

## Good Governance Strikes a Chord in Durban

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There are strong parallels between business and civil society, underpinned by tenets of good governance and shareholder value, according to Terry Booysen, founder and CEO of CGF Research Institute, who was keynote speaker at a seminar in Durban hosted by UKZN Extended Learning.

The seminar was sponsored by the Durban Chamber of Commerce and Industry, PwC and Shephstone & Wylie, and was attended by delegates representing a wide range of organisations.

South African citizens are the shareholders of SA Inc., the organisation collectively named 'the Government'. Just as EXCOs and MANCOs conduct the operations of a business, so do Municipalities deliver the services of the Government to the stakeholders and customers.

Booyesen explained when shareholders of a company become dissatisfied with the company's leadership and performance, corrective action is taken to prevent damages to the company and to ensure its sustainability. As compared to the many poor performances of most of the municipalities across South Africa, where deep rooted dysfunction prevails, the shareholders of SA Inc. have not been able to act, neither remedy this situation. This bleak situation, which has again been high-lighted by the country's Auditor General in his latest report, does not bode well for South Africa's foreign investors, considering that in the second half of 2012, FDI inflow into South Africa experienced a 43.6% decline when compared to the same period in 2011.

Good governance lies at the heart of what is required in South Africa, to ensure that the country moves forward and corrects the negative global perceptions being reinforced by recent high profile events, such as 'Guptagate' and mass strike action in the mining sector.

The recent call for active citizenship across the country signals the need to fill the gap left by leaders who pursue morally and ethically questionable objectives, at odds with the needs of their respective organisations' 'shareholders'.

Booyesen's hard-hitting address was well received by the audience, who used the forum to question governance stereotypes that have become regarded as ways of doing business, without commensurate substance or regard for the country and its sustainability, economic growth and prosperity, in an increasingly competitive global environment. Whilst there were a number of critical issues and challenges ahead, Booyesen pointed out that as with any developing country with a democracy as young as South Africa's, the country would be challenged -- expectedly so -- by the type of issues the country is currently facing. To deal with these challenges Booyesen said firm and decisive, well respected leaders were required at all levels of society; and not just at government levels. He furthermore reminded the

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audience that the country had already achieved a number of great things, but that for the country to move forward and grow sustainably, each citizen would need to play their part.

Andrew Layman, CEO of the Durban Chamber of Commerce and Industry, highlighted the need to have more forums where stakeholders from organisations can come together to exchange views, clarify, and address central issues of importance to the country.

UKZN Extended Learning plans to host further seminars of interest to the public.

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