

LEADERSHIP: RECOGNISING NEED FOR GOVERNANCE TRAINING

Johannesburg
21 January 2015

Advertorial by CGF Research Institute (Pty) Ltd

We should all have an interest in helping to secure better governance in Africa. It is the most effective means of preventing failed states and for building democracy that is lasting. Africa's sustainable development is the only way to harness the planet's most resource-rich continent which -- if protected and used wisely -- could *firmly* position and integrate Africa within the global economy. This could also be a guaranteed recipe for the much needed employment for the youth in Africa. According to the African Economic Outlook, as much as 133 million young people are illiterate with no or little skills, and they will therefore be excluded from a productive economic or social life. Of course, improving the overall governance in South Africa will greatly improve, amongst other, the psyche of millions of jobless South Africans, which according to Stats SA was estimated to be 25.40 percent in the third quarter of 2014.

Undoubtedly, education is a key factor that can most certainly unlock Africa's potential and this is where corporate business has a critical role to fulfil in order to alleviate the stronghold over poverty, unemployment and crime.

*"Education is the most powerful weapon
which you can use to change the world."*

Nelson Mandela

(1918-2013)

CGF Research Institute's (CGF) continued drive for sound governance and dedication towards building a more sustainable Africa can be seen in our effort to assist organisations to deal with the complexities surrounding governance, risk and compliance ('GRC'). To this end, CGF specifically caters not only for training organisations in South Africa on GRC; our company has also extended this specialist training in countries such as Kenya, Lesotho, Tanzania, Zimbabwe, Botswana and Namibia to name a few. CGF's corporate governance training programmes have become widely accepted on many parts of the African continent for their pragmatic application in the public and private sectors.

Throughout Africa, numerous debates (both inside and outside of boardrooms) grapple with questions pertaining the hurdles of good governance. In addition, boards of directors and their company officers face many key and complex issues; and they grapple more than ever before to contextualise these within a Corporate Governance Framework®. Indeed, in these turbulent times of intensified corporate scrutiny and governance reforms, organisations need to trust that their directors, executive and senior managers have a comprehensive understanding of the immense responsibility attached to their leadership functions. Quite understandably, improving governance through proper training is crucial to ensuring that economic growth can be sustained and that it will make a significant contribution to alleviating -- amongst other -- poverty in Africa. Converse to this, without a proper understanding of governance and its organisational practices:

- the State's resources cannot be effectively administered to provide education and health-care services, of which acute shortages exist in much of the continent. (Potential gains from increased aid and debt relief cannot be as effective as they could be.)
- laws cannot be justly applied and security upheld. (Africa faces high risks of internal insecurity, which can quickly develop into a humanitarian crisis in the absence of security and the rule of law.)
- people cannot be fairly represented and democracy cannot be allowed to flourish. (Civil society cannot fulfil its potential to contribute towards development in the absence of sound governance.)
- businesses cannot operate to their full potential. (The private sector is an engine of growth. Accordingly, the economy will thrive if it is able to generate employment, prosperity and tax revenue.)

Sound governance is valuable

At the end of the day, we need to see *value* in that which we embark. If there's no value (or purpose), why do it in the first place? It is entirely true that business is designed for making a profit. But as modern business has evolved, we need to understand our value as an organisation as well as the ethical values espoused by *also* protecting people and the planet. By simply passing over the people and planet components in a matter-of-fact (tick-box) manner, and remaining fixated only on profit, an organisation is inevitably doomed to failure. This is the



epitome of poor governance, particularly when the on-going training of corporate governance is absent amongst the organisation's employees. *Value* must be shown in every facet of a business -- value for profit, value for planet and indeed value for people.

Extracting value from governance training

Whilst two of CGF's most popular training courses, namely **Governance Beyond Boards®** and **Corporate Governance Framework®** are the flagship series, many spin-off corporate governance training sessions are produced specifically to address the needs of organisations seeking to customise their training; either for a particular department or even specific groups of employees. Through the years, CGF has been very active in catering for specific in-house training requests which are conducted most often at the client's training rooms, but sometimes also in locations away from the client's premises.

CGF's governance training is uniquely designed to assist organisations in achieving the objectives of *entrenching* and *complying* with appropriate corporate governance practices. One of CGF's training hallmarks is to present complex matters in the most simplest of ways. This philosophy is deeply rooted in the director and co-founder of CGF, Terrance Booysen, who takes great pride to ensure that every individual attending his corporate governance training, seminars and breakfasts walk away feeling enriched, empowered and educated in these matters.

*"Practice is the hardest part of learning,
and training is the essence of
transformation."*

Ann Voskamp

*(One Thousand Gifts: A Dare to Live Fully Right
Where You Are)*

Through the many years of his work in the corporate governance sector, Terrance is considered well-versed on the topic and has been recognised for his research and leadership contributions amongst his peers. Synonymous to the ethos behind CGF's brand, the company has -- from inception -- supported the notion that expensive training is not necessarily the best training. Following this belief, CGF has consistently delivered world-class training at prices well below the norm of the market. This has resulted in many more people being able to attend and benefit from CGF's corporate governance training, including the knowledge transferred to thousands of past delegates locally and internationally.

Meeting your in-house specific governance training requirements

No matter whether you are looking for a one hour corporate governance update for your board of directors, or a training schedule over an extended period of time for the management and employees of the organisation; CGF can meet your customised in-house training requirements. CGF's corporate governance training programmes have been awarded *Continuing Professional Development* ('CPD') status through the *SA Board for People Practices* ('SABPP') as well as the Institute of Risk Management South Africa ('IRMSA').

Improving the organisation's governance knowledge

CGF has for many years advocated the need to improve the corporate governance knowledge amongst *all* the employees of an organisation. Directors, senior management and their employees must extend their thinking beyond the basics of governance and foresee the additional value governance brings to the organisation's triple bottom line, namely within its *profit*, *people* and *planet* components. In order to achieve the purpose of meeting the organisation's triple bottom line reporting, an organisation will require appropriate governance knowledge and proper training to realise some of these objectives.

Once an organisation has assurance that it has -- and continues to -- provide its employees the necessary training vis-à-vis GRC matters, it then becomes imperative to improve upon the organisation's corporate governance knowledge. To this end, CGF's *Corporate Governance Body of Knowledge®* -- a web-based repository of information -- will assist organisations unlock the value attached to good governance. This repository is used by many organisations in South Africa and contains wide ranging corporate governance reports such as; how organisations should deal with matters linked to Corporate Governance Reporting, Crime, Environmental, Ethical, Human Capital and IT Governance issues. The *Corporate Governance Body of Knowledge®* also contains inter alia, policy templates, newsletters, articles, regulatory updates, governance related white papers, acronyms and a reference library.



Keeping abreast is a constant challenge

In reality, many directors and their executive team are not on top of their governance issues and they have simply -- at best -- stuck to the bare minimum. Indeed, *training* is most often disregarded (particularly at senior levels of the organisation) and GRC training is usually not even on their agenda. Of course there are consequences of not applying one's mind to the associated risks attached to governance, risk and compliance and the manner in which it affects the organisation's strategy. It is only a question of time when these matters will negatively impact the organisation, including its vulnerable stakeholders.

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Words: 1,398

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

For more information about IRMSA visit www.irmsa.org.za

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

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