



Interim Developments

'Where people lead, business follows'

Transforming Brand Africa

'..Dark Continent, failed states, corrupt, famine-ridden, war-torn, politically unstable, high investment risk, scar on the conscience of the world...' the litany of negative labels ascribed to Africa seems never-ending. As a brand, Africa's position in the global market could hardly be poorer. The continent receives only 1% of the world's foreign direct investment and has the unenviable ranking as the only continent whose citizens have grown poorer over the last generation.

Africa's branding in the global market place causes many of its own citizens to consider it a poor risk, evidenced by capital flight from Africa estimated at over US\$148 billion since the end of colonisation. The large number of Africans in the Diaspora is testimony that, for many, Brand Africa today does not encourage the investment of their businesses, their funds, their children or their futures.

Re-branding Africa is a challenge that must be met if the continent is to attract the level of investment it needs to repair its damaged economies and reduce poverty among its people. Despite abundant natural resources that should offer Africa a natural competitive advantage, poor governance, disease and intellectual and capital flight have all raised the bar. Transforming Brand Africa demands the efforts of all its citizens – both within and outside the continent – to provide structures, opportunities and safeguards to investment, to aid the process of good governance and the rule of law, to foster a change in attitude towards corruption so as to build on Africa's enormous potential to position itself as a destination of choice for investment and business – both African and international.

At the heart of every business are its people. In this issue of **Interim Developments** we examine a successful change management programme within a major business in Uganda, look at some of the work *Interims for Development* is doing to assist Africa's professional base and highlight South Africa's successful branding campaign.

James Williams

In This Issue

- We speak to **Peter Oboma, Human Resources Director for Coca Cola Sabco, Uganda**, about his company's success in transforming their business.
- **Corporate Mergers – the People Factor** - we look at a recent project by *Interims for Development* and talk to the Interim Manager who undertook the assignment.
- **In Partnership for Talent** - Our case study examines how **leadership development in Europe** can help business development in Africa.
- **Branding South Africa – How the IMC branding of South Africa is making the business case for investment.**

Feature

From Local to International – *Interim Developments speaks to Peter Oboma, Human Resources Director of Coca-Cola Sabco in Uganda about his company’s transition from a local Ugandan business to a successful international African venture.*

Eight years ago, Coca-Cola Sabco joined forces with Century Bottling Company of Uganda. Prior to this partnership, the local bottling operation had a limited area of coverage and the company was struggling to meet demand and to acquire the necessary capital to expand the business.

In 1996 CBC of Uganda was producing 7,200 cases per day, which today stands at 22,000 cases per day while sales have increased from 2.3 million cases per annum to over 8 million. At the start of the joint venture process, there were over 15 South African expatriates in the Uganda business. Today, only one expatriate remains, with the company being run by a Ugandan Chief Executive.

ID: What is your role with the company?

PO: I have been with the company for over 5 years and my role entails building HR capability across the organization and creating a team based and process driven culture. I am responsible for overseeing and implementing localization plans and accelerating the implementation of talent development plans. I also manage the HR services functions and our staff performance management system. My role also includes managing staff capabilities across the company and participating in formulating the country competency strategies in line with CC Sabco strategies.

I also advise our management on HR related issues and manage the HR budget.



Peter Oboma, HR Director, Coca-Cola Sabco

ID: Looking back, what were the key drivers for the Ugandan business to establish a joint venture company with Coca-Cola Sabco?

PO: There was a clear need for expansion by CBC but the company was constrained by a lack of resources. At the same time there were opportunities in the market, the Government policy was favourable for outside investors and we had a stable political environment with macro economic growth in the country. This made the launch of Coca-Cola Sabco’s African adventure in Uganda a logical and timely development.

ID: What was the original business in Uganda like prior to the joint venture?

PO: It was a family owned business with a focus mainly on the Kampala urban market. There was a shortage of supply in the market as there was only one bottling line. Management was inefficient with poor internal business controls and our product range was limited in flavours and package size. We sold only 2.3 million cases in 1994 and employed about 390 people.

ID: How did HR assist in prioritizing the company’s capacity building during that time and after the merger?

PO: We were able to drive the change processes by introducing the performance management system and enforcing job and role profiles. We introduced a competency/capability model to enhance the understanding of the new company's vision, values and culture. We also developed a range of functional development programs to encourage multi-skilling and introduced various in-house needs based training programmes, including sales and supervisory skills.



ID: How successful has the transition from CBC to CCS been and what recognition has the business received to support this?

PO: The transition to Coca-Cola Sabco has been successful and this is reflected in our sales volume growth, the growth in our market share and the reduction of our costs per case. It is also shown in the management of the business by locals rather than expatriates. The success of our new production facility at Namanve was confirmed when Uganda won the Coca-Cola Sabco Group's highest accolade, the "Country of the Year" award, in April 2002.

ID: What policies or approaches does Coca-Cola Sabco employ to develop its African talent?

PO: Our development strategy has been assisted the introduction of Bevserv company (our technical and capability building service provider which specializes in staff development for Sabco) to handle capability building.

We also believe in providing exposure to management and supervisory staff and to using internal employment opportunities to offer movement throughout the group. We share our best practices through joint training and development programmes and competency and capability focused programmes for skills development at all levels. In summary, Coca-Cola Sabco has adopted an empowered business model and has demonstrated its commitment and belief in Uganda.

ID: What opportunities are there within your business for talented African graduates or managers?

“We were able to drive change by introducing the performance management system and ... a competency/capability model to enhance the understanding of the new company's vision, values and culture.”

ID: What processes were put in place to transfer skills from the expatriates initially brought in to the company?

PO: To ensure a smooth transition, we put together talent development programmes that enabled us to implement succession plans. We established mentorship programmes and focused on recruiting high calibre staff.

ID: What were the key challenges for you and your HR team in preparing the company for the change involved in moving from local to international?

PO: The key challenge was managing the change itself, i.e. making employees understand the new structures and direction of the organization. Another challenge was managing the resistance to change from some of the existing employees, while building capabilities for people to take new roles.

PO: There are employment opportunities due to succession planning, business expansion and within the new SABCO territories in Africa and Asia.



ID: What impact has the continuing “brain drain” in Africa had on your ability

to identify and recruit the best African talent?

PO: This has led to quite a lot of recruitment being done outside Africa. As it can be expensive to get talent from Europe to Uganda, this becomes a costly process.

ID: How can interested people apply to you?

PO: By using the internet facility/career junction, sending in applications or by registering on our applicants’ data base. We also advertise in the press and offer industrial training attachments.



Coca-Cola Sabco (Pty) Limited is an Anchor Bottler in the worldwide Coca-Cola system. The company now operates in seven Southern and East African countries. CCS employs more than 9,000 people.

For employment opportunities with Coca-Cola Sabco:

www.coccolasabco.com

And the good news is...

In the face of Western perceptions of a grief stricken Africa, torn apart by fighting, famine and disease, a BBC World Service (WS) survey shows that Africans have largely positive attitudes to their lives and the countries they live in and are proud of their continent. Commissioned by BBC WS to better understand its 65 million listeners across the continent, **The Pulse of Africa** is believed to be the largest lifestyle and attitude survey ever carried on the continent, encompassing over 7,500 urban residents from 10 African countries.

According to Jerry Timmins, Head of BBC WS Africa and Middle East Region, "the world is bombarded with images of war and want from Africa. As broadcasters working with Africa every day, we know there are other important trends and issues that are not widely reported outside the continent and the confidence and creativity of so many people on the continent does not always come across. This research expands our vision and informs the way we reach our African audiences."

The BBC's international news online site, www.bbcnews.com carries the survey details in full.

Business Development

Corporate Mergers – Putting People First

Evidence shows that 75% of all corporate mergers fail to achieve the expected benefits. The most frequently cited reasons for poor results following a merger are people-related and reflect a lack of attention to people issues throughout the process.

When two major corporations in Ghana decided to merge earlier this year, the management of both companies were committed to ensuring that both employees and customers regarded the merger as a positive development and that the two organisations retained their key employees within the new merged organisation.

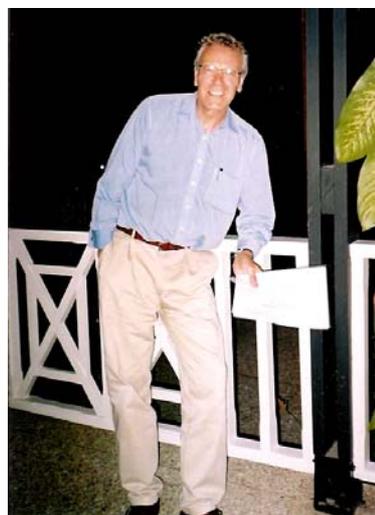
The Human Resources Department, as internal consultants providing strategic advice to management and staff, had principal accountability for the process of identifying the talent in the company and placing it to optimise the success of the business strategy. Line managers were required to take ownership of their human resources responsibilities, including identifying and selecting their staff. Human Resources were needed to support and guide managers and staff through the employee selection process and the resulting organisational design, and to provide training for managers in the skills that they needed to achieve their objectives.

Given its expertise in Human Resources strategy and management, *Interims for Development* was approached to assist the two companies with making the people aspects of the merger work. The Interim Manager deployed was John Meikle, a senior Human Resources Manager recently retired from a multinational Swiss company, with experience of managing change and the HR implications arising from mergers and acquisitions.

During his 4 week assignment, John's brief was to assist the lead company's HR Director with the people planning for the merger.

"Following discussions with the company, I was given the responsibility of conducting a number of Culture Workshops with senior and middle managers of both companies, as well as helping to shape the selection process to be used to identify the employees for the new merged organisation," he explains.

"As part of my input, I was also involved in the process of structuring and communicating the managed selection process that was to be used."



**John Meikle of
*Interims for
Development* on
assignment in
Accra, Ghana**

Balancing these activities with the workloads of busy executives and the need for the company to maintain its business operations proved a major challenge. At the same time, the merger process and the original timelines agreed had to be extended due to external factors.

Although the merger has not yet been finalised, the project represented a strategic investment

by the lead company in training and developing its senior managers to deliver what was expected of them. Through this project, Human Resources was, in partnership with senior management, able to define an efficient, transparent and effective selection process to ensure that the aptitude and technical competence of the company's resources are recognised and placed where they can be of optimum value.

John's impact on the project proved extremely positive. "I was able to add value to the company by bringing a new energy to the process at an important moment. Using a decade of merger experience helped the team to shape the right elements of the people process

to fit the circumstances that were taking place," he adds.

Although he had made previous visits to South Africa, the assignment provided John with a new insight into West African culture and its impact on the workplace as well as a personal appreciation of what he describes as 'the excellence of Ghanaian middle to senior management.'

"For me, overall, it was an excellent experience in giving and learning", admits John, "and I commend it to anyone."



Reporting Africa

Diageo champions a positive image for Africa through its Business Reporting Awards

While African markets make up a significantly increasing part of global investment portfolios, the branding of Africa and the reporting of African business in the international media is scant and predominantly negative.

*In July 2004, at a presentation in London attended by senior figures in media and commerce, Diageo Africa presented awards to recognise outstanding broadcasts, publications, features and journalism on Africa. **The Diageo Africa Business Awards for international news agencies and journalists aim to focus attention on the shortfall in business reporting in Africa and to encourage more international correspondents to report on the continent's business environment.***

With 20% of Diageo's worldwide workforce located in Africa and recognising the role of the media in building investor confidence in the continent, Diageo established the *Diageo Africa Business Awards* as part of a broader initial three-year programme to support positive reporting of Africa and to build capacity among aspiring broadcast journalists.

Award winners included Shola Olowu, Egon Cossou and Neil Drake of the BBC for the series 'Ten years on: a South African story', Robert Guest of The Economist for Best Journalist in 'How to make Africa smile' and BBC News Online for best publication/programme.

Presenting the awards alongside Diageo Africa's Managing Director, David Hampshire, was Thaninga Shope-Linney, the Communications and Marketing General Manager for the NEPAD Secretariat.

Congratulating Diageo, Ms. Shope-Linney noted that "these awards are evidence of the entrepreneurial vision which the private sector can contribute to mobilising the capital, technology and human skills which Africa requires."

Branding

Branding South Africa

South Africa has taken the lead in tackling negative perceptions about Africa with a strong branding campaign targeted both internally and externally. The International Marketing Council (IMC) of South Africa has the primary role of encouraging business and investment in South Africa by helping to project a positive and dynamic image of the country and by providing reliable and accurate information about the country and its people, infrastructure, incentives and business environment.

In the first of this 2-part feature, Interim Developments speaks to John Battersby, UK Country Manager of the IMC about their branding campaign for South Africa.

ID: What are the key challenges you face in respect of the developed world's perception of investing in Africa, in general, and in South Africa, in particular?

JB: The key challenges faced in relation to potential investment in Africa is the phenomenon of Afro-pessimism which is based on stereotypes and pre-conceived notions of Africa as a continent plagued by military coups, ethnic conflict, famine, disease and under-development. The Afro-pessimists can't see beyond the continent's challenges and tend to dismiss the revival structures and efforts as "too little, too late". Potential investors also have genuine fears about infrastructure, capacity, economic transparency and political governance, delivery, reliability, currency and regulatory restrictions on trade and investment.

We also receive enquiries about exchange controls, labour laws, black economic empowerment and how it impacts on investors and whether there are time limits on BEE and limits on the desired percentage of black ownership in empowerment deals.

ID: Branding Africa positively is a challenge that cuts right across the continent. What are some of the approaches that you have adopted in the IMC to successfully brand South Africa?

JB: The IMC took the approach of developing a comprehensive national brand which rolls together all South Africa's unique and leading qualities: the diversity of its people, the dynamic and visceral nature of its cultures, the warmth and generosity of spirit of its peoples, the physical beauty, the nature of the historic compromise to democracy, the ability to negotiate over problems with inclusivity as the guiding principle, the ability to solve problems etc. These qualities are reflected in the IMC's pay-off line: South Africa, Alive with Possibility and in the Tourism Brand: Making the Impossible, Possible, or Trade and Investment South Africa's: Business Unlimited.



John Battersby with team members and a taxi from the branded taxi marketing campaign

The first step in promoting the brand was to get buy-in from SA stakeholders. IMC CEO Yvonne Johnston has personally briefed some 15,000 SA businesses, government and other bodies on the brand.

The IMC has also developed two major video/DVD presentations on the brand and has played a central role in promoting the brand through partnering with like-minded organisations such as "The Good News" books, Proudly South African, Trade and Industry South Africa (Tisa) and SA Tourism. It also plays a pro-active role in promoting positive news about South Africa and the brand by highlighting the achievements in its IMC website and the www.southafrica.info website which is now the major portal into the country and scored more than a million hits for the first time this week.

“Training and skills are a major pre-occupation of both government and the private sector, which contributes 1% of profits in the form of a special training levy to further training.”

ID: Attracting inward investment is one thing, managing investments to provide a return is another. What are some of the initiatives that are being taken up to ensure that South Africa has the necessary, skills, technology and know-how to really deliver what investors are looking for?

JB: Training and skills are a major pre-occupation of both government and the private sector, which contributes 1% of profits in the form of a special training levy to further training. The Government, through the Department of Labour, has a comprehensive scheme to advance the training of employees. The government's program of broad-based black economic empowerment has also identified training as one of the key criteria for assessing a company's transformation or empowerment scorecard as well as equity, black directors, black managers, procurement policies and employee share participation

schemes. The system of sectoral charters - social contracts between government and various sectors of the economy to achieve BEE goals - also place major emphasis on training, skills, technology and know-how. The national and provincial education departments also have a policy of actively promoting science and mathematics as school subjects and government is looking at upgrading science and technology facilities at schools.



Branding South Africa as a destination for international business

There is still a shortage of skills in the economy and government is looking at various means of speeding up skills training as well as hiring non-resident South Africans and foreigners in areas where training will take some time. Concerns around BEE are addressed by underscoring the message that the country's long-term economic and political stability rely on an equitable distribution of the country's economic wealth and power and ensuring that all South Africans have a stake in the economy, however small. The message is bolstered by buy-in from South African business executives and the knock-on effect this has with potential foreign investors.

(Part 2 of this interview will be in the next issue of Interim Developments.)



Case Study – Talent Management

In Partnership for Talent

A key driver of business profitability is the level of commitment shown by a company's employees. Such commitment is largely driven by the leadership skills of managers and the extent to which employees are empowered to take on and to discharge their responsibilities effectively.

While leadership training can be provided, what can prove more problematic is identifying opportunities to put training programmes to the test in their ability to change behaviour and attitudes.

The Case

A leading global financial services company with a strong commitment to the development of its employees is intent on developing and retaining the best of its international expertise and talent, while making a positive difference to the development of its current and future markets.

The company recognises the importance of good leadership to its business and is committed to putting in place strategies that will enable it to foster a professional team of leaders that can inspire new ideas and lead change.

In assessing how it can reinforce the leadership traits of its managers, the bank has identified the essential competencies required for effective leadership in business and intends to build on these skills through formal training, informal coaching and real scenarios for testing the effectiveness of this investment and ensuring that their future leaders display the cultural awareness, personal skills and leadership to become the bank's global managers of the future.

In Partnership for Talent

In partnership with *Interims for Development*, the bank identifies an innovative way to develop its global talent while, at the same time, fulfilling its mission

to play an active role in the wider community. Through a choice of two approaches, the bank's identified talent will be given a unique opportunity to put the investment in their leadership, management and coaching skills to the test.

The first option offers an opportunity to undertake an interim assignment that would meet the identified development needs of the employee, while meeting the business needs and objectives of the participating host company.

The employee will be released for an agreed period to undertake the assignment with a company in Africa, with specific objectives set for the project.

The second option enables selected employees to structure a training event within Africa, sponsored by the bank, and to deliver the programme, working with *Interims for Development* on the technical content and running of the course, as well as the logistics and marketing.

Outcomes

By participating in these programmes, the employee will build self-esteem and confidence, learn effective and appropriate communication skills for a culturally diverse team, gain experience in training, and adapt to the cultural norms and the unspoken rules of a different workplace. At the conclusion of these assignments, the bank's talent team will be better placed to lead and manage within its culturally diverse employee base and to 'think outside the box' in bringing solutions to the workplace.

Designing Skills

Janet Shockness of Lilac Storm uses her web design expertise in London to help develop business for the Kenana Knitters in Kenya



ID: When did you offer your help to *Interims for Development* and why?

JS: I offered my help to *Interims for Development* in April this year when I met Frances Williams in London. After mentioning to Frances that I was a web designer, she asked if I would be willing to assist an African company by creating a new web site for them. That company was the Kenyan knitting company, Kenana Knitters.

I was very keen to help their cause as Frances explained that knitting provided a much-needed income for the women who knit for Kenana Knitters, and for their families. I viewed their original site and recognised that the company required a website that could be used as an important marketing tool in order to capture their target market and therefore gain more business. I also saw the potential for me to establish for them a more prominent and professional site which, I hoped, would achieve a greater international appeal.

ID: Can you outline what you are doing for Kenana Knitters?

JS: I am designing and implementing a new web site for Kenana Knitters to replace the current one.

ID: What are the main challenges you face in fulfilling the brief?

JS: The main challenges are encapsulating the theme, tone and feel of the company within the look and functionality of the site and ensuring that the site appeals to its target audience. It is also critical to ensure that information about the company (including images) and what they do is captured and is distinctly presented. Fundamentally, the site has to be developed to

ensure that the company is perceived in the correct manner and highlights their selling points

ID: What is your own background and experience?

JS: My background is in administration within the financial sector in London. I also hold a degree in Business Management and French, and have studied web design and e-commerce.

ID: What can you tell us about Lilac Storm?

JS: Lilac Storm is a business that I set up in order to provide attractive, innovative and easily-functional web sites. I took into account all the results and feedback from my market research with a view to providing a service which catered to clients' needs. My research showed that managers require a web site to effectively market their business that was easy to navigate and that presented their company's message clearly, as well as quality customer service. This is what I aim to provide. Lilac Storm also supplies marketing assistance by way of the design and print of leaflets and posters, for example, and a business and personal stationery service such as business cards, compliment slips, invitations and announcement cards (including the full wedding range - i.e. invitations, order of service, place cards). <http://www.lilacstorm.com>

ID: Have you visited Africa before and - if not - did your assignment in any way change your perception/impression of life in Africa?

JS: No, I have not visited Africa before (but am open to any invitation to go!). Though I was already aware of how difficult life can be for people in Africa this assignment has, somewhat, highlighted for me not only their struggles but also their resourcefulness.

Janet's new website for Kenana Knitters will be finalised within the next few weeks and can be found at www.kenanaknitters.com

Visit our Website

Interims for Development builds relationships with African companies, organisations and projects and works closely with them to support their strategic Human Resources and business development requirements **through high quality and affordable solutions.**

We are perfectly positioned to understand the needs of African businesses and to bridge the gap to build African skills and capacity to take on the challenges of business today. *Interims for Development's* Services in

Africa include **Project and Technical assistance, Social Responsibility, Training and Development, Recruitment and Interim Managers.** Case studies on our website offer examples of how these services can be adapted to provide companies with pragmatic and cost-effective solutions to their business and human resources needs.

'**IFD in the Media**' highlights the attention that the work of the organisation has received from a wide cross-section of UK, African and international media.

www.InterimsFD.com

Calling all Professionals - Can you be a successful Interim?

Do you have:

- ✚ Extensive in-depth knowledge and experience within a particular sector?
- ✚ Inter-personal skills for immediate impact and effectiveness
- ✚ Excellent communication and inter-personal skills
- ✚ Proven ability to manage, influence and persuade?
- ✚ A flexible, pragmatic, 'can do' attitude?

If you have answered 'yes' to all the above and are interested in sharing your skills to support Africa's development, please contact ***Interims for Development***

To register: download a Registration Form from the ***Interims for Development*** website www.InterimsFD.com or e-mail info@InterimsFD.com

If you enjoyed **Interim Developments**, please pass on a copy to your friends and contacts. We look forward to receiving your comments, feedback and suggestions!

