for a luxury suite, but is worth it for special occasions, or if you have deep pockets and overseas currency.

I did find the bed a little soft, so if you prefer sleeping on a rock hard mattress let them know ahead of time and they'll change it, nothing is too much trouble for the staff at the hotel.

All in all, we had an exceptional stay, and hope to return again soon for their famed Sunday buffet, which combines eat-all-you-can with fine dining to round out your weekend in style. ▲

Gregory Simpson



A close-up portrait of Lebo Gunguluza, a bald Black man with a slight smile, wearing a dark suit jacket over a light blue and white striped shirt. The background is a soft, out-of-focus light color.

“By participating effectively in the Fourth Industrial Revolution as global players, the future is no longer regional”

FinTech: revolutionising the financial space

South African business mogul and founder of Gunguluza Enterprises and Media Group (new GEM Group) Lebo Gunguluza is making his mark in the financial world. A firm believer in the potential of financial technology, his latest venture was the launch of Azar Digital Bank, the country's first 100% black-owned digital bank.

Lebo Gunguluza has achieved a great deal during his business career but his journey to success was fraught with many challenges and experiences, which served as the pillars of his entrepreneurial empire.

Born in a shack behind a funeral parlour in a Port Elizabeth township, he was raised by a helper while his father and mother were studying in Natal.

Tragedy struck when his father passed away and his mother, who was a nurse, faced the responsibility of raising her children as a single mother.

"Those circumstances never deterred me from pursuing a meaningful life. I told myself that I will not allow my past to dictate my future, as long I have a new day tomorrow to change my future to what I want it to be, I will pursue that future, hence, I set long-term goals: when I finished my matric at 20, that at the age of 25 I must be a millionaire, at 35 I must be a

multi-millionaire and at 45, I must be a billionaire," Gunguluza explains.

He was motivated to continuously work harder, smarter and to think bigger in order to reach these goals, as poverty was something he did not wish to experience again.

"I remember when I made my first million at the age of 27—it was quite an achievement at the time as I was one of the youngest self-made millionaires at that time—through a certain youth project I had initiated. Because of my financial illiteracy and lack of business management skills, I blew all that money in the space of a year and went broke.

"My car was repossessed and I was chased out of my apartment—that taught me to respect a number of things, which, firstly, was cash. I learnt the hard way that 'Cash is King', and that it is difficult to build any business without cash in the bank," he says.

The experience, he adds, taught him to better understand the customer in order to create a sustainable business, hence the 'Customer is King'.

Over the years, he has grown to understand the importance of compliance in business, adding that "you cannot get paid by big organisations or the government if you are not compliant, no matter how connected you are", hence the importance of business administration. He believes this is critical to the success of any entrepreneur.

"That is why I believe 'Compliance is the third King' and these three kings have been the pillar of my success," he says.

Young entrepreneurs

For Gunguluza, it is heartening and encouraging to witness the high levels of innovation and a growing culture of entrepreneurship among young South Africans.

The challenge, however, is the lack of exposure to entrepreneurship in education.

"We need to educate, mentor and expose our youth to the various disciplines of entrepreneurship at a very young age, so that they understand various elements of business

such as managing finances, human resources, building up a business case or pitching your business idea and so forth,” he says, adding that these aspects impact directly on the success of businesses and ideas for investment or raising capital.

A first for South Africa

Believing that the next logical step would be to move into the financial technology (FinTech) space, Gunguluza launched Azar Digital Bank last year as part of the FinTech division of the New Gem Group.

Since 2012, his company had been restructuring the Gem Group of companies in order to be a pioneer in the Fourth Industrial Revolution. This journey started when he was exposed to a company in San Francisco that was running virtually online and turning over millions.

“I then decided to restructure the entire group to run mostly online and on mobile, as the future was heading there, hence the tagline of the New Gem Group is the ‘Future is Here’.

“We then started recruiting various young entrepreneurs to be part of our future through our 12-12-12 mentorship programme, and one young group of entrepreneurs had an idea of a digital bank that targets the youth (the new generation or the Millennials).

“I pursued the idea aggressively with the young team as it was in line with our new vision, and brought in a more experienced team to work with them to make this project a reality, until it was launched in December 2017,” he says proudly.

In the short term, the goal is to empower young people with financial education through this digital platform, by exposing them to areas of budgeting, financial planning, credit profile management etc., at a very young age.

Gunguluza says this will ensure that, in the long term as a country, we have a financially educated citizenry that knows and understands how to use financial instruments to their advantage and raise capital to build their businesses.

“We want the youth of South Africa, Africa in fact, to be global business players by participating effectively in the Fourth Industrial Revolution through the use of borderless banking and payment systems,” he explains.

Gunguluza believes there is sufficient space for growth and that in the near future, many more digital banks will go live. However, these banks will have different target markets as is

already happening in Europe. “As Azar, we are targeting the youth of Africa, which is primarily black, and we understand them very well, all their likes, ambitions and challenges, and we would like to play a meaningful role in their financial and business success.

“Other banks will target high-net-worth individuals, others will target foreigners who struggle to open bank accounts in Africa, and others will target specialised groups, such as churches. There will be new players who target markets that they understand very well,” he says.

The bank’s website is currently live and serves to inform its target market about the products they intend to provide.

Gunguluza adds that they are currently working on the app user interface, which is a user experience (UX) design aimed at providing an unparalleled banking user experience—this will be launched in March 2018.

“Our team has a target of finishing the first phase of our backend (which is building and integrating core banking technologies) by the beginning of June so that we can be ready to showcase the first 100% black-owned youth digital bank in Africa. In the background, our other team is working very aggressively on the issue of compliance with the FSB, PASA and so forth,” he enthuses.

A question of safety

Over the years, banks have not always been synonymous with 100% safety, often due to the user’s own error. However, Gunguluza is quick to assure the security of digital banking.

“Digital banks are by far the safest banks to date, that is why current bricks and mortar banks trust payments that are made via mobile phones or apps rather than physical or online payments. There is too much room in those types of payments, as security features are not advanced. Mobile technology has brought in more advanced security features such as the biometrics technologies, face recognition technologies, international identity verification technologies etc., and all these technologies are integrated to provide a more secure banking experience,” he says, adding that they have complemented these technologies with a powerful team of security and fraud management experts to manage and track any fraudulent activity or hacking of the platform, and to deal with it effectively in order to elevate them to the status of the most secure banking platform.

The benefits of financial technology

FinTech is rapidly changing the financial space we live in and for the first time in the history of financial services, Gunguluza says Africans can now meaningfully participate in the global financial space using their experiences and creativity.

“There are now greater opportunities for venture funding than ever before for FinTech solutions. It is no longer about how deep your pockets are to participate in the financial services sector; it is more about your skill and creativity,” he says.

In the future, he describes banking as being run not by bankers, but by creatives and developers who create amazing, integrated banking experiences.

“Banking is no longer about providing financial services, it is now about understanding the banking customer and their needs, and to provide a platform that helps them to manage their finances and the world around them,” Gunguluza explains.

Essentially a borderless bank, he believes it will change and improve how cross-border transactions are conducted.

“It will be easier and faster to transfer funds in the near future for everyone. A number of FinTech solutions are available that are making transacting across borders more affordable, quick and seamless, and most digital banking platforms will integrate these technologies to create a better user experience on their platforms,” he says.

“With the advent of digital currencies, cryptocurrencies are here to rule the future of borderless transactions, and as a digital banking platform that plays in the digital economy, we are ready to create opportunities for greater borderless banking and payments options,” he adds.

Africa as a global player in the world arena

By participating effectively in the Fourth Industrial Revolution as global players, the future is no longer regional, it is global, says Gunguluza.

“We have missed opportunities from the other industrial revolutions, and the chances of catching up are minimal, based purely on the capital requirements to do so. What we have are the markets—Africa with its 1-billion consumers, we can create technologies and solutions that reach out to own those markets so that when



the current owners of goods and services want to reach out to those markets, they will have to go via the local system or technologies,” he says.

Gunguluza explains that in this way we have a hold on the buying power, which is effectively what creates an economy.

“We can then dictate the selling price and the cost in order for most profits to remain with the local players, and in that way we are turning the wheels of fortune.

“The Fourth Industrial Revolution is about owning the markets and big data, hence organisations such as Uber and Airbnb don’t own any of the products they supply but can still supply the products globally and make more money than the owners of the products or the manufacturers,” he elaborates.

Cryptocurrency

Cryptocurrency has been making news headlines in the past year, resulting in a wave of interest and research, as people attempt to better understand it.

According to Gunguluza, there is no stopping the global impact of cryptocurrency—blockchain technology is the future financial management system and will improve year-on-year and gain greater trust, as technology is fast moving. Access to mobile peer-to-peer transaction platforms will gain strength, building a strong

digital economy, which sooner than later will surpass the traditional money markets.

“In the next five years, most people will generally have access to smartphones and Wi-Fi, which then will be 5G, and they will live their lives on the smartphone. Digital transactions will be a normal part of their lives and they will have options on which currencies to use and will be able to convert currencies digitally to draw in any country, without visiting a currency exchange,” he explains.

This future will start eliminating traditional currencies and more people will start trading mainly in digital currencies, as these will be more flexible and cheaper to transact.

Last year, the first business deal was concluded where the majority shareholder bought out the other shareholder with the popular cryptocurrency, Bitcoin. Gunguluza believes we will see many more transactions of this nature in the future and feels this will be a positive development for businesses and for people.

“That transaction is only the beginning, those who see the future are already preparing for it. The future is here, and if organisations are not ready, they must be worried. The financial world is changing very fast and currency is no longer what it was because it is now part of a growing digital economy. A few still have their reservations about cryptocurrency and a

word of advice is that they must make it their business to understand how it will impact their businesses.

“Certain banks internationally have already created banking options in Bitcoin and other major cryptocurrencies. Other companies are already accepting payments in cryptocurrencies, and if an organisation has not yet prepared for this future, they stand a chance of losing huge revenues in the near future. Cryptocurrency has become a reality and is no longer just an excitement. Those who adapt quicker will benefit the most,” he concludes.

Late March 2018 will see Gunguluza launch Azar Digital Bank, and along with that will come Africa’s own cryptocurrency, named Afri, listed along with other African currencies.

“Launching a currency into a live environment feels like re-wiring a house with the electricity on! Every interaction with politics, civil societies and businesses in the development uncovers new ways to benefit Africa and free us from trading with the dollar and control by the West.

Azar is proud to be the founding partner bank with the Afri Project. If you’ve heard the rumours and want to help or gain more information on what’s coming visit www.afri.africa.” ▲

Ralph Staniforth and Monique Jacobs

Bra Hugh: Jazz legend's final encore

Jazz maestro Hugh Masekela died on 23 January 2018, aged 78, following a nine-year battle against prostate cancer, leaving a legacy as one of South Africa (SA)'s finest musicians

More than just an internationally acclaimed musician, “Bra Hugh” was a South African cultural iconoclast for more than 50 years, whose work was the soundtrack of a political movement and gave a voice to the people of SA.

Hugh Ramopolo Masekela was born in 1939, in the Kwa-Guqa township of Witbank, Mpumalanga. Musically inclined from a young age, Masekela was inspired to find his calling in jazz music by Kirk Douglas in the film *Man with the Horn*; he was particularly fascinated by the trumpet.

Early life and career

He received his first trumpet at the age of 14, a gift from anti-apartheid cleric Archbishop Trevor Huddleston; and it seemingly never left his hands since. He quickly became a master of the instrument, as well as of the flugelhorn and cornet. He played in a number of bands in high school and as a young adult, including Huddleston's Jazz Band youth orchestra, the Manhattan Brothers and the legendary Jazz Epistles, alongside fellow future legends of South African music, Abdullah Ibrahim (then known as Dollar Brand), Kippie Moeketsi and Jonas Gwangwa.

The Epistles were a regular house band for the Sophiatown cultural and political boom of the late 1950s.

Masekela got his big break when he joined the cast of Todd Matshikiza's jazz opera *King Kong*, which toured the world in 1961. During a tumultuous political period in SA, which included the Sharpeville massacre and the injustices of institutionalised apartheid, Masekela chose to live in exile following the London run of *King Kong*.

In exile

He spent the early 1960s mastering his musical craft at the London Guildhall School of Music and at the Manhattan School of Music. At the time he met fellow African political exiles and anti-apartheid campaigners, including American actor Harry Belafonte, with whom he worked to bring the real story of apartheid and racial discrimination to the world's attention. He was married to fellow *King Kong* cast member and exile Miriam Makeba from 1964 to 1966. Although they divorced, Masekela

and Makeba had a lifelong personal and musical friendship until the latter's death in 2008.

His growing canon of recorded work increasingly took a political slant, particularly on the album, *The Emancipation of Hugh Masekela*, released in 1966. Masekela scored his first US top ten hit with an African-infused instrumental version of the Jimmy Webb pop hit *Up, Up and Away* in 1967.

In 1967, Masekela and his band played their first breakout high-profile show, the Monterey Pop Festival, alongside the era's biggest musical legends such as Jimi Hendrix, Booker T and the MGs, and Otis Redding. Masekela featured in the official film and soundtrack of the festival.


His 1968 single, *Grazing in the Grass*, reached number one on the US pop charts. The song became his signature for much of the 1970s and was later featured in a number of film soundtracks, including *The Last King of Scotland* and *The Lion King*.

A return to Africa

Masekela continued to record and tour throughout the 1970s and 1980s, circling ever closer, both musically and physically, to Africa. He toured across Africa with the likes of Afrobeat pioneer Fela Kuti and Ghanaian jazz band Hedzoleh Soundz, as well as with fellow South African exiles Makeba and Gwangwa. In 1974, he was one of the organisers of the Zaire 74 festival, which brought together the best of African and American soul and jazz artists to compliment the “Rumble in the Jungle” boxing match between Muhammad Ali and George Forman in Kinshasa.

During this time, he also featured on recordings with US rock band The Byrds and jazz pop trumpeter Herb Alpert, as well as on the early solo albums of Paul Simon, with whom he would later work on the 1987 *Graceland* album and tour. During the 1980s Masekela made his African home base Botswana, opening a music school and once again recording with big names in African music, as well as working with ANC cultural organisations in exile to formulate a cultural manifesto for a free SA sometime in the future.

His 1987 hit, *Bring Him Back Home*, was adopted as the anthem calling for the release of Nelson Mandela and other South African political prisoners, as well as a call-to-arms for African exiles around the world to



return to their motherland. Masekela finally got to play the song live for Mandela himself when he was released in 1990.

Homecoming

The musician had returned to SA around the same time. He continued to record and mentor new generations of South African musicians. In 2004, he published his entertaining and candid autobiography, *Still Grazing: The Musical Journey of Hugh Masekela*, in which he highlighted not only his successes but also his struggles with homesickness and alcohol abuse. In the book he vowed that his story was not yet over; he was determined to keep on creating new music that celebrated his country, the continent and its people until the day he died.

A number of top music and academic awards were bestowed on Masekela throughout his life, among them the National Order of Ikhamanga in 2010, an honorary doctorate in music from the University of York and Rhodes University, and an African Music Legend Award.

In one of his final performances, in 2016, Masekela reunited in Johannesburg with

Ibrahim to perform as the Jazz Epistles again, to not only celebrate the history of South African music but also to commemorate the 40th anniversary of the historic 16 June 1976 youth demonstrations.

Masekela is survived by his wife, Elinam Cofie and children, Pula Twala and Selema "Sal" Masekela, from his previous relationship with Jessie Marie Lapierre. ▲

CD Anderson, www.brandsouthafrica.com

Source: Wikipedia, South African History Online, News24

CYRIL RAMAPHOSA, the newly elected ANC President, says 2018 will be dedicated to honouring the memory of former President Nelson Mandela with a strong emphasis on unity:

“The leadership must unite. The membership must unite. We must also embark on a mandate of uniting South Africa.”

DONALD TRUMP, American President, has come under sharp criticism for his disparaging remarks towards Haiti and African countries, referring to the term ‘sh*thole countries’, yet he insists the matter is not race related:

“I’m not a racist. I am the least racist person you have ever interviewed, that I can tell you.”

MAYOR PATRICIA DE LILLE finds it shocking that approximately 60% of residents are ignoring water limits while the City of Cape Town is experiencing a drought crisis with level 6B restrictions in place:

“It’s quite unbelievable that the majority of people do not seem to care and are sending all of us headlong towards day zero.”

PRINCE HARRY, talking about the topic of gender equality on a radio show in Brixton, United Kingdom and accompanied by his proudly feminist fiancée, Meghan Markle, said:

“As males, we have to do our part or it’s not going to work.”

LOYISO MADINGA, after being appointed as the new Africa correspondent to the well-known American comedy programme, *The Daily Show*, says:

“What is really great, is that this places an authentic spotlight on local comedy and presents a reality that combats the stereotypical perception of Africa. Being part of ‘The Daily Show’, I get to join the best conversation in the world.”



H&M, the Swedish fashion retailer, said after being accused of racism for an ad depicting a black boy wearing a hoodie reading ‘coolest monkey in the jungle’, that:

“The recent incident was entirely unintentional, but it demonstrates so clearly how big our responsibility is as a global brand. We strongly believe that racism and bias in any shape or form, deliberate or accidental, are simply unacceptable.”

ROB SHUTER, MTN’s CEO, believes that while Africa’s rising population numbers might be a concern for some, from a business point of view, it might be a blessing in disguise:

“In the next three or four years, that 650-million is going to go to 700-million people, so that increases our market by 50-million. It’s basically the same as adding another SA to the portfolio through population growth.”

WHITEY BASSON, former Shoprite CEO, is clearly not in it for the money, at least when it comes to making a difference to his country. In a recent interview with *Business Day* he said:

“I will join companies and parastatals for free if I thought I could make a difference to South Africa.”

MAX DU PREEZ, a renowned South African journalist, believes that should recently elected President of the ANC, Cyril Ramaphosa, come into power, it will hail a new era of modern leadership:

“The contrast between Zuma and Ramaphosa are as stark as the contrast between Barack Obama and Donald Trump.”

NICO ROSBERG, former Formula One racing champion, in a response to a recent Twitter Q&A, chose Kyalami Grand Prix as one of two races he would personally bring back if he could:

“I’d bring back the South African Grand Prix at Kyalami, that sounds damn cool.”

EBBA KALONDO, Chief Spokesperson for the African Union has taken a disapproving stance toward President Donald Trump’s recent derogatory remarks about Africa and says:

“We believe that a statement like this hurts our shared global values on diversity, human rights and reciprocal understanding.”

OPRAH WINFREY believes that the day women triumph over sexual exploitation is on the horizon and said at the recent Golden Globe awards that this is due to:

“A lot of magnificent women [and] some pretty phenomenal men, fighting hard to make sure that they become the leaders who take us to the time when nobody ever has to say ‘me too’ again.”

Leadership

FOCUS

Sifiso Mtsweni
NYDA gives youth a
voice in Government
...PG 70

SPECIAL ADVERTISING SECTION

Leadership

FOCUS



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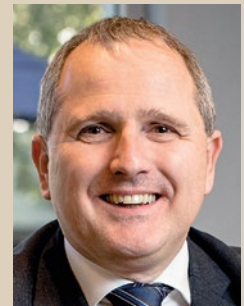
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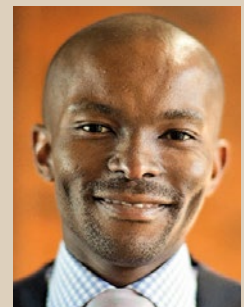
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higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA



NATIONAL SKILLS AUTHORITY

The National Skills Authority is the skills development advisory body to the Minister of Higher Education and Training (DHET). Established in 1999 in terms of Chapter 2 of the Skills Development Act (Act 97 of 1998) and its primary function is to advise the Minister on matters related to skills development. In addition, the White Paper for Post-School Education and Training (2013) extended the scope of the NSA to also concentrate specifically on monitoring and evaluating the SETAs envisaging the NSA to become an expert body with high-level monitoring and evaluation skills.

The NSA will be convening Provincial public hearings that will inform the NSA advice to the Minister with respect to the "A call for public comments on the National Skills Development Plan (NSDP)".

The objective of the provincial public hearings is:

- To solicit recommendations on the NSDP.

Public Hearings Schedule:

PROVINCE	DATE	VENUE
EASTERN CAPE	25 January 2018	Hotel Osner, East London
LIMPOPO	26 January 2018	Polokwane Royal Hotel
NORTH WEST	29 January 2018	Mmabatho Palms
FREE STATE	30 January 2018	Protea Hotel Willow Lake, Bloemfontein
GAUTENG	01 February 2018	Sci Bono Discovery Centre
KZN	02 February 2018	Provincial Public Service Training Academy, Durban
MPUMALANGA	02 February 2018	Ingwenyama Lodge, Nelspruit
NORTHERN CAPE	06 February 2018	Horse Shoe Inn, Kimberly
WESTERN CAPE	06 February 2018	Encore Conference Centre

Contact the NSA on www.nationalskillsauthority.org.za, 012 312 5666 or Mangubewa.S@dhet.gov.za for enquiries and more information.

The National Youth Development Agency (NYDA)

The NYDA was established to meet the need for a structure to represent the various South African youth formations in parliament. Its mandate is to mainstream all youth issues across the government, civil society and the private sector.

Established in 2008 by an Act of Parliament (Act 54 of 2008), the NYDA is the result of a merger between two erstwhile organisations: the Umsobomvu Youth Fund—a government agency that funded youth-owned enterprises; and the National Youth Commission—a structure tasked with advising the government on youth policy to ensure that government programmes were aligned with its objectives with regard to policy implementation.

“It is the official mouthpiece in the government, for the youth. The NYDA is essentially a one-stop-shop for all youth-related issues,” says Executive Chairperson, Sifiso Mtsweni. It is tasked with ensuring that youth enterprise development takes place by developing and driving youth empowerment initiatives and advising the government on youth-related issues through its advocacy work.

The NYDA's journey to greatness

The NYDA's vision is to be a youth-centred organisation that is an activist institution. Accessibility is key to engaging the youth. The NYDA strives to be at the cutting edge of youth development in the country. In keeping with technological advancement, the NYDA is active in cyberspace, with a website, various social media accounts and a recently-launched app. All of the NYDA's offices are Wi-Fi hotspots to

allow young people the freedom to access online services and apply for jobs so as to be active participants in the global Internet space.

The NYDA's mission is to become a centre of excellence with zero tolerance for laziness. Mtsweni would like to see the right people in the right positions in order to facilitate the realisation of their vision.

The NYDA's “journey to greatness” is guided by the principles of integrity, honesty, humanity, respect and hard work. “All staff of the NYDA have expressed their shared commitment to these values,” says Mtsweni.

Automation's impact on labour

Africa is on the eve of the Fourth Industrial Revolution with unprecedented technological advancements set to alter everything about our lives, including our involvement in the global marketplace. In order to adequately respond to the challenges presented by this new business environment, the youth must be educated in technological innovation so as to be able to recognise the opportunities presented when they arise.

South Africa, as a whole, is still a labour-intensive society with low literacy levels, which renders a large portion of the population dependent on labour-related jobs as their primary source of employment. With certain petrol-stations and supermarket chains already implementing automated payment technology systems, the need for labour to

fulfil positions such as fuel attendants and cashiers is set to dwindle.

“We are encouraging young people to participate in the ICT sector and make use of the various technological platforms available to them. I would like to see young South Africans become innovators in the ICT sector,” says Mtsweni.

Innovations and development in the ICT sector will affect the way in which work happens. “When people are replaced by machines, there will be an impact, we need to prepare for it so that we will be able to take advantage of it when it happens,” says Mtsweni.

Employment can break the poverty cycle

If we consider that roughly 42% of the population is between 18 and 35 years of age, this indicates that the broader statistic, which includes those under 18 years, would show that young people make up the majority of South Africa's population. In Mtsweni's estimation, some 60%.

In other words, the majority of this country's population is faced with a myriad of socio-economic challenges; the number one challenge being unemployment, which contributes to widespread poverty. “Poverty is a legacy issue. There is not enough being done to address it,” says Mtsweni. Social ills thrive in an impoverished society. The consequent issues such as crime, substance abuse, teenage pregnancy, HIV/Aids, child-headed households, a lack of infrastructure and a lack of recreational



NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.



Sifiso Mtsweni, Executive Chairperson

facilities exacerbate the cycle of poverty making it even more difficult for young people born into these circumstances to escape the cycle.

Access to quality education is the most important path out of poverty. Resourced schools, colleges and universities are essential if we, as a society, are to acknowledge, examine, and address issues of inequality such as the wage gap and the ever-widening fiscal divide between rich and poor in a blatantly unequal economy with a vast percentage of the population operating outside of the formal economy.

“We have identified two major issues that the government must address in its efforts to improve youth employment,” says Mtsweni. Firstly, to remove the experience requirement from entry-level positions, on-the-job training should be sufficient; secondly, to legislate youth employment quotas so that the labour market more accurately represents the country’s demographic. “We want to see deliberate action by the government to address these issues decisively, we believe that this can happen through policy intervention,” he says.

Supporting the local economy through re-industrialisation

Mtsweni would like to see the re-industrialisation of the country and the beneficiation of minerals taking place within our borders. He believes that the local economy has become too reliant on imports whilst the export of raw materials for processing (which are re-imported at a premium further along the value chain) effectively creates jobs, which are sorely needed by South Africans, for other countries.

Mtsweni suggests that more stringent import laws will stimulate the local economy by encouraging innovation, supporting SMMEs, particularly those that are youth-owned, and ensuring that young people become involved in agriculture to the extent that export opportunities become available to them.

Mtsweni feels that the current government procurement practices are not benefitting the youth. He proposes that 35% of the government

procurement budget should be spent on procuring goods and services from youth-owned enterprises. “This will ensure that young people become job creators not job seekers and will help prevent the unemployment scourge they face,” he says.

Key programmes

Ongoing advocacy work has laid the necessary foundation for NYDA programmes such as the Solomon Mahlangu Scholarship Fund, which allows academically deserving candidates access to full paid bursaries; the Collins Chabane School for Artisans, which provides youth training in artisanal skills; and a Grant Funding Programme for youth-owned SMMEs.

“We were overjoyed by the announcement by the president that free tertiary education would be provided to academically deserving youths from households where the annual combined household income is less than R 350 000

Mtsweni explains that rather than condemning young entrepreneurs to immediate liability in the form of bank loans, grants are available to youth-owned businesses, particularly in the agriculture and ICT sectors, to stimulate and encourage youth involvement in these sectors.

The National Youth Service Programme is being rolled out during 2018. This programme aims to recruit young people and train them as community builders and by their participation in various programmes to inculcate a sense of discipline at a personal level that will result in acts of service, patriotism and selflessness.

Focus areas

As a development agency, the NYDA recognises that there can be no meaningful economic participation without skills development. As such, there has been a shift away from enterprise finance and more engagement with the youth in various fields, including the creative arts, around bread and butter issues.

Being that there are no government policies that deliberately speak to the young people,

Mtsweni vowed to raise issues that will fundamentally change young people’s lives on a practical level. He hopes that by the end of his tenure, the government will have policies in place to make this vision a reality.

“You can’t address economic participation without a skilled youth, you need a skilled youth base so that they can perform better within the economy,” says Mtsweni.

Fight unemployment—employ a graduate

The first-ever youth job summit will be held in March. This will bring together the government, youth organisations, unemployed graduates, companies and industry representatives to establish a dialogue and ascertain the reasons

for the failure to employ graduates with the aim of brokering a deal with clear goals and targets between the NYDA and industry.

#Feeshavefallen

“We were overjoyed by the announcement by the president that free tertiary education would be provided to academically deserving youths from households where the annual combined household income is less than R 350 000 (more than 90% of matriculants),” says Mtsweni.

Access to higher education has long been an issue with ANC policies dating back to the 1950s recognising the need for the de-commodification of education. “Free higher education is long overdue! Of course we are concerned about social commentary but we are angered by naysayers who appear to wish to keep the economically disadvantaged from improving their lot by the suggestion that access to education for all will negatively impact on the quality of said education. Free tertiary education is effectively the biggest pay-raise for all parents. The greatest beneficiary is the country. Educated people become a skills base,” says Mtsweni.

Every revolution in history has been started by students uprising, it is in the interests of the stability of the country that education is provided so as to create an equal society as we move forward.

Say what you will about President Jacob Zuma, this is one thing that he has delivered. A worthwhile legacy. “We will be celebrating this victory for many years to come,” Mtsweni enthuses.

Executive Chairperson, Sifiso Mtsweni

32-year-old Mtsweni was appointed by President Jacob Zuma in May 2017. He is the third chairperson of this agency, which he regards as still being in its infancy. He has always been a youth activist. As a student, he was the President of the SRC at the then PE Technicon George Campus and also led the South Africa Students Congress.

Mtsweni studied Sports Management, he is a soccer enthusiast and owns a development soccer team. He believes that by getting the youth to participate in sports, they are learning one of life’s most valuable skills: discipline.

Mtsweni serves on ANCYL National structures and ANC Regional political structures. He is fluent in English, Afrikaans, Ndebele, Sepedi, IsiZulu and IsiXhosa. As the face of the NYDA, Mtsweni takes his position seriously as the official spokesperson for the youth.

Mtsweni believes that a leader should have some level of authority, vision and the necessary drive to realise it. He describes his leadership style as decisive, disciplined and honest. “You must be able to inspire people to see things as you see them, leadership is about people,” he says.

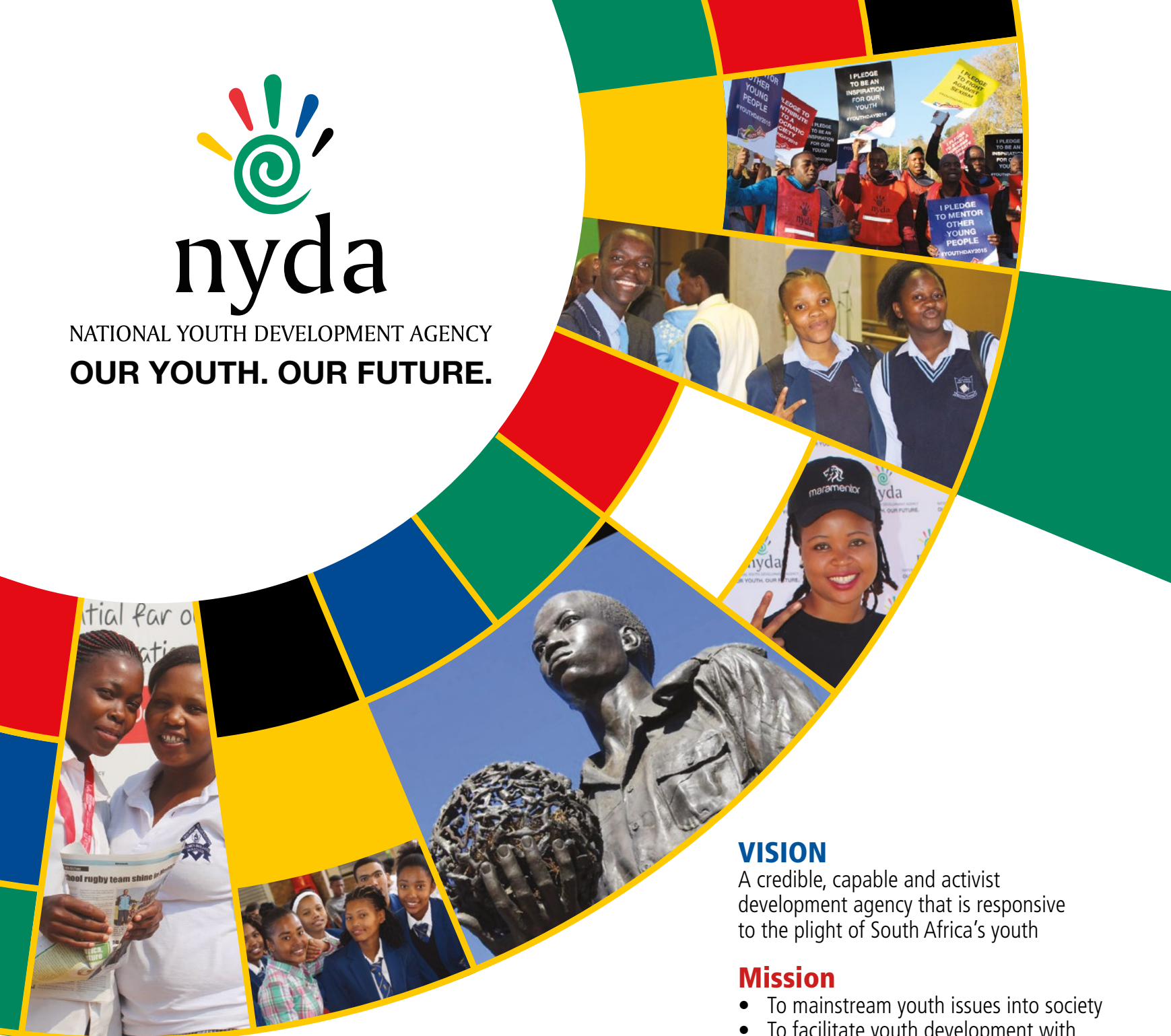
Mtsweni is consultative in his approach but once a decision has been taken, there is no turning back. He uses his sporting background to get people to work as a team through his display of self-respect, respect for others and self-discipline.

He has learned that patience with self and others is crucial to effective leadership, “You can’t lead without patience,” he says.

Mtsweni admires those who inspire others with their own success. He regards DJ Sbu as a positive role model. He is inspired by Solomon Mahlangu’s selflessness and courage during the 1976 uprising. He respects Nelson Mandela—the militant, radical freedom fighter who was willing to sacrifice everything in service of his vision of a better South Africa for all. ▲



NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.



VISION

A credible, capable and activist development agency that is responsive to the plight of South Africa's youth

Mission

- To mainstream youth issues into society
- To facilitate youth development with all sectors of society

Values

- Integrity and Honesty
- Excellence
- Respect and Humility
- Professionalism
- Accessibility

Transformation is crucial to stemming aviation skills shortage



Ms Poppy Khoza, Director of Civil Aviation (CEO) at the South African Civil Aviation Authority



The assimilation of previously marginalised citizens into the aviation industry will not only help transform the sector but also stem skills shortage, which is becoming endemic. This is according to Ms Poppy Khoza, who heads the South African Civil Aviation Authority (SACAA) as Director of Civil Aviation (CEO).

Khoza says that whilst the South African aviation industry is doing well on many fronts, including the upkeep of an admirable safety record, particularly in the airline and commercial operations sector; transformation, or simply the lack thereof, has remained the industry's Achilles Heel. She adds that the sluggish pace of transformation pertains not only to employment equity, but also to business ownership.

"An analysis of South Africa's statistics relating to licensed aviation personnel demonstrates a serious lack of transformation throughout technical aviation fields, especially piloting and engineering. Women representation in the technical licences category amounts to 17.9% out of a total of more than 30 000 licence holders. The reality is that the majority of women licence holders are in cabin crew members. The same applies to citizens of African descent," Khoza elaborates.

Statistics relating to the airline transport pilot's licence category, which is the highest pilot qualification, shows that White males constitute an overwhelming majority of pilot licence holders. Out of a total of 3 511 only 210 are women, and this number comprises five individuals who are of Indian origin, four that are classified as Coloured, and eight of African ancestry.

In terms of the helicopter airline transport pilot's licence, there are 298 licence holders of which 279, or almost 94%, are White males. Records further show that there are no Indian or Coloured women with this type of licence; and there is only one African woman who has a helicopter airline transport pilot's licence. This means that there are only six Black (i.e. African, Coloured and Indian) people with a helicopter airline transport pilot's licence. Further, there is no Black person, i.e. African, Coloured, and Indian that holds a balloon pilot's licence in South Africa.

Khoza says that statistics are even more depressing in relation to the ownership of aviation businesses.

"For example, out of a total of more than 520 companies approved to conduct air transport and aviation training operations, only five are owned by a Black woman. Also, out of a total of 318 Air Operator Certificate holders, only seven are companies owned by women. Only two of these are owned by Black women. There are only ten aviation training organisations owned by women, out of a total of 222. Only three of them are owned by Black women. As the SACAA we are saying the status quo cannot continue like this. It has to change, and it has to change now," Khoza explains.

To deal with this predicament, the SACAA participated in the development of the National Aviation Transformation Strategy (NATS), which is being championed by the Department of Transport, and earmarked as a game-changer that will facilitate a co-ordinated approach to aviation transformation in South Africa.

It is believed that the NATS will not only provide a co-ordinated approach to aviation training, but also opportunities for previously marginalised societies in particular:

"The National Aviation Transformation Strategy is the necessary beacon of hope, and is long overdue. It will certainly serve as the panacea that will ensure a co-ordinated approach to aviation training and skills development."

Khoza believes that the Strategy, together with the Joint Aviation Awareness Programme (JAAP), and other similar initiatives will unlock opportunities for previously marginalised societies, particularly youths based in rural communities.

"The shortage of aviation skills is a challenge that is not only facing South Africa, but also many countries across the world. This challenge is exacerbated by many aspects, including the lengthy process it takes to train the right individuals for the respective trades. In South Africa, this challenge is aggravated by the extremely slow pace of transformation and the historic exclusion of women, youths, and racial groups other than Whites," Khoza asserts.

Currently the aviation industry is dominated by a generation of individuals over the age of 40 years. The forecasted growth as well as the age profile of aviators presents a significant resourcing challenge for the aviation industry. In addition, the number of

young people entering the aviation industry is miniscule. Compounding this problem, according to the International Civil Aviation Organization, is the fact that the aviation industry is now competing to attract qualified and skilled personnel with many other interesting and rewarding professions.

"In addition, and due to its renowned high training standards, South Africa has become a hunting ground for well-heeled employers across the globe. The world knows that our pilots and technicians are highly trained, hence they are recruited in high numbers by employers in Asia, the Middle East, and many other parts of the world. Our concern is that without proper knowledge and guidance, the potential next generation of aviators will lose out on the multitude of opportunities available in aviation," Khoza explains.

This is the reason why the SACAA is championing initiatives such as JAAP, a state-initiated project that brings together key aviation role-players in pursuit of the transformation of the aviation industry, by ensuring that previously disadvantaged youths have access to, and participate in, initiatives aimed at aviation career and opportunity awareness.

"As a result of JAAP, some of the marginalised communities have started to note opportunities in aviation. Each year, the SACAA visits almost 400 schools, mostly based in rural areas across the country. In the process, over 20 000 learners get introduced to various careers and opportunities in the aviation sector."

In addition, young men from on average twenty high schools are also targeted for career awareness when the SACAA hosts the Tracker Men in the Making Campaign. These young men get to interact and receive first-hand information from those that are already working in various fields of aviation. The same applies when young women from various high schools are hosted as part of the Cell C Take a Girl Child to work initiative.

"Most importantly, the Civil Aviation Authority has noted that once the youth's interest in aviation has been sparked, they would require financial assistance to pursue training in aviation. It is for this reason that the Civil Aviation Authority has introduced bursary, apprenticeship and internship programmes," Khoza elaborates.

In the last financial year, the SACAA supported the training of more than 30 young South Africans who aspire to become aviators. Most of these students are from rural areas and poor households. They are enrolled for studies and training in various fields and programmes, including aeronautical engineering, cadet pilot training, and aircraft maintenance engineering apprenticeships. Eight students are currently in the Pilot Cadet Training Programme, of which four have completed their Commercial Pilot's Licence (CPL) training. The SACAA has gone a step further to ensure that these four young pilots pursue their airline transport licences, by engaging with airlines to secure opportunities for these young pilots to do on-the-job training.



In addition, the SACAA is assisting unemployed graduates to launch their careers. In the last financial year the SACAA took in nine graduates on an internship programme. These students have qualifications in various fields – and not necessarily aviation. Another fifteen will be joining the SACAA in the near future.

"Young South Africans need to note that there are many careers in aviation besides being a pilot or cabin crew member. Our concern as the SACAA is that we still get fewer applications for bursaries or internships from learners in the rural areas. In fact, in some cases we would struggle to find even a single qualifying candidate from a province such as the Northern Cape."

According to Khoza, transformation is a collective responsibility, which must be embraced by all.

"If we continue to work in silos, we will never attain true transformation in the aviation industry. Most importantly, transformation is not about lowering standards – after all, in aviation omissions, negligence, and errors can lead to the loss of lives. We all have to work together to make the most of the rich potential that we have in this country. I am afraid that the slow pace of transformation is set to continue if meaningful and game-changing interventions are not introduced; and this will remain a serious indictment of the legacy we may leave behind for future generations."

www.caa.co.za

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SOUTH AFRICAN



**CIVIL AVIATION
AUTHORITY**

Celebration of



South Africa on mega recycling drive

The latest plastics recycling figures released by Plastics SA reveal that South Africans are recycling more plastics than ever before

According to Anton Hanekom, Executive Director for Plastics SA, the results of its annual survey into plastics recycling for the period ending December 2016, reveal that there is a growing awareness of recycling and public pressure to recycle—resulting in more post-consumer and post-industrial plastics being made available for reuse.

Growing public pressure to recycle bears fruit

“Last year, 1.144 million tons of recyclable plastic entered the waste stream, of which 41.8% was recycled in South Africa based on input tonnages. This is a year-on-year increase of 5.9%,” Hanekom explained.

During this period, a growing number of organisations and consumer groups became actively involved in upstream collection efforts, resulting in a positive impact on the amount of plastics that were collected and recycled. Recycled tonnages grew by 35 % since 2011.

Plastics industry takes strain

“The increase in recycling that was recorded was not as a result of increased plastic products that entered the market. In fact, 1.518 million tons of virgin polymer was converted into products in South Africa during this period—a mere 1.9 % increase compared to 2015,” Hanekom said.

He added that plastics manufacturing and recycling industries in South Africa and around the world have been taking strain over the past two years and that more end-markets needed to be developed as a matter of urgency to ensure take-off for recycled materials.

The way forward

South Africa currently only makes use of mechanical recycling, as no other commercial facilities currently exist for alternative plastics recycling. Compared to Europe’s mechanical recycling rate of 29.7 %, South Africa can indeed be proud of its recycling rate of 41.8 % for all plastics.

“We cannot afford to rest on our laurels or ease up on our recycling efforts. Not only are brand owners and international organisations under increasing pressure to meet their sustainability targets, but plastics recycling also forms an integral part of the circular economy”, Hanekom says. ▲



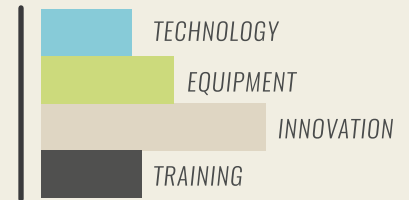
PLASTICS RECYCLING INDUSTRY 2016



South Africa diverts approximately
329 099 tpa from landfill

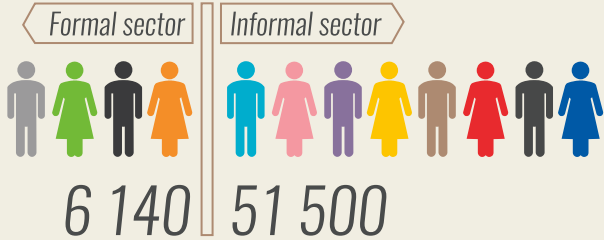


Recycling grew by **5.9%**



Industry invested
R942 per ton recycled

PEOPLE EMPLOYED



Recycling input rate
41,8%



Approximately
204 recycling companies



Material converted in 2016 was:

Virgin material **1,518 000 tons**

Material recycled **329 099 tons**

Mechanical Recycling - SA's % amongst the **highest in the world**

PLASTICS INDUSTRY 2016



Employs **> 60 000**
people in the Plastics industry



Estimated
1 800
converters mainly SMME's



Approximately **53%**
of all polymer goes into packaging



Market size ex converter is estimated
to be around **R 76 billion**

(2016 PSA recycling survey)



The Automotive Industry Development Centre (AIDC)

Striving to be a leading implementation agency that delivers creative, efficient, best-practice and value-based solutions in support of the government's programmes related to the automotive and allied sectors



The agency was initiated in 1997 through a workshop between the CSIR, the DTI, the Fraunhofer Society in Germany and NAAMSA to consider how South Africa could assist and promote the growth of the automotive sector.

"The AIDC was established in 2000 and was responsible for the design and development of the Automotive Supplier Park (ASP) in Rosslyn. The ASP was then transferred to the Supplier Park Development Company in 2004. In 2013, the AIDC and SPDC merged as part of the provinces drive to consolidate several agencies," Masondo explains, adding that its mission is

to provide innovative, customised solutions and to develop the automotive manufacturing sector to globally competitive standards of excellence through a world-class value proposition, which enables effective and sustainable socio-economic growth.

Project portfolio

The AIDC runs a number projects, which contribute to development in the automotive Industry, Masondo enthuses.

Their flagship projects include:

The Automotive Supplier Park

The ASP is based in Rosslyn and spans an area of 130 hectares, with a tenant pool comprising mainly of component manufacturers and suppliers to Original Equipment Manufacturers (OEMs), who require a continuous supply of components to assembly plants. Due to its locality, automotive component manufacturers, suppliers and service providers benefit from synergies and cost-saving opportunities. The AIDC develops factories to tenant requirements on a long-term lease basis. The ASP also offers shared mini-factories for smaller operations and offices for automotive service providers. Masondo says, "Our shared services models offer our clients a soft landing from the day of occupation. Over and above providing space, we take care of security, water and electricity, maintenance and IT services. Our clients only have to focus on running their business."

Incubation programmes (Ford and Nissan)

The AIDC launched the first automotive incubation centre in South Africa in 2011. The Incubation Programmes Department opened the incubation centre at the Ford Motor Company's

Silverton plant in Pretoria that year. Incubator models have proven to be highly successful globally but are a fairly new concept for South African-based OEMs. The AIDC pioneered the incubation concept within the local automotive industry to provide support to black-owned enterprises and nurture these companies during their start-up phases. The incubation programme is in line with the AIDC's mandate to create jobs and develop sustainable SMMEs. "The programme benefits start-up businesses by allowing them to operate in the facilities where they receive subsidised rental, mentorship and financial support. After graduation, incubatees are able to establish themselves as fully-fledged businesses in the automotive industry," says Masondo.

The objectives of the Incubation Programme Department are to:

- identify individuals with entrepreneurial aspirations and abilities; thereafter, nurture them into successful businesses,
- provide business support, mentoring and training to the incubatees, and,
- identify opportunities in the automotive sector for new components to be included in the incubators with the ultimate objective of increasing local content for the sector.

Winterveld Automotive Hub (township hubs)

The hub plays a pivotal role in upskilling individuals and supporting the growth of local SMMEs with a particular focus on auto body repairs and spray painting. Winterveld has always had a strong, yet largely informal, automotive presence. The purpose of the hub is to expose the local SMMEs to modern auto body repair equipment and methodology and to formalise and develop their businesses by



Automotive Industry Development Centre
Your partner in becoming globally competitive

facilitating economic transformation within this area.

Skills Development (Gauteng Automotive Learning Centre and the Trade Test Centre)

The Gauteng Automotive Learning Centre (hereafter, the Learning Centre) was established in 2014 by the AIDC to support the automotive industry. It was established as a world-class learning centre to service the training needs of the automotive and allied industries whilst addressing the scarce and critical skills identified by SETAs. The learning centre's vision is to become the leading academic and practical training hub for the automotive and allied industries. The learning centre is the conduit for addressing scarce and critical skills in the engineering, technical and trade fields for the automotive and allied sectors.

A successful year

In the past year, Masondo says the agency has enjoyed a number of successes, one of which is the clean audit report—an unqualified report with no matters of emphasis—that they received for the 2016/17 financial year. “This award is evidence of our commitment to running a stable and transparent organisation that is able to account for all its business activities,” he says. Additionally, he says the Institute of the Motoring Industry (IMI) announced that the Gauteng Automotive Learning Centre has successfully met the training criteria to become one of its approved international centres in South Africa. “The learning centre also received a nod of approval from Deputy President, Cyril Ramaphosa when he visited the facility as part of the Human Resource Development Council programme. The partnership between the AIDC and Nissan SA, which gave rise to the learning centre, is one of our finest examples of successful public-private-partnerships,” Masondo says proudly.

Competition in the automotive industry

According to Masondo, globalisation has resulted in a challenging automotive

manufacturing environment that is changing at a rapid pace, resulting in growing competition between international and domestic car manufacturers.

“This has placed cost pressures on producers, requiring them to outsource low-cost manufacturing processes and to place increasing emphasis on quality and productivity measures. This is aligned with the growth that is currently being seen in emerging markets and, in particular, in South America, India, China and Eastern Europe,” he says.

Masondo explains that the local market is mostly foreign-owned and the use of locally-developed technologies in the local industry has declined.

“Local assembly plants and vehicle exports also limit the amount of value-add the industry can provide, since local assembly plants use their own technologies that were implemented by their parent companies.

“The competition in the local market has reached a level that has seen some OEMs closing their operations and others pulling their brands out of South Africa recently e.g. GM has closed its operations in PE. SEAT, SAAB, Daihatsu and Citroen pulled out their brands due to, among other reasons, stiff competition in their segments,” he elaborates.

In recent times, however, Masondo says we've also seen new entrants into the local markets, including BAIC, a Chinese car manufacturer, which is currently building a manufacturing plant in Port Elizabeth for local and export markets, among others.

Important partnerships

As an agency of the government, the AIDC has various partners to ensure that there is development in the automotive sector. The AIDC has partnered with the following institutions:

- The City of Tshwane
- The National Association of Automobile Manufacturers of South Africa (NAAMSA)
- The National Association of Automotive Component and Allied Manufacturers (NAACAM)

- The Manufacturing, Engineering and Related Services Sector Education and Training Authority (MerSETA)
- The Department of Trade and Industry
- BMW
- Nissan

“These partnerships create an enabling environment for the AIDC to roll out its projects,” Masondo explains.

Meet the CEO

David Masondo graduated with a BA Honours degree and a Master of Arts degree from the University of the Witwatersrand. Thereafter, he obtained his Doctor of Philosophy from New York University.

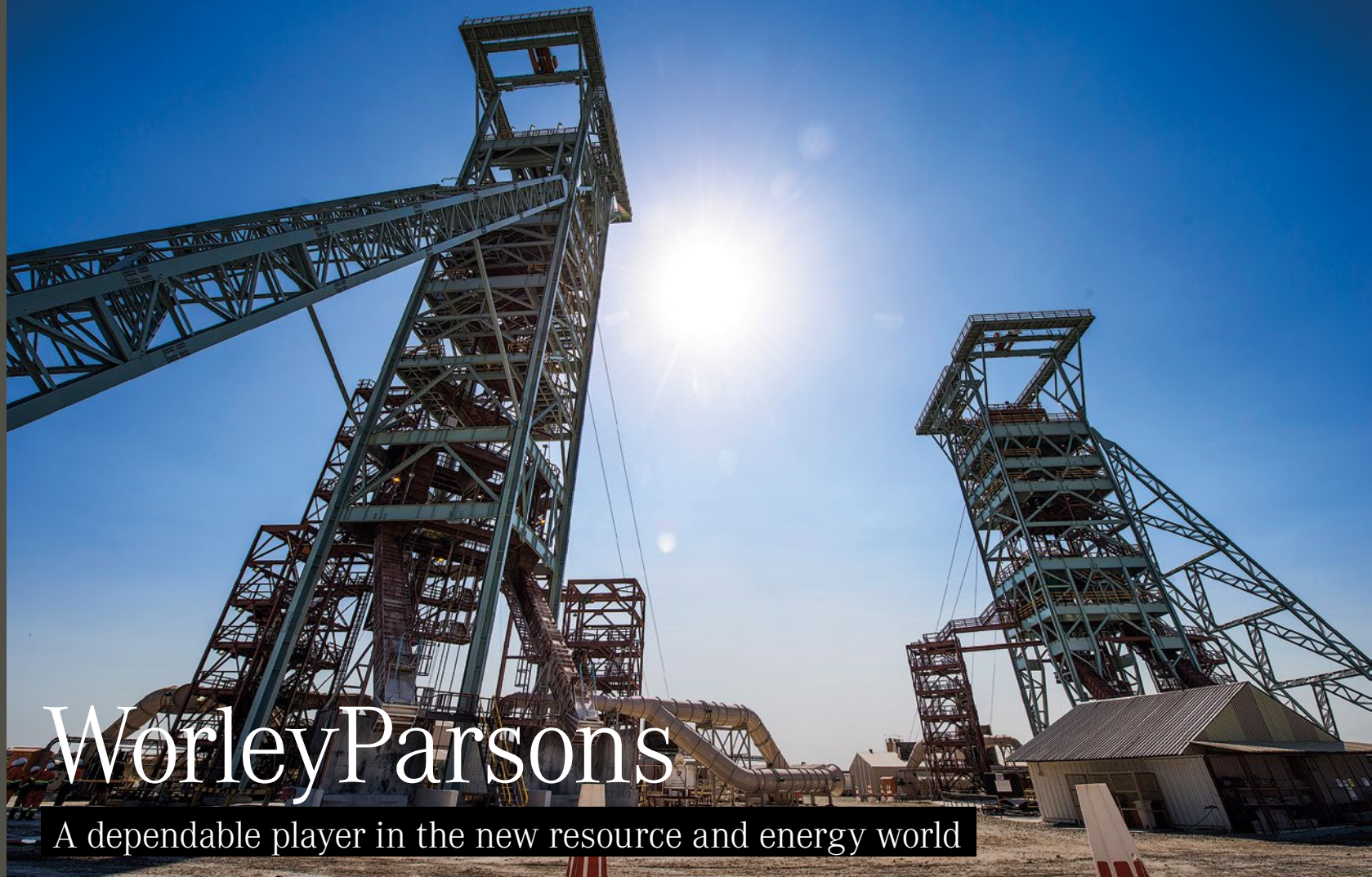
In 2005, he became a lecturer at the University of the Witwatersrand, where he taught various political courses for three years.

He was appointed as a Finance Member of the Executive Council for the Limpopo government's Provincial Treasury in 2011.

During his two years in this role, he led the process of budget allocation through the provincial budget committee and provincial legislature, he monitored the provincial government as well as the Provincial Treasury Accounting Officer's implementation of the operational plan.

In 2014, he was appointed Chief Director: Economic Sectors and Industry for the Gauteng Department of Economic Development. He was tasked with a number of duties including providing strategic direction in the development of industrial sectors, providing value-chain analysis and success factors of defined industries in Gauteng and identifying possible opportunities, documenting the interests of various role players in different industry sectors as well as risks associated with being in those industries.

In 2015, he was appointed the AIDC's Chief Executive Officer—a role he presently holds—and has gone from strength to strength in terms of providing his impressive expertise and effective leadership. ▲



WorleyParsons

A dependable player in the new resource and energy world

As the world's resources and energy needs continue to evolve, WorleyParsons is driving initiatives that help customers meet these needs. The global professional services provider has developed a strategic architecture that focuses on operational excellence, offering all of its value to all of its customers and stakeholders, and positioning the business as a key, dependable player in the new resource and energy world. In South Africa, that means harnessing the company's mining and minerals processing expertise to support the development of SMMEs as part of its commitment to transformation in the country, and providing support to WorleyParsons' global mining and minerals projects.

"In times of transition, you need to keep your eye on the end game and navigate the organisation to get there," says WorleyParsons RSA CEO Denver Dreyer. "Our role as an engineering consultant in a rapidly changing resources and

energy market is vitally important. We help our customers to develop their assets but we are also a partner in delivering sustained economic and social progress, creating opportunities for individuals, companies and communities to find and realise their own futures. A project is a major driver of creating employment, not only in the development and execution phase, but also after the project is handed over, and we are committed to developing projects in the most cost-effective, safe and sustainable way.

"We also have a responsibility to meet South Africa's transformation goals. Companies such as WorleyParsons play a critical role in driving inclusivity and sustainability within the environments in which they operate," says Dreyer. "We recognise that small, medium and micro enterprises can be key drivers of economic growth and we're looking at ways we can assist in helping these businesses to grow. There are opportunities for small, black-owned engineering businesses in the coal sector, for example, and we will partner with these companies in a technical capacity to jointly deliver services. By doing so, we can expose



Denver Dreyer, WorleyParsons RSA CEO



these companies to world-class delivery systems and transfer skills and capabilities to enable them to grow.

“A further challenge for many SMMEs is access to project funding. In a world of constrained capital, investors will seek partners that they can trust and are more likely to invest in projects that are backed by a reputable global organisation with a track record. By partnering with a company such as WorleyParsons which has an extensive global presence and is listed on the Australian Securities Exchange (ASX), Toronto Stock Exchange (TSX), FTSE 100 and Hang Seng, SMMEs have a better opportunity to obtain funding from international investors who will have the assurance that the project they invest in will be bankable.

“We can also help SMMEs, as well as Tier 3 companies, with tools that can evaluate a resource and identify risks upfront, such as the StepWise process which very quickly and cost-effectively identifies whether or not an ore body or any other type of resource project will be viable or feasible,” says Dreyer. The

StepWise process, developed by Advisian, a WorleyParsons group company, provides solid data to enable prospective funders to make strategic investment decisions, with a focus on maximising returns, while minimising and managing exposure to risk.

“In times of uncertainty, investors look for a partner they can trust. WorleyParsons’s reputation for honesty, integrity and ethical dealings is one of its key business assets and a critical factor in ensuring the company’s ongoing success. We are a value-driven organisation underpinned by a strict Code of Conduct to which all our people, partners and suppliers are required to adhere. There is zero tolerance for any conduct that will cause damage to the company or our customers’ assets. Our ethical practices have proven that we have and will stand the test of time and our customers trust us to implement their projects in a transparent, ethical way.

“Our teams also need to remain relevant in an ever-changing world and one of my roles as CEO of our South African operations is to

ensure that managers are supporting the project teams so that they in turn deliver their best on projects,” says Dreyer. “As the Centre of Excellence for mining and minerals processing for the WorleyParsons group, we have some of the best skills in these fields in the world. We need to look after and nurture this talent. It is essential to invest in the leadership and skilled resources of an organisation even in uncertain times so that we can retain this expertise and provide support on global projects. In 2017, we invested R1-million in a year-long programme for 40 high potential employees and 25 top management personnel to improve their calibre and develop their potential. At the end of the programme, the high potential candidates were enrolled in various projects across the organisation where they have the opportunity to add value to those projects.

“As the resources and energy landscapes continue to evolve, WorleyParsons will continue to seek innovative ways to reshape our business in order to deliver the best value to our customers,” concludes Dreyer. ▲



No treading lightly for Goodyear

Settling into a new life with biltong, braais and bakkies, newly-appointed Goodyear South Africa Group Managing Director, Darren Hayes-Powell is excited by the prospect of enhancing both his own career and the company's growth in the Sub-Saharan market, using recent investments as a platform to elevate production and distribution of the well-loved brand



Darren Hayes-Powell, Goodyear South Africa Group Managing Director

The recent investments made by my predecessor have provided the building blocks for the South African business. This included the new fleet services and the R1 billion investment into the Uitenhage plant and with all of those structures in place, I think we must use them to grow productivity, moving beyond the borders of Sub-Saharan Africa and really launching ourselves into the market," he says.

Goodyear in South Africa has been importing tyres from as early as 1912, with the Goodyear manufacturing plant in South Africa first initiated in 1945, and the first tyre released from production in January 1947. As a global organisation, Goodyear in South Africa and Sub-Saharan Africa forms part of Goodyear Tyre & Rubber Holdings and is represented in South Africa through Goodyear South Africa, TrenTyre and Hi-Q Automotive.

Operating in 22 countries with 49 facilities worldwide, Goodyear employs approximately 3 800 people in various South Africa and Sub-Saharan Africa locations alone. Their recently upgraded manufacturing plant, based in Uitenhage, produces Passenger, SUV, 4x4, Light Truck and Off-The-Road tyres and delivers to the market, Heavy Truck and Aviation tyres.

"As a company, we are always looking to the future, making sure we will be ready for the evolving needs of our customers. We also place a lot of emphasis on making safe tyres, and making those tyres safely and efficiently," Hayes-Powell says.



MADE TO FEEL GOOD.

“And in South Africa, our Hi-Q franchise network has proved to be very successful, and what I think is great about that brand is the quality of service, where service is targeted at the consumer. I am very proud, and I’ve been here for less than a 100 days but I’ve met a lot of franchisees, and their commitment is awe-inspiring. Another big part of our business, TrenTyre, is currently going through a few changes and the focus has shifted to partnering with clients when it comes to fleet service. TrenTyre has become very focused on creating a win-win partnership with customers, looking to do great retreads and helping customers to look after their tyres, optimise fuel efficiencies and provide 24/7 support,” he explains.

TrenTyre sells new multi-brand commercial, retreaded and off-road tyres and services to cater to its customer needs, delivering these products and services via an extensive countrywide branch—and retread factory network.

One of their primary services is FleetFirst, a tyre management solution, which provides premium quality tyres and service support as well as round-the-clock roadside assistance. Offering a comprehensive range of fleet efficiency services.

“TruckForce Mobile Vans is a newly-introduced premium service provision, which specialises in the complete lifecycle management of commercial truck tyres. Each van provides trained personnel and the equipment necessary to take care of any tyre-related situation. We also offer ServiceLine24h, TrenTyre’s emergency roadside assistance service, which is operated in a 24/7 call centre, uses a unique mapping system and leverages the company’s intimate knowledge and understanding of truck tyres, ensuring downtimes are kept to a minimum,” he explains.

TrenTyre’s Fleet Online Solutions (FOS) offers customers an Internet-based fleet management system with the latest development in tyre maintenance, allowing work to be carried out in locations across South Africa, and comes with an integrated management reporting suite and critical performance indicator tracker.

“Managing costs is also an important factor, particularly to fleets, and we understand that

very well. Efficient tyre management and Retreading Multiple Life Concept realises cost savings to the fleets.

These retreaded tyres can offer a similar performance to new ones, using the same casing, materials and retread pattern in the retreading process,” he explains.

In his new role, Hayes-Powell aims to focus on three different areas and he believes that through FleetFirst and TrenTyre’s value-added services, Goodyear will be in an excellent position to ensure that customers receive superior support through their extensive network. He also plans to see the Hi-Q franchise expand to increase distribution while they work to develop new products on the manufacturing front.

The recent upgrades to their Uitenhage plant have seen the introduction of the latest technologies and processes and as a result, local production capacity has been increased by 30%.

Not only did this create another 40 jobs but it also provided an opportunity for skills development for all employees at the facility who received comprehensive training.

“Of course, we are excited about the opportunity to create more jobs but the upgrades will have a far-reaching impact on our business, allowing us to work more efficiently, increase productivity and produce leading edge tyres. This will allow us to compete more with increased imports. There are also benefits when it comes to the maintenance of the factory, where proactive maintenance will ultimately optimise how we work and what we produce. We can do more in less time and waste less. This was a crucial step in facilitating our market expansion into Sub-Saharan Africa,” he says.

“This new state-of-the-art plant puts Goodyear South Africa on par with global technological standards,” he adds.

The first tyre to be produced out of this state-of-the-art facility is the Wrangler All-Terrain Adventure tyre that is built with an ultra-strong, Kevlar® fibre overlay and reinforced by the company’s Durawall Technology.

Hayes-Powell, who has worked for Goodyear in a number of different roles and in a number of different countries, feels both excited and privileged to be working with his current

leadership team. “I love working in a multicultural environment with local people from different backgrounds. I love to be challenged and take time to listen to our challenges, which we resolve together. I believe that part of leadership is pulling the best from a team towards one common goal,” he says.

Born to a family of engineers, Hayes-Powell followed suit, landing his first job with Rolls-Royce after completing his studies in engineering.

“Rolls-Royce developed me very well, both in terms of me as a person and skills development. I have always taken that as something I want to do for others. They supported me in becoming an all-rounder in business and I went on to train as an accountant and later on, complete a Masters in Business Administration (MBA) at Warwick University,” he says.

He then went on to start his career with Goodyear as the Finance and IT Director, UK, and later moved to Asia to support the factory build in Pulandian, China which is now one of the best performing plants under the Goodyear name.

His most recent role has been to lead the construction of Goodyear’s new manufacturing facility in Mexico while leading the finance function for Global Goodyear Operations and Technology. He was Vice President Finance Global Operations before moving into his current role in South Africa.

“Rolls-Royce took the time to invest in my career, not just academically but also with my leadership style. They provided me with constructive criticism and helped me to grow as a person.

“I think that forms the base of my own management style today. I admire people like Richard Branson, mostly for his determination and entrepreneurial thinking.

“When people said he couldn’t do things he proved them wrong, and he always talks about the team, proving that he made his businesses a success by making sure he had the right people around him.

“Nelson Mandela is another person I look up to, he brought different thinking together and I think he was a great listener, two qualities I always aspire to,” he concludes. ▲

Palabora Mining Company: the perennial achiever

Palabora Mining Company (PMC), or Palabora Copper as it is known, is a copper mine situated in the Limpopo Province, it is South Africa's sole producer of refined copper, and has been operational since its incorporation in 1956

PMC consists of an underground mining, concentrating, smelting and refining operation. PMC successfully extracts and beneficiates copper and other by-products in the Ba-Phalaborwa area of Limpopo Province and provides the local market with 85% of its copper requirements.

The company owes its origin to the unique formation known as the Palabora Igneous Complex. Nowhere else is copper known to occur in carbonatites as is the case at Palabora Copper and a host of other minerals such as phosphates, vermiculite, phlogopite, magnetite, nickel, gold, silver, platinum and palladium also occur. Palabora operates a large block cave copper mine and smelter complex employing approximately 4 990 employees for both lift 1 and 2 and is a balanced and diversified workforce.

PMC continues to focus its efforts on mining beyond compliance by involving its employees as shareholders in the company, together with a black economic empowerment consortium, Chinese consortium and Industrial Development Corporation (IDC).

Energy Management Programme

Mining activities are inherently very energy-intensive, hence PMC launched an Energy Management Programme in 2012 to curb the forever-growing, half-a-billion-rand energy bill. PMC partnered with a consulting company resulting in the employment of 12 energy specialists and project managers who would, in conjunction with mining personnel, identify, implement and sustain energy cost-saving



Ms Dikeledi Nakene Chief Financial Officer

projects. As a result, 117 initiatives were identified and following stringent technical and financial adjudication processes, 31 projects were implemented. In August 2017, PMC was nominated by Productivity SA as the ultimate winner of the 2017 Limpopo Productivity Awards for its energy saving management programme, thus becoming the finalist contender at the 2017 National Productivity Awards.

Community development initiatives

Transformation of the business in the sense of meeting its targets, the Mining Charter compliance, and the Social and Labour Plan requirements from the Department of Mineral Resources are essential to PMC. Over the years, PMC has invested more than R160 million in

developing communities through the Palabora Foundation, PMC's community project execution partner.

PMC is the major mining project occurring in Phalaborwa that is integral to the survival of the Phalaborwa community. It is a key contributor to the local employment; directly and indirectly.

The population of Phalaborwa is roughly 120 000 people and PMC mine employs 4 990 permanent employees of which 3 995 are local (more than 80%).

Taking into account the integral part played by the mine in relation to the community, PMC has started a number of initiatives aimed at improving the lives of the community. Amongst these projects is Phelang Wellness and Disease Management Centre; one of the biggest clinics in Namakgale township, which is the largest township in Phalaborwa. The project was part of the SLP and totalled just over R7 million to construct.

Upgrading roads

In collaboration with the Ba-Phalaborwa Municipality and other strategic stakeholders, PMC established a road rehabilitation project, which involves the tarring of roads and streets in Namakgale. Namakgale is the biggest township in Phalaborwa and speculated to be amongst the biggest townships in the Limpopo Province. This project was also in support of the Ba-Phalaborwa Municipality's IDP programmes.

The employer of choice

Since its inception, PMC has been at the forefront of employment practices in the local mining industry. Palabora, which employs an average of 4 990 employees (lift 1 and 2) aims



to remain industry competitive through its favourable conditions of employment.

This is reflected in how they deem the safety and health of their employees to be of the utmost importance in order to remain efficient and profitable as a business. The appointment of historically disadvantaged South Africans at professional and managerial levels has increased drastically over the past years. Palabora has attained and retained the Top Employer Certification for three consecutive years, from 2016 to 2018. For the company, this contributes to its ability to attract the best talent there is in South Africa and beyond.

Going green

The company is a certified ISO 14001 business that subscribes to world-leading practices. Located directly adjacent to the world-renowned eco-tourism attraction, the Kruger National Park, PMC coordinates several onsite wildlife management and cultural heritage programmes as part of its ongoing sustainability drive. Over the past years, PMC has retained a record of being one of the safest mines in South Africa and Africa at large. This is particularly due to the stringent SHEQ regulations and procedures in place and the effective management of contractors on site.

Organised labour

Palabora has three active employee trade unions, namely the National Union of

Mineworkers (NUM), Solidarity and AMCU. These unions represent both the views of their employees and the interests of the company. As a result, PMC continually engages the unions so as to build the capacity of their stewards to help them improve their understanding and appreciation of the business.

At Palabora, all HR management practices—from recruitment, career management, leadership development, training and culture to succession planning and diversity management—are geared towards establishing, maintaining and improving sound business practices. This is a key element of managing and sustaining organisational growth.

The company has a detailed employment equity policy that addresses the company's demographic profiles, workplace conditions and practices. Their Employment Equity Forum meets on a monthly basis and informs the company on issues of strategic importance.

The most powerful woman on the continent

PMC Chief Financial Officer (CFO), Ms Dikeledi Nakene was nominated as the most powerful woman on the continent during “Africa's Most Influential Women in Business and Government Awards”, which were held in Johannesburg in November 2017. The continental winner was selected from contestants from all 54 African countries who would have won their country's and regional awards in various categories.

In August 2017, Ms Nakene scooped the country (South Africa) and regional (SADGSouth) awards for women working in the mining industry and automatically became a continental contestant.

Ms Nakene says that she is humbled by the awards as they are a recognition not only of her abilities but the abilities of all women of Africa, particularly South Africa. “I did not make the journey here alone; there are numerous people who have supported me. These people include my family, friends and colleagues. Above all, it is through the mercy that God continues to place on me.”

The future

PMC is undertaking a life-of-mine extension project known as the Lift II. The project aims to extend the life of the business up to 2033. The project includes the magnetite reclamation and beneficiation study aimed at creating additional revenue from the 250 million legacy stockpile.

PMC's efforts to extend the life of mine, initiate community development projects and energy saving management programmes are all aimed at making Phalaborwa, Limpopo and South Africa brighter while creating employment. PMC continues to view its surroundings as its sub-sectors to ensure for continuous engagement and consciousness.

Lydia Radebe is the External Affairs and Communications Manager at Palabora Mining Company





The Maslow

Make business a pleasure

For the perfect balance of business and pleasure, be our guest at The Maslow

Situated in the heart of Sandton, The Maslow is Sun International's 281-room specialist business hotel. Packed with state-of-the-art technology, the hotel is designed to satisfy all six of your senses, giving you a glimpse into the future of the corporate world.

As a destination for professionals and portal for travellers, The Maslow offers everything from business to leisure with the tempting Lacuna Urban Bistro to the productive Wayfarer business lounge, Wi-Fi and a rejuvenating spa. This premier 4-star hotel is the home of superior comfort, relaxation, elegance and is the foremost precinct for achieving success.

Whether you're looking for an intimate meeting place for 4 or a grand affair for 420, The Maslow can accommodate it all with 11 unrivalled meeting rooms and a world-class conference centre.

Every meeting room has been designed to be a game-changer—a place that drives you to think and fosters success. Ranging from 24m to 56m, they are conducive to productive



workshops, strategic thinking, effective team building and well-deserved relaxation. There is also a dedicated lunch and lounge area leading onto oasis gardens that offer alternative breakaway zones for meeting and dining opportunities.

The Maslow Conferencing Centre offers an inspiring location to do business in, with spacious facilities that can accommodate all events, large or small. A selection of carefully-curated menus are available to suit your needs.

The Wayfarer business lounge offers guests in transit a selection of complimentary teas, coffee, muffins and fresh fruit. So if you're too early to check-in or you have a late departure, you'll be able to take a shower, charge your phone, surf the net with the hotel's free Wi-Fi, or rejuvenate your mind.

When the moment comes to satisfy your hunger or quenching your thirst, The Maslow has every craving covered. De-stress at Lacuna Bistro with locally sourced bistro-style cuisine all from an à la carte menu. If you're looking for an exclusive dining experience, the Private Dining Room is one of Sandton's best-kept secrets.

Able to accommodate parties of up to 20 guests, the dining area overlooks the hotel gardens with its own patio and will guarantee an occasion to remember. Lacuna Bar offers the perfect retreat where you can catch your breath with a cocktail in hand or treat yourself to an unparalleled sushi menu from U-Mai whilst overlooking the oasis gardens.

Unwind your mind at the Africology Spa, ideal for a lunch break manicure or an evening massage, with its award-winning treatments earning its reputation as an urban sanctuary. For a more refreshing retreat, the outside pool is an ideal oasis to soak up some sun, take a leisurely swim and get fresh air.

Going beyond what you'd expect from accommodation for professionals, The Maslow rooms are the perfect reply to a full day of productivity. Each room and suite comes with deluxe amenities including air conditioning, flat screen TVs and luxurious linen to ensure your every comfort. The rooms are designed to be your personal sanctuary with extra-length beds, blackout curtains, a workstation and complimentary uncapped Wi-Fi. ▲



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Pele Energy Group

Established in 2009, the Pele Energy Group's mandate is to catalyse structural change through businesses that generate power and knowledge, and consists of three subsidiaries: Pele Natural Energy, Knowledge Pele and Pele Green Energy. Obakeng Moloabi, Fumani Mthembi and Gqi Raoleka, the respective Managing Directors, discuss the role their divisions play.



*Obakeng Moloabi,
Managing Director, Pele Natural Energy*

Please tell us a bit more about your role as the Managing Director of Pele

Natural Energy?

As the youngest PEG subsidiary, my main role is to give strategic guidance and growth strategy to a company that operates in a market that is facing global challenges.

You have your first plant outside of South Africa in Mozambique—are you expecting further projects into Southern Africa?

Yes, we are. The next project in the pipeline is based in South Africa in Mpumalanga. We are in the process of concluding financing for the project and expect construction to start in the second half of 2018. We are also looking at other potential projects in West Africa.

Could you please tell us more about yourself, your educational background and your vision for Pele Natural Energy as we enter a new year?

I'm a 35-year-old black male born in the Free State and have grown up in Gauteng. My formal education is in the investment industry (BCom Investment Management). Our vision for PNE is to grow a modern conventional fuel IPP, which will adopt evolving technologies that serve to stabilise and act as a balance to renewable energy dominated grids. The development of

such assets will only be done if there's a clear benefit for communities that host the assets and the minerals that are used to power the technology.

How do you go about ensuring that your projects are always sustainable—what are the steps to achieve this?

Our point of departure when investigating the feasibility of a project is the impact that it will have on the surrounding community and the country at large. Once this is established, we then move towards understanding and selecting technology that can use a fuel source located close to the potential project. Financial packages will then be considered, this element is important in ensuring a project can offer good prices for electricity to the ultimate buyer.



*Fumani Mthembi,
Managing Director, Knowledge Pele*

You have a partnership with one of UCT's divisions, could you tell

us more about this and what it entails?

Knowledge Pele is a research, development and advisory company. Our research division has specific expertise in assisting private sector clients to understand the needs of the communities and stakeholders that they serve, directly and indirectly. What we realised in our engagements with UCT was that development research coming out of the private sector is

almost unknown to the policy-making community. The purpose of the collaboration is, thus, to shine a light on the development impact of the private sector, good and bad, and to then contribute to the broader pool of research that ultimately informs policy.

Could you tell us more about the role Knowledge Pele plays within the Pele Energy Group?

The Pele Energy Group was founded to contribute to the structural transformation of our country and continent. Knowledge Pele's role in this mission is to convert development problems into investment-ready solutions.

We do this through five clear steps: we research the conditions of excluded communities; co-create solutions with those communities and package them into development programmes; we then raise the funding for these programmes; implement them and conclude by monitoring and reporting. The beauty of it this approach is that by creating an alignment of interests, we are able to pursue development impact for communities, whilst also delivering a social return to our clients.

You were recently recognised by the USDS for your work with poor communities, especially for your development work in Touwsrivier—could you tell us more about that?

Touwsrivier is our flagship community. We have had a presence in Touwsrivier since 2012 and have implemented the full Knowledge Pele solution in this peri-urban, Western Cape community. To date, we have supported over 100 people through socio-economic and enterprise development programmes designed and implemented by Knowledge Pele. We have

also provided indirect support to hundreds more through community-based organisations that provide welfare services. What makes Touwsrivier special is the coherence of its development journey, which will see it become the first energy community to industrialise on the back of social investments from its funder, the Touwsrivier Solar Plant. We're excited to be at this point and look forward to transforming other energy communities as comprehensively in the near future.

How important do you feel it is that corporate companies across the spectrum in South Africa start doing more to assist communities and those that are disadvantaged because of our political past?

It is of absolute importance that the private sector plays an active role in development. This is necessary for strengthening our social compact as well as contributing to the inclusive growth and development of our country. It is important that we all understand that there can be no genuine prosperity for some if others are excluded from the possibility of social and economic participation. Therefore, investing one's surplus in the development of the underprivileged is an investment in the sustainability of our shared prosperity over time. The beauty of the present moment is that we now have models for delivering financial returns through social investment, which allows us to attract more funding for development, whilst growing the very surplus that is required for reinvestment in development.



*Gqi Raoleka,
Managing
Director, Pele
Green Energy*

Please tell us a bit more about your role as the Managing Director of Pele Green Energy?

As the MD of Pele Green Energy (PGE), I have been charged with leading and overseeing the strategy and

direction of the company, whilst maintaining and growing our market position.

How big is the growth potential in South Africa for renewable energy and how important is it that the country buys into these sources of energy?

South Africa has a vast endowment of renewable energy, with all the main forms of renewable energy generation (solar, wind, landfill gas, small-scale hydro) being deployed. The growth potential for renewable energy in South Africa is immense, as the country enjoys some of the highest solar irradiation levels, which are conducive and attractive for the generation of electricity through solar power throughout most parts of South Africa.

The Western and Eastern Cape have strong wind speeds with high-capacity factors that bode well for the generation of electricity through wind farms.

The entire energy industry awaits the latest version of the Integrated Resource Plan, which provides a roadmap to the energy demand of the country and how that demand will be met. The draft version of IRP 2016 indicates that 18GW and 37GW of energy generation will be required from solar and wind respectively by 2050, reflecting the meaningful role that renewable energy will have in the energy generation mix of South Africa.

How important is research in the work you do, especially for community projects and creating sustainability?

Research and planning are critical components for the execution of our community projects, which ensure the long-term sustainability of our power plants. From our perspective, research must be the leading indicator before the commencement of any community engagement and project. Our research in this regard cannot be solely desktop and conducted thousands of kilometres away from the communities in question. Through our sister company, Knowledge Pele, our team conducts an initial baseline assessment of the communities we operate in and then embarks upon detailed on-the-ground research and interviews with the community to establish and inform the various community projects that we would look to support through the proceeds

generated from the power plants operating in the community.

Pele Green Energy was recently awarded a grant by the US Trade and Development Agency to develop a 75MW solar project in the Free State—has work on this commenced and which communities will benefit from this project?

We have commenced the development work as the grant we received was to fund the early stage development activities of what will be

The growth potential for renewable energy in South Africa is immense

a 75MW solar project in the Free State. The project is in the Letsemeng Municipality.

In your opinion, is renewable energy taken seriously enough in South Africa, or do you feel more can be done to take the load off Eskom?

The South African Department of Energy (DoE) has shown a strong undeniable commitment towards ensuring that the South African energy generation mix includes renewable energy. The DoE through the Renewable Energy Independent Power Producers Office (REIPPPP), has awarded c. 5GW of renewable energy to be generated by independent power producers over the first four bidding windows of the REIPPPP. This demonstrates the state's commitment towards reducing the risk from Eskom as the sole generator of electricity. The private sector has responded positively to the reductions in the prices of generating electricity through Solar PV as an example, and we expect that this uptake will continue as the affordability of the PV units improve, as homeowners and energy-intensive users seek security of supply and a certain price escalation path. ▲

Africa Biomass Company: Innovating a better future

The Sanlam Entrepreneur of the Year Competition is the gold standard of innovation excellence across the board in business. Last year Africa Biomass Company (ABC) General Manager, Willem van der Merwe took first prize, showcasing his company's cutting edge approach to the environment

A wood chipper was increasingly called upon, especially by farmers, to process old orchards into a more efficient and usable substance. The demand for the service grew and so did the number and size of the machines.

Towards the end of 2008, the need and demand for the chipping of orchards increased to such an extent that the strategy of hand-fed chippers was switched to that of horizontal grinders, fed by a mechanical loader.

ABC, from Worcester in the Western Cape, has been at the forefront of the development of biomass processing as well as bio fuels in Africa. Innovation and staying on top of global trends are key to this, both from an agriculture and energy perspective.

Gap in the market

Van der Merwe tells *Leadership*, "I bought a small high-risk tree felling business in the Southern Cape in 2004. One of the biggest challenges in our setup was to dispose of the waste wood generated on site.

"We also learned that this is a general problem in the industry. We started buying wood chippers to rent out and it has been our main line of business since 2006. We were one of the very first company's in South Africa (SA) to work on the recycling of woody biomass alone. We managed to stay at the forefront of our industry by evaluating our performance regularly.

"We also undertake study tours worldwide and make sure we employ and equip our staff



Willem van der Merwe, General Manager

to the best of our ability to deliver our services. We have also, over the past ten years, developed techniques and equipment that did not exist in SA before."

Core offerings

ABC specialise in the recycling of unwanted wood waste, including green waste generated

in gardens and permanent crops like apples and grapes that reach the end of their production lifespan. Sawmill waste and aliens from rehabilitated riparian zones in rivers are also recycled.

Always one to look at the bigger picture and play the long game in business, Van der Merwe is looking to expand his total service offering to



a worldwide customer base, that grapples with some of the same problems.

He continues, “Our mission is to provide a worldwide service and infrastructure that is sustainable and above par, taking into account the unique requirements of each client, without deviating from our policy of innovative service and high ethical standards.

“Our vision is to establish ourselves as the leader and company of choice within the biomass recycling industry. We value human dignity, integrity, quality, innovation, transparency and individualism.”

Key partnerships

In collaboration with strategic partners Moreson Grondverskuiwers, ABC offer a full range of services from orchard removal and recycling to bio fuel, mulch services and products and wood chipper equipment hire to name a few.

Van der Merwe explains the partnership with Moreson, which has helped make them a powerhouse in the industry, working on high-profile projects in the Western Cape.

“After realising the market potential in the industry we partnered with Moreson to obtain necessary machines, which we could not afford on our own.

“The venture gave us valuable access to mentorship through Johan du Preez and Aalwyn Visser. Moreson has been involved in the contracting business since 1924.”

Moreson Grondverskuiwers and ABC also ventured into the very important new territory of “green” agricultural practices and have since acquired a fleet of the world’s best recycling equipment for the processing of various kinds of green waste that was previously burnt. Fruit trees, vineyards, unwanted windbreaks, municipal green waste and sawmill waste are now converted into mulch for ground cover, compost or useful boiler fuel.

The company recently started harvesting and processing alien trees from the water catchment areas of the Western Cape. The fleet of recycling equipment has been increased to 10 x beast recyclers, 24 x bell loggers, 1 x boiler fuel chipper, 2 x whole tree chippers, various tractors,

trailers, chip spreaders, forestry mowers, and other logging equipment.

Achievements

Not one to brag, Van der Merwe goes on to outline some of the achievements that ABC has enjoyed during a rich history, both from an employment and environmental perspective.

“As a whole we regard our biggest achievement as follows: we employed 150 people from

We were one of the very first company's in SA to work on the recycling of woody biomass alone

scratch, recycled 200 000 tons of wood per year previously destined to burn and very importantly, our actions led to water savings enough to supply 40 000 households per year.

“Our biggest single project currently is the removal of aliens in the Breede River riparian zone near Robertson. We will remove and recycle approximately 21 000 tons from this project.

“We expect growth of 15% or more per year, while expanding into other areas in SA and Africa with the same approach,” he insists.

Background

Van der Merwe has farming in his blood, growing in the apple heartland of Ceres, where most of SA’s apples originate from.

“I grew up in the fruit industry in Ceres. Being from a family farm I would have liked to be involved in farming. The opportunity did not materialise at that stage and I opted for this opportunity. I wrote matric in 1995 at Charlie Hofmeyer high school in Ceres and completed studies at Elsenburg agricultural college in 1999.”

Never one to stand still for too long, his time is split between various important responsibilities within the thriving business.

“My duties as general manager involve the planning and controlling of eight different divisions in our business. I am privileged to say that we employ very strong division leaders who take ownership of their respective roles.

“My preference in the business is to identify new opportunities and to identify new trends to continuously adapt to the needs of the market,” says Van der Merwe.

Leadership essentials

Any growing business needs effective leadership to survive the rigors of expansion. Van der Merwe believes it is important to lead from the front and set a good example to get the most out of his staff.

“Leadership to me means the following. Set an example that inspires people, by the Grace of God.

“Create and inspire through faith in people and opportunity and inspire a vision to create a reality that does not yet exist but can be achieved through focus and planning. Then initiate the actions and control necessary to achieve the vision.

“A good leader, in my opinion, serves his people and makes it known that each and everyone in the process is very important. Good leaders should never make themselves more important than the group around him/her.”

Helping hand

To be the best, you need to learn for the best, and the likable Van der Merwe concludes by listing the mentors who have helped shape his acute business mind.

“Cristo Smuts (deceased) was a previous employer who clearly illustrated the importance of planning, goal setting and hard work. While Johan du Preez, partner, illustrated the importance of good human relations.

Both of my grandfathers, in the time of my childhood, had time for people and both played an inspirational role in the development of their communities,” concludes Van der Merwe. ▲

Transformational leadership

The Dr. S.B Radebe Foundation is creating a mindset to succeed



Dr Samuel Radebe has a track record of being a visionary leader who pursues his goals relentlessly. He has proven to be an inspiring leader with a talent for rallying a team around a vision, encouraging stretch-thinking and creating a sense of intense urgency and focus that leads to breakthrough results.

A Doctor of Philosophy, he has a holistic view of African issues and is the founder and leader of The Revelation Church of God, which was established seven years ago. To date, the church operates 58 branches throughout the continent, with seven branches located beyond the borders of South Africa. The formation of the Dr. S.B Foundation was on the premises that spirituality alone is not enough and more practical attributes needed to be invested in the foundation.

Within The Revelation Church of God, the foundation is the powerhouse behind its social investment programmes, which are geared towards both adults and children. The social programmes of the foundation include a feeding scheme, family teaching and counselling, reforming sex workers with business education, mindset classes dedicated to teaching self-belief and financial literacy and computer literacy classes.

At the core of the foundation is its mission to encourage the youth to be better than what their circumstances or surroundings dictate, and to provide an education that will instill confidence and the drive to have goals and work towards achieving them. At the foundation, they are exposed to reading and debating. "We need youth who can engage firmly on matters, as the country is in a leadership crisis and we ought to train young individuals accordingly to be future leaders," says Radebe. The foundation has managed to provide scholarships in aviation, engineering, finance and economics, and all of the students have completed the courses with excellent results.

Helping the kids

It is very important for Dr Radebe to take children off from the streets and equip them with an education and skills development. The foundation ensures that children are exposed to reading, debate, and speaking engagements. The foundation has established a library,

computer room and a state-of-the-art gymnasium that assists with the focus of sport and physical education.

A feeding scheme has been put in place to assist children and adults. “It is not good for anyone to be without food, especially children. I make a conscious effort to look into families within the community and the church who are struggling and I ensure that they are given food. Every morning, kids who don’t have a shred of bread to eat before going to school come to our feeding scheme and they’re given food so that they are able to sustain themselves and be able to concentrate and learn at school,” he says.

Business forum

One of the church’s biggest programmes is the business forum, which aims at networking different tiers of business individuals in the community.

Dr Radebe explains that in their community and church, those who attend the business forum can be classified into three groups. “Of the attendees of the forum, there are those who are street vendors, and who aspire to become successful businessmen and women; those who have started from selling on the street and have progressed to medium-sized businesses that perhaps make R5 000 a month, and a few larger, very successful business owners who make up the top tier. The aim of the forum is to allow these different groups to interact and to bring these individuals who come from different backgrounds, but who have the shared interest and objective to be successful,” he elaborates.

He says that the business forum not only looks at putting together a networking group of people who are into business, but it is a driver of change in transforming the mindsets of participants, especially those who are unemployed and are lacking in the belief that they can accomplish something bigger. Dr Radebe wants to remove people from a basic-needs level and elevate them to a self-actualisation level. Through his teachings, he allows people to understand that there is a progression and teaches people to have stretch targets. Dr Radebe is a true leader in the sense that he wants to nurture and build whatever potential people have.

Evolving mindset

The African Centre of Excellence was established through the foundation to mentor and train people to convert to a winning and

positive mindset. The centre drives a Mindset Programme that permits people to dream big, positively and realistically, teaching attendees how to identify what is needed in order to propel them to the next level.

Identity reform

One of the programmes the foundation is proudest of is the reforming of female sex workers. Dr Radebe has changed the status quo of those men and woman who found themselves on the street and who had the desire to achieve more. “What we did was to bring these women who were courageous enough to come forward and say, ‘I want to change my situation of being on the streets’, and give them a business venture, which they could use to do just that. At the time, there was no set development programme in place, however, I knew that I wanted to help these women help themselves to a better life.

“I had a chicken farm and what I did was to start them out by selling chickens in order to establish a source of income. As time progressed, any business project that arose, no matter how small, I would call them to assist. It started small indeed but later, the objective was met. I am very proud to say that now these women are trading within stock markets. They’ve been put through training and they are skilled in the regulations of trading. They are knowledgeable of the new industry technologies such as Bitcoin, they are financially literate and emancipated from their past and the belief that what they were then was all that they were going to amount to.

“The foundation also offers the opportunity to reform ex-prisoners coming back to the church and wanting a second chance at improving who they are and their lives. They have the opportunities to join computer classes, increase their literacy and, like the women, they are allowed to refine themselves and be repatriated back into society with dignity and pride,” Radebe says proudly.

Family teachings

Because he is a family man, Dr Radebe cherishes the development of families. Family classes centre around teaching husbands, wives, father, mothers and other guardians the correct values that shape a good family. “An integral part of the class is a focus on self-identity and connecting to ‘who I am, my background and having this understanding of who I am’. These

classes transcend gender roles—it’s not about the physical separate roles that men and women play in a household, like cooking or cleaning—no, it’s about teaching self-love and self-respect so that you can translate it to your family and to other people. One cannot love another if you don’t love yourself. We work with entire families, including children, promoting good values and providing that support and space to discuss issues that they may not have outside of the church,” he says.

Community upliftment

Earlier this year, the church opened their first computer lab in their facility at Eyethu Mall in Khayelitsha. According to the church leaders, it was crucial for the church to give back to the community and assist the youngsters.

The lab has 15 functioning computers and tablets with dedicated tutors to teach youngsters basic computer skills. The school partnered with UCT, Mbiza senior was a language lecturer at the university. Mbiza said that it took them an entire year to make the lab a reality and added that it was not just for the children of the church, but for the local children of the community, and is one of our ways of making sure that the community benefits from the church.

Dr Radebe says what keeps him going is that he is never content with current achievements and always strives to do more. “We’re very into the philosophy of taking the bull by the horns. An idea with no activation is dead. One needs to be able to be willing to do and not worry about being criticised. In order for one to change the society or the country, you need to be driven—driven by truth, a realistic vision and an understanding of the pitfalls that people go through.

“You need to be a courageous person in order to break the mould and say, ‘I am going to change the landscape of anybody who used to be called a prostitute’; to say, ‘I’m changing the community within which I live, within which I practice’.

“You need to have an action-orientated vision. We see people coming into the church and becoming inspired to believe that goals can be achieved with the right attitude. We see the change that occurs in those attending classes, we see results in youth skills development—our social programmes are working. We’re bringing about change but we’re allowing individuals to do it themselves by equipping them with the necessary skills,” he concludes. ▲

The EMCA

The Elections Consulting Agency of Africa (EMCA) is a 100% black female-owned private independent electoral operations company that provides an all-inclusive consultative and pre-election, election and post-election service to its client base. Lulu White-Raheem, CEO, discusses their core service offerings, achievements and strategic growth plans.

Please could you provide us with an overview of the company's history?

The EMCA has been in existence for over seven years and I have been in the elections industry for over 15 years. It is a service-driven company, which provides advanced consulting, planning and election services to help companies realise their institutional/organisational goals through the regular and credible election of their representatives. In addition to creating employment opportunities for the young people in the areas where we operate, EMCA also offers the youth an opportunity to understand how democracy works through regular voter education and training.

Why/how has the demand for your services grown and how have you managed to keep abreast of the technological advancements and the requirements for compliance?

In the following ways:

The South African legislative requirements for medical aid schemes and pension and provident funds schemes compliance requirements to hold regular board of trustee elections and to keep an updated record of board members;

Technological advancements within the sector. The requirement for an online voting facility, especially for clients who have memberships spread across the country and overseas who are required to participate in these board of trustee elections;

The political dynamics that currently plague the institutions of higher learning (universities and TVET colleges) also required us to increase our product offering by including student leadership training, capacity building and motivational speaking seminars to various colleges;



Lulu White-Raheem, CEO

Looking further into Africa and seeing the advancement in both political and legislative changes, this further increases the products and services we offer, such as; supplying innovative world-class election security products that enhance election credibility in Africa and the world at large; pioneering innovative election procurement solutions that take into account the dynamics of the different countries within Africa; providing strategic technical advice and assistance on the election logistics management; providing cost-effective world-class security products and assisting countries to identify cost-effective mechanisms of reducing the cost of elections.

What are your core service offerings at the EMCA?

These are some of our core offerings:

Facilitation and co-ordination of a transparent and credible election process

Board of trustee elections, elections of student leadership (SRC) in institutions of higher

learning, election of political organisations and unions; NPOs and co-operatives, mining institutions and traditional councils

Leadership development and capacity building

The EMCA has done extensive work with various institutions and organisations both within South Africa and on the continent in the capacitation and development of newly elected leadership and newly elected board of trustee members. We offer intensive highly focused seminars and workshops on strategic leadership, conflict management and communication.

Our workshops and seminars provide a refined approach to leadership and communication based on streamlined and interdependent stages of awareness, understanding, acceptance and commitment.

Each approach used is tailor-made to ensure that all the different roles and responsibilities are adequately capacitated in order to fulfil their mandates. In addition to this, we also offer the following core services:

- Civic and voter education;
- Election technical advice and consulting services;
- Political party branding and profiling;
- Strategies and techniques;
- Strategic election campaign management and implementation;
- Facilitation and implementation of new administrative governance systems.

What is your vision, mission and what are your core values?

Our mission is to ensure that democratic governance, human rights and active citizens are endorsed in a peaceful environment.

The vision of EMCA is to promote the expression of choice by citizens through a transparent and credible election process that is free from violence and victimisation and to provide electoral commission bodies (EMBs) with quality tangible election materials and service excellence that is innovative and locally manufactured within Africa.

Our values are underpinned by service excellence, professionalism, respect and dignity.

What are some of your biggest achievements to date and where do you see yourself making a difference?

- Election voting kits: EMCA successfully launched and supplied the election voting kits for the Lesotho Presidential Election of 2012. These kits are durable, lockable hard plastic lightweight transport/storage containers, which could be used for multiple shipping and handling, long-term storage. They're stackable and nestable, sealable and water and dustproof to enable the election material and election security items to be stored and sealed during transportation in order to not compromise the quality and integrity of the election.
- The launch of the Voter Education Speaking Book: It's a tool that can be used for increasing citizen participation in democratic processes through effective civic education and voter education programmes. This book is tailor-made to provide voter education to people with learning disabilities and any other persons who may be blind or handicap. It was specially developed to address people from vulnerable backgrounds who previously didn't have an opportunity to get an education.
- The launch of the Candidate Nomination App
- The Elections Online Voting App

What does the company further hope to achieve in the next few years, both locally and in the rest of Africa?

Locally, we want market dominance. We want to be the go-to company on all election and democracy-related matters in the country. In order to achieve this, the EMCA online voting app must form part of every board meeting where critical decisions are to be made or where a consensus is required. The use of the EMCA online voting app will enhance decision-making

and improve turnaround time on decisions to be made.

The app may be used by anyone.

We want to have a footprint in every African election on the continent and believe that keeping up with the latest technological advancements would certainly afford this.

What are some of the success stories of the growth of free and truly fair elections?

- The use of the EMCA online voting app will enhance decision-making for large corporations and improve turnaround time on the implementation of such decisions;
- We also want to have a footprint in every African election on the continent and believe that supplying elections and democracy building material and keeping up with the latest technological advancements would certainly afford us the opportunity to do so;
- The introduction of conflict management and resolution before, during and after the elections has immeasurably improved the quality of the elections we facilitate by drastically reducing the number of violent protests before, during and after the elections.

What is your involvement in SA's next general election and the IEC? And how do you ensure a corruption-free election?

The Electoral Commission of South Africa is an organisation that has been consistent, professional and ethical in their election processes. As an organisation, their credibility and integrity are above reproach and inspire other election management bodies throughout the continent to follow suit.

How have companies/private elections changed over the years and how is technology changing the playing field?

Private elections have changed over the years because the playing field is being somewhat levelled for those who have been previously disadvantaged and could not be part of the board of trustees. The technological advances in the space have made it easier for people to participate. Members no longer have to be in the same room, at the same place, at the same time and at an AGM to cast a vote, they can log onto a laptop or an Android phone, set the

correct parameters to nominate candidates they would like to represent them or cast a ballot for candidates of their choice. Internet security has become a crucial factor in the sector of online voting and the best way to safeguard against hackers would be to ensure as much transparency on all electoral processes as possible. Also, introduce various checks and balances, which are security triggers at various points within the system that will alert the administrator to any bridge of security

What are some of the unique ways you approach elections in Africa?

Regular, credible elections are an integral part of the democracy in Africa. For centuries, Africa as a continent has always observed and imitated the election processes from their European counterparts.

Our approach is that Africa has to re-assert itself, move away from its European counterparts and take the necessary steps to develop electoral systems that are most suited to the conditions on the continent. We believe that the former Chairperson of the African Union's approach, Dr Nkosazana Dlamini-Zuma, that we need African solutions for African problems, is important for that narrative to drive the approach for the elections and democracy in Africa.

Might we see cloud-based online election/referendums in the future?

Yes, with time we are likely going to see an online-based voting system. However, people fear what they cannot understand and due to that, may likely resist the move to an online voting system. Furthermore, the socio-economic issues that still plague the continent may make it difficult for the ballot paper to be completely eradicated, as there are people in rural areas and the aged who would not be able to utilise the online voting facilities.

Lastly, some decision-makers in some African countries are likely to resist online voting because they believe that it provides the opportunities for electoral fraud while other countries may resist it because of the fear it might be impossible to rig an election through electronic voting. Whatever the motivations may be, online voting requires a separate debate and methodology that will improve trust in the electorate. ▲

Crowe Horwath

Audit / Tax / Advisory / Forensics / Wealth Management

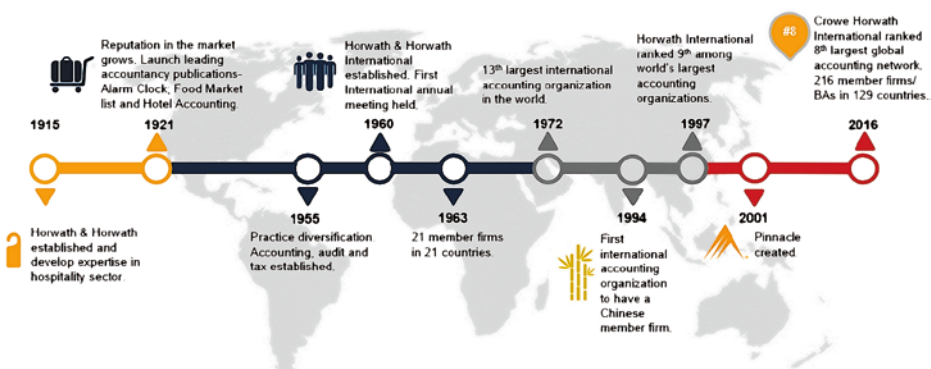
Crowe Horwath is a member of Crowe Horwath International, which is ranked as the eighth largest global accounting network and consists of more than 200 independent accounting and advisory services firms. With operations in close to 130 countries across 764 offices, it has a vast global footprint and is able to serve its clients' needs wherever they choose to do business.

Crowe Horwath International's member firms are leaders in their markets and are renowned for providing impeccable service, exhibiting the highest quality standards of operation and delivery and are serving as valued corporate citizens in their business communities.

Its more than 35 000 people—a network of business experts—all share a commitment to delivering technical and client service excellence. This is bound together by their common brand and distinct set of values.

The history of Crowe Horwath International

A well-established network, dating back more than a century



Crowe Horwath in Southern Africa was established in Johannesburg in 1928. Today, Crowe Horwath has 16 partners and in excess of 130 employees. The firm's legacy of contributing to the success of many medium and large enterprises, in varying sectors of business, continues unabated. Their belief: service begins with understanding the client's needs.

Their network provides global reach on a human scale. Focused on the future and the client experience, they work with clients to build something valuable, substantial and enduring. Close working relationships are regarded as the cornerstone of their service delivery.

A winning philosophy

Crowe Horwath has built a formidable reputation as a top accounting and management consulting firm, which can be attributed to the philosophy they've lived by, which is to enter into more than just a working partnership with their clients. Rather, it is their aim to build long-lasting and close working relationships, all within the ambit of their professional rules of maintaining professional

independence. They firmly believe their people are the brand ambassadors who take pride in building relationships with the clients.

The firm is acutely aware of the trust their clients have in them and they place the importance of that trust at the centre of their operations.

Their vision is that their employees come to work every day with a sense of enthusiasm and motivation to provide their clients with an exceptional experience.

Crowe Horwath's core ideology has always guided and given them strength. It is best described as a combination of their purpose, Building Value with Values; their core values, We Care, We Share, We Invest, We Grow; and their WIN3 philosophy that balances the needs of the client, the individual and the firm.

Caring

Integrity, mutual respect and trust, diversity and highly valued professional and personal relationships are the values that Crowe Horwath embraces when working with each other and within the national business community.

Sharing

Teamwork, the mutual pursuit of opportunities and shared commitment and contribution to the vision, strategy and goals are the values they embrace in building value with each other and their clients.

Investing

Continuous learning, speciality innovation, adaptability and an unwavering commitment to excellence and consistent high-quality service are values they embrace in building value with each other for our clients.

Growing

Quality growth in national business and financial strength is recognised as the ultimate determinants of the national network and the resulting freedom they desire to determine their future. Crowe Horwath offers world-class innovative business solutions to its clients and its well-positioned to provide clients with the professional services and resources they need to succeed in global markets. Their core services in South Africa are audit, tax, advisory, forensics and wealth management.

The effects of globalisation

With the impact of globalisation and the constraints of corporate governance, it is essential to have an up-to-date and in-touch advisor to steer one's business through the potential minefield of legislative or other requirements. A number of the partners, consultants and senior staff members have attained postgraduate and overseas qualifications that enable them to provide specialist knowledge and advice in various fields.

Industries operated within

As a mid-tier firm, Crowe Horwath is able to provide the personal attention its clients deserve, while still having access to the resource and knowledge base of a multinational network.

The vast industry-based competencies of the firm's experts allow member firms the flexibility necessary to offer comprehensive solutions for clients seeking opportunities and avoiding threats within complex markets.

The service and support they offer their clients empower them to react quickly to changing opportunities and capitalise on emerging trends that affect their business.

Their network firms offer broad technical expertise and deep local market knowledge in audit, tax, risk management and advisory providing consistent quality and impeccable service to a diverse clientele in industries large and small, global and local.

Crowe Horwath is committed to building lasting relationships with clients, focusing on understanding the client's perspective, the client's needs and the goals of the client.

Key industries in which they are experts include: Manufacturing, construction, retail,

real estate, financial services, hotel, tourism and leisure, healthcare, not for profit, technology and telecommunications, governments, professional services, transportation, distribution, pharmaceuticals, education, media, automobiles, food and beverages, chemicals, industrial metals and mining, entertainment, textile and paper.

The client experience

The firm has learned from their clients that there are certain attributes that are important to their overall experience, and each client perceives value differently. They are able to provide the personal attention their clients deserve, while still having access to the resource and knowledge base of a global network. There are clients who have had a relationship with Crowe Horwath for many years, and their largest group has been serviced by the firm from the inception of their business in 1954 to date.

The firm is committed to impeccable quality service, highly integrated service delivery processes and a common set of core values that guide their decisions daily.

			
We Understand <small>Having a thorough understanding of the client's business, current situation, needs, and expectations such that there should be no surprises.</small>	We Communicate <small>Communication before, during, and after an engagement—open and consistent communication at the right time to the right people.</small>	We Collaborate <small>Collaborating across Crowe Horwath to bring together the right experts to meet the client's needs.</small>	We Deliver <small>Delivering what we promise and addressing issues that arise—on time, on budget and with the highest quality.</small>

Diversity at Crowe Horwath

Commitment to a progressive work environment that leverages the diversity of all their people is paramount at the firm. Crowe Horwath supports diversity by fostering dynamic teams and an inclusive work environment where innovative thinking is encouraged and leads to creative solutions that meet their clients' business needs.

They recognise that to deliver valuable solutions to their clients, they need an increasingly diverse workforce. As a result, inclusion has become one of their firmwide priorities.

The firm strives to be inclusive by involving all personnel—regardless of gender, religion, race, ethnicity, culture, language, education, geographic location, colour, sexual orientation, national origin, age, physical ability level, experience, opinions, beliefs or thoughts—in the activities and life of the organisation so everyone feels respected, valued and capable of performing their best work. ▲



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The indelible image

MADRID, SPAIN - JANUARY 17: Men ride horses through fire to purify and protect their horses during the Las Luminarias festival at the San Bartolome de Pinares village in Madrid, Spain on January 17, 2018.

Photo: Burak Akbulut/Anadolu Agency/Getty Images

Corporate culture is not the HR department's responsibility

The Human Resources (HR) role has evolved significantly over the years—from being purely administrative to including training and development for succession planning, to pioneering employee relations initiatives

Historically, HR has been seen as a timid role with team members seldom challenging nor having a real voice when it came to how executives lead.

While championing and socialising the company's purpose, vision, mission, values and brand promise (the identity) forms part of this, inspiring a purposeful corporate culture cannot rest on the shoulders of the HR department alone.

HR does not own the culture—leadership does and always will. It is, however, up to the HR team to act as a mirror and remind leaders that the HR function supports leadership through providing various tools (i.e. assessments, learning tools and change interventions) to help leadership own, inspire and improve the culture.

Fostering a purposeful culture is not done via paper and policy; it must burn in the heart of every team member. It is not driven by a single department. It is sustained by authentic action from everyone on a daily basis.

But it is up to leadership to spark the fire.

Example versus incentive

We have all heard of the proverbial carrot and stick, both being necessary sometimes, but the carrot being preferred by team members. Everyone recognises that reward and disciplinary policies need to be in place but I would, however, like to suggest a third “have-to-have”: leading by way of setting a purpose-driven example.

Consider former Starbucks International President, Howard Behar who strongly believes in a servant-leadership approach to building a purposeful culture at Starbucks where openness, inclusion and collaboration are the name of the game. Even though he is no longer president, he is still hands-on involved in the stores and motivates team members wherever he goes—whether helping to clean coffee stations or picking up paper on the floor i.e. setting the example of what is expected from all Starbucks team members.

When a leader leads in this manner (i.e. in support of the company purpose), team

members will aspire to follow suit. While leaders must put in the time and effort to communicate the company's purpose in words, it is more important and impactful to do so in the way that they show up. People are inspired by authenticity.

Collaboration versus ego

On the other side of the spectrum is a culture driven from the top in an authoritative manner with little view of the means but rather the results.

Consider how the culture at Volkswagen—led with an iron fist by the executive team—became



its downfall. VW prided itself on its now-infamous diesel engine, which was to be the answer that environmentalists had been searching for—extremely low gas emissions (beating emission test requirements). This piqued many consumers' interests with 11 million such vehicles being sold worldwide. It only came to light later on that they had installed devices, which generated the “results” using fake data.

How could this have happened?

Ex-CEO, Martin Winterkorn had great goals for the business—wanting it to be the world's biggest car manufacturer—and doing so at any cost. The repercussions have been monumental, leading to lawsuits from various fronts.

He instilled a culture of fear where failure was unacceptable and landed them in a turbulent situation.

Opportunity versus responsibility

Leadership has a great responsibility but also a great opportunity. In order to foster an inclusive and participative culture, it is important that all team members are aligned with the purpose of the organisation and better yet, if their personal purpose is aligned with the organisation's purpose.

Besides socialising and role modelling the organisation's values, it is important to ensure that all operational aspects are also aligned with the identity. For example, does the strategy take into account what the vision is? Is the strategy aligned with the organisation's values?

Team members watch leaders' every move, giving the leaders the opportunity to role model all the time. The challenge is to role model in a manner that inspires positive behaviours from others.

Asking versus telling

Although job descriptions and Key Responsibility Areas/Performance Indicators guide employee growth, as mentioned above, we should really aim to connect a team member's personal purpose to the company purpose. This means giving them the opportunity to set personal goals and providing open communication channels that make it easy for them to contribute. Ask them what is personally important to them in terms of their role and their greater contribution to the organisation so that you can support them. Are team members' Key Responsibility Areas linked to the identity—i.e. do they know how they

are working towards achieving the success that the organisation is seeking?

Collaborating versus telling

It is important for leaders to communicate openly (tell) when the opportunity is there, but it is equally—or even more—important to invite input from others to work better together (collaborate).

While the HR department traditionally and often is the go-to place for team members' queries and complaints, there should be two-way communication between team members and their leaders directly. They should feel free to approach their line manager with input, suggestions or concerns. Reaching solutions together should be encouraged.

Doing versus watching

Provide the platform for all to illustrate the organisation's culture at work and in the public eye.

While the HR team is often responsible for initiating and running Corporate Social Investment opportunities, leaders should be part of the decision regarding which initiatives to support—ensuring that it is also aligned with the organisation's purpose. And, leaders should be seen participating in a hands-on manner.

For example, giving back to the community is of huge importance to Ackermans—so much so that every employee receives a day of leave per year to volunteer their time in a meaningful manner.

McDonald's is well on its way to achieving its 2020 aspirational goal of increasing the amount of in-restaurant recycling to 50% in support of its value of “Good Planet”. They further encourage their “Planet Champions” to use energy and water efficiently, and even recycle their cooking oil into biodiesel in the UK. What great initiatives from their leaders!

From the above, we can see that while some of the traditional HR roles might still need to stay within the HR department, leaders must be part of the decisions that get made there, and ensure that they set the example of being true brand ambassadors in all that they do.

Building a purposeful corporate culture is not the HR department's responsibility—it is everyone's responsibility and requires leadership to set the example. The time has come for HR folk to find their voice and encourage leadership to show up as custodians of the organisational culture. ▲



BRIAN EAGAR

Brian Eagar is a founder and CEO of TowerStone Leadership Centre

Avert danger by keeping up with workplace safety trends

Rewind to about 125 years ago and a vastly different picture of labour safety emerges. What was then largely an agricultural economy, was moving swiftly into the industrial age, especially in South Africa (SA), which was experiencing the gold mining boom.

Rewind to about 125 years ago and a vastly different picture of labour safety emerges. What was then largely an agricultural economy, was moving swiftly into the industrial age, especially in South Africa (SA), which was experiencing the gold mining boom.

The machinery that underpinned a new era of economic growth and productivity, was bigger, faster and more dangerous.

As a result, employees were being injured and losing their lives in ever-increasing numbers. This compelled companies to take remedial action. Legislation, safety guidelines and policies were implemented, which significantly altered how workplace safety was approached.

Since then, gains in health and safety in the workplace have been significant. Death rates on mines, specifically, have dropped steadily since 1993 when 615 miners died in the pits.

According to Chamber of Mines data, by 2009 the number had dropped to 167. This figure has declined consistently since then, reaching a record low of 73 in 2016. Fast-forward to 2017 and the number of fatalities on mines increased to 76. This is a worrying trend and could compel renewed investor concern over mine safety, which may prompt increased shaft inspections and result in costly production stoppages.

From an injury perspective, many organisations report the same injuries year after year:



back and eye injuries, burns and fractures due to slips, trips and falls. It is estimated that these injuries result in an average of 11 days away from work.

Advances in safety training

Of all safety measures, training and continued awareness are the most challenging to instill in employees because they rely heavily on the staff members' ability to learn, understand and comprehend safety measures. It also requires the employee to buy into the safety culture of a company.

It seems apparent that the delivery of training is only a part of the answer. How the training is delivered is of equal importance. It is here that

significant strides are being made, especially in the age of the Internet of Things.

The first advance is termed 'bite-sized learning' and is defined as the process of developing information on a single topic, and delivering it in a punchy and memorable way. This methodology avoids information overload and ensures employees retain the most pertinent information. Breaking down key points to small 'bite-sized' chunks, anywhere from between one to five minutes, helps keep the employee engaged and interested, and most importantly, helps them to remember what is being imparted.

A further development in safety training is closely linked to the rapid growth of technology.

The concept of gamification applies game mechanics to the design of learning to improve employee engagement and information recall. This can take the form of video games, games of chance or team challenges. The widespread use of smart mobile devices allows the employee to learn anywhere, anytime. In addition, employees do not have to take part in long, drawn-out training sessions that result in unproductive downtime.

A third development that is expected to impact the health and safety industry significantly is Artificial Intelligence (AI). By way of example, a leading consumer electronics organisation in SA introduced on-the-job training for would-be air conditioning technicians by equipping them with virtual reality headgear.

When arriving on site, the trainee technician 'tunes in' to the control room, operated by an experienced manager, and is guided through the process in real-time and additionally steering clear of any possible workplace injury. This immense stride in training has displayed multiple benefits: that of ensuring the all-important transfer of skills, avoiding injury and costly, unproductive time spent behind a desk in training sessions.

While training of employees in health and safety measures remains imperative, of equal importance is organisational buy-in to the supply of top-quality personal protective equipment (PPE) gear. Once again, we see technology playing a vital role in improving the efficacy and comfort of today's PPE garments.

Investing in quality PPE

The need to invest in good PPE cannot be stressed enough. Unfortunately, many organisations choose to skimp on PPE, which can have devastating outcomes for employees and the business. This mentality is cause for concern, especially considering the numerous local and international drives to create safe working environments.

Business owners need to alter their perception of PPE as a grudge purchase and embrace the notion that they are investing in employee and company safety.

Poor-quality PPE can impact output and profitability. It is well known that employees, who experience extreme discomfort, will reject inadequate garments and equipment. Accidents due to the use of poor PPE or not using supplied PPE can result in downtime at plants, which

has a direct impact on productivity and the company's bottom line.

Advances in PPE are ongoing, with new fabrics and materials being developed to provide the ultimate protection for people working in extreme conditions. Comfort is an important consideration when developing products that incorporate the latest innovations and offer ease-of-wear and mobility.

Safety officers need to keep abreast of global trends in PPE advances. By doing so, they ensure their employees are offered the best protection for their specific circumstances.

Safety officers are ultimately responsible for choosing the most appropriate protective equipment and attire for the job at hand and need to consider more than just price when selecting protective gear and equipment for employees. These include:

Proper fit

When it comes to the correct protective attire, there is no 'one size fits all'. A garment that is too large or too small is unacceptable. Does the garment allow the worker to perform the job function without difficulty? Does it allow a full range of motion without being restrictive or at risk of tearing? It is important for employees to try on the garments to ensure the perfect fit.

Flexibility and weight

Weight and flexibility are important because they impact the wearer's range of motion and extent of job fatigue. While lightweight, limited-use protective apparel offers obvious advantages over recyclable garments, lightweight fabrics must also be strong enough to withstand the rigours of the workplace.

Comfort and heat stress

Will the clothing be comfortable in all seasons? Do they allow enough airflow to prevent heat stress? To an employee, the aesthetic comfort of a protective garment can be as important as its physiological comfort. This is important to keep in mind when selecting protective gear.

If our employees are indeed one of our best assets, then surely their comfort and ability to operate in the workplace requires the utmost consideration.

This means that adopting optimal workplace safety training measures and equipping them with the best PPE to do their jobs safely and efficiently is not up for debate. ▲



ARNOUX MARÉ

Arnoux Maré is CEO of Innovative Solutions Group

Building a world where everybody works less for more money





During a recent heated debate about annual leave with the executives of one of France's largest financial services businesses in Paris, the rationale for work today subtly took over proceedings

Macron's old France: The young and energetic French President, Emmanuel Macron, had just taken a robust and tenacious stance in wanting to push productivity in French business by making some tough and rather unpopular calls on what appeared to be outdated labour law. He had recently stated that, "We are implementing an in-depth reform on the labour market, not to reduce rights for workers but to provide more visibility and more efficiency to investors and employers because it's the key for job creation".

This move had emboldened the senior executives of the business to take a strong and perhaps divisive stance against what they saw as excessive annual leave. Some long serving employees were now enjoying up to 63 days annual leave, and the proposal was to reduce them to a still (for many) jaw dropping 54 days. Many of us in the room looked at this through pejorative Anglo-Saxon eyes, and just could not get our heads around 54 days leave, let alone 63 days!

A couple of Americans in the room had to survive on just 10 days off a year before joining the company, and the Brits present had



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enjoyed the relative luxury of 25 days – what is it with the French? Or as ever, are they on to something here?

The subterfuge of Sicily

This reminded me of a trip I made to Sicily a few years ago with Franco, a proud Sicilian friend of mine. He insisted that we went to visit a high-quality shoe shop owned by one of his relatives while travelling in Sicily. It was in the lovely and picturesque town of Agrigento, which had a strong reputation for its bespoke and beautiful footwear of the highest quality.

It was a Wednesday morning and as we pulled up it was obvious the shop was closed. Franco was a little frustrated, but he completely understood and turned smiling wryly at me and said, “I completely forgot, as soon as he makes the money he needs for the week, he and his employees shut down the shop and go home”. I couldn’t understand this, and suggested “that’s madness, what about the missed sales opportunities for not opening for the rest of the week?”

Franco responded quietly, “this is Sicily, he will spend the rest of the week doing all the enjoyable things his quality craftsmanship has earned him the opportunity to do. He will be sailing his boat, dining with friends and enjoying the beach”.

This made no sense through my middle-aged Anglo-Saxon eyes. But maybe, just maybe this was an insight into a new future. It reminded me of the perennial question that many of the French and Italians have always derided us Brits with, “Do you work to live, or do you live to work?” Have we become so fixated with working? Has it become far more than a means to an end? Does it really define us more than anything else and all we stand for?

Mechanised metamorphosis

As the populations of both Europe and the USA grow older, the march of the robots accelerates, artificial intelligence and other disruptive technologies infiltrate, rushing to fill the jobs for the young and change the world of work more than anything else we have seen in human history.

Maybe there’s something to be said about capitalising on the twin forces of automating the ‘low skilled’ work and driving better pay and conditions for employees, while making sure that it leads to more leisure time for all. Maybe we can learn something from our French and Sicilian friends.

With the huge changes taking place in the world of work, the questions of why and how we work become ever more pressing and perhaps deserve a complete reappraisal leading to very new and different answers.

Here in the UK many jobs are being automated and completely disappearing. Some would say every generation since the industrial revolution has had to cope with fundamental change, and this generation is no different. From the steam engine, to electricity to the motorcar, to aeroplanes – we have seen it all before and humankind has always found a way of tangibly and demonstrably managing and benefitting from the seismic changes. But this might just be a very different time.

New technologies are coming fiercer and faster and what may be different is that they are not appearing in a helpful linear and polite queue, they are now impatiently and rudely stacking up on each other. The automotive industry is a typical example of things moving so quickly that even the market leaders are clueless on what to invest in. Even wily investors are spraying their cash in all different directions.

They went from petrol to diesel, and then emissions took them away from diesel and on to hybrids on the way to electric, then up came the driverless car just before the autonomous vehicle. Who should invest in what? Who are the major players? Ford, Volvo, Google? Uber? Apple? Tesla?

Will the future be utopian or dystopian?

There are still many of us who have grandparents who actually worked in the coal mines or the cotton mills or at the docks or in the steel plants. Nearly all of these jobs have completely disappeared within a couple of generations. Far too many of those who worked in those industries were left with completely redundant and sometimes useless skills and the bleakest of futures.

And if we look at many of our once thriving coastal resorts here in the UK, they have rapidly become listless and lifeless places. Not that long ago, they were the epitome of fun and leisure, places for happy families and fond memories. With the rise of the low-cost airlines it soon became cheaper to pack the family off to Spain or Italy for less than it would cost to take them to Blackpool or Great Yarmouth.

No one seemed to notice, and worse still, no one seemed to care.

It should not have been a surprise that many of these now marginalised folks whose jobs, livelihoods and self-esteem had disappeared, felt abandoned and expressed their anger by voting for Brexit. It was similar awful experiences and seeming isolation that brought so many who were disillusioned in the USA to cast their vote for Trump.

Many of us who have become labelled the ‘metropolitan elite’ still believe that both the vote for Brexit and those who voted for Trump were completely irrational, this is complete nonsense. These voters were in the main completely rational.

On Donald Trump’s last day of electioneering for the American Presidency he went to Flint, Michigan. It was a brilliantly perceptive and insightful decision.

No American city better illustrates the rapid economic decline of America’s previously rock solid Democratic voting rust belt. Flint is nicknamed “Vehicle City”, and was the home to one of the biggest automotive industry hubs in the USA. Much like in the UK, as manufacturing jobs vanished, the prosperity that Flint had so recently enjoyed collapsed. In 2014, things in the city got so bad that desperate to cut costs, Flint’s cash-strapped municipal government switched its water supplier. This was a disastrous decision, as many desperate cost cutting measures tend to be. Unfortunately, the new water supply was contaminated with high levels of lead that caused health problems ranging from heart disease to brain damage.

Trump, as ever, caught the prevailing mood and his foghorn campaign messages captured this mood. He evocatively reminded them that not that long ago, Flint was prosperous, and at that time Mexico was terrible, with high unemployment, high in crime and you couldn’t drink the water there.

On this particular day in Flint, unemployment was now high, crime was rising, and you couldn’t now drink the water there. But in Mexico, where much of the automotive industry had moved to, unemployment was now low and you could drink the water.

This emotionally charged message touched many who felt angry that the metropolitan elite in Washington DC couldn’t care less about them.

While their feelings were wildly stoked up, they were completely rational.

The ongoing decimation of jobs in the interests of operational efficiency and consequently

profits will always leave many feeling marginalised and uncared for, while a few select (and elite) groups of investors and senior executives are the beneficiaries. We now need different and more inclusive measurements of success, which by design help engage with the society we live in and serve. As long as the results of automation appear to serve the few at the cost of many, there will be discord and those who feel left behind.

We now live in a world where digital technology is producing 'big data' that is already borderless, and will spread beyond the reach of national governments. The focus might move towards differentiating between where people actually live and work, rather than national strategies where one size fits no one.

Therefore, our solutions to this new world of perhaps radically reduced employment should not be driven by the fear of robots and artificial intelligence, but maybe it should be more about embracing them and consequently changing the way we are able to (and want to) live our lives.

Working a lot less hours but maintaining, if not increasing, our earnings should become the radical and realistic goal.

Dynamite demographics

In the near future there will be a huge global demographic shift; Europe's population will shrink even further while its inhabitants get much older. The USA will also shrink and get older, Asia will have parts that will be older and parts that will be younger but will still grow. The real explosive change will happen in Africa, where it will become very young with an explosion in its population.

Many will see this as catastrophic, but if we think about this differently and follow the way global trade flows will change, with younger populations buying much more than older populations, we could take advantage of this again by the way we choose to live out our working lives and elderly years. Working far less and enjoying ourselves a lot more. This means thinking beyond natural borders and taking far more inclusive, dare we say, global views.

Maybe our French and Sicilian friends have provided a glimpse of the way forward that we could all strive to match?

It will require completely different thinking and the focus may become far more on cities and their surrounding populations rather than nations.



We might even build a world where everybody works less for more money with far more leisure time, while letting the robots and artificial intelligence pick up the slack.

Why not?

The young ones

In order to even begin to realise the fruits of this conversation, let alone bring about this particular utopian dream, we must bring in younger voices to provoke and perhaps lead this essential discussion.

Far too many of those of my vintage struggle to come to terms with the rationality of the highly charged debate that I witnessed in Paris, and these discussions need to be entered into without bias.

Younger more inclusive voices may well avoid the marginalisation that my metropolitan elite colleagues and I played an inadvertent hand in making happen.

We need a new fresh leadership:

- Hire and appoint people different and younger than you
- Invite under 25-year olds to your management meetings
- Never stop asking those not yet in management "What do you think?"
- Forget experience and rank – look for those who can influence and persuade
- Enable people to 'challenge up' and learn to 'support down'

- Take more risks with the young and fresh
- Look to skip a generation with some of your promotions
- Listen to those who don't naturally have a voice
- Look for wisdom in the young
- Not everything old is good and not everything new is bad

Back to one of those so necessary younger voices, Emmanuel Macron, "It's about our ability precisely to integrate a people and offer jobs, and that, for me, is one of the key rationales of the reforms I'm pushing, and I'm a strong believer in that when you lift barriers, when you deregulate a lot of stuff, basically you improve the equality of opportunities".

It is highly unlikely that our current generation of political and business leaders, who are at least middle aged and out of touch with those who are not like them, and driven either by outdated ideology or only the profit and loss account, will be the ones who will lead us out of these troubled times.

One of the most outspoken and striking change agents of this young and fearless new leadership is Elon Musk, he observes "some people don't like change, but you need to embrace change if the alternative is disaster". ▲

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Steinhoff—the drowned frog

In relation to the Steinhoff debacle, I've been thinking about Yale historian Timothy Snyder's book on tyranny. In his preface he makes the point that history does not repeat, but it does instruct.

Steinhoff's share price plummet has sent a shockwave throughout the country in one of South Africa's biggest corporate failures ever. There are people working very hard to turn the situation around, and the company does have strong brands but the fact that this could happen makes me wonder whether history does in fact instruct. Steinhoff's board completely failed to be instructed by the many examples of corporate failure throughout history.

It completely failed when measured against how King IV defines corporate governance, notably ethical and effective leadership, through instilling an ethical culture, good performance, effective controls and legitimacy. While much of the finger pointing has been directed at the former CEO, Markus Jooste, my view is that while Jooste is directly implicit, so too is every member of its board. And therefore, every member of its board should be compelled to explain what they knew was happening so that we can hopefully all be instructed in how to avoid going through anything like this again.

We want to know what the board members were thinking at the time of the Steinhoff exposure and, going back to 2015, when German investigators raised the first red flags. The company simply denied any wrongdoing and we need to know whether the board members made any effort to investigate whether there was something to be concerned about. We also need to know why so many of the non-executive directors were glaringly absent from any of the standing committees when we all know that that

is where you learn more about what is going on in the company.

To get to the heart of this corporate disaster, I am dusting off lessons on management decisions and corporate failure from the past because the same issues keep repeating themselves. Work done by researchers like John Argenti is as relevant then as it is today. This includes his 1976 book *Corporate collapse: the causes and symptoms*, and numerous articles on predicting corporate failure and how to avoid it through solid corporate planning – known as the Argenti System of Strategic Planning.

One of the strong examples of things going very wrong in that era was when Rolls Royce was declared bankrupt in 1971. Referred to as a major national tragedy, the collapse put at risk thousands of jobs and remains one of Britain's largest-ever corporate failures. The question is: "What did Rolls Royce's directors know about the bribery scandal and other mismanagement issues, but failed to notify the serious fraud office?"

We have these darling companies and Steinhoff was one of them, and yet there is a general blindsiding until it is too late. The day before Steinhoff's share price fell by 62% after Jooste resigned, as an article in Moneyweb explained, eight analysts were saying "it's a buy" and only two were saying, "it's a hold". How does this happen? And I don't believe for a moment that Jooste's resignation happened because he suddenly woke up and felt guilty or sorry about what had happened. We're seeing too many repeats of people resigning because they've been caught, not because they have an ethical awakening or deep remorse. Are

they sorry for what they did or sorry that they got caught?

This led to me to a deeply insightful article on business failure crises first published in *Management Decision*, 1994, titled 'Understanding the Causes of Business Failure Crises: Generic Failure Types: Boiled Frogs, Drowned Frogs, Bullfrogs and Tadpoles', by Bill Richardson, Vol. 32 Issue 4, pp. 9-22, Sonny Nwankwo and Susan Richardson. <https://doi.org/10.1108/00251749410058635>

As the title suggests, they distinguish different business failure types into four types: boiled frogs, drowned frogs, bullfrogs and tadpoles. In my reading Steinhoff predominantly fits the drowned frog, defined by rampant managerial ambition, hyperactivity and arrogance.

The article describes the drowned frog as follows: "...a particular type of frog which is, itself, the creator of pond turbulence because of its insatiable need to be in many parts of the pond at more or less the same time, and because of its desire to create a position of 'king of the pond'. ... Eventually, this often worn-out frog drowns in a whirlpool of his own making".

They further distinguish between the small and the large firm, and the smaller and bigger drowned frog, Steinhoff being the latter:

"... This organizational leader is an expert 'contacts' man – he forges working relationships with people who can help him to make growth happen. This bigger drowned frog moves – and manipulates – in boards of directors, financier and political circles. Growth, in his, often global, business context, is achieved through acquisition and the putting together of 'financial packages'. This bigger drowned frog,

too, has altogether grander power aspirations than his smaller counterpart. These often extend to include the role of influencer at national and international governmental levels.

“... The ‘drowned frog’ manager exhibits arrogance based on the belief that his early, and often remarkable, success, can be reproduced, time after time, notwithstanding the new and increasingly different and bigger contexts in which success is sought.”

The article highlights the drowned frog trajectory, which can be from four to 14 years, from good to excellent to fantastic to plummeting off the precipice. The authors reference Argenti for a number of specific causes of the drowned frog failure, including:

“(1) One-man rule. The drowned frog leader is an overambitious, super-salesman type who is so set on hyper-successful performance that he ceases to believe in the existence of failure. These people are noticeable for their outstanding personalities. They are leaders of men, loquacious, restless and charismatic. The scale of their ambition is almost pathological. They never accept advice, they ‘know it all’.”

The most significant of Argenti’s remaining defects of management structure are presented below as additional causes of the drowned frog failure syndrome:

“(2) Non-participating board. The board of directors in the drowned frog organization tends to work for rather than with the drowned frog autocrat. Often its members seem to exhibit little interest or influence in the decisions, which get taken at board level. It is common for the ‘drowned frog’ to be both managing director and chairman (although this was not the case at Steinhoff).”

It is sadly the human condition of believing in your own infallibility and surrounding yourself with people who don’t challenge you.

There are further distinctions in the different frog definitions, where, for example notorious British media tycoon Robert Maxwell is the ‘bullfrog’ type, a show-off, inflated entrepreneur. Jooste was not the founder of Steinhoff, yet in certain ways he behaved like a bullfrog, acting as if the company and its assets were his.

What he and Jooste have in common is their lavish lifestyles, sometimes very public, as in Maxwell’s case, and sometimes not as public,

as in Jooste. Jooste was more low key but his lifestyle is extravagant; centred on racehorses and horseracing.

Another characteristic of the bulldog is that they fail to separate their business expenditure from their private expenditure. If we look at Mayfair Holdings there is an allegation of fraud and improper use of assets. Even Christo Wiese, the Chairman of Steinhoff was caught offguard. Wiese was the biggest shareholder, yet he was caught in a vicious margin call as a result of Jooste’s unchecked behaviour on many levels, which led to the shares going into the death spiral, with every pension fund and investor in Steinhoff, large and small, badly affected, and a huge number of employees at risk of losing their jobs.

In my opinion, the entire Steinhoff board has failed in its fiduciary responsibility. If you are a participating board, when red flags are raised, they have to be investigated and acted upon, without fear of favour.

I further urge that every single board member of any company read or re-read the corporate failure models lining the management bookshelves, and make sure they are well versed in the clear financial indicators and warning signs that all is not well, and scrutinise the behaviour of the CEO. The board is responsible for setting proper policies and establishing the benchmarks of good governance, and therefore the board is complicit when things go wrong.

In Steinhoff’s case, the people of South Africa have the right to know what happened from every single board member because it is very difficult to prove their liability in court. They can recruit the best lawyers to defend them and it can take years to unravel what went on.

And that is precisely why King emphasises that boards have to take responsibility from the outset and not allow a situation to develop where people, like Jooste, do what they want over a protracted period while everyone else takes their eye off the ball until everything goes horribly wrong.

I end with a question for all boards to ask of themselves: are you a participating or non-participating board? If you are participating, how are you participating? If you are not, start participating immediately at all levels. Hopefully history will instruct. ▲

PROFESSOR OWEN SKAE



Professor Owen Skae,
Director of Rhodes Business School
Twitter: @owenskae

Agree to agreements

When I started Reputation Matters just over thirteen years ago, the business began as a 50/50 partnership with a partner and myself. We didn't really worry about the paperwork; we knew we should get a shareholder agreement, but felt that we were in complete agreement and didn't really bother about it.

I still remember clearly that two and a half years into the arrangement (when there was still no agreement in place), I naively thought to myself how incredibly lucky I was to have a business partner who shared the same values and that we were 'getting it right'. Unfortunately, I had turned a blind eye to quite a few red flags, and if we had signed a shareholder agreement earlier in the life of the business, we could have avoided many issues when the pawpaw sadly hit the fan three years later.

Not having the correct paperwork in place can be incredibly detrimental for a business. It can cause problems on so many levels, including negatively impacting its reputation. I often hear of start-up owners in partnership who say, "We are on the same page" or "We have the same values and trust each other". These are the reasons they give for why they don't have a shareholder agreement in place. Trusting each other is great, but if that is the case, then trust and respect each other enough to have that conversation sooner rather than later. It's easier to have the difficult conversations when you still like each other.

I turned to dynamic Cape Town based commercial law attorney, Robyn Hey to find out more about shareholder agreements:

Why is a shareholder agreement so important?

A shareholder's agreement is one of the key documents, which any company with more than one shareholder needs. Although the company's memorandum of incorporation is the overriding



document for a company, a shareholder's agreement deals with matters that are strictly between shareholders, which are private. A well-drafted shareholder's agreement can prevent disputes between shareholders and facilitate the smooth running of the company.

Why invest in a legal professional and not an "off the shelf agreement" that you can buy at a stationary shop?

I get this question all the time. Standard agreements are fine for standard situations. However, in the cut and thrust of business, especially where more than one business owner is involved, there is no such thing as a standard situation. Every business needs an agreement, which makes sense given the personality of the owners, the goals of the company and the ethos of the people who work there. Good legal agreements give your company a voice and provide mechanisms that protect a business in the context of its industry.

Not having the correct paperwork in place can be incredibly detrimental for a business

What, according to you, are the three key things that MUST be in a shareholder agreement?

Lawyers' views on this differ but in my opinion the following three things should be in the shareholder agreement:

- Any restraints of trade or confidentiality provisions which apply to shareholders both while they are shareholders and after they dispose of their shareholding.
- Valuation methods for buying and selling of shares.
- Funding obligations of shareholders. What money must a shareholder contribute to a company, when must this be contributed and what are the terms of the contribution.

Finally, what happens if a shareholder can't contribute?

I know I limited Robyn to only three points here, but I also would like to suggest an additional aspect: how to split debt and profits when that time comes, and what happens to employees. I burnt my fingers on this point after our partnership dissolved, as I had to go through a retrenchment exercise with some staff. My former business partner then poached the staff that had remained in my employ.

How often should a shareholder agreement be reviewed?

In a perfect world key agreements should be reviewed annually by an attorney to see whether there have been any changes to the law, which may impact the agreement. If this is not possible or practical then they should be reviewed before any new shareholders are admitted, when the company is planning a big acquisition and when there are plans for any substantive changes to the company's structure or operations. In these circumstances, both the company's memorandum of incorporation and shareholder's agreement should be reviewed.

What are the biggest and most common mistakes companies make in their shareholder agreements?

The biggest mistake is that companies don't have shareholder agreements. Business owners, understandably, have a lot on their plate. People think that the standard documentation prepared when a company is registered is enough but very often situations arise that require the resolution of disputes and these kinds of provisions are usually only found in a shareholders agreement. Without these provisions things can get very ugly and hinder the running of even the most successful company.

One last very valuable tip from Robyn is that when deciding on an attorney to assist with this task, choose someone who is reputable and experienced in business matters. A commercially minded attorney will help you think through possible scenarios that may arise because they have consulted various companies experiencing many different scenarios. Spending time with an experienced third party, who will help you think about things differently, is a great investment for your business. ▲

REGINE LE ROUX



Regine Le Roux is the Managing Director and founder of Reputation Matters. She holds an M.Com degree in Communication Management from the University of Pretoria. She is a corporate reputation specialist and handpicks and manages several teams that conduct reputation research studies and implements business communication strategies. Regine is the author of: Reputation Matters, Building blocks to becoming the business people want to do business with. Regine is the Chairperson for the Western Cape Public Relations Institute of Southern Africa (PRISA) Committee, and on the Board of the Rotary Club of Newlands, responsible for Public Image, and chairs Rotary International's Public Image for District 9350. Over weekends you will find her donning her pink skort for the Hout Bay Harriers.

Labour law amendments on the cards for 2018

The First Industrial Revolution saw a fundamental shift take place in the world of work. Traditional processes, done by hand, were replaced with more modern techniques where machines were responsible for doing most of the work and much less human intervention was needed in the process. This changed the dynamic between employer and employee.

Legislation then emerged to give both employers and employees equal rights as well as to build a mutually beneficial and productive employment relationship between both parties.

Enter the 21st century and the Fourth Industrial Revolution where machines have become smarter and more intuitive. This has fundamentally changed—and will fundamentally

change—the world of work. As such, our labour legislation needs to respond accordingly.

As a result, two significant pieces of labour legislation in South Africa (SA)—the Basic Conditions of Employment Act (BCEA) as well as the Labour Relations Act (LRA)—will undergo significant changes this year. In addition, minimum wages will be regulated with the introduction of a National Minimum Wage (NMW) on 1 May.

Proposed changes to Basic Conditions of Employment (BCEA)

One of the major changes to the BCEA is in terms of leave granted to a parent on the birth of a child. Previous iterations only regarded mothers and, to some extent, fathers. However, it made no provision, for example, for individuals adopting children or those using a surrogate mother.

It is proposed that:

- Ten consecutive days' parental leave be allocated when a child is born or adopted. Alternatively, if the adopted child is below the age of two, 10 consecutive weeks' adoption leave must be allocated. If there are two adoptive parents, one may apply for parental leave and the other is entitled to apply for adoption leave.
- The right to claim the payment of parental benefits or adoption benefits is permitted as is appropriate.
- Ten weeks of commissioning parental leave is allocated for employees who are expecting a child via a surrogate mother. Only one parent can claim this leave while the other is entitled to commissioning parental leave.

When it comes to the birth of a child, previously the mother's role was emphasised over that of the fathers. With the changing economy, where there is a necessity for both parents to work, as well as the changing view around gender-based



roles, it is gratifying to see that labour laws are keeping up with the times.

Labour Relations Act (LRA)

Our country has a history of extremely violent strikes. Certain proposed amendments to the LRA—such as those to do with picketing—will go a long way towards making strikes safe for striking and non-striking workers.

Some of the most prominent amendments to the LRA, which will affect you, are:

- Funding agreements in relation to social benefits, training schemes and support to bargaining councils could be extended for up to 12 months.

Two significant pieces of labour legislation in South Africa (SA)—the Basic Conditions of Employment Act (BCEA) as well as the Labour Relations Act (LRA)—will undergo significant changes this year

- If a collective agreement, or agreement between the parties, does not exist to determine picketing rules, these regulations will be determined by the Commission for Conciliation, Mediation and Arbitration (CCMA).
- A conciliation at the CCMA can be extended for up to a maximum of five days at the

discretion of the Director. This is only applicable where the extension would facilitate meaningful engagement, the party has unreasonably refused to engage in conciliation and there are reasonable prospects that an agreement will be reached.

- The Essential Services Committee has the power to exercise authority in the name of the State. The definition of what a 'minimum service' is must be amended.
- A secret ballot must be conducted before a strike for it to be lawful. Union constitutions must be amended to reflect this.

National Minimum Wage (NMW)

The NMW has been negotiated and researched over the past two years. With more than 50% of the SA population currently living in poverty, according to figures released by Stats SA, many South Africans welcomed the announcement in February 2017, by Deputy President Cyril Ramaphosa, to institute a NMW of R20 per hour.

This means, in essence, that individuals working an eight-hour day will qualify for a monthly paycheck of R3 500. Where collective agreements, and sectoral determination exist, and the rate is lower, a phasing-in will be implemented. For example, for the first year that the NMW is implemented, agricultural workers will be paid 90% of this figure and domestic workers 75% in year one. The NMW will be re-assessed yearly. Research commissioned by the Department of Labour and National Treasury tells us that we can anticipate job losses, primarily from smaller businesses or those operating on smaller margins.

We need to do what we can to mitigate this. The issues around benefits—such as the provision of transport, tips and other such remuneration—need to be ironed out.

The 1st of May this year is set as the implementation date for the NMW. There is no 'grace period'. So, if a Labour Inspector comes to inspect your books after this implementation date and you are found to be non-compliant, you face a penalty of up to double the amount underpaid as well as a 12-month ban on supplying to government. ▲

JONATHAN GOLDBERG



Jonathan Goldberg,
CEO of Global Business Solutions

African youth: Opportunity or challenge?

According to the World Economic Forum, Africa will be home to more than 1 billion young people between the ages of 15 and 24 in 2050. With unemployment being the most significant issue currently facing the African youth today, will an increase in the youth population be the biggest challenge the continent will face or does it present an opportunity for exponential growth?



As a young person and an emerging entrepreneur, I firmly believe that an increase in the African youth population will enhance the way people do business, break down the traditional barriers in the market while serving as a driving force for rapid economic and technology growth on the continent.

When His Excellency Nelson Mandela said education is the most powerful weapon which you can use to change the world, he fully understood its utmost importance in society, particularly in Africa. Unfortunately, there is still inadequate education on the continent and for some no education at all.

Almost 60% of children in sub-Saharan Africa between the ages of 15 and 17 are not in school, with girls having more chance of not going to school than boys. The rate of gross enrollment in tertiary education in sub-Saharan Africa is the lowest in the world, sitting at only 8% as of 2014 and just 72% of students complete primary school.

This is very disheartening given the fact that for many families on the continent, education is the only hope to break the generational poverty they have suffered for decades.

Poor education on the African continent is one of the leading and direct causes of unemployment, and with lack of knowledge and skills the youth become hard to employ. Over the past 10 years, the unemployment rate in Africa has grown by more than 5% and youth unemployment is a major contributor. The challenge of poor education even affects those who are in school because many educational institutions still teach outdated skills that do not prepare the youth for future jobs.

This makes it extremely hard for graduates to find employment because they don't have the skills the employer needs, in fact in 2016 during Africa's Transformation Forum in Kigali, Kelvin Balogun (President of Coca-Cola, Central, East and West Africa) said almost half of the 10 million graduates churned out of the over 668 universities in Africa yearly do not get jobs. He went on to say that corporate bodies like Coca-Cola have a role to play as the company employs

Over the past 10 years, the unemployment rate in Africa has grown by more than 5% and youth unemployment is a major contributor

about 70 000 Africans and has programmes to train and recruit interns every year. This goes to show that traditional education alone does not guarantee employment.

I am aware that there are many predicaments in our continent, but I still do believe that an increase in the African youth population will enhance the way people do business, break down the traditional age barriers in the market and will be the most significant economic growth contributor. Here is why: There has been an exponential growth in innovation, creativity and technology over the past years in Africa and

by technology I am not only referring to ICT or mobile penetration, but any tool that makes work or life more comfortable, and keeps us better informed.

Technology brings access to information for the African youth and with access to information comes global opportunities. The number of mobile phone subscriptions in Africa jumped from 16 million in 2000 to 376 million in 2008, and by 2020, this number is expected to hit over half a billion, making Africa the fastest growing mobile market.

The adoption of the cell phone has been essential in improving agricultural labour market efficiency and increasing producer and consumer welfare in Africa. Mobile phones can create more jobs by increasing the demand for mobile-related services. Klonner and Nolen, for example, found that the introduction of mobile coverage in South Africa was correlated with a 15% increase in employment. With more young people having more access to the digital world, global connections and opportunities are a tab away.

Another factor that proves an increase in the numbers of Africa youth is an excellent opportunity for many leaders is the continued growth of entrepreneurship. In 2016, Elsie S Kanza (member of the Executive Committee, World Economic Forum in Geneva) conducted research with Aubrey Hruby, which highlighted the existence of roughly 200 African innovation hubs, 3 500 new tech-related ventures, and \$1 billion in venture capital available to a pan-African movement of start-up entrepreneurs.

The fantastic thing about these figures is that they keep rising exponentially every single year. With many entrepreneurial opportunities supporting the growth of startups, there is a considerable possibility that Africa will be home to many young world-changing entrepreneurs. Figures from recent reports show that 22% of Africa's working-age populations are starting new businesses, which is the highest rate of any region in the world. Meanwhile small and medium enterprises (SMEs) – those with fewer than 20 employees and less than 5 years' experience – now constitute the largest providers of formal sector jobs in sub-Saharan Africa.

Africa has a new currency, a vital means of exchange that has the potential to contribute significantly to the growth of the continent and just like many currencies it too needs investment to grow in value—this coin is the youth. ▲

GIFT LUBELE



Gift Lubele is a young South African entrepreneur who is currently studying towards a BA (Hons) Business Management degree at the African Leadership University in Mauritius. Gift is passionate about youth entrepreneurial innovation in Africa; he is also a business speaker, corporate MC, and blogger.

Unlocking the leadership potential of Millennials

As a generation, Millennials are deeply passionate, diversely educated, talented, socially aware, adaptable and very efficient. All of which are excellent character traits for leaders. But Millennials also have a very different view than most Generation X-ers and Baby Boomers on what leadership actually is.



And understanding this difference in perspective is key to helping the members of this high-potential generation overcome the challenges they often face in the workplace and, at the same time, enabling them to maximise their opportunities, and realise their vision of combining earning a good living with making a lasting positive difference in the world.

And that last statement is one of the key points of departure for any organisation seeking to unlock the full value their Millennial employees have to offer, and set them on a course to true leadership. One of the main challenges that most Millennials encounter upon entering the workplace, or starting a business, is finding the alignment they desire between earning a salary, experiencing work with a purpose, and helping to address the systemic social and environmental grand challenges facing the world.

Fortunately for businesses, governments and their customers, this sincere desire by Millennials to help right the many wrongs they observe on the planet intersects perfectly with the growing focus on sustainability as an imperative. Not to mention the increasing demand by investors for organisations to demonstrate a real commitment to environmental, social and good governance considerations in the way they work.

Giving Millennials the opportunity to be actively involved in multiple aspects of a

business, even if these are not their core job focus, can be the perfect way to engage their passion and transform it into a deep sense of purpose, innovative thinking, and massive amounts of energy and commitment, while weaving sustainability into all areas of business.

Of course, there's a potential flipside to this scenario. If, as an employer, you are really paying lip service to social upliftment, environmental protection and good governance, most Millennials will instantly recognise this, and there's a good chance they will quickly move on to an organisation that demonstrates true sustainability commitment or a sincere aspiration to get into it.

That said, if you are looking for someone with the desire and ability to help your business entrench sustainability as a real cornerstone of your business strategy, there's probably no better person for the job than a Millennial. And when you give them the opportunity to make such a meaningful contribution to your organisation and, as a result, the world, don't be surprised when their full leadership potential reveals itself in the process.

However, what may surprise you is the type of leader that emerges. That's because, while most Millennials want to ultimately have leadership roles – whether in the business of their employer or in their own enterprise – they view the purpose of such leadership quite differently from how it has traditionally been approached. For one, Millennials find it challenging to work under a leader who doesn't have strong interpersonal skills and who focuses more on managing others than on inspiring and empowering them. As such, few Millennials aspire to be such leaders.

Rather, they want to be leaders who relate well to others, communicate in a compelling way, inspire those around them to share their passion for a better world, and always prioritise

empowerment and accountability over control and management.

Of course, while businesses, government, employers, and even education institutions have a responsibility, and opportunity, to put Millennials firmly on the path to such leadership, the reality is that this path is significantly more convoluted than has been the case for previous generations of aspiring business leaders. That's because Millennials have a very different view of how the world of work... well... works.

For them, effectiveness as an employee or entrepreneur is not about time spent in the office; it's about the value of your outputs. And they have the ability to leverage technology and harness innovative thinking to quickly and efficiently maximise those outputs, most often spurred on by their passion and real desire to achieve.

They also typically find the concept of a job title to be foreign and somewhat archaic. While their studies may have given them the knowledge to do a particular job, their passion, experiences, curiosity and enthusiasm actually equip them to do much more than what is written up in a typical job description. And they expect to be given the opportunity to do exactly that, by being included in multiple projects and on numerous teams and, indeed, being exposed to various roles and job types, and adding value to each.

While all this can be a little challenging for an organisation that still thinks traditionally about leadership development, for those who can evolve their approach, it's actually a huge opportunity to build highly effective, multi-disciplinary leaders who fully understand the business, have a clear vision of where it can, and should, go in the future, and possess the skills, technological know-how, collaborative thinking, entrepreneurial mindset and, most importantly, the strong desire to take it there. ▲

S'ONQOBA MASEKO



Maseko is currently COO at Sifiso Learning Group, owned by Dr Judy Dlamini and Mr Sizwe Nxasana. She is an exceptional and intelligent young lady who brings truth to the saying – dynamite comes in small packages.

Has the new Everest reached the peak?

The new Ford Everest, a breath of fresh air in the hotly contested seven seater SUV segment in South Africa, is now locally made making it cheaper and tougher





I remember driving the first Everest two years ago when the new shape had just come out, replacing the iconic truck-like workhorse that served as a military vehicle for the United Nations. It was the premium model and had all the bells and whistles, and with big 20-inch rimes and low-profile tyres it felt more like an S-Class limo than the off-road ready expedition vehicle of previous years.

Thankfully the latest 'Made in South Africa' offering feels a lot tougher. The 2.2 XLT model that I drove felt very similar to a Ranger bakkie, with which it shares many underpinnings.

The dash feels more rugged, while the seats are durable with plenty of legroom for rear passengers. The much vaunted 2.2 litre turbo diesel gives a good power to weight ratio, and does not feel underpowered. If anything the power on demand felt very similar to the bigger 3.2 litre offering.

Fuel efficiency is relatively exceptional on the 2.2 model, and with a big 90-litre tank you are able to get 700-800km with sensible driving. Not bad for something that can fit seven people, and tow the caravan to the coast.

There are 4x2 and 4x4 options, and starting at just under 500k you really are getting a lot of bang for your buck, without having to pay the heavy import duties of previous models and encouraging Ford to assemble locally.

The 4x2 version that I drove was planted on gravel, with a commanding driving position. You'll only need the 4x4 version if you are planning serious off-roading or sand dune driving.

Luckily they went for 18 inch rims on the XLT, with a higher-profile tyre so it's better on gravel

and a more comfortable ride. There's not really much to fault with this vehicle, you are supporting local products and job creation, getting a lot of SUV for your money and being kind to the environment with an economical engine. Bonuses all round for the new Ford Everest XLT.

On the flip side, reliability is a question with Ford, and depends a lot on who you speak to. Some will swear by them, with others reporting some problems. Having said that, Ford has an established dealership network and parts are easily available.

Export market

Meanwhile, the initial batch of South African built Ford Everest vehicles have been produced for export markets in sub-Saharan Africa. The Moondust Silver Everest 2.2 XLT 4x4 departed the Port of Durban in November, and is destined for Mombasa where it docked before making its way to local Ford dealers.

"This is an exciting period for Ford Motor Company, as we're now seeing the fruits of the more than R2.5-billion investment programme



emerge with the first locally assembled Ford Everest models coming off the line and being shipped to their new owners across the region," says Ockert Berry, Vice President of Operations Middle East and Africa.

"The Silverton Assembly Plant is now operating as a fully-fledged two-vehicle production facility, assembling both the Everest and the Ranger for the domestic and export markets."

Among the next batch of Everest export models due for shipment in November are vehicles destined for Madagascar, Tanzania and Cameroon, with other key markets to follow.

A total of eight derivatives are available with a choice of the 2.2 and 3.2-litre Duratorq TDCi engines, XLS, XLT and range-topping Limited specification levels, manual and automatic transmissions, as well as the option of two or four-wheel drive. All in all, one of my favourite SUVs, which gets a near perfect 9/10 on the Leadership car rating. ▲

Gregory Simpson

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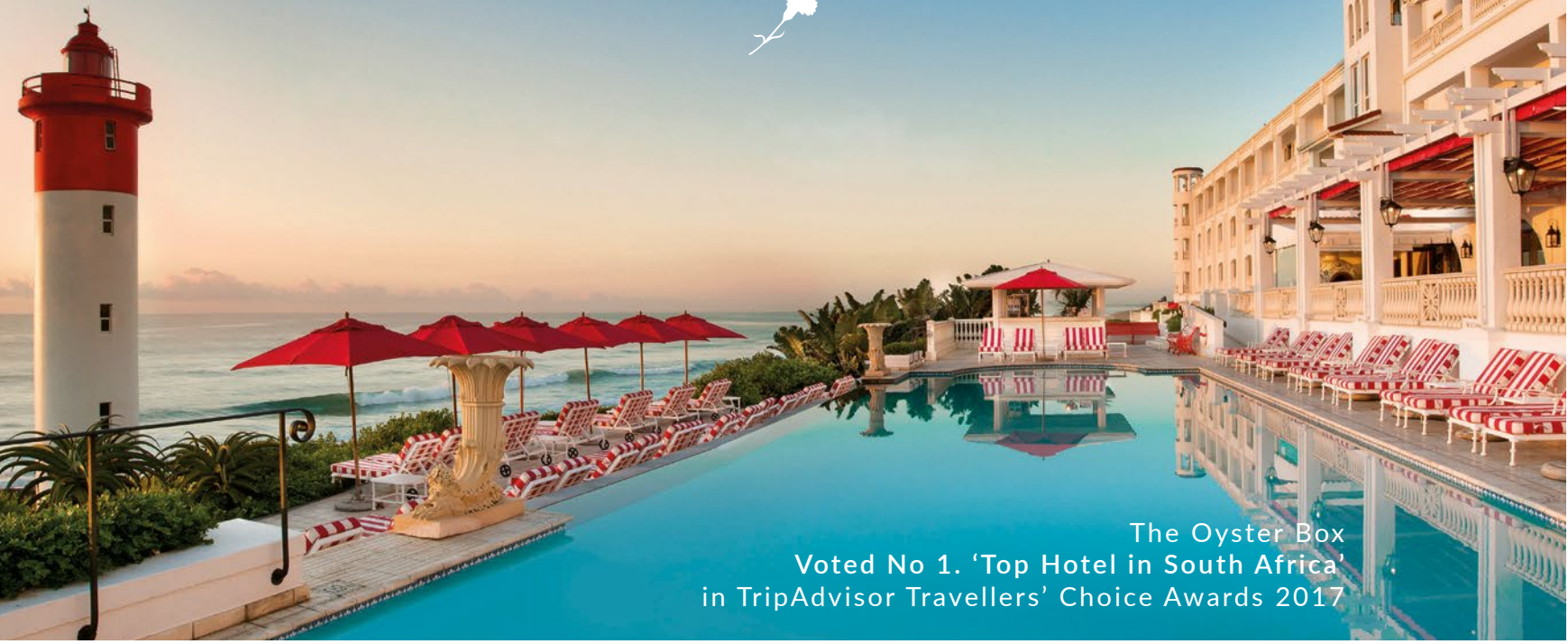
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