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Article by CGF Research Institute (Pty) Ltd

IBM PLAYS PIVOTAL ROLE IN GOVERNANCE

For the years that CGF Research Institute (Pty) Ltd has been involved in the research, compilation and distribution of a wide range of governance related reports, so too have we recognised the critical need to provide companies a pragmatic understanding of the manner in which they should deal with the resultant changes which may be required. So often -- and mostly through a lack of understanding -- companies will have a 'knee jerk' reaction and believe that achieving a state of compliance to good governance business practices, requires "all the boxes of governance to be ticked". This approach to 'good governance' is certainly questionable, particularly when companies do not apply their minds to addressing the issues for sound governance which is addressed in a meaningful and practical way. Indeed many companies in South Africa complain about the excessive regime and burdening regulations placed upon their businesses, and that it is becoming more difficult to run their businesses efficiently. Of course the laws must be observed and adhered to. However it is important to remember that companies are mostly established to provide employment and make money and even though they are doing these both legally and ethically, many businesses are experiencing increased difficulties staying afloat; mostly due to the increased burdens associated with legal and labour related issues.

Where companies and their leadership become frantic regarding the most appropriate manner to address their governance issues, they may be inclined to either over-react, or conversely not place a high priority on the topic. In either of these extreme examples, this could lead to the company not prioritising the wide ranging disciplines of sound business principles as an underlying philosophy and practice within their strategy and forward direction. Disregarding these basic building blocks of good governance within the company's ethos will almost certainly end in disaster, both for the company and of course their directors in terms of their attached liabilities.

In this light, CGF decided to conduct a road show to enlighten companies about the importance of good business disciplines, and that these disciplines must be understood and practiced by all the stakeholders of a company for it to be meaningful and lasting. That said, companies who attended the **Governance Beyond Boards™** Interventions between April and June this year will have learned, amongst other; that many of the rules described in so many governance papers -- local or international -- is nothing more than being well disciplined, applying intellectual honesty in all the matters of the company, being strategically alert to business opportunities, applying common sense and holding oneself accountable to the company and its stakeholders.

Getting the Interventions off the ground required tremendous support, and CGF wanted to deliver the one-day Interventions that would be significantly different to the routine approaches adopted by the training and conferencing industries in South Africa. Thanks to the fantastic support received from IBM South Africa, who acted as CGF's anchor sponsor, we were able to achieve the following differentiators within our seven Interventions;

- ✓ delegate fees were drastically reduced, thereby allowing many more companies and their employees to participate without having to compromise the high standards of training, venue and refreshments,
- ✓ the Intervention programme was designed to impart practical knowledge, using powerful video clips and inter-active business examples to illustrate various points,
- ✓ delegates were 'rewarded' with prizes, which were generously donated by additional sponsors, thereby energising delegates with their active participation to maximise knowledge transfer, and
- ✓ sponsors of the Interventions were invited to participate on a basis not driven by profit, but rather on value.

Both IBM and our other sponsors made the Interventions a truly memorable event, so much so that every delegate left the Intervention with a renewed understanding of Corporate Governance and its application, including a business related prize which could be used within their workplace environments.



In no particular order of importance, our gratitude is extended all our sponsors, these being; IBM South Africa, Exclaim, CURA Software Solutions, The People Business Group, Lenovo, Exxaro Resources, Savage Jooste & Adams Attorneys, Infixion Media, the Gaffney Group, Circuit City Electronics, the ProudlySA Campaign, The Institute for International Research (IIR), Transcend Corporate Advisors, BEESA, Palladium Strategic Consultants, ABSA Bank, Spescom, Sabinet and 3S Media.

After a hard day's work, there needs to a little fun; on 26 July 2010 CGF will not only be thanking its sponsors, we will also be handing over two fantastic prizes for two lucky delegates who attended any one of the one-day Interventions. These prizes have been generously donated by Exclaim (Pty) Ltd (a full Enterprise Risk Management software package worth R46 000.00, with one year's free maintenance) and Lenovo (a Lenovo® ThinkPad® X100e Laptop worth R6 500.00). The event will be held at IBM in Sandton and this occasion will also be used to hand over a donation to the MAD Foundation which is chaired by Francois Pienaar. The donation is comprised of some of the profits of the Interventions, as well as a few generous friends of CGF.

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For more information contact:

Terry Booyesen, CEO, CGF Research Institute (Pty) Ltd on Tel: +27 (11) 476-8264/1; Cell: +27 82 373 2249; Fax: 086 623 1269; Email: tbooyesen@cgf.co.za, or visit www.cgf.co.za / www.corporate-governance.co.za

