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AFRICA EXPANSION PROGRAMME 2018 - 2019

AGILE LEADERSHIP
By Dorothy Simelane & Alberto Pitoro

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CORPORATE EDUCATION

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Enabling Skills Development in the Banking and Alternative Banking Sector

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ABSTRACT

... The common challenge shared between delegates to the Africa Expansion Programme–2018 was that whilst it is great to work for a multinational institution, the challenge is most of the times related to some disconnect between Head Office and subsidiaries...

The top-four South African banks have expanded their operations across the African continent for many years. The common challenge shared between delegates to the Africa Expansion Programme–2018 was that whilst it is great to work for a multinational institution, the challenge is most of the times related to some disconnect between Head Office and subsidiaries. The regulatory, socio, cultural, economic and environmental realities are different, which in most cases stifles growth as the structures and centre dependency delay decision making and project execution.

Globalisation, automation, increasing regulation and mobility have changed the banking landscape. Leaders can no longer depend on the past patterns of success to operate effectively. Agile scaling frameworks have become the go to solutions for business globally, but are falling short in delivering expected outcomes. This paper makes the case that agile leadership is the ability of a leader to listen, learn and adapt. First of all, it discusses the key attributes of an agile leader, based on the literature review and country visits to South Africa, Egypt, Morocco and Angola. Secondly, it investigates the extent to which those attributes have been being used by South Africa banks in their expansion journey into African continent. Thirdly, the paper recommends how agile leadership skills can contribute in driving the South African banks' expansion into Africa.

The findings were based on a Survey conducted across the top-four South African banks that have physical presence in other African geographies. The survey confirms some of the view provided by the Programme delegates with regards to risk taking, hierarchical structures and decision making areas. Overall, the surveyed banks scored low when it comes to these categories. Traditional management rules and behaviours can impede growth and innovation. Therefore, in this paper we encourage Banks to focus on these areas when taking the decision of entering new markets. Banks should enable their teams to take calculated risks, and the teams should feel safe to make mistakes and learn from them.

Agile ways of working reduce risk and create flexibility, allowing the teams to test and validate ideas. By enabling small, multi-disciplinary, networked and self-organizing teams in their structures, banks will benefit from cross functional collaboration, remove silos and inspire innovation. Banks are encouraged to give mandate to teams to agree on the best decision for their work; decentralising, therefore, key decisions and allowing their subsidiaries to develop and implement solutions that are specific to their markets, thus responding to their customer needs in a timely manner.

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1. INTRODUCTION

There has been a growing interest in Agile Leadership; however, there seems to be different understanding of what it is and what it is not. In this paper we will make the case that agile leadership essentially is the ability of a leader to listen, learn and adapt. We will discuss the key attributes of an agile leader and explore how these traits if used optimally can contribute in driving the South African bank's expansion into other African geographies. In the last sections of the paper we present the findings and recommendations of the research conducted across the four South African banks that have presence in other Geographies.

2. THE DEMAND FOR LEADERSHIP SHIFT

The world has been changing faster. Underpinned by the digital revolution, innovation has been driving a significant amount of change to the way organizations globally have been doing their business and servicing their customers and different stakeholders. Leadership practices that proved to be effective in the past are becoming old at a faster pace. The world has become constantly volatile and unpredictable.

According to Mckinsey (Jan 2018), a number of disruptive trends have been challenging the old paradigm, as follows:

- Quickly evolving environment - customers, partners, and regulators have pressing needs; investors are demanding growth; and competitors and collaborators demand action to accommodate fast-changing priorities;

- Constant introduction of disruptive technology – where established businesses and industries are being commoditized or replaced through digitization, bioscience advancements, the innovative use of new models, and automation – machine learning, the Internet of Things, and robotics;

- Accelerating digitization and democratization of information - the increased volume, transparency, and distribution of information require organizations to rapidly engage in multidirectional communication and complex collaboration with customers, partners, and colleagues;

- The new war for talent - as creative knowledge- and learning-based tasks become more important, organizations need a distinctive value proposition to acquire—and retain—the best talent, which is often more diverse. These "learning workers" often have more diverse origins, thoughts, composition, and experience and may have different desires *(for example, millennials)*.

This trend has been impacting all the industries across the globe. To succeed, leaders need develop a new set of skills and abilities in order for them to quickly respond and adapt to such an environment and drive their organizations towards achieving their goals and ambitions. In summary, organizations and their leaders need to be agile.

The banking sector, by its nature is strongly regulated. As a result of the recent financial crisis, banking regulation has been increasing in an effort for the regulators to ensure banking system stability and protect customers and economies in general.

While organizations, including banks, have been being asked to become more and more agile in order to remain relevant, regardless of where they operate, this demand is exacerbated when an organization expands its business into different geographies.

The African continent is vast. It comprises an unlimited number of social, political, economic, regulatory and technological challenges, from language barriers, connectivity both in-country and cross-countries, infrastructure, education, policies, to name a few. The purpose of this paper is not to discuss the African continent challenges as such, but to highlight the extent to which leadership is required to be agile in order to proactively overcome those challenges and be able to succeed when expanding into Africa.

3. THE IMPORTANCE OF LEADERSHIP IN DRIVING CHANGE

The lessons learnt from country visits to only a few African countries – South Africa *(Johannesburg)*, Egypt *(Cairo)*, Morocco *(Casablanca)* and Angola – have been enough to demonstrate the extent to which the African continent is diverse, even though certain similarities are also evident. From economic, political, social, technological and regulatory perspective, all the countries have gone and are still going through a different nature of challenges and transformation processes. Some countries have witnessed long periods of political instability, other have the benefit of being large and having young population, or of having huge natural resources, or of enjoying a strategic location between the Continent and the rest of the world, etc.

The South African fight against apartheid is the most evident example, although recent economic changes and technological disruption in different business have been contributing for a continuous country's transformational journey. Visits to Nelson Mandela's House, Constitutional Hill and Cisco; presentations and panel discussions with business disruptors such as Tyme Bank and Bank Zero leaders, provided strong insights about how leadership plays a key role in setting the direction, through a clearly articulated vision, belief and focus. Nelson Mandela history is quite inspirational for the leadership field and will prevail as an example of having a clear vision, keeping focus on your goals and continue fighting to achieve them, regardless of the circumstances.

In Egypt, the interactions with public entities such Ministry of Investment and International Cooperation, Central Bank and Ministry of Finance, start-up accelerators such as Greek Campus and Endure Capital, and Fintechs like Fawry cannot be neglected. Few years after the political revolution, the Egyptian Government has embarked in several initiatives to promote the economic growth, social and human development of the country, to improve their easy of doing business rating, and to attract and monitor quality foreign direct investment. Regulatory and Institutional reforms are being implemented since 2017 – Bankruptcy Law, Companies Law, Electricity Sector Reform, Investor Service Centre, Public-Private Partnerships to incubate and accelerate start-ups, to mention a few examples. These initiatives would not be possible without leadership vision, will and forward thinking.

Having understood the high potential of the African Continent and its strategic location, Morocco has been running a transformational process to be a financial hub and a gateway to Africa, standing between Africa and Europe, with vision of becoming the Mexico of Africa.

For Angola, it is clear the extent to which leadership changes brought by the 2017 presidential elections have positioned the country for profound reforms. Angola is currently in a transitioning phase, only possible with a strong political vision and will from its leadership. Institutional and regulatory framework is underway, aiming to promote foreign direct investment, economic diversification, improve business climate, promote private sector growth and competition, fight corruption and money laundering, and improve international cooperation, with support from International Monetary Fund and the World Bank. At same time, private business such as Tupuca – a small delivery start-up company in Luanda, have provided examples of resilience, focus on customer and persistence in dealing with complex markets, enabling this company to overcome challenges, risks and grow fast up to the point of considering its internationalization.

From South Africa to Angola, despite all the different contexts and cultures that exist, what separates every country from its "before" and "after" status is the leadership ability to see things in a different perspective, and being able to learn and adapt. It all starts with a clear vision, followed with a strong will and forward thinking ability. Agile leadership skills such as communication and collaboration have been essential to mobilize all the resources and stakeholders to share the vision and contribution towards the same goal. This is why it is always important to understand the appropriate leadership style required to succeed in each context.

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4. THE AGILE LEADER

4.1. The Agile Leadership In Perspective

Agile Leadership is defined as the ability and agility of a leader to think and operate in several different ways and most importantly, see contexts and issues from the perspective of others. In the article by the Agile Consortium on the nine principles of Agile Leadership, they believe that Agile Leadership is more than just "good leadership"; they say, they would argue that it is "Great Leadership" that gets better!

We started investigating how one can identify an Agile Leader, what could be the key traits attributed to this "Great Leadership"? The more we read and engaged with different people, the clearer it became that Agile Leadership is not a process, it is not a formula and there is no specific methodology that one must follow to be an agile leader. Agile leadership is listening, learning and adapting.

The great leadership can also be described through what Jim Collins calls Level 5 Leadership: the ability to attract, retain and develop talent *(successors)*, articulate a clear vision and strategy, implement the right culture and use technology as an enabler/accelerator *(Collins, 2010)*. This view concurs with the one presented by Jeff Chavez during an Agile Leadership Webinar in January 2019. Agility is the careful balance of Anticipation – through clear vision, embracing risk, enabling and promoting curiosity, flexibility and learning; Reaction Speed – through delegation, inspiration, coaching, confidence, clarity and humility; and Execution – promoting excellence, discipline, responsiveness, efficiency and honesty across the organization.

Our visits to Egypt and Morocco provided interesting evidences of how a clear vision is a strong catalyst for a coordinated effort amongst different stakeholders. In Egypt, the Ministry of Investment and International Cooperation has managed to mobilize the different parties into action. As a result, the country is growing at a fast pace, just few years after the revolution. In Morocco, partnerships between government and private sector have been promoting innovation at a fast pace, propelled by a clearly articulated and shared vision. The Moroccan government renewed vision of positioning the country as the hub for accessing into Africa and for promoting this continent throughout the rest of the world has been motivating public and private sector stakeholders towards a number of initiatives to materialize that vision.

4.2. Using Agile Leadership to Respond to Change

Agile Leadership is different to traditional leadership. The differences are in leadership style and the willingness to expand capacity and extend capabilities to be more. Agile leadership style requires one to be flexible, adaptable and fast in their decision-making. The story behind the founding of Bank Zero best captures what agile leadership is. After working as the CEO of FNB, Michael Jordaan explained to Business Tech how FNB's culture of innovation motivated him to invest in start-ups. The bank promises to use mobile technology and other innovation to give more financial transparency and control to their customers in an intuitive, secure and affordable way. Technology, however, is not what makes Bank Zero agile and it is certainly not the product offering that determines if the leadership is agile. How they have organised themselves and their teams is what makes their leadership agile. Having the flexibility to take quick, but sure actions.

Another key trait on an agile leader is the ability for selecting the right people to join the team. Right skills add value. Catmull *(2014: 38)*, talks about when Pixar was formed, how he had to attract the sharpest minds for Pixar to succeed. He had to put his own insecurities away, and then made it his policy to hire people who were smarter than him. Agile leaders inspire creativity and innovation in their employees so that, as the organization propels forward, employees are directly contributing.

Agile Leaders always take a chance on better, even if it seems threatening. Whilst presenting to a group of delegates in Johannesburg Michael Jordaan shared how he took a risk by signing a huge cheque of R200 million to buy I-Pads even though this was not their core business. FNB went on to become the number one seller of iPads, thus increasing their customer reach and growing their market share. Agile leaders navigate new waters and chart new successes.

Agile leaders adapt to situations as they happen. We live in a volatile, uncertain, complex and ambiguous world with few constants. Being agile means you are able to quickly adapt to situations as they come along. Whilst the international rating agencies play a key role in assessing the financial strength of companies and government entities, especially their ability to meet principal and interest payment on debts, according to Malek Fawaz, Advisor to the Minister, the Ministry of Investment and International Cooperation in

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Egypt realised that they cannot rely solely on these ratings as an indication of how their country was performing. They developed their home grown economic programme key indicators that address their country's needs. This speaks to African solutions to African problems. Every day brings new challenges to leaders, and they cannot always rely on what worked yesterday to solve tomorrow's problems. Leaders should always use their experience as a tool but cannot rely on it solely to solve problems.

Agile leaders break organisational barriers, they remove obstacles to performance for their teams. The company that moves faster to solve a problem, create a product or respond to a need will be the business that wins. Mohamed Farid Saleh, Chairman of the Egyptian Stock Exchange, shared with the AEP programme delegates how through consensus on reforms and stakeholder involvement the private and public sector have partnered to create an investment conducive environment.

Cooper Ramo *(2016)*, in "The Seventh Sense", talks about the leadership shift required in the age of networks. Seen that way, agile leadership is about what leadership does when confronted with what it never experienced and never even dreamed of *(Copper Ramo, 2016: 23)*. Having such a seventh sense, is the ability to look at the world and see, in an instant, the potential power of networks and how to unlock it *(Cooper Ramo, 2016: 36)*.

5. EXPANSION INTO AFRICA

5.1. The African Continent:
Diversity & Volatility of African Markets

Oranye *(2018:16)* refers that sheer size and diverse nature of the African continent represents the first real challenge that businesses face. There are also challenges around politics and infrastructures. In fact, the Word Bank Ease of Doing Business in 2018 can help understand how diverse the continent is. Within the Sub-Saharan Africa group of countries, the best ranked country globally is Mauritius *(20th)*, followed by Rwanda, which occupies the

29th position. Kenya is the third, occupying the position 61. The bulk of countries lay within above 100 positions. The same reading can be drawn from the United Nation's Human Development Index in 2018. Within the top 100 countries, we find three African countries only *(Mauritius, Algeria and Tunisia),* with majority ranking 150+. These are examples of the great variety that business leaders face when operating in different African countries. To operate across boundaries with such a variety demands agility from leadership.

As we witnessed during the Programme travels to Egypt and Morocco, connectivity between African countries is still challenging. A number of delegates had to fly to Asia and Europe first, to connect from one Africa country to another, such as from Ghana to Egypt, increasing the time spent with travel and the corresponding costs.

The above is just a portion of the challenges that leaders have to be prepared to deal with when considering to expand into Africa. Wee *(2017)* says that going global, i.e. expanding, for companies is a significant decision that could disrupt the existing business activities. Companies that have expanded beyond borders have found that there are a lot of benefits, yet it is still crucial for businesses to understand its full impact and determine if the benefits outweigh the risks. As Oranye *(2018)* says, Africa's real unique business challenges in terms of infrastructure and diversity are also unique opportunities for particular kinds of business. Therefore, expanding into Africa represents good growth opportunities.

For Wee *(2017)*, there are five reasons for overseas business expansion: (i) diversifying the risk; (ii) leveraging on rich resources and climate advantages; (iii) tapping the untapped markets; (iv) growing branding awareness; and (v) competition parity. Supported by the Economist Intelligence Unit survey, Kluwer (2016) also discusses the reasons why companies are choosing to expand, as follows: (i) revenue growth; (ii) increase customer base; (iii) increase market share and open new markets; (iv) tap into new resources – talented labour, technology resources, capital; (v) counter competition; (vi) save costs. Therefore, the incentives for embarking in an expansion are compelling; however, whatever is the main reason behind the intention for banks to expand into Africa, success will be driven by their ability to understand every context and be able to adapt rapidly.

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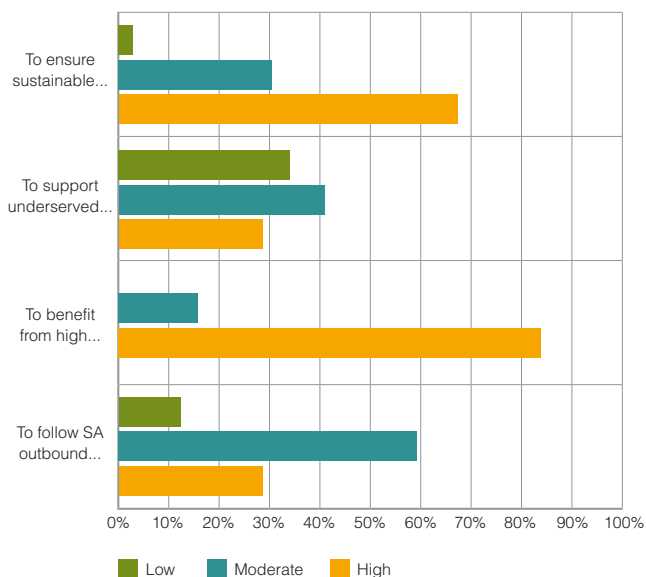### 5.2. Expansion into Africa: South African Banks' Footprint in Africa

For some or other reasons, overseas business expansion is a long dated reality within South African banking industry. The top-four banks have been expanding in different ways *(subsidiaries, branches, representative offices, shareholding, etc.)* into Africa, being currently present in almost 20 countries including South Africa.

BANKS	SOUTH AFRICA	MOZAMBIQUE	ANGOLA	GHANA	BOTSWANA	NIGERIA	UGANDA	ZIMBABWE	MALAWI	TANZANIA	ZAMBIA	CONGO	COTE D'LVOIRE	KENYA	LESOTHO	MAURITIUS	NAMIBIA	SWAZILAND	SEYCHELES
STANDARD BANK	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Absa	●	●		●	●	●	●			●	●			●		●	●		●
FNB	●	●	●	●	●	●				●	●			●	●		●	●	
NEDBANK		●						●	●						●		●	●	

Source: Standard Bank, Absa, RMB and Nedbank Websites (last accessed: 4th April 2019)

According to our survey, two reasons have been mentioned by South African Banks as the main drivers for their expansion into Africa: to ensure sustainable growth of the business through geographical diversification and to benefit from high growth opportunities.

What is the factor that drives organizations when deciding to expand into Africa

Low   Moderate   High

5.3. Agile Leadership within the South African Banking Expansion context

As discussed above, South African banks have expanded into a considerable number of other African countries. To successfully expand across a vast and diversified continent such Africa, it is expected that certain leadership attributes are deployed so that every organization *(Bank)* is able to timely adapt and adjust, to understand the specific nature and characteristics, challenges and demands of each market.

To investigate if agile leadership is used by those South African banks in their expansion journey to Africa, we conducted a survey that tried to capture the extent to which the agile leadership traits discussed above can be identified *(please refer to Annexure 1 for details of the questionnaire)*.

The survey targeted more than 70 employees from the four banks, covering senior executives and leaders both at headquarters and subsidiaries, different functions and

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responsibilities such as Finance, Operations, Compliance, Risk, Strategy, Customer-facing and Technology.

The survey started by assessing how the target audience describes the environment where they are operating or intend to operate. More than 60% of the respondents confirmed that the environment was changing at a high speed from a regulatory, competition, customer demand as well as from a technology perspective.

As highlighted previously, in such an environment, to succeed the banks have to be flexible and proactive in order to efficiently adjust their business models and operations to fit into every single market. In other words, that environment requires an agile leadership to succeed.

Vision and Mission

With regards to the nature and focus of the organizational purpose and mission, majority of the respondents *(54%)* confirmed that their mission is broader than serving end customers; it aims to bring positive change to their entire ecosystem of vendors, partners, suppliers and employees, while 51% also confirming they have processes and systems in place to measure and track the adoption of the vision and strategy across all markets/geographies.

While 43% of respondents declared that their vision and strategy, including their meaning and reach, are discussed face-to-face across all the organizational levels, with the message constantly reinforced; other 31% considered that their vision is communicated across all the organization, subsidiaries and staff by email, newsletter, Q&A leaflets; less than half *(48.6%)* responded affirmatively when asked if they had corrective measures and processes in place to address non-adherence to the vision and strategy.

Embracing Risk, Failure and Curiosity

With regards to risk tolerance, a quarter of the respondents *(25.71%)* considered that across their organizations failure is not an option and is a career limiting action *(highly regulated industry)*, with only 20% declaring that failure and risk-taking are expected, pervasive, measured and even celebrated across the organization so that teams feel safe to make mistakes and learn from them. In a related question, 40% responded that in situations where their organizations took risks that resulted in adverse impacts, the root causes and lessons learned were documented and shared across the organisation to encourage a learning and risk-taking culture.

Decision Making

Relative to decentralization *(flexibility)* or delegation of authority, 45.7% affirmed that in their organizations, decision making is still subject to set criteria, prescribing approval values and forums to be consulted, whilst only 14% said that their teams consult and agree on the best decision for the organisation.

With regards to the extent to which authority and decision making is decentralized, 34% affirmed that their organization still use traditional, top-down command and control structures; but another 34% responded that all key decisions are decentralized *(except purpose, culture and vision)*, allowing subsidiaries and teams to make budget, product and hire/fire decisions, with no Centre approval.

Developing Others and Successors

On the ability for developing others and successors, 43% of leaders surveyed responded that talent development is at centre of their organizations' priorities through an integrated framework that ensures career and succession planning at all levels; with additional 26% affirming that their organizations provide their employees with basic and mandatory training for them to perform their roles, while incentivizing managers to consider their career path.

Customer Focus and Communication

In relation to how the organization engage with their customers, 48% of the respondents consider that communication to customers is decentralized and it is "many-to-many", but passive and single purpose; with 31% saying that it goes beyond decentralization, in order to drive peer–to–peer value creation. In a separate question, 43% declared that customers heavily influence their organization *(e.g. product ideas and product development)*.

6. CONCLUSION

Digital revolution and innovation have been globally driving a significant amount of change on the way organizations do their businesses. The world has become constantly volatile and unpredictable, leadership is, among other skills, required to be agile. In this paper we have discussed agile leadership as the ability of a leader to listen, learn and adapt. We reviewed the attributes of an agile leader and investigated how these traits have been used by South African banks when expanding into other African geographies.

South African banks have expanded their operations in different forms and times to a considerable number of countries in the African continent. The main reasons behind their expansion have been highlighted as (i) to benefit from high growth opportunities; (ii) to ensure sustainable growth of the business through geographical diversification; (iii) to follow South African outbound clients aiming to serve them equally in the continent.

All the banks surveyed were unanimous that the environment where they operate *(South Africa and other Countries in the continent)* is volatile from a regulatory, competition, customer demand and technology point of view. This highlights the need for them to make use of the agile leadership skills to succeed.

Our research demonstrates that when expanding into Africa, South African Banks score high with regards to (i) setting and communicating a clear vision throughout their subsidiaries, (ii) having processes and measures to track the adoption of their vision and strategy, (iii) having a broader vision that has transformational purposes and go beyond mere mission/vision statement, (iv) focusing on talent development to ensure succession, and (v) communication and interaction with customers and other stakeholders. However, the Banks score low with regards to:

1. **Tolerating failure and encouraging risk taking** – failure still is not an option and is seen as career limiting. Where it is encouraged, it is in name only;

2. **Adopting flexible organizational structures** – traditional, hierarchical structures operating is silos still prevail;

3. **Decision making** – low or no mandate is given for teams to take their own decisions; and

4. **Decentralization** – use of traditional, top-down command and control structures.

7. RECOMMENDATIONS

Although one might see the areas of low scoring from the survey discussed above as relatively immaterial in number, when compared to the attributes where the Banks scored positively, it should be noted that embracing and encouraging risk taking, delegation of authority, decentralization and distributed leadership are essential leadership skills necessary for companies to respond effectively and successfully in a diversified and volatile environment like the one where the Banks operate. Therefore, we encourage Banks to focus on these areas when thinking of entering in new markets.

From the final data consolidation, it is evident that South African banks must encourage risk taking and experimentation; they should encourage and enable their teams to take calculated risks. Traditional management rules and behaviours can impede growth and innovation. Teams should feel safe to make mistakes and learn from them.

Agile ways of working reduce risk and create flexibility, and allow teams to test and validate ideas before the business commits to developing them. It is evident from the survey that this practise is not as prevalent in most of the participant banks. By enabling small, multi-disciplinary, networked and self-organized teams as the primary operating structure across the organization, banks can benefit from cross functional collaboration, remove silos and inspire innovation.

Banks are encouraged to give mandate to teams to consult themselves and agree on the best decision for the organisation. This will encourage accountability and ensure that all teams have an equal voice in decision making.

Bureaucracy and hierarchy impede innovation and growth. Banks are encouraged to decentralise key decisions and allow their subsidiaries to develop and implement solutions that are specific to their markets, thus responding to their customer needs timeously, without delays of centre referrals. All key decisions are to be decentralized *(except purpose, culture and vision)* allowing subsidiaries and teams to make budget, product and hire/fire decisions with no centre approval.

In conclusion, for the South African banks to successfully expand into Africa there is a need to be agile in their leadership approach, in order to understand the specific nature, characteristics, challenges and demands of each country. Kruse *(2013)* defines leadership as a process

of social influence, which maximises the effort of others, towards the achievement of a goal. The 54 African countries contend with different economic, social, cultural, regulatory and technological challenges. To successfully expand across this vast and diversified African continent, agile leadership attributes should be applied for banks to timely adapt and adjust. The CEO of Tyme Bank, Sandile Tshabalala, best captured it by saying, *"If Banks are to disrupt banking for the greater good, they need to remove complexity and deliver simplicity"*. We believe this can only be achieved by leadership that continuously Listens, Learns and Adapts.

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ANNEXURE 1: SURVEY QUESTIONNAIRE

Describing The Business Environment

1. *How do you rate the speed at which the environment where your organisation operates (intend to operate) has been changing (1=low, 2=moderate, 3=high):*

    o   Regulation
    o   Competition (sales and resources market, including people)
    o   Customer demand
    o   Technology
    o   Other (please specify _____)

2. *What is the main factor that drives organizations when deciding expand into Africa (1=low, 2=moderate, 3=high):*

    o   To ensure sustainable growth of the business through geographical diversification
    o   To support underserved markets
    o   To benefit from high growth opportunities
    o   To follow SA outbound clients - serve them equally in the continent
    o   Other (please specify _____)

Embracing Risk

3. *To what extent your organization tolerates failure and encourage risk-taking?*

    o   Failure is not an option and is a career limiting *(highly regulated industry)*
    o   Failure and risk are encouraged, but in name only and not tracked or quantified
    o   Failure and risk-taking are allowed, measured and quantified, and used for blaming
        and penalizing each other
    o   Failure and risk-taking are expected, pervasive, measured and even celebrated across
        the organization *(teams feel safe to make mistakes and learn from them)*

4. *Consider a situation where your organisation or subsidiary had taken risk with adverse impact to the organisation. How was the fallout dealt?*

    o   Disciplinary action was taken
    o   Governance and the approval process was emphasised across the organisation to minimise recurrence
    o   Risk reviewed in line with the approved risk models allowing few exceptions
    o   Root cause identified , lesson learned were documented and shared across the organisation
        to encourage a learning and risk-taking culture

Autonomy & Decentralization

5. *Does your organization operate with large, hierarchical structures or small, multi-disciplinary, self-organizing teams?*

    o   We have traditional corporate hierarchy with large, specialized groups operating in silos
    o   We have some small, multi-disciplinary teams and operating at the edges, away from the core
    o   We have some small, multi-disciplinary teams accepted and embraced within the core organization
    o   We have small, multi-disciplinary, networked, self-organizing teams are the primary
            operating structure across the organization

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6. *How are decisions made in your organisation?*

   o   All decisions go through the decision making forum
   o   There's a set criteria on decision making, indicating approval values and forums to be consulted
   o   Teams are given mandate to make decisions that impact only their respective business units
   o   Teams consult and agree on the best decision for the organisation

7. *To what extent is authority/decision making decentralized?*

   o   Our organization uses traditional, top-down command & control structure
   o   Decentralized decision-making happens in Research and Development, innovation
       and product development only
   o   Decentralized decision-making happens in all customer-facing areas like marketing, sales, etc.
   o   All keys decision are decentralized *(except purpose, culture and vision)* allowing subsidiaries
       and teams to make budget, product and hire/fire decisions with no Centre approval

Vision & Strategy

8. *To what extent your organization casts a clear vision and strategic themes/imperatives so that are shared and known by all team members in all markets/geographies?*

   o   Our vision and strategy is developed and discussed at Centre/Senior Management level
   o   Our vision is communicated to other markets and subsidiaries when the change arrives,
       to ensure our slogan is the same in all locations
   o   Our vision is communicated across all the organization, subsidiaries and staff by email,
       newsletter, Q&A leaflets
   o   Our vision and strategy, including their meaning and reach, are discussed face-to-face across all the
       organizational levels, with the message constantly reinforced and tools available for everyone's contribution

9. *Do you have a process/measure in place to track adoption of the vision and strategy across all markets/geographies*

   o   Yes
   o   No

10. *Do you have a corrective measure to check if the vision and strategy is adhered to in all markets/geographies*

   o   Yes
   o   No

11. *How do you describe the nature and focus of your organizational purpose or mission?*

   o   Our mission focuses on delivering the best products and services
   o   Our mission focuses on our core values as an organization, extending beyond delivering
       products and services
   o   Our mission is broader than serving end customers; it aims to bring positive change to our
       entire ecosystem of vendors, partners, suppliers and employees
   o   Our organization has transformational purposes that go beyond a mission statement.
       We aspire to deliver significance to the whole world in all markets we operate

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Willingness to Experiment

12.   *To what degree is your organization comfortable with planning/dealing with:*

  o   We incentivize our teams and subsidiaries to strictly follow institutional rules and procedures
  o   We allow our teams and subsidiaries to explore different options while increasing planning,
       milestones and reviews
  o   We share accurate information widely and replace hierarchical thinking, empowering our teams
       to be more flexible within clear boundaries to identify responsibilities
  o   We incentivize out teams to form hypotheses and running experiment to test assumptions when uncertainty
       increases. Deviations from plans are regarded as simply new information that allows to adjust/revise plans

Developing others & Succession Planning

13.   *To what extent your organization incentivizes leaders to develop other and successors*

  o   We see talent development as not necessary/core to our organization and people are only
       provided with the mandatory training *(regulatory compliance)*
  o   We provide our employee with basic training for them to perform their roles, in addition
       to the mandatory training
  o   We provide our employee with basic and mandatory training for them to perform their roles,
       while incentivizing managers to consider their career path
  o   Talent development is at centre of our priorities through and integrated framework that ensures
       career and succession planning at all levels

Customer Focus & Communication

14.   *To what extent does your organisation interacts with its customers (users, customers, partners)*

  o   We have very passive involvement with our customers *(i.e. we use some social media)*
  o   We leverage our customers for market research and other listening activities
  o   We actively use the customers for outreach, support and marketing
  o   Customers heavily influences our organization *(e.g. product ideas, product development)*

15.   *How does your organisation engage your customers (users, customers, partners)*
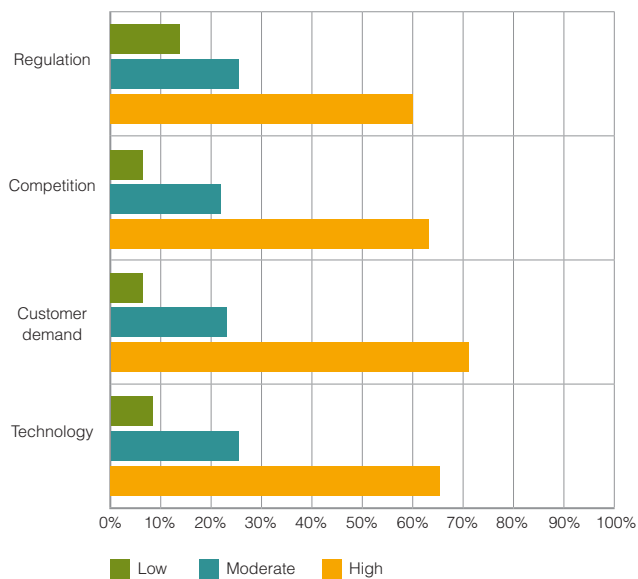
  o   No engagement beyond standard customer service
  o   Our communication is centralized and communication is "one to many"
  o   Our communication to is decentralized and communication is " many to many" but passive & single purpose
  o   Our communication is decentralized, communication is "many to many" and drives
       peer–to–peer value creation

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ANNEXURE 2: QUESTIONNAIRE RESULTS

QUESTION 1

How do you rate the spedd at which the environment where your organisation operates (intebd to operate) has been changing?
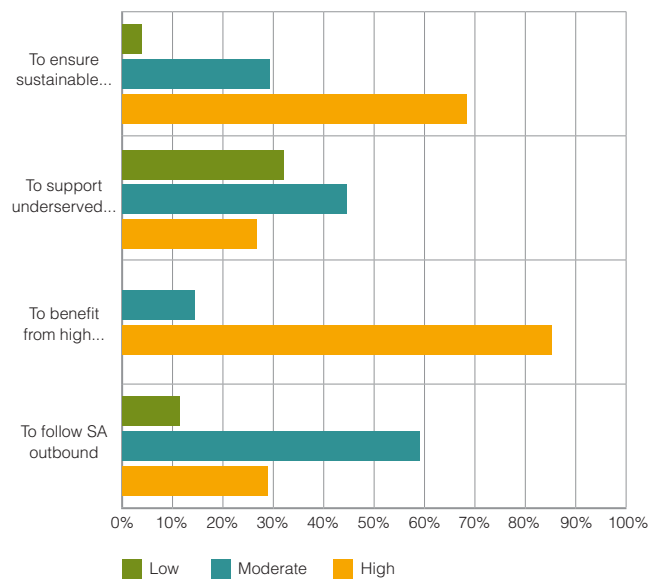
Answered: 35 | Skipped: 0

Low   Moderate   High

QUESTION 2

What is the main factor that drives organisations when deciding to expand into Africa?

Answered: 35 | Skipped: 0

Low   Moderate   High

	LOW	MODERATE	HIGH	TOTAL RESPONDENTS
Regulation	14.29% 5	25.71% 9	60.00% 21	35
Competition	5.71% 2	31.43% 11	62.86% 22	35
Customer demand	5.71% 2	22.86% 8	71.43% 25	35
Technology	8.57% 3	25.71% 9	65.71% 23	35

	LOW	MODERATE	HIGH	TOTAL RESPONDENTS
To ensure sustainable growth of the business through geographical diversification	2.86% 1	28.57% 10	68.57% 24	35
To support underserved markets	32.35% 11	44.12% 15	26.47% 9	34
To benefit from high growth opportunities	0.00% 0	14.71% 5	85.29% 29	34
To follow SA outbound clients - serve them equally in the continent	11.76% 4	58.82% 20	29.41% 10	34

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QUESTION 3

To what extent does your organisation tolerate failure and encourage risk taking?

Answered: 35 | Skipped: 0
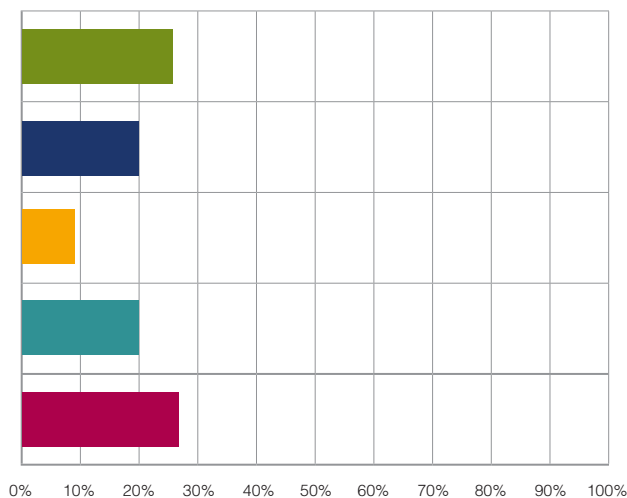
ANSWERED CHOICES	RESPONSES	
Failure is not an option and is career limiting (highly regulated industry)	25.71%	9
Failure and risk is encouraged, but in name only and not tracked or quantified	20.00%	7
Failure and risk taking is allowed, measured and quantified, and used for blaming and penalizing each other	8.57%	3
Failure and risk taking is expected, pervasive, measured and even celebrated across the organisation (teams feel safe to make mistakes and learn from them)	20.00%	7
Other (Please specify)	25.71%	9
TOTAL		**35**

QUESTION 4

Consider a situation where your organisation or subsidiary has taken risk with adverse impact to the organisation. How was the fallout dealt with?

Answered: 35 | Skipped: 0
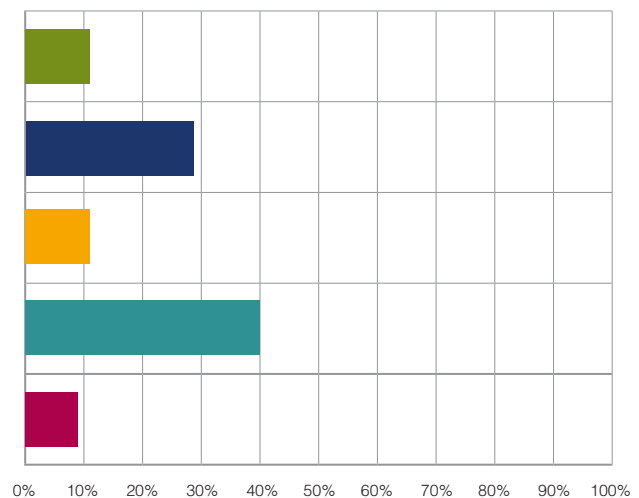
ANSWERED CHOICES	RESPONSES	
Disciplinary action was taken	11.43%	4
Governance and approval process was emphasised across the organisation to minimize re-occurrence	28.57%	10
The risk was reviewed in line with the approved risk models allowing for few exceptions	11.43%	4
The root was identified, lessons learned were documented and shared across the organisation to encourage a learning and risk-taking culture	40.00%	14
Other (Please specify)	8.57%	3
TOTAL		**35**

QUESTION 5

Does your organisation operate with large, hierarchical structure or small, multi disciplinary teams, self organising teams?

Answered: 35 | Skipped: 0
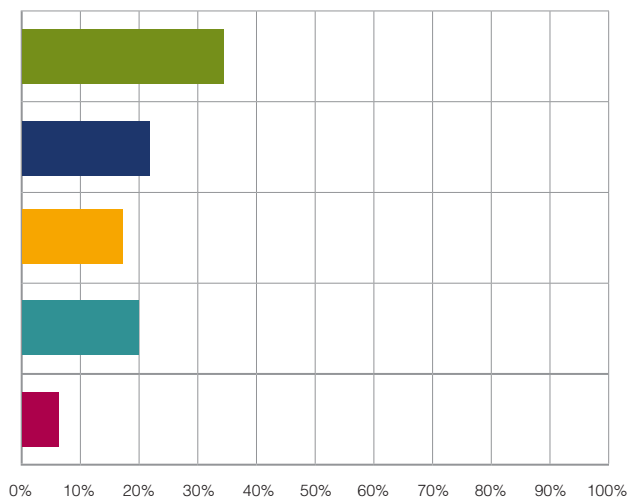
ANSWERED CHOICES	RESPONSES	
We have traditional corporate hierarchy with large specialised groups operating in silos	34.29%	12
We have some small, multi disciplinary teams who operate at the edges, away from the core	22.86%	9
We have some small, multi disciplinary teams accepted and embrace within the core organisation	17.14%	6
We have small, disciplinary, networked, self organising teams that are the primary operating structure across the organisation	20.00%	7
Other (Please specify)	5.71%	2
TOTAL		**35**

QUESTION 6

How are decisions made in your organisation?

Answered: 35 | Skipped: 0
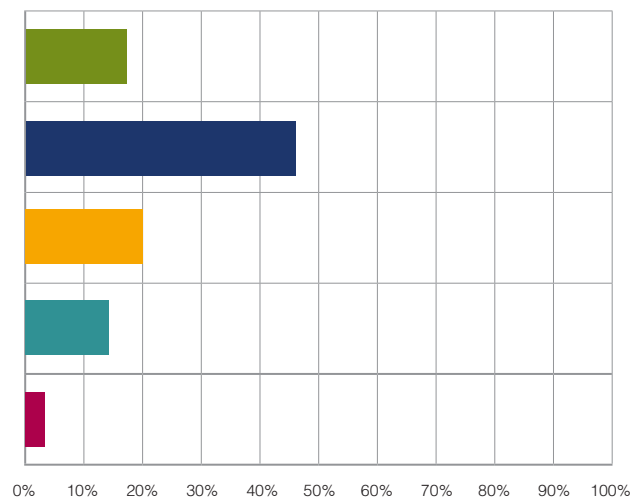
ANSWERED CHOICES	RESPONSES	
All decisions go through the decision making forum	17.14%	6
There's a set criteria on decision making, indicating approval values and forums to be consulted	45.71%	16
Teams are given mandate to make decisions that impact only their respective business units	20.00%	7
Teams consult and agree on the best decision for the organisation	14.29%	5
Other (Please specify)	2.86%	1
TOTAL		**35**

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QUESTION 7

To what extent is authority / decision making decentralised?

Answered: 35 | Skipped: 0
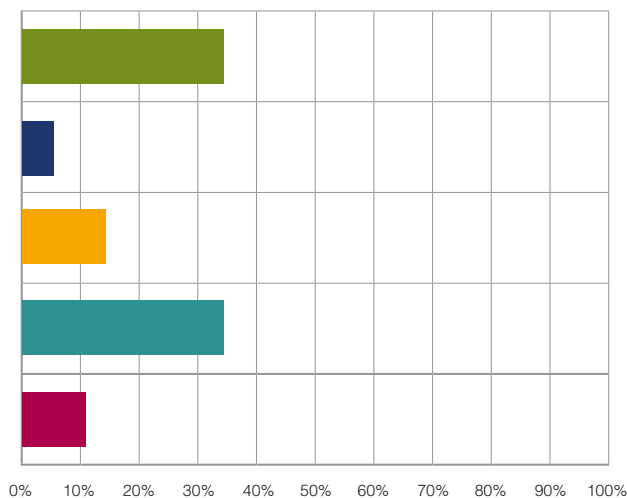
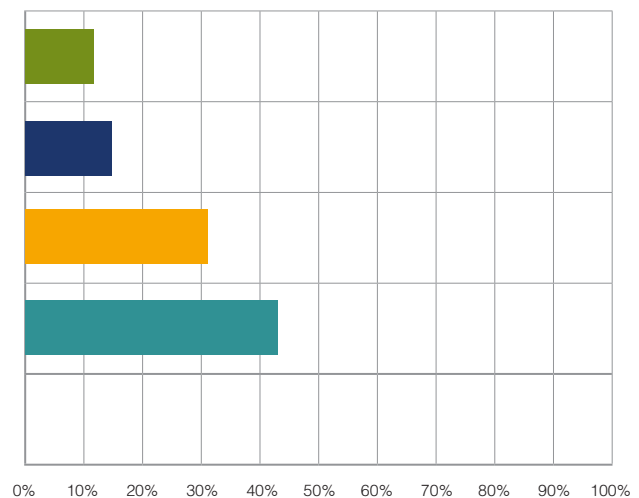| ANSWERED CHOICES	RESPONSES	
Our organisation uses traditional, top down command and control structure	34.29%	12
Decentralised decision- making happens in research and development, innovation and product development only	5.71%	2
Decentralised decision-making happens in all customer facing areas like marketing, sales etc.	14.29%	5
All key decisions are decentralised (except purpose, culture and vision) allowing subsidiaries and teams to make budget, product and hire/fire decisions with no centre approval	34.29%	12
Other (Please specify)	11.43%	4
TOTAL		**35**

QUESTION 8

To what extent does your organisation cast a clear vision and strategic themes/imperatives so they are shared and known by all team members in all markets/geographies?

Answered: 35 | Skipped: 0

ANSWERED CHOICES	RESPONSES	
Our vision and strategy is developed and discussed at the centre/senior management level	11.43%	4
Only when our vision changes it is communicated to other markets and subsidiaries to ensure slogan alignment across all locations	14.29%	5
Our vision is communicated across all the organisation, subsidiaries and staff by email, newsletter, Q & A leaflets	31.43%	11
Our vision and strategy, including the meaning and reach, are discussed face0to-face across all the organisational levels, with the message constantly reinforced and tools available for everyone's contribution	42.86%	15
Other (Please specify)	0.00%	0
TOTAL		**35**

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QUESTION 9

Does your organisation have a process / measure in place to track adoption of the vision and strategy across all markets / geographies?
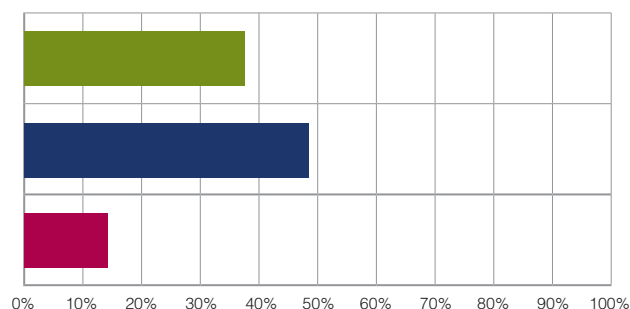
Answered: 35 | Skipped: 0
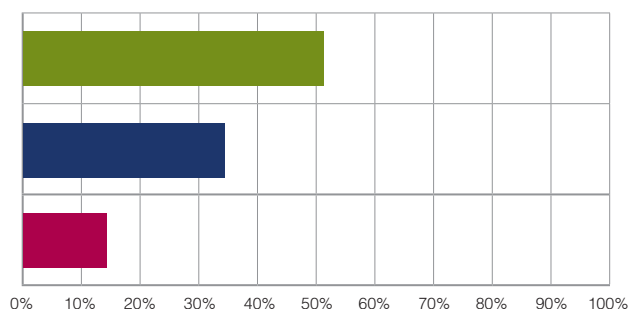
ANSWERED CHOICES	RESPONSES	
Tes	51.43%	18
No	34.29%	12
Other (Please specify)	14.29%	5
TOTAL		35

QUESTION 10

Does your organisation have corrective measures / processes to address non0adherence to the vision and strategy?
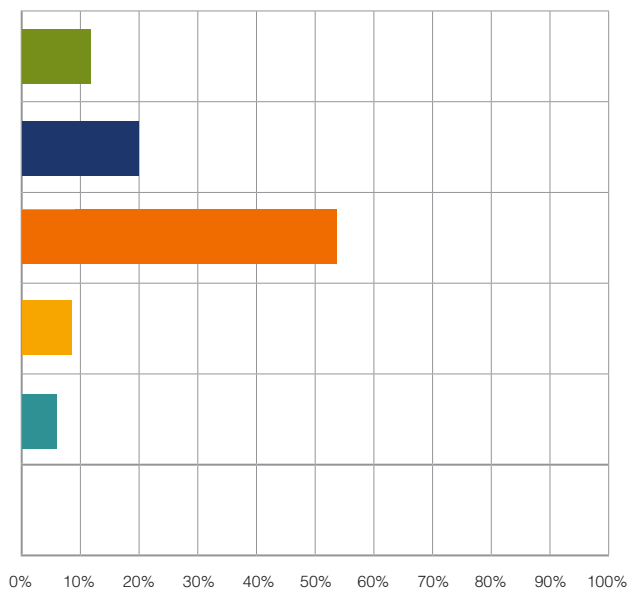
Answered: 35 | Skipped: 0

ANSWERED CHOICES	RESPONSES	
Tes	37.14%	13
No	48.57%	17
Other (Please specify)	14.29%	5
TOTAL		35

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QUESTION 11

How do you describe the nature and focus of your organisational purpose or mission?

Answered: 35 | Skipped: 0

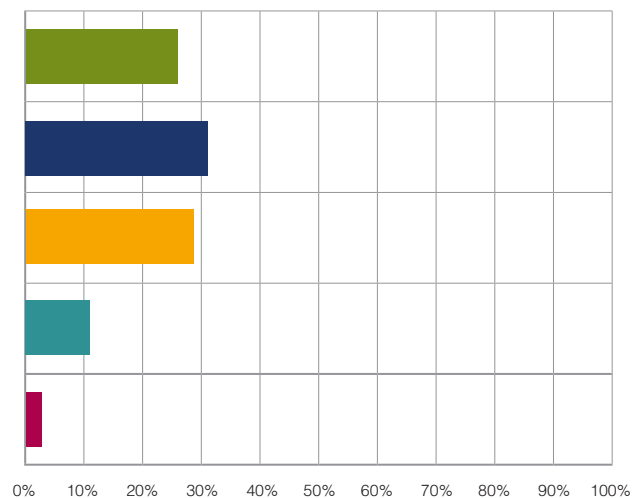| ANSWERED CHOICES	RESPONSES	
Our mission focuses on delivering the best products and services	11.43%	4
Our mission focuses on our core values as an organisation, extending beyond delivering products and services	20.00%	7
Our mission is broader than serving end customers; it aims to being positive change to our entire ecosystem of vendors, partners, suppliers and employees	54.29%	19
Our organisation has transformational purposes that go beyond a mission statement. We aspire to deliver significance to thieves whole world in all markets we operate	8.37%	3
Our organisation has transformational purposes that go beyond a mission statement. We aspire to deliver significance to the whole world in all markets	5.71%	2
Other (Please specify)	0.00%	0
TOTAL		**35**

QUESTION 12

To what degree is your organisation comfortable with planning / dealing with uncertainty?

Answered: 35 | Skipped: 0

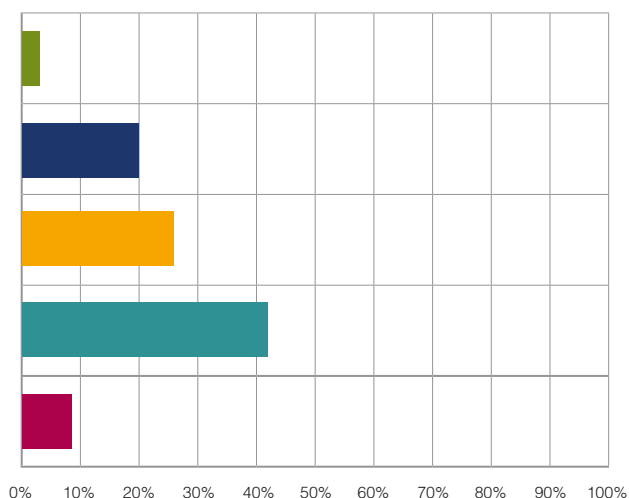| ANSWERED CHOICES	RESPONSES	
We incentivise our teams and subsidiaries to strictly follow institutional rules and procedures	25.71%	9
We allow our teams and subsidiaries to explore different options while increasing planning, milestones and reviews	31.43%	11
We share accurate information widely and replace hierarchal thinking, empowering our teams to be more flexible within clear boundaries to identify responsibilities	28.57%	10
We incetivise our team to form hypotheses and running experiments to test assumptions when uncertainty increases. Deviations from plans are regarded as simply new information that allows for plans to be adjusted / revised	11.43%	4
Other (Please specify)	2.86%	1
TOTAL		**35**

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QUESTION 13

To what extent does your organisation incentivise leaders to develop other and successors?

Answered: 35 | Skipped: 0

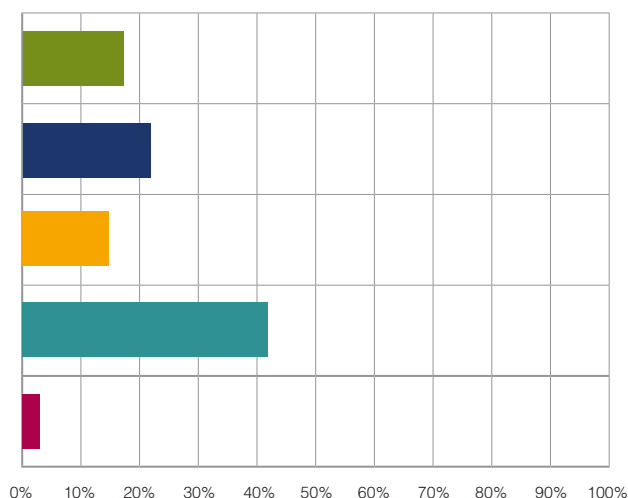| ANSWERED CHOICES	RESPONSES	
We see talent development as not necessary / core to our organisation and people are only provided with the mandatory training (regulatory compliance)	2.86%	1
We provide our employees with basic training for them to perform their roles, in addition to the mandatory training	20.00%	7
We provide our employees with basic and mandatory training for them to perform their roles, while incentivising managers to consider their career path	25.71%	9
Talent development is at the centre of our priorities through an integrated framework that ensures and succession planning at all levels	42.86%	15
Other (Please specify)	8.57%	3
TOTAL		**35**

QUESTION 14

To what extent does your organisation interact with it's customers (users, customers, partners)?

Answered: 35 | Skipped: 0

ANSWERED CHOICES	RESPONSES	
We have very passive involvement with our customers (i.e. we use some social media)	17.14%	6
We leverage our customers for market research and other listening activities	22.86%	8
We actively use the customers for outreach, support and marketing	14.29%	5
Customers heavily influence our organisation (e.g. product ideas, product development)	42.86%	15
Other (Please specify)	2.86%	1
TOTAL		**35**

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QUESTION 15

How does your organisation engage your customers (users, customers, partners)?

Answered: 35 | Skipped: 0
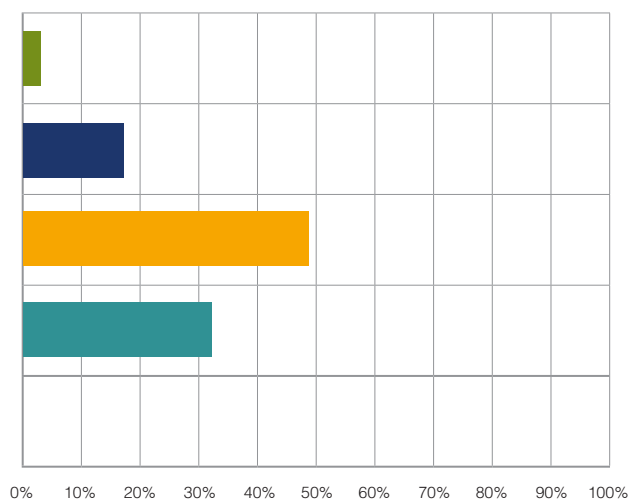
ANSWERED CHOICES	RESPONSES	
No engagement beyond standard customer service	2.86%	1
Our communication is centralised and communication is "one to many"	17.14%	6
Our communication is decentralised and communication is "many to many" but passive and single purpose	48.57%	17
Our communication is decentralised, communication is "many to many" and drives peer-to-peer value creation	31.43%	11
Other (Please specify)	0.00%	0
TOTAL		**35**