

PRESS RELEASE

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CGF AND SABPP STRATEGICALLY ALIGN TO EMPOWER HR SPECIALISTS

In general terms, HR (Human Resources) has not been seen as a department within an organisation where 'fireworks' normally happen. Usually it is the marketing and sales department who most often take the credit for the organisation's successes. To illustrate the point, it is quite rare to hear organisations boosting the role or value they have derived from their HR or internal audit departments. This is even more so the case with the specialists found in an organisation's legal, secretariat, governance, risk and compliance departments. Adding insult to injury, one often hears employees saying that the 'real' work only happens in the boardroom and at other executive levels. Expectedly this leaves a person wondering whether or not HR and their unfortunate counterparts are merely stand-by operators, being paid for menial tasks and that they add no value to the successes of the organisation? Since some of the spectacular corporate governance failures such as Leisurenet, Macmed, Regal and African Banks; the poor perception surrounding those departments who are not in the lime-light -- and that they don't fulfil a critical role in the organisation -- is far from the truth. Organisations who still punt this archaic thinking will need to urgently correct this ill-conceived perception.

For any organisation to be successful, it is imperative that all its activities are strategically inter-locked and that there is not a perception -- in general terms -- that one department trumps another (i.e. in function and importance). This is the essence of a fully functional, well-governed organisation where all the wheels, each which are equally important, are all turning in the same direction. Indeed, the board of directors is charged with ensuring that they are in full control of the organisation and it's at the board level where a *Corporate Governance Framework®* must be firmly established to ensure the organisation is able to perform optimally to enable its profitability. Expectedly, HR fulfils a critical and key-support function within the organisation's *Corporate Governance Framework®*. Whilst the organisation's approach to corporate governance is treated as a *strategic objective*, HR has its own governance functions and these are a *systemic approach* to management which enables the organisation to achieve its strategic and operational objectives (including performance outcomes).



Left to Right : Marius Meyer (CEO: SA Board for People Practices) and Terrance Booysen (CEO: CGF Research Institute) sign a Strategic Alliance Agreement

Accordingly, it is clear that HR is a critical 'connector' between the organisation's strategy and its ability to achieve the strategy through the many deliverables which flow from the HR department. Part of HR's governance functions, which are core components within the *Corporate Governance Framework®*, include the manner in which human capital assets are sought, aligned and optimised to meet the organisation's strategic objectives.

Considering the central role HR fulfils within the corporate governance arena, it should come as no surprise that CGF Research Institute (Pty) Ltd ('CGF') and the SA Board for People Practices ('SABPP') have decided to strategically align their respective efforts in order that South African organisations may benefit from this integrated thinking and approach. As a testament to this value, CGF and the SABPP have recently aligned CGF's renowned *Governance Beyond Boards®*

Interventions and the *Corporate Governance Framework®* Workshops with the SABPP's Continuous Professional Development (CPD) standards. This is the first for South Africa; and the two organisations believe their initiative will not only be regarded positively amongst regulatory bodies and international agencies, but the HR profession will also benefit greatly across the African continent.

Over the last decade, CGF has steadily grown to become a well-established, leading governance authority in South Africa. The organisation is privately owned and prides itself upon the many clients it has served since 2004. CGF initially only focused its services in the corporate governance research arena; but soon after its market debut, the organisation established its *Corporate Governance Framework®* model which has become one of its hallmarks both in South Africa and across the continent.

CGF and the SABPP have credible market brands, with each respectively offering their clients valuable services within the corporate governance and HR governance arenas. Understandably, as both organisations have a large degree of overlapping clients -- and considering their need to provide clients the very best services -- CGF and the SABPP reached an easy decision to strategically align their brands and business efforts to support each other in order to enhance their respective client services.

Both CGF's and the SABPP's clients and their member constituencies will be able to expect a blend of value-added services through this strategic alliance. For example, each organisation will support the other at specific governance and HR events, offering preferential discounts to their respective clients. Included in these services will be joint-access to various white papers and published articles which will be included at no additional cost to their respective membership fees. Moreover, the SABPP's corporate members will now also be able to save on the initial licence fee in the event that their company wishes to subscribe to CGF's web-based *Corporate Governance Body of Knowledge®*. CGF's *Corporate Governance Body of Knowledge®* has become a first port-of-call for many companies regarding issues relating to governance, risk and compliance ('GRC'). CGF's governance reports, policy templates, director's induction manuals amongst other important materials is compiled by a team of highly trained management consultants who have considerable practical experience in this area. The reports are peer reviewed by appropriately qualified external subject matter experts and they provide assurance of the material integrity and accuracy of the wide-ranging reports. Some of the clients who make use of the Corporate Governance Body of Knowledge® include; African Rainbow Minerals, Altron Group, Anglo American, Babcock Africa, BHP Billiton South Africa, Denel, Development Bank of Southern Africa, JSE Limited, Liberty Holdings Group, Vodacom and the Provincial Government of the Western Cape.

As the strategic alliance develops between CGF and the SABPP, they foresee sharing information in order to put HR governance in action. Through their joint knowledge and experience, they foresee the HR profession taking a more proactive (and informed) approach toward corporate governance. Accordingly, their respective beneficiaries may gain a new understanding behind the integral, symbiotic relationship that exists between corporate governance and HR governance.

To this extent, the HR profession will be placed at the forefront of the organisation's strategic agenda, such where HR takes its rightful position with shared accountability in the boardroom, to centrally assist with meeting the organisation's strategic objectives. Through this proactive approach, the SABPP and its members will become much better informed of corporate governance matters as it relates to improving the leadership and management functions, improving ethical practices in the boardroom, as well as improving the organisation's productivity to drive the appropriate organisational behaviour and change. Clearly, searching, training and retaining the human capital of the organisation is a top priority for South African organisations.

ENDS

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About the SA Board for People Practices ('SABPP')

The SABPP is the HR standards body for South Africa since 1982 and ETQA (Education and Training Quality Assurance body) for the Human Resources profession in South Africa. As at 02 July 2012, SABPP was approved by the South African Qualifications Authority ('SAQA') in accordance with the NQF Act (Act No. 67 of 2008) as the professional body to; register HR professionals, perform research, as well as facilitate the awarding of CPD points to its members and accredit training providers such as CGF on interventions that build HR Competency. SABPP has also been approved by the Quality Council for Trade and Occupations ('QCTO') as a quality assurance partner (i.e. ETQA) by performing accreditation of providers as well as to perform quality assurance for a range of qualifications which are registered with SAQA.

SABPP registers HR practitioners at various designations such as Chartered or Masters' HR Professionals. SABPP's reputation is centered on being the voice for the HR profession in South Africa. The organisation has set the first set of National HR Standards in the world, including a full HR audit framework. SABPP is responsible for the registration of HR professionals by building HR knowledge and competency; and accrediting HR learning providers.

For more information about SABPP visit www.sabpp.co.za

About CGF Research Institute (Pty) Ltd ('CGF')

CGF is a Proudly South African, Level 4 BBBEE compliant company that specialises in conducting desktop research on Governance, Risk and Compliance (GRC) related subjects. The company has numerous products and services that cover GRC reporting, consulting, board assessment and induction, mentoring and coaching, business optimisation, executive search, business rescue, including business audit services.

For more information about CGF Research Institute visit www.cgf.co.za or www.corporate-governance.co.za

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