

## Managing 'Generation Flex'

### How to:

- 'Green' your SME
- Structure your salary
- Reduce late payments

# your business

Inspiration Opportunities


## Tips and trends

to boost  
and grow  
your  
business

February/March 2020 DIGITAL EDITION  
Volume 25 No.1 | [www.bizmag.co.za](http://www.bizmag.co.za)

## Leading for a people- first future

Customer  
experience is key

 **Brainline**  
Live your  
dream

## BizOpps GUIDE

Licences | Franchises | Agencies  
Opportunities in  
the Kids' Market

5 MONEY MISTAKES  
YOU'LL REGRET  
FINANCIAL PITFALLS  
SMEs SHOULD AVOID

HOW TO SECURE  
INVESTMENT  
REMEMBER DUE  
DILIGENCE

PERSONALISE YOUR  
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USE REMARKETING  
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When venturing into the world of entrepreneurship, you can either start up from scratch, or buy into an existing model - a business opportunity. The one that will work best for you depends entirely on your business objectives and personality. Our BizOpps Guide features licences, franchises, agency opportunities and more. You may just find your perfect fit!

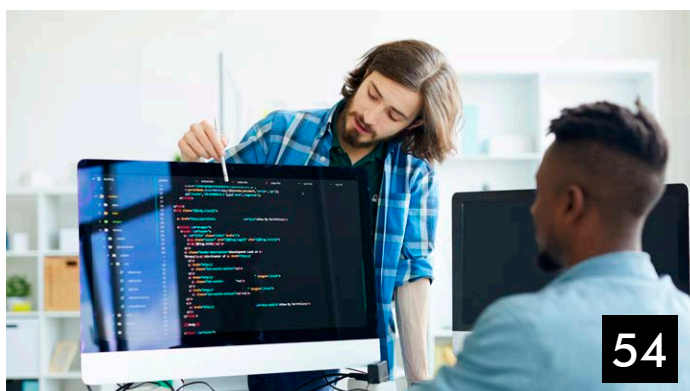


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After training at an existing store, 3@1 Fourways opened its doors for trading in September 2005 in the recently refurbished and remodelled Leaping Frog Garden Centre in Fourways with a 50m<sup>2</sup> footprint.

**In 4 years our business had grown so much that we had to expand.**

After what is now approaching our 15 year anniversary, the business model has proven to be a success, despite an economy that is far from galloping, the 3@1 business centre service is still growing at a good pace.”

*Tania & Peter Edwards*  
Owner operators 3@1 Fourways

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# The financial benefits of hiring youth



Many companies are apprehensive about hiring young people due to their lack of experience and know-how. Young people are seen more as a liability than a source of added productivity. This contributes to the rising youth unemployment that threatens our economic growth.

Addressing youth unemployment is one of government's top priorities, and small enterprises are encouraged to utilise the various incentives provided to them. By doing so, SMEs can play a bigger role in the alleviation of youth unemployment, whilst growing their business and benefiting financially.

Jake Willis, CEO of Lulaway Holdings, unpacks the benefits of hiring young people.

## The Employment Tax Incentive (ETI)

To incentivise hiring youth, government has made funding available for employers willing to hire young people. The Employment Tax Incentive was launched by the South African Reserve Bank, with the aim of reducing the costs incurred when hiring youths aged 18 – 29 years old. The ETI is essentially a tax rebate through SARS, and your accountant can apply for the ETI.

Subsequently this reduces the amount of Pay-As-You-Go (PAYE) tax owed by the employer to SARS without affecting the employee's wages. This cost sharing between government and companies aids employers in becoming part of the solution.

### The benefits of ETI for employers:

- A substantial reduction in the cost of hiring young people.

- A financially beneficial mechanism that involves burden-sharing with government.
- The work force becomes more vibrant and productive.
- Wages are unaffected by this incentive.

## Internships/Learnership funding

Since work experience is critical for youth getting absorbed into the work force, Government as well as private sector funded internships can offer companies significant financial savings. Depending on the intern/learner and their qualification, companies can get partial or total funding for youth salaries which they otherwise may not have hired. For example, a company that hires 10 additional youths can save approximately R500 000/ per annum in salaries.

Interns or experiential learners are employed on a fixed term basis (usually a 12-month contract) under the sponsorship of a government body such as a Sector Education Training Authority (SETA) e.g. Services SETA or the National Youth Development Agency (NYDA).

These bodies provide funding for the intern in the form of a monthly stipend, usually ranging from R1 500 to R3 000 per month, depending on the programme to allow participants to gain practical workplace experience. The host company can choose to top up the stipend amount and then claim back the ETI.

These interns have already undergone training and will add value as soon as they commence work as permanent employees. Similarly, interns who feel that they are not suited to the company or role have a seamless exit on the conclusion of the contract.

To hire an intern, one can go to a SETA related to the business, but it is much easier for an SME to use a company like Lulaway who acts as the go-between and takes care of the administration and process which sometimes can be complex.

## A bigger and youthful workforce

Onboarding young people comes with the reality that many might have less experience. The initial salary will be lower than that of someone who has the expertise and experience. This aligns with the ETI regulations that will mean none and/or lower wage expenses incurred by the company and tax contributions.

A youthful working environment is great for productivity and innovation. More and more businesses are starting to see the mutually beneficial nature of hiring young people. The alleviation of unemployment requires innovative ideas from all fronts. Businesses can start making a difference, while benefiting significantly in the process.



# Saving tax-efficiently for retirement

Retirement annuities (RAs) remain one of the best ways to save tax-efficiently for retirement. Jan van der Merwe, Head of Actuarial and Product at PSG Wealth, reviews some of the key features of RAs.

## What all RAs have in common

The basic features of a retirement annuity are governed by legislation, so you can expect similarities between them, regardless which product provider you select. Some of the common features:

- There's a limit on the tax deductibility of contributions: 27.5% of the greater of taxable income or remuneration, capped at R350 000 per year.
- RA investments are required to adhere to Regulation 28 of the Pension Funds Act, which limits the allocation you can make to certain asset classes.
- Investors pay no tax on the growth in the investment.
- RAs are only accessible at retirement (from age 55), with a few exceptions. You can only withdraw one-third in cash at retirement. The rest must be used to buy an annuity that provides an income during retirement.
- RAs are protected from creditors.

## It's important to use each year's taxable allowance

If you have some spare savings it's a good idea to use as much as possible of this year's tax allowance, otherwise you're missing a year in which you could have realised tax savings. Consider whether you can start a virtuous cycle of using the tax saving generated by each year's contribution to further invest in your RA.



## Retirement annuities and emigration

An exception applies to the normal rule of 'no withdrawal before age 55' if you officially emigrate or relocate on the expiry of a temporary resident visa. It is worth remembering that the tax deductibility of contributions, plus tax-free investment growth and favourable tax rates when emigrating, still makes an investment in an RA an attractive option. A withdrawal will be taxed in terms of the lump sum benefit table. Currently, the first R500 000 can be taken tax free.

## Using other tax-free savings to supplement your retirement savings

We are often asked which is better: an RA or a Tax Free Investment Plan (TFIP). The tax deductibility of contributions to an RA and favourable tax treatment at retirement make an RA the theoretical best choice for retirement savings. A TFIP can offer a convenient way to supplement your retirement savings, and its flexibility makes it attractive if you want access to your funds before retirement. A TFIP also provides more flexibility when it comes to the underlying asset allocation, i.e. Regulation 28 limits do not apply to a TFIP.

While saving for retirement can seem daunting, you are far better positioned to achieve your retirement savings goals if you invest in tax-efficient savings products.

## New tax app launched to make VAT easy



An innovative new VAT app, developed by a tax expert at hApp-e-tax, is now available in South Africa and is the mobile answer to VAT queries for accountants, auditors, tax practitioners, lawyers and even entrepreneurs who don't have access to specialised teams. This simple-to-use tech innovation will make it

easier for those who need to navigate through heaps of content to fully understand and apply South African VAT legislation.

The app includes the VAT Act, Customs and Excise Act, Securities Transfer Tax Act, Estate Duty Act and Transfer Duty Act. In addition, users will find all the SARS published rulings and can even print directly from the app. With quick turnaround times on revisions of the acts and legislation, the app is updated immediately when new tax legislation or SARS information is introduced.

This smart tool has seen thousands of downloads for both IOS and Android stores for mobile use on Apple and

Google smartphones and tablets.

Users can try the hApp-e-tax apps free for 30 days and have the option to choose whether they want the income tax version priced at R489 or the VAT and indirect taxes version for R379. Both apps together are available at a discounted price of R825. Users can upgrade or downgrade these versions at any time.

hApp-e-tax also offers corporate subscriptions where the employer pays for an annual subscription for its employees, who then get to download the app for free. Email them at [info@hApp-e-tax.co.za](mailto:info@hApp-e-tax.co.za) for enquiries about corporate subscriptions or for bulk free trials.

# Tips for **startup success**

**As we embark on a new year many of us will be looking to launch new business endeavours. But the road to success is never easy and is often tricky.**

Having reached the milestone of being in operation for five years last year, and creating more than 15 000 employment opportunities for previously unemployed or underemployed domestic workers, it cannot be denied that domestic cleaning services app, SweepSouth is a South African startup success story. Co-founder and CEO Aisha Pandor gives her advice for those just starting out.

## ***Find unique problems***

When setting out in business, particularly if you're going to be striking it out on your own as an entrepreneur, think big. Focus on unique challenges and solutions that have the potential to change people's lives. In South Africa, these are a plenty. Through technology, SweepSouth was able to address a core consumer issue – struggling to find reliable and vetted domestic help at decent rates that are also affordable. But it has done so while also addressing unemployment and underemployment, and domestic worker wage issues.

## ***Define success for yourself***

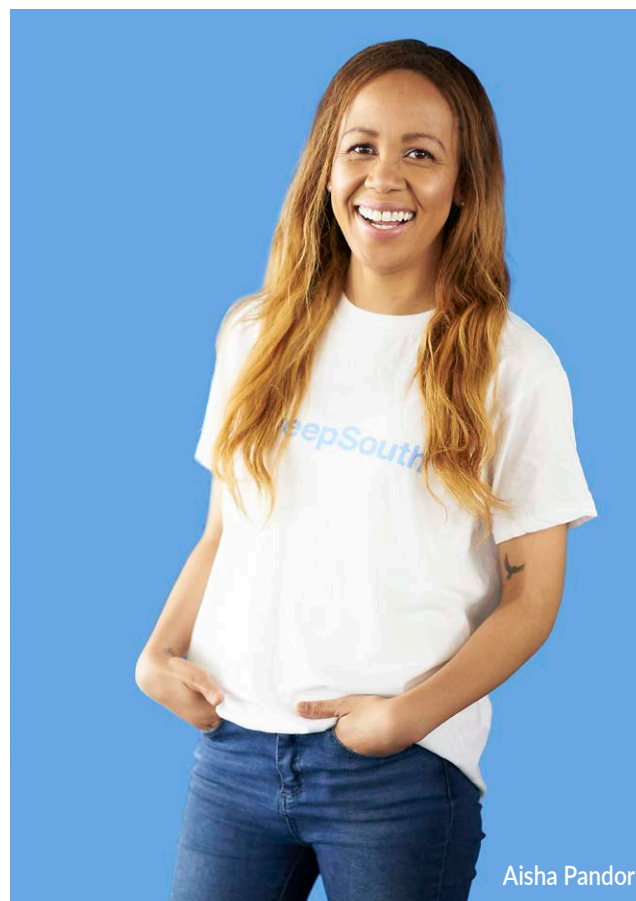
"When you have a big vision, you cannot expect to reach your outcomes on day one," says Aisha. Success is not a destination, and it is natural for goal posts to shift. There is no such thing as overnight success, and every stage of development comes with some frustration. "The practical details of whatever you set out to achieve could mean you have to redefine what success looks like at every stage. Set smaller, more attainable goals along the way to keep you on track."

## ***Social problems can be business opportunities***

According to Aisha, the interesting thing about growing a business in South Africa is that you have to be creative and a problem solver. "It may sometimes be something outside of your business focus or something you have to fix before you can grow to the next level. There are amazing opportunities to unearth solutions to social problems while you build your business."

## ***Lean on and learn from your networks***

"Learn how to work with people, how to lead people and how to get people to buy in to your vision. Never underestimate word-of-mouth and feedback to improve and build trust. In your business and in life, you don't need to go it alone," says Aisha. "There are people who have done it before. Ask for advice, broaden your networks and share



Aisha Pandor

your challenges with a trusted person. When you don't, it can be damaging to you, your business and the people who trust you to lead them.

## ***Pick your partners carefully***

"It is your vision, and you need to think carefully about the partners and investors you bring on-board. Your partners should have a similar vision as you, but skill sets that complement yours," adds Aisha. "When you exclusively self-fund a business, it can take longer to get to the same stage as a business with investors. So, the right investors can be good for business. When closing an investment, people often underestimate how long it takes to conclude an agreement, so you also have to make sure you have enough runway to allow that process to unfold."

## ***Remember you are not your business***

Aisha believes the notion of balance is a fallacy. "I always just try to do the best I can," she says. For Aisha, burnout is also real and it is something that can always be close if you do not learn to redefine what success is to you. It is important to de-couple business success from your personal life. Personal success is about reaching other goals, and about how you feel about yourself. Separating personal and business success means you still set work goals, but you can feel good about yourself whether or not the business works out in the end.

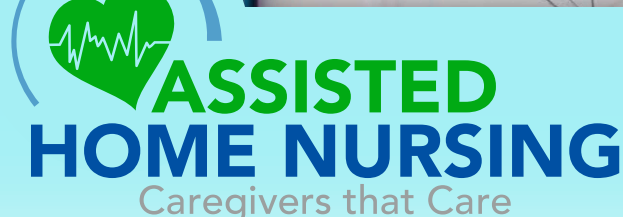


# INVEST IN ONE OF THE FASTEST GROWING SECTORS IN THE SERVICE INDUSTRY

**Mark Smith**  
Franchisee  
Cape Town  
Northern  
Suburbs

“My passion is to bring excellent service and care for customers in their own home. My firsthand experience of seeing how high quality care can benefit people's lives led me to Assisted Home Nursing in October 2017, which provided me with all the tools to work in an industry which I find very rewarding.

My management expertise went a long way to making this a real success. You've got to offer a community minded service to make a positive difference in people's lives. I am excited to be able to utilise my experience to deliver the highest quality care and exceptional customer service. Assisted Home Nursing are a professional, friendly and approachable team.”



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# 4 Trends that will help you build your business



**It's a new year and a new decade. If there is ever a time to take your business to the next level - it is now!**

Jacqueline Raw, Owner and Founder of Ycagel, believes that it is what you do in the first year of a new decade that will set the pace for the next three! In the spirit of setting your business up for success in 2020 (and beyond), she shares 4 top trends:

**1 Social Engagement:** The decade has closed on social content and we are now entering into the era of social engagement. Live streams, watching parties, group chats - it's ALL about engagement. Social media has become too noisy for content to be enough on its own. Quality, relevant, engaging content is the only content acceptable in 2020. Ensuring that your audience is actually engaging with your brand AND that you are engaging with your audience is a critical element in the social media space right now. It's about differentiating your brand by having a conversation more than just having a voice.

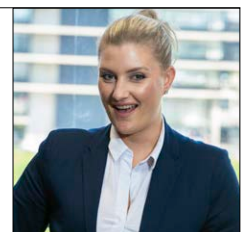
**2 Good old-fashioned networking:** Professional networking was all the rage back in the day when multi-level marketing was at its peak. The onset of the digital revolution, saw on-purpose networking take a bit of a back seat as professionals sought to establish themselves as thought leaders. Now, with every person a potential thought leader, we are (just like fashion seems to be) reverting back to what worked well back in the day. Creating solid professional networks and reaching out or tapping into new ones is widely accepted and even welcomed as networking starts to build massive momentum again. Wide, deep and strong networks are the foundation for generating good quality business leads and getting solid recommendations from your peers. Take advantage of this growing trend in 2020 and you're business will look very different in 2021!

**3 Workshops - streamed:** So, if you're going to make any kind of impact this year, running workshops to teach people how to do what you do is a non-negotiable, and so is streaming them (when you can). People are so interested in 'Do it your own' across so many different industries and technologies and new software makes it easy to try new things. For example, if you're in the pool business, you could hold a 'Surviving the rainy season with a sparkling clean pool' workshop, record it and post it to YouTube. No matter what your industry, hosting workshops is going to ensure you attract new clients and gain more exposure when you share the sessions online.

**4 Webinars:** It's time to fire up the midnight oil, team! Most side-hustle entrepreneurs are missing out on this insanely powerful trend thinking that webinars need to keep office hours. I'm here to tell you that it's just not the case. Most webinars these days are happening during the evening to accommodate the time-starved entrepreneur hoping to upskill themselves. Get out those PPT presentations and dust off your cameras - now is the time to get your message out there at scale!

"Some fundamentals to your success is ensuring that your product or service is top-notch, that your customer experience is insane and that you are consistent - and I mean seriously consistent. Back that by following 2020's 4 hottest trends and you're going to explode your business and brand growth!", concludes Jacqui.

Jacqueline Raw is a Sales and Marketing strategist. She is the founder of Ycagel, a Marketing consulting and services firm and SkillIX an online skills incubator for entrepreneurs and professionals.







# Solidify your vision

The success of a small to medium sized enterprise (SME) is often set at the beginning, with rigorous planning and commitment.

“More than the big picture idea, business owners need to get a strong handle on the internal operations of their company and ensure that they’ve got processes in place for seasonal changes, managing cash flow and covering operational expenses,” says Daniel Goldberg, co-founder of Bridgement, a Fintech company offering digital invoice financing and credit facilities to SMEs.

SMEs play a key role in job creation and economic growth. Findings by cloud accounting firm, Xero show that SMEs make up 90% of formal businesses and contribute around 34% to South Africa’s gross domestic product.

Goldberg answers five questions that every prospective SME owner should be asking themselves before embarking on their new venture:

## ■ What resources do I have to get started?

Building a network of professional help is a necessity to a successful small business. This would include legal, accounting and tax planning advisers in addition to strategic partners such as potential customers and existing SME owners.

## ■ What skills do I need to run my business?

Developing your skill set to include sales, marketing, human resources, legal, computer skills, and project management will enhance the operations of your small business. Consider taking some online short courses

through companies like Get Smarter or Red and Yellow.

## ■ What is my mission and business model?

A successful business starts with an effective internal strategy. This includes a detailed business plan and a strong sense of where your business differs in relation to your competitors as well as what your business will provide potential customers or clients with. Steve Blank’s Business Model Canvas is the go-to template for defining and iterating on your business idea.

■ **What is my business structure?** Understand how your company will run on a day-to-day basis. The financial, legal, tax and practical side of the business needs to be fully realised and implemented, in advance.

■ **How will I finance my business?** Working capital is a daily necessity for SMEs, they require a regular amount of cash to make routine payments, cover unexpected costs, and purchase basic materials used in the production of goods. If you’re just starting out, it’s best to fund your venture yourself or with the help of family and friends. If you’ve already been generating revenue for at least 6 months, a loan facility can help manage seasonal fluctuations and bridge gaps in cash flow. Raising equity financing from venture capitalists can aid in long-term growth and development.

# Keeping it in the family

For more than 30 years, BRAINLINE has been providing home education to thousands of learners in and outside South Africa's borders.

This family-run business started with humble beginnings, but today, three decades later, it is one of the most prominent distance education providers in the country. Brainline CEO, Coleen Cronje, says it was a matter of sink or swim.

"It all started when my husband, Dr Johannes Cronje, announced that we would home educate our

daughters. As parents, we had to investigate what would be required to cope with these new demands. My husband and his brother, David Cronje, started the information technology journey for the learner in South Africa when they moved into the computer retail market. They soon discovered that there was no software for learners at school, either as additional support or as a complete replacement for traditional





school. By implication - isn't that what marriage is all about - I got drawn into it, as it soon became part of our family's lifestyle."

Dr Cronje had the insight to realise that this concept would grow into an internet-based school.

The intricacies were not yet clear; however, the concept was. The internet being connected by 'telephone lines' around 30 years ago gave him the idea of 'Brainline', connecting parents, teachers, tutors and all those interested in the academic education of the learner. Uncertainty over technology proved to be a constant obstacle.

"The fear of technology is lodged deep in the psyche of parents of a certain era. For that reason, all new technology, floppy discs, followed by stiffies and then DVDs, immediately created the logistical challenge of hardware that had to be replaced at the drop of a hat. The biggest challenge was the development of software with regard to knowledgeable people, suitable resources and access to material. The "Fourth Industrial Revolution", which started even then, made hardware and software easier to afford and it became a growth factor for this industry," Coleen says.

The year 1993 saw the company registered as an official matric exam centre, with the Department of Education (DBE) as a B-centre for part-time candidates, though its registration soon migrated to that of a private entity, the Independent Examination Board. The next two decades saw the establishment of a fully-fledged and accredited virtual school, offering a wide range of subjects, complete with live lectures, and real-time responses via a stable communication application.

According to Coleen, the phenomenal growth of home schooling in South Africa cannot be ascribed to a single cause, but may be due to a perceived lack of safety at schools in South Africa, special needs in reading and learning that are not catered to, as well as concerns about the quality of teaching and learning in schools.

"Every child is unique and every family is unique. Home



Coleen Cronje, CEO

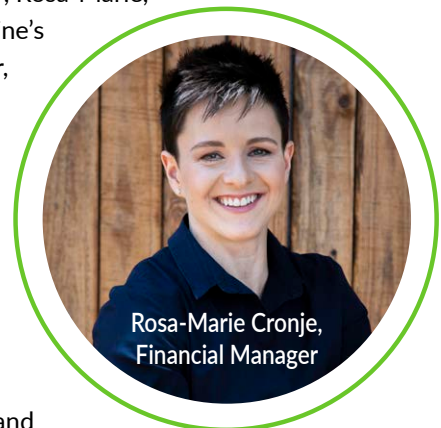
“ This is not just a day job for us, this is a family legacy for the next generation. We are all entrenched in the daily operations of the company to ensure that we offer our clients the best service possible. ”

education offers them the opportunity to fulfil their individual needs as a family, while still maintaining a high level of effective academic education. We see many children who compete in athletics on a global basis, or take part in the arts, such as ballet, for instance. Their schedules do not allow them to follow a normal schooling routine. With our programme, they are able to do their daily learning anywhere and at any time. They have access to every possible additional resource that they may need and their parents can easily stay in touch with what is happening in their academic cycle."

Cronje's daughter, Rosa-Marie, is officially Brainline's financial manager, however she wears many hats.

"I am also very involved in many other aspects of Brainline such as marketing, sales and driving innovation in our products

and platforms to the strategic vision of the company. I believe that a family-owned business is the most powerful kind. The vision and success of the company becomes part of your being from a young age. The most valued part for me is having the opportunity to craft and pursue the dream daily with my family, Mom (CEO), and aunt, Mornet de Jager (General Manager)."



Rosa-Marie Cronje,  
Financial Manager

General Manager and HR driver, Coleen's sister, Mornet de Jager, says working together as a family unit is one of the biggest success pillars of the company.

"This is not just a day job for us, this is a family legacy for the next generation. We are all entrenched in the daily operations of the company to ensure that we offer our clients the best service possible."

Rosa-Marie says that, as the younger generation, she is tasked with ensuring that the company stays on top of the latest developments.

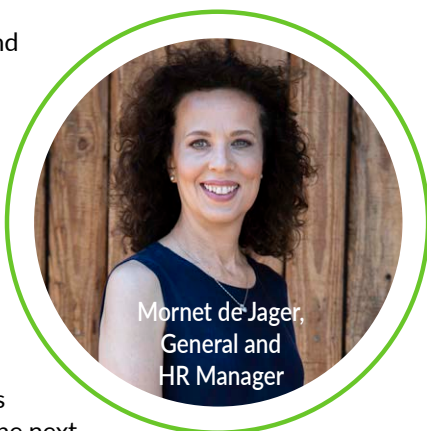
"It is a continuous goal for Brainline to be at the forefront of new technologies and innovation, going where no company in the home education space has gone before, to provide our parents and learners with the most enjoyable and successful academic journey. Brainline is enabling access to education through online technologies, but also by communicating with learners via platforms that they are most accustomed to. We also look at introducing new concepts such as virtual reality."

According to Coleen, Brainline offers a complete and comprehensive solution for children and parents alike.

"Our live lectures via the Brainline Cloud School are set up so that learners can ask questions in real time and have these covered in the lecture. For all intents and purposes, this is the same as class being presented by a teacher. Your child can interact with the teacher and even collaborate with classmates on group assignments."

Coleen explains that the lectures are recorded and the learners can go back and watch them again, or quickly brush up on something that they may have missed. All resources are easily and instantly accessible, thus giving learners access to every resource they may need at the touch of a button.

"For parents, it has never been easier to keep abreast of what their children are learning. Our system is set up to make sure that parents stay informed at all times. Public schools are generally filled to capacity, with some schools accommodating as many as 45 or more children per class. It is impossible for a teacher in that situation to give individual attention to your child, let alone to you as the parent."



Mornet says the system is set up to ensure that parents are in touch with their child's academic progress. "Online home education, while certainly more convenient for a lot of families, is by no means any easier than conventional schooling. In some ways it may be daunting, as it requires not only time, but also dedication on the part of the parent. We strive to support families at every level to ensure that they achieve success and remain recurring clients on an annual basis."

Coleen says that the IEB exams are well known for their rigour when compared to the National Senior Certificate (NSC) exams, offered by the Department of Basic Education. The difference lies in the enhancement of critical thinking and the application of knowledge for problem solving. This leads to a learner who is better prepared not only for tertiary studies, but also for the working life to follow.

### But what are the costs involved?

"Let's face it, as a parent, I do not know anyone who would not love to have their child attend a top private school. However, the one inhibiting factor is cost," says Coleen. With some former Model C schools charging as much as R2 800 per month per child, the cost of education in South Africa has been skyrocketing, to the extent that some government schools are now in a position to compete with private schools in terms of cost. According to Coleen, it is one of the focus areas of Brainline to ensure that they offer the best academic education to learners at an affordable and competitive price.

"A good education in South Africa does not come cheap," she says. "But we pride ourselves on the fact that we can effectively compete in the market where quality education is considered to be of great value to both current and future generations".

**For more information, email: [info@brainline.com](mailto:info@brainline.com), or visit: [www.brainline.com](http://www.brainline.com).**





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- Trusted leader in home education since 1987
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- Exceptional academic standards through our IEB-aligned curriculum and compliant assessments
- Guided and technology-rich academic journey for parents and learners
- Our qualified teachers give content-rich classes and valuable feedback.
- Valid academic reports at the end of each term that ultimately lead to successful completion of an NSC

**Take control  
of your child's  
education in a  
safe learning  
environment  
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# Leading for a **people- first future**



**One of the biggest trends shaping the successful organisation in 2020 are a people-first corporate culture and corporate wellness.**

In 1936 Dale Carnegie published a book entitled *How to Win Friends and Influence People*. The book contains simple principles designed to help people and leaders get the most from other people and leaders, principles formulated from years of working with individuals and recognising what gets results. Many of the ideals outlined in the book were inspired by some of the world's most famous leaders including President John F. Kennedy and John D. Rockefeller, and have influenced the careers of famous individuals such as Warren Buffet and Donna Reed. The book might be old, but the message remains as relevant today as it was more than 80 years ago.

Chris Ogden

Why? Because the principles of honesty, appreciation, praise, and encouragement will make anyone feel recognised and understood.

Unfortunately, many of these principles have slipped by the wayside in the corporate environment, leaving toxic whirlpools of competitiveness and blame in their place. Driven by the hard work and even harder shoulder pads of the 80s, corporate culture became increasingly impersonal. For employees, strict regulations around life and work has led to complex personal conditions and high-stress lifestyles. For organisations, the demand for better numbers, more productivity and less spend has led to increasingly impersonal and challenging deadlines that don't take people into account.

But the world is changing rapidly and people are changing alongside it. Fortunately, the ideals set out in *How to Win Friends and Influence People* are gaining traction again as leaders realise that softer skills are the ones that inspire and get results. In fact, the



“ The Deloitte Global Human Capital Trends Survey 2019 found that 80% of organisations believe they need to develop leaders differently and that there is a need to 'reinvent with a human focus'.

If you want your company to thrive in 2020 you need to focus on your people, deliver solutions that clients really need, add value in collaboration and communication, and recognise that everyone in business is a person. ”

Deloitte Global Human Capital Trends Survey 2019 found that 80% of organisations believe they need to develop leaders differently and that there is a need to 'reinvent with a human focus'.

Regardless of generation or age, most employees have started to feel the benefits of technology and realised that they have more choices and can work more flexibly. They want to be taken more seriously, to be heard in corporate discussions, and given more opportunities. If organisations, regardless of size and age, want to attract and retain talent, they're going to have to do far more than just hand over money and a well-stocked canteen. They need to create collaborative, open and engaging workspaces that empower employees. They need open lines of communication and greater freedom for individuality. Employees aren't children, they're adults who know what their job is and how to do it. And they want companies that let them get on with it.

This means a change in leadership thinking. The CEO of 2020 is strategic and has a clearly defined vision, but they are also someone who challenges their employees and colleagues to achieve, be more engaged, and feel

part of something important. The CEO has to ignite a culture that ensures employees buy into their vision, be someone who listens and acknowledges their time and commitment.

They also need to promote failure. Oh yes, this is one change that will make old school shudder in its boots. The days of public remonstrance are long gone. The right culture is interested in teaching people to learn from their mistakes and use failure as lessons to take their skills and abilities to the next level. A CEO that can create a clear picture of the business while allowing others to take responsibility for achieving this picture will build a culture that can thrive in the modern world.

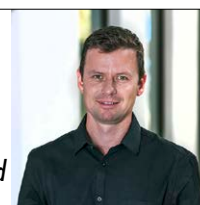
This will reflect in how the business engages with customers as well. Research and analysis continually points to how poor customer service and disinterested employees actually cost the business money. The PwC 'Experience is everything: Here's how to get it right' report found that bad experiences drive customers away, regardless of how loyal they've been to a brand. People sit at the core of customer interaction, internal interaction and long-term business success.

People want to be appreciated, recognised, rewarded, and heard. A good leader remembers people's names, has meaningful conversations that aren't just about work, and can articulate the company's vision and show people how they fit into it.

If you want your company to thrive in 2020 you need to focus on your people, deliver solutions that clients really need, add value in collaboration and communication, and recognise that everyone in business is a person. Listen to them, smile, and appreciate their business. This is the mindset and skillset that shapes a successful leader in a market that craves stability, recognition and relationships.

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Chris Ogden is MD of RubiBlue and author of *'Build a business. Plug the gaps. Know when to fail.'*



# Time to prioritise the **customer experience**

Leading research shows that 2020 is the year in which customer experience (CX) will overtake price and product as the key brand differentiator.



And with competition fierce and companies under pressure, South African business leaders will be looking to claw any advantage they can over their competitors.

"As we enter the new decade, it's important for businesses to realise that they are going to be left behind if they are product-centric. Investing in smart technology can make for a great product and selling point, but boosts in sales will be short-lived if you are not taking steps to consider the holistic customer journey and user experience," says Nathalie Schooling, CEO of customer experience specialists, nlighten.

While budgets may limit the extent to which local brands can take advantage of this shift, Schooling shares five areas that SMEs can start addressing to win customers' affection.

## ■ You can't manage what you don't measure

Measuring how satisfied your customers are is vital, but what's even more important is understanding the context. What this means is that any customer feedback mechanisms should attempt to build your understanding

of what your customers want, as well as what they expect. Brands can implement simple direct-feedback mechanisms to harvest customer opinions, or through unbiased third-party providers who offer this service.

## ■ The devil is in the detail

You can only fix what you know is broken in your customer experience. And the best way to gain that knowledge is to understand what it's like doing business with you from the start to finish – at every single touchpoint. Armed with this information, you can create a customer journey map. This tool should then be used to track customers' experience, and constantly refine that experience to ensure that it consistently meets their expectations.

## ■ Be clear and bold

This may come as a surprise, but not all your clients are aware of your unique value proposition. It is therefore essential that you clearly articulate to them why they should rather do business with you, as opposed to your competitors.



It should not be taken for granted that your customers are aware of this, and the best way to reinforce this is to communicate this internally first. Armed with this knowledge, your staff are better able to communicate this to clients and thereby win their loyalty.

### ■ Build a CX culture

Which brings us to probably the most effective, and least costly way to ensure that your customers receive a consistently high-quality experience – communication.

Only if everyone in your organisation understands their role in ensuring that your customers' expectations are met (possibly even exceeded) can you be assured of CX success.

You can achieve that through ongoing internal communication, training programmes (especially during onboarding of new staff), leading from the front by management and reward and recognition programmes.

### ■ Keep at it

Building great customer experiences and engraining that into your organisation's culture takes commitment to continually improving. And it takes time - this won't happen overnight.

Creating a business that differentiates by understanding what customers want and need is an iterative, ongoing process that adapts as people change and their needs and wants change.

Nathalie Schooling  
is CEO of customer  
experience company,  
nlighten. Visit:  
[www.nlighten.co.za](http://www.nlighten.co.za).



## Walk in their shoes

**As a small business owner, have you taken the time and effort of experiencing your business' current customer journey without any bias?**

What is preventing repeat business? Do your clients have the space and a platform to give you feedback about how they've experienced your goods and services?

While big brands may lead the conversation and the shift towards investing time and money in customer experience, the reality is that as a small business you too need to start creating ways of making it easier for your customers to do business with you. Take a closer look at the way in which customers experience your products or services, and their perceptions of your company. More importantly, take note of how and where you are losing sales due to a customer journey that hasn't been carefully thought through or mapped out.

Let's compare it to acupuncture, an alternative healing method that aims to address the root of the problem instead of the symptoms. In the same way, you should investigate what the root of the problem that your business is experiencing might be - the pain point.

It might be that your market has evolved over the years, yet you have not evolved with it, and it's time to tweak your offering or to take it to a completely new market. Another possible reason that customers are not experiencing your offering positively could be the hiccups in the buying process, either in dealing directly with sales staff, or in the digital phase of the process.

Test and study your client's entire journey in trying to buy from you, plus the possible detours which makes every customer's experience completely unique. For example, when you are running an online boutique, you might provide customers with only one payment method, which might be convenient for some, but not for others. This might be the (pain) point at which your business experiences drop-off customers. Perhaps you have noticed a significant drop between the number of people that load their shopping cart and those that actually place an order with you, in which case it might be time to implement remarketing (see page 44 to read how it works).

Revisit and simplify the journey, and keep open communication with your customers. Make it known that they can at any point reach out to you, and exceed their expectations in the way you handle complaints and suggestions. Your business' next big marketing campaign or innovative idea could come from this.

"You don't build a business – you build people and then the people build the business. This still rings true in 2020. Make sure you build a team that is passionate about working for brands with heart and are ready to carry the business' vision. Personalise the experience for the different personas of your target market that you have created, start small both online and offline.

Amantle Mokubung,  
Social Marketer.  
Speaker. [www.amantle.co.za](http://www.amantle.co.za), Email:  
[info@amantle.co.za](mailto:info@amantle.co.za)  
Twit/Insta: @amantle\_ .  
FB: Amantle



# 5 Money mistakes you'll regret

**The accumulation of many 'small' bad financial decisions can bring a small business to its knees.**

A crucial contributor to business success is accurate forecasting. Businesses have a better chance of making it through the tough first years if they can forecast things like cash flow and expenses, while also putting contingency plans in place for things they can't forecast - like unexpected financial knocks or insurance-related events. Yet many small businesses make the same mistakes early on that come back to haunt them a few years later. This is because, of all the roles that business owners take on, managing their finances and being diligent about record-keeping are among the most challenging.

While one big financial event can result in business failure, the accumulation of small bad decisions can also bring a business to its knees. Here are some financial pitfalls small business owners should avoid at all costs.

## 1 Neglecting to budget

When it comes to business finances, “winging it” is the worst strategy. Budgeting is critical. It helps you manage your finances and ensures that you've planned for recurring, but often overlooked, expenses, like insurance and tax. It also keeps wasteful spending in check and provides insights into where you can cut costs.

Let's say you own a mobile ice-cream parlour. You'll have fixed expenses, like truck repayments, wages, and raw ingredients. You won't be able to reduce these much. But by keeping an eye on your variable expenses, you may notice that your cone supplier is charging 25% more than it did three months ago – an indication that it's time to find a new supplier.

A budget will also help you to plan and save for the quieter winter months and to identify expenses that you can eliminate altogether – like the certain sprinkles very few people order. Without a budget, it's only a matter of time until you run into cash flow problems.



## 2 Not managing your cash flow

Your cash flow is closely linked to your budget. However, many small business owners confuse cash flow with sales. Yes, you might have a lot of orders for ice-cream cakes, but until you get paid for those orders, you'll have to pay wages, taxes, petrol, and your sprinkles bill out of your own pocket.

There are ways to encourage prompt payments, like invoicing as soon as an order comes in, using cloud-based accounting solutions, and adjusting payment terms with your suppliers. Your software can also automate payroll, invoicing, and tax reporting, and keep you compliant with all financial legislation, so you can focus on more important things in your business.

If all else fails, you may have to take out a loan to keep your ice-cream truck on the road – and the worst time to ask for funding is when you need it most.

Also, keep an eye on government communications such as the President's State of the Nation Address and the Finance Minister's Budget – both in February in 2020 – to learn about new tax regulations for the year. And use your accounting tools and the advice of your accountant to ensure that you are well-prepared for tax filing season.





### 3 Waiting too long to secure funding

If you're already struggling to pay your bills because of a cash flow shortage, you're going to have a hard time convincing the bank to lend you money.

The best time to secure funding is when you don't actually need it and you're already in a strong financial position. This way, it's easier to convince lenders that you can repay your debt.

The not-so-ideal alternative is to use your credit cards to fund the cash flow shortfall, but a word of caution: Don't use your cards unless you can pay the balance, in full, every month. If not, you'll quickly build up debt and get stuck in a perpetual cash flow-negative cycle.

**Rule of thumb: Don't spend money you don't have.**

If you need money fast, alternative lenders are a good supplementary option. But, in an ideal world, you should try to avoid this altogether by building a financial safety net.

### 4 Not saving for a rainy day

You're in the ice-cream business, and very few people want ice-cream on rainy days. What's more, since you operate a seasonal business, you'll need savings to get you through the colder months or help you recover from an

unexpected emergency – like a broken-down truck or a faulty freezer that turns all your product sour.

Ideally, you should have at least three months' worth of expenses saved up. You'll want to keep this money in an easy-access investment account, so that you earn higher interest but can also withdraw the money at short notice.

Don't, I repeat, do not use your credit card to cover big unexpected expenses. It's likely that you haven't budgeted for the extra repayments, which puts you back into cash flow-negative.

Emergencies happen. It's part of doing business. Make sure you're prepared by keeping a tight lid on your spending.

### 5 Not being frugal

When you're just starting out, you really don't need the latest gadgets, swanky office space, or expert hires. Try to make do with the bare minimum: work from home or a shared office, use your ice-cream van until you really have to renew it, and use skilled freelance cake decorators instead of hiring full-time resources.

A good measuring stick is to ask if the expense adds to your bottom-line or will generate revenue. If the answer is "no", then don't buy it (goodbye, fancy neon signage and roof-mounted state-of-the-art boombox).

Get really good at record-keeping, but if the thought of admin makes you want to eat sour ice-cream, hire an accountant to do it for you. They may even help you find tax breaks that you didn't know you qualified for.

Receipts and invoices should be processed immediately, not "when you get around to it". Scan them as you receive them on the go from your mobile phone. If you're using cloud accounting solutions, they'll be uploaded and categorised automatically. Or you can link your software to your accountant's and let them handle the admin.

Maintaining a healthy bottom-line and staying cash flow-positive is key to business success. Review your finances regularly, to make sure you're on track to meet your goals. If not, make some changes.

You'll thank yourself five years from now.

By Viresh Harduth, Vice President, Small Business, Sage Africa & Middle East at Sage.  
Find out more: [www.sage.com/africa](http://www.sage.com/africa).



# Tips to reduce the risk and burden of **late payments**

For small companies, cash flow is everything. Even small gaps can hurt supplier relationships, incur additional fees and can be the difference between staying in business and going under.



It's no surprise, then, that recent Xero research of over 500 SMEs found that cash flow and late payments were the number one concerns for SMEs. The report, titled "*The State of Late Payments in South Africa*," also found that an astonishing 91% of SMEs experienced late payments on their invoices over the past year. SMEs are currently owed, on average, R99 801 at any given time. This equates to a staggering R249.5 billion nationally.\*

## Late payments disrupt cash flow

Late payments are one of the major causes of cash flow problems. When combined with other irregularities like holidays and tax deadlines, late payments can put businesses precariously close to the red. Beyond that, companies that are waiting on payments will have a harder time processing and making decisions, and of course risk passing on the problem if they are unable to pay their suppliers on time too.

According to the report, one in five South African businesses struggled to pay for critical services, suppliers, and staff because of late payments. Almost 20% struggled to invest in growth and innovation, while 17% had to declare bankruptcy.

The South African economy needs small businesses to succeed, which is why several prominent role players established a late payments task force to gain insights about what SMEs can do to stay on top of cash flow. This task force includes Louw Barnardt, Co-Founder and Managing Director of Outsourced; Colin Timmis, Country Manager at Xero; Jeanne Viljoen, Project Director, Practices at SAICA; and Damian Baker, Manager of Business Process Solutions at SNG Grant Thornton.

Four experts offer the following advice to help you speed up cash collection, and limit late payments as much as possible:



Damian Baker,  
SNG Grant Thornton

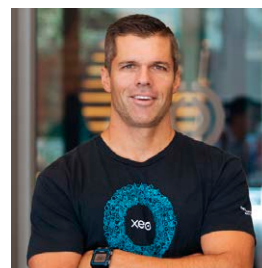
## 1. Start as you mean to go on

Delayed payments have a direct impact on your working capital and can severely constrain growth capacity. That's why it's crucial to set out your payment terms, invoicing dates, and due dates in contracts from day one to eliminate ambiguity. Once

you've established the ground rules, it also helps to send your invoices promptly, as the sooner you invoice, the sooner settlement could be received. If you're having persistent problems, consider implementing interest charges or setting up a monthly debit order.

## 2. Relationship building

Working closely with the accounts departments of the companies you're invoicing can ensure prompt payment. Make sure that they are familiar with your payment terms and know how to reach you with any questions. If you build a strong



Colin Timmis, Xero



enough relationship, they might even work towards speeding up turnaround. Differentiating between primary and secondary contacts is also crucial, as is learning your customers' payment cycles. Ask them whether they want to be invoiced 100% upfront since this can make their life easier if they're working through an allocated budget. It's also important to conduct a credit check on prospective clients. Companies and suppliers with bad credit histories might be liable to pay late in the future.

### 3. Develop a comprehensive cash flow strategy



Louw Barnardt,  
Outsourced CFO

Cash flow is often misunderstood as a simple matter of being 'in the red' or 'in the black'. In reality, it is far more complicated, and that's why businesses need a comprehensive cash flow strategy. In short, this is about managing ebbs and flows: making sure you have enough staff to make the most of spike periods, and knowing how to upsell customers, bring them back, and get by

during downtimes. A re-organisation of staff schedules at the right moment, or a strategic promotional sale can make all the difference.

### 4. Choose smart accounting technology

Modern accounting software offers greater visibility of your numbers and makes it simple to manage your finances, all while being more affordable – and beautiful – than previous solutions. What many don't know is that it can also be a powerful tool in helping you to avoid late payments by sending out invoices in bulk and automatically tracking payments. Embracing technology means that businesses will be able to spend less time on troublesome administrative tasks and more time on growth.

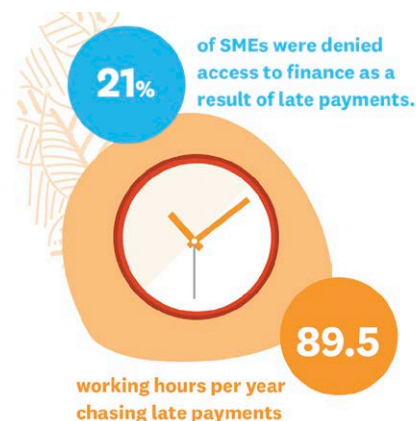


Jeanne Viljoen, SAICA

### Taking on late payments in 2020

Getting paid for your hard work should never be a chore, so let's put an end to late payments in the year ahead. The key to dealing with the uncertainty we face in South Africa is to focus on what you can control and working to improve your cash flow wherever possible. This means working with your accountant, sourcing the right tools, creating clear deadlines and understanding and preparing for cash flow fluctuations. When you can stop worrying about administrative concerns like payments, you can start focusing your energy on what really matters for your business.

\*Calculated by multiplying the estimated number of SMEs in SA (2.5 million) by R99, 801 (the average amount in late payments owed to SMEs at any given time). This amounts to R249.5 billion.



Download 'The State of Late Payments in South Africa' full report [here](#).

# Securing investment for your business



**Most of us know that a persuasive business plan; a competent board structure and demonstrated market advantage grabs an investor's attention. However, it's usually not until a successful due diligence enquiry is completed that investment funds flow.**

Due diligence is an investigation or audit of a potential investee company to confirm all essential facts and identify potential risks associated with the company. For instance, its financial enquiry leg typically involves auditing a company's financial records and its tax compliance practices. The legal side involves investigations into factors as well as legislation which is determined on a case-by-case basis based on factors such as the stage in the investee company's life cycle, the industry in which the investee company operates and the jurisdiction in which the investee company is headquartered. An investor needs to carry out due diligence enquiries and conclude investment terms to evaluate and mitigate any risks before resolving to invest.

Regarding the foregoing terms, in most cases, assuming the structure of the fund is equity financing, terms which will regulate the investment deal must also be settled and then documented before funds are disbursed.

## **What investors want to see in the potential investee company**

Generally, the goal of the due diligence enquiry is to determine the legal and commercial soundness of the potential investee company. The normal chain of events

is that an investor will source specific information and supporting documents from the potential investee company. Once the material is provided, assessed and the outcome thereon reached, the investor will study the outcome and either elect to proceed with the investment deal or not. At this stage of discussions, an investor will only decline to proceed with the investment if the outcome does not yield the sought legal or commercial rationale.

Where minor red flags are identified, an investor ordinarily suggests remedial action and then proceeds to conclude the investment on the condition that such remedial actions are taken before or within a specified period after the investment is made. The company is required to provide accurate and reliable information during the process of disclosure as investors rely on the accuracy of essential information to conclude the investment. As such, some investors might also ask the founders of the company to provide certain warranties alongside the investee company regarding the provided information. If the founders create an inaccurate representation of the company's position, they might incur liability as a result in the future.

A few broad areas into which a due diligence enquiry is conducted is the corporate structure and the company secretarial governance, the material contracts or other trading arrangements, the financial regulations, the company's intellectual property arrangements, the assets and liabilities of the company and any litigation or any pending disputes involving the company (regulatory compliance). For illustrative purposes, the corporate structure and company secretarial governance scope will typically include documents which evidence the



company's incorporation and other constitutional documents such as the memorandum of incorporation and/or the shareholders agreement; the complete records evidencing the authorised and issued shares in the share capital of the company (typically illustrated in the securities register). The purpose of this area of enquiry, amongst other areas, is to determine if the company is compliant with the relevant regulations, whether ownership of essential assets of the company are consistent with assumptions regarding the valuations applied for the investment and whether the shares to be acquired will not be impacted by incomplete or inaccurate historical transactions.

With regards to the material contracts and trading arrangement scope, investors limit their review generally to high value, long-term contracts with clients or other creditors; copies of all licenses, franchising, merchandising, marketing, purchasing; manufacturing, agency and distribution agreements entered into or received by the company (if applicable); the existing and intended employment contracts or an agreement regarding salary payments and any intellectual property arrangements, pre-existing or potential funding or loan agreements; and so on. At this level, amongst other things, the investor is particularly concerned with assessing the key business relationships of the company to ensure that projections and planning around revenue streams, contingent liabilities, exposure to contractual risk and expectations around supplier relationships are consistent with assumptions applied by the investor in structuring the investment.

Naturally, early stage businesses will have less information compared to well established companies. As such, information requested by the investor will differ – both in-depth and volume, depending on the extent of the investee company's historical operations. However, if founders are exclusively focused on the operational side of the company and have never consulted a legal or financial advisor in the life of the company, they might fail to produce records which evidence the proper company governance, legal nature and financial reporting standards to anchor various structures of the company. It is important to approach legal counsel well in advance to ensure that you have adequate legal support in ensuring that your company is investment ready.

### **Investment terms which must be settled before funds flow**

In addition to the due diligence process, investors will undoubtedly wish to negotiate the essential terms which will regulate the investment, particularly if the

method for financing is issuing equity shares for capital. To give you an idea of topics covered for some of these terms, please consider the following list: the amount of investment; the valuation of the company; the intended use of the funding proceeds; the structure of the board for decision making purposes; when decisions are referred to shareholder level and who will have decision making power; conversion or anti-dilution provisions of each classes of shares; issues related to liquidation preferences; who would have pre-emptive rights before shares can be transferred or issued; if founder or shareholder will be restraint after an exit or locked-up to serve the company on share vesting provisions; whether employees should receive incentives or not; governing exit terms and issues relating to other forced sale events, amongst other things. Essentially, all these terms seek in some way to regulate the economics, risk and control associated with the investee company. It is important to use legal counsel that understand the aims of both the investors and investee company to ensure that the investment terms are in line with industry standards and create a balanced, durable structure that keeps all parties honest for the duration of the relationship.

There is often much deliberation around a few stated essential terms which would regulate investment transactions. It is standard practice for a potential investor to withhold investment proceeds until transactional documents have been finalised, executed and taken effect. Therefore, you must be prepared and well versed on the implications of each material term of the investment or at least be acquainted with a legal advisor that is so that they may guide you and most importantly protect your interests in the company post the investment deal.

### **Closing the deal**

This brings us to the most important part of raising funds for your business – sealing the deal. Once the investors are happy with the outcome of the due diligence enquiry and the essential terms of the investment have been settled, the next most important step is receiving the funds and then reverting to operational activities of the company to achieve those gutsy forecasted figures in your pitch deck!

Prince Mathibela is a Candidate Attorney at Domisse Attorneys as part of the Transactional Team enhancing his skills in corporate finance, merges and acquisitions and corporate restructuring.  
Visit: [www.domisseattorneys.co.za](http://www.domisseattorneys.co.za)



# Entrepreneurship and Pay

## Understanding the link between a business owners' salary structure and the business' life cycle.

An unemployment rate of 29.1% (according to Stats SA) means that approximately one in three people that have actively searched for work have not been able to find employment. The youth unemployment rate for people between the age of 15 and 24 has risen to 58.2% and 36.1% for people between the ages of 25 and 34.

These severe statistics highlight the need for entrepreneurs to not only employ themselves, but to also create jobs for others in an effort to eliminate the social scourge of unemployment. Fortunately, the entrepreneurial spirit of South Africans is alive and well and with the appropriate support from legislation and financial institutions, SMMEs can lead the fight against unemployment.

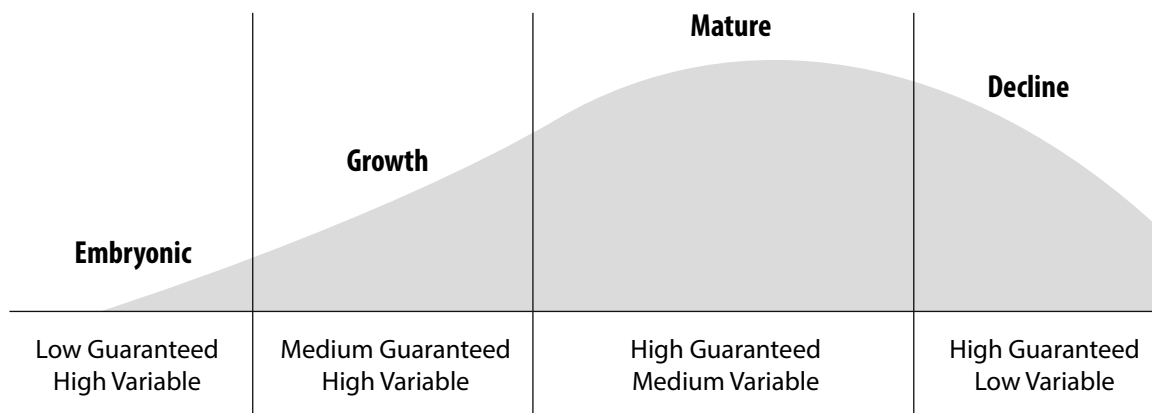
Being an entrepreneur (owner) may sound like a wonderful opportunity to work for yourself and reap

the benefits of your own efforts,. In reality it is an undertaking riddled with challenges, start-up capital usually being the most significant along with lack of administrative and productive support.

And then the biggest question of all: *"How do I fund my own personal finances when I have invested all of my money and effort into my business?"* This is an awkward, but very relevant question. An entrepreneur cannot pursue their business interests if they are unable to meet their own basic needs. One of the most fundamental errors that an aspiring entrepreneur can make is not factoring in their own salary when structuring their business expenses.

So, how should an entrepreneur structure their own salary when starting their business? The key to answering this question is the understanding that the entrepreneur's salary structure and the business' life





**Table 1**

cycle are inextricably linked. Table 1 illustrates this link and explains how the entrepreneur's pay structure will change as the life cycle of the business changes.

### The embryonic phase

During the business' embryonic phase, the risk of failure is high, the work stream is uncertain and usually the entrepreneur is working alone or in a small team. This phase is often characterised by the business needing to retain as much profit as possible for further investment to expand the business. This necessitates that the entrepreneur sets their guaranteed pay as low as possible and shares in the profits only after funding the business to meet its expansion goals through the profits.

### The growth phase

The growth phase occurs when the business has become somewhat established and the work stream is more stable and consistent. This allows the entrepreneur to employ additional resources with more certainty that they can afford these resources, and hence lays the platform for expansion. During this phase the entrepreneur can move their guaranteed portion of pay closer to that of a market related salary and maintain their high ratio of variable pay based on the profits of the business after funding business growth.

### The mature phase

Once the business has matured and is approaching its peak, the need for the entrepreneur to carry the full burden of running the business begins to diminish and they can begin to treat themselves as an employee (usually in the role of Chief executive Officer). This transition from business owner to "employee" (although still the owner) allows the entrepreneur more freedom

within the business, as structures are well-defined and the business no longer solely relies upon them for survival.

The work stream is well established and allows the owner to pay themselves well in terms of their guaranteed portion of pay, although their ratio of sharing in the profits of the business may decrease.

### The decline phase

During the decline phase, the entrepreneur is either seeking to sell the business or keep it as a "break-even" or "loss-leader" business, or as a strategic input into another business. The opportunity to share in profits from this company may have declined, but the business may allow the entrepreneur to reach the growth or mature phase of another business of theirs' which compensates them through that business.

Lastly, some entrepreneurs pay themselves less because of the shares they own in the company. This should not be confused with salary as they own the shares through starting the business, and not by the nature of their employment. This should always be born in mind, as the business does not exist without the entrepreneur, and the entrepreneur (by definition) doesn't exist without the company.

Bryden Morton, B.Com (Hons) Economics, is Executive Director at 21st Century, a specialist Remuneration, Organisation Development and Change Management consultancy. Email: [bmorton@21century.co.za](mailto:bmorton@21century.co.za).





# Being small has never been so big



**If you have a genuine love for children, a lot of energy, and a good dose of business acumen, there's money to be made in the burgeoning children's product and services industry.**

And this is good news for the entrepreneur looking for a thriving sector to invest in. Little people are big business. Education and tutoring, fitness and recreation, parties and entertainment, specialised and personalised products and even bath and skincare products are just some of the areas in which there is a huge variety of child-related opportunities to explore.

## **Meeting today's needs**

Giving your child the best start in life has always been a core motivation for parents everywhere. In the South African context, research shows that parents who did not have opportunities themselves when they were growing up, are now determined to give their children as much of a head start as possible, and who make great sacrifices to provide additional quality education for their children.

With both parents working in many families, and single-parent homes on the rise, businesses that address convenience and time-saving activities are also in great demand. Examples of this could include ready-prepared food products as well as crèches and after-care facilities.

## **Is this the industry for you?**

While the nature of the business may vary substantially across this sector, not surprisingly one key requirement for setting up shop would be a passion for children and a desire to interact with them and help them grow. Characteristics such as patience, flexibility, empathy and a sense of wonder will stand you in good stead for building a healthy kiddie business.

There are personal factors to take into account as well, like how a business might impact on your own family. In many instances, a child-related business appeals to new mothers who desire flexibility and feel that it will give them more time with their children. This may be the case, depending on the opportunity, but often the reality is that the start-up phase for any enterprise is fairly demanding; so be sure to go into the industry with your eyes wide open.

Look carefully at the offerings in this space, and chat with existing operators and franchisees about their experience, how they rate the support from their head

Continued on page 30

# Tapping into the 'full potential' market with **EDUBLOX**

Regardless of the state of an economy or social and educational challenges in a country, there is one universal trait that all parents covet: to see their children thrive and blossom into upstanding citizens with personal and professional purpose.



Edublox is a research-based provider of specialised reading, maths and learning services. Edublox focuses on educational interventions comprising of cognitive training, reading, spelling, comprehension and maths – and has an important role to play in helping children achieve their full potential. For some, this may mean overcoming reading and learning difficulties; for average students, it might lie in that extra push to help them become top achievers.

A second generation family business, Edublox has more than 35 years' experience in the educational field. Since its inception in 1979, over 150,000 people in approximately forty countries have benefitted from Edublox, and the website hosts more than 760 success stories from thankful parents.

There are currently more than 45 outlets across Southern Africa, and the footprint is constantly expanding to accommodate as many children as possible and to connect them with reading and learning help and support.

Edublox is looking for A+ applicants who love and communicate well with children to join our dynamic team of franchisees. Ideal candidates preferably hold a qualification in education and preferably have some working/teaching experience with primary school learners. Prospective franchisees are disciplined self-starters with a high level of personal integrity, good organisational skills and scheduling abilities. Our franchisees feel passionate about helping children to achieve their full potential, and believe they have an important role to play in facilitating this to the benefit of the learners, their families, and the nation as a whole.

## Make reading, maths and learning easy! Franchise opportunities available

35+ Years in business | Research-based | 96% Referral confidence

**Cognitive training programmes improving learners' school performance and self-image, and creating a basis for lifelong learning and future career success.**

### **Centre Option:**

- Smaller areas and towns
- 20 learners enough for a viable business
- Part-time (afternoons) or full time

### **Clinic Option:**

- Larger Areas



*Successful kids. Proud families!*



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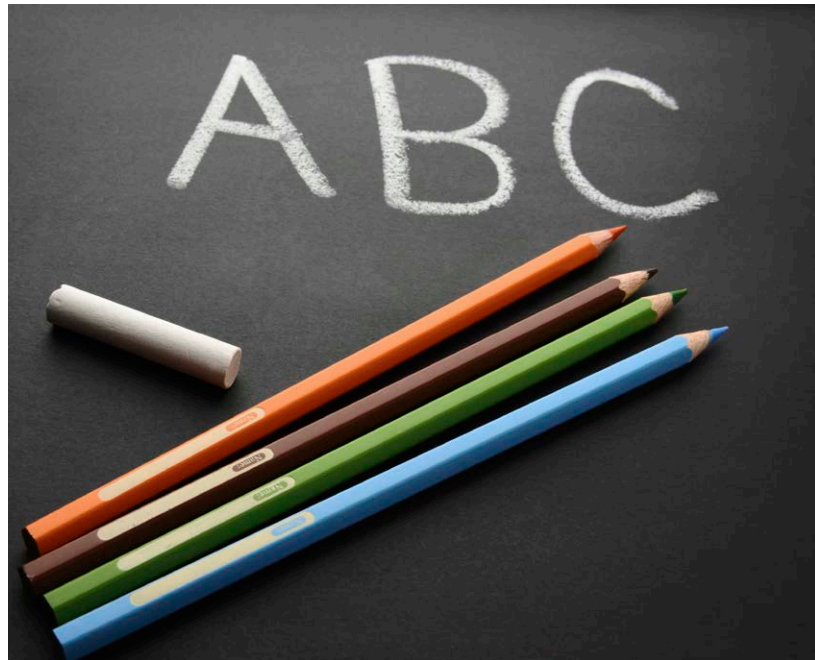
Continued from page 28

office, and what they believe the strengths and weaknesses of the system are. Whether you join an existing network or go it alone, thorough research is always the starting point of any successful entrepreneurial endeavour. Liaise with parents in your area to find out what services they require, and visit children-focused businesses to get an understanding of gaps in the market and what it takes to succeed.

## The building blocks of business

Building a kiddie-related business requires much the same set of skills as any business – a sound knowledge of business and operational processes is essential to ensure the smooth running of all aspects. It's important to identify the areas that you are good at and hand over the weaker areas to others. The ability to diversify is also important, as is a willingness to re-invest, change and adapt to what you see and hear from customers is essential.

Consistent marketing is also key. New kids are born all the time,



so you should constantly be looking for new customers. Children grow up and move on, so it is about targeting the next set of children, while keeping the existing customers happy. This sector sees new trends and opportunities springing up all the time that get traction very quick.

Researching international trends can also be helpful, as often developed markets are a few steps ahead and local markets progress in the same way in time.

Kids live in a world of magic, excitement and endless possibilities. As an entrepreneur, try to enter that world with them, and you'll be that much closer to tapping into their desires and needs. If you're feeling inspired to start up a business in this booming sector, and feel that you tick all the boxes in terms of what it takes, there are many exciting opportunities for you...





# YES...1+1= PROFITS

A Franchise opportunity with A+ Students enables entrepreneurs to turn a profit, and make a difference...



A+Students is a proudly South African, Multi-award winning franchise offering Abacus and Mental Arithmetic training, with its application in Mathematics.

A+Students is the only institution which integrates the ancient art of Abacus and Mental Arithmetic with School Mathematics, combined with our A+ Play Maths range of products and games, making our offering Unique in the Educational Sector.

A+Students is a Japanese method of education that teaches children as young

as two and a half years how to solve complex arithmetic problems by playing with the soroban (abacus) and our A+Play range of toys.

Since its inception the franchise has grown to over 130 franchises, with 640 teaching venues across the country. We are currently on an aggressive expansion plan, looking to introduce the brand throughout South Africa's major cities and small towns. To date over 40 000 students have enrolled for our courses.

As the market leaders in our field, joining the A+ Students Network is an ideal opportunity for those who are passionate about education and are looking to pursue an entrepreneurial venture. The opportunity is perfect for those looking to exit the corporate world or formal teaching environment or alternatively, stay at home moms

looking for a new, exciting business opportunity.

Our programmes are aligned with the STEM educational approach which places an emphasis on fostering skills in the areas of science, technology, engineering and mathematics.

When purchasing an A+Students franchise you secure the rights to offer the A+Students programme in a specific geographical area. Coupled with a highly profitable business module (100% gross margin) this is a must have business opportunity offered on a first come first serve basis.

A+Students also recently received the MEA Business Excellence Award for the Best Maths Education Company in Africa 2019 and the award for Innovation in Mental Arithmetic Training 2019.



**ABACUS TODAY ...  
GENIUS TOMORROW**

**Join our Home-grown Multi award  
Winning Franchise**

**The unique method of education that teaches young children  
mental arithmetic and to solve complex math problems**

Franchises  
available  
Nationwide  
from R195 000  
ex vat






STEM

SCIENCE TECHNOLOGY  
ENGINEERING MATHS

momentum  
multiply





Prospective franchisees do not have to be teachers or even have a teaching degree.  
If you have an entrepreneurial spirit and are passionate about helping children succeed in life,  
then we NEED YOU!

Tel: 011 958 2910 / 084 973 0851 | Email: andyr@aplusstudents.co.za | www.aplusstudents.co.za

# Invest in a franchise, or do it alone?

When venturing into the world of entrepreneurship, there are two ownership models to choose from. Over and above purchasing an existing company you could either buy into a franchise or start a venture from scratch. Each has pros and cons, but the one that works best for you depends entirely on your business objectives and personality.



Running a business is not for the faint-hearted, but when done right it can be one of the most rewarding elements of life.

A key decision you'll have to make is whether you'll buy into a franchise or build a new company from the ground up.

## Pros and cons

"Both ownership models offer distinct advantages and disadvantages, which requires aspiring business owners to do their homework thoroughly," says Charl Jacobz, Head of Business Development at alternative small business financier Retail Capital.

"When going the franchise route, you'll have to invest in an initial license fee and pay ongoing royalties to the franchisor," he advises. "In return, you're allowed to use their brand and trademark, sell their products and services, coupled with their ongoing support.

Independent business owners don't need to pay a franchise fee, nor royalties, but they won't get any support either. This means you are more-or-less on your own.

## Tried and tested vs risk

The main advantage of running a franchise is that the brand, services and products offered by the parent company have all been tried and tested.

"It is like walking into a running business with a solid track record, an existing network of suppliers, a client and customer base as well as support from the franchisor and the existing franchise network," Jacobz says. "However, a risk a franchise owner faces is that bad performances by other franchisees, or even the franchisor, may affect their business's survival and reputation."

When running your own business, you will have to do everything yourself, meaning you are in control for the full 100%.

"The total set-up costs of an independent business may be a bit higher than the costs associated with an initial investment of a franchise license, but what you get for that is total autonomy," Jacobz points out, adding that fortunately independent entrepreneurs have an array of funding mechanisms at their disposal to get their ventures financially off the ground. "Over and



above options offered by banks and other traditional financiers, the community of alternative lenders is growing."

### Creativity vs autonomy

Another key disadvantage of owning a franchise, as opposed to running an independent business is that it limits one's creativity and individuality. "Franchisees have to ask for permission to incorporate their personal touches and vision into their business," Jacobz says, adding that other restrictions often apply to where and when you want to operate, the products you sell and the suppliers you use. "This may be frustrating at times, particularly if you know for sure that your ideas will work."

Setting up your own business from scratch is attractive as it puts you in charge of your entrepreneurial journey, with no need to justify any of your actions. "You'll get to build something of which you are in charge of. And if you strike gold, your independent venture could become successful enough to become a franchise, he says."

### No wrong decision

"At the end of the day, there is no better or worse ownership model," Jacobz says. "In the current economic climate, there is safety in running a franchise. Some people, however, prefer to tough it out alone and mitigate the changing currents of our economy themselves without relying on a franchisor's input. The fact that someone else is calling the shots may be limiting."

"Speak to fellow franchisees and independent business owners, meet with experts, and attend relevant networking events that can tell you more. There is no wrong decision in terms of how you want to go about it, but you have to make sure you know what you are up against. Bad preparation and being uninformed are the biggest killers of small businesses," he concludes.

Charl Jacobz is Head of Business Development at alternative small business financier, Retail Capital.





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Liquid detergent manufacturing business**

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**[www.wizmix.co.za](http://www.wizmix.co.za)**





# Team up with South Africa's largest sandwich franchise

## ...and enjoy the taste of success.

### The story behind this unique brand

Sandwich Baron was started in Alberton in 1996 by CEO and Franchisor, Sally J'Arlette-Joy. After researching the UK fast food market and recognising the popularity of sandwich shops, her initial intention was for a small sandwich shop. However, demand for the product and concept was so high that it led to a national franchise. J'Arlette-Joy's hands-on involvement eliminated the drawbacks normally associated with starting a new business, and the franchise system grew to become the biggest player in the sandwich industry in South Africa. Their success is attributed to having very strong owner-run franchisee stores who care about service.



Sally J'Arlette-Joy,  
CEO and Franchisor

This year, this much loved and well-known South African brand is celebrating 24 years in business. Sandwich Baron has 39 stores in Gauteng, Mpumalanga, North West and in the Western Cape. The Franchisor owns 8 stores, therefore is always in touch and up-to-date with what is happening on the ground. There are over 200 menu items made up of Sandwiches, French and Footlongs and Wraps. These meal offerings are especially popular for breakfasts, lunches and in-between snacks amongst working people and students. The emphasis is on very fresh, quality and healthy food made on order.

### The concept

Its secret recipes are presented as sandwiches, salads, baked potatoes as well as Banting menus. The catering side of the business is very popular and platters are made fresh on order at short notice. Sandwich Baron recently launched the very popular French Taco which consists of a grilled tortilla filled



French Taco

with meat, their magic cheese sauce and chips. Fillings are all South African and based on customers' favorites. Apart from retail, the stores cater to corporate events and party services.

Sandwich Baron dominates the lunchtime trade with their free delivery concept. Competition in the sandwich business is minimal. Motorbikes are included with the franchise and all deliveries are controlled in-house.

Sandwich Baron was the first food franchise to implement online ordering and over the last 14 years a massive customer database has been built up, which is accessible to their franchisees. Sandwich Baron recognises the advantages of digital avenues, therefore easy online ordering allows for the running of a slick operation. Professional and reliable stock control systems ensure maximum profits.

Despite ups and downs in the South African economy, Sandwich Baron can boast consistent turnovers that continue to grow.



As a result of Sandwich Baron's free delivery service, potential franchisees are not restricted to opening in high rental shopping centres. Stores can be found in office and business parks where rentals are low. For a food franchise they have the best hours and trade during office hours, closing on Sundays and public holidays.

### The franchise cost

The cost of the franchise is R620 000 plus VAT for a full turnkey operation. Minimum operating capital required is R350 000.. Management Service Fees (MSF) are 6% and the Advertising Fee is 2%. Preference is given to owner run stores, and full and on-going training on new products is provided free to franchisees and their staff. Training is one month in our Head Office store in Johannesburg.

**Sandwich Baron offers new opportunities available nationwide as well as existing stores for sale. Contact Sally J'Arlette-Joy on 083 287 4745, [sally@sandwichbaron.com](mailto:sally@sandwichbaron.com) or visit [www.sandwichbaron.co.za](http://www.sandwichbaron.co.za).**





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# Snap-on to this great opportunity

Invest in a brand that's renowned for delivering personalised, professional service...right at the customer's place of work.



SNAP-ON INCORPORATED is a leading global innovator, manufacturer and marketer of tools, diagnostic and equipment solutions for professional tool users. Since 1920, when Snap-on first developed the interchangeable socket wrench, the name "Snap-on" has been recognised as the leader in providing the finest quality tools and equipment for the professional technician. Snap-on first entered the international arena in 1931 and today has a presence in over 130 countries around the globe.

During this time, Snap-on pioneered and perfected the idea of direct sales to technicians, right at their place of business, while providing credit programmes so they could purchase the tools that would build their business. The company still does that today, and as a leading marketer of tool and equipment solutions, Snap-on provides aspiring business owners with an opportunity to partner with a financially strong company with an outstanding reputation for quality, service and innovation. If you are seriously considering an investment in a business, give yourself the benefit of starting with an established industry leader, and join the over 4500 dealers worldwide that represent the Snap-on brand of high-quality merchandise.

## What's on offer

Snap-on dealers are offered the opportunity to purchase high-quality tools manufactured and distributed by Snap-on at a discount from suggested retail prices, and to re-sell those products at recommended prices. Dealers call on their customers each week within an allocated territory, which include a wide variety of businesses such as auto dealerships, independent repair shops, auto-electricians,

body shops and others. Dealers need to have a suitable van (approved by Snap-on Africa) with the Snap-on designed tool display area to encourage impulse buying. This "Showroom on wheels" also allows you to take products right to your customer's place of business and deliver that personalised, professional service associated with the Snap-on brand. A successful Snap-on dealership requires hard work, planning and the development of personal relationships with customers. As a Snap-on dealer, you will enjoy a professional and respected position in the tool industry with good income potential.

## Support to succeed

One of the most important steps in getting a new business off to a good start is training. After a rigorous week in the classroom learning the basics of the business, new dealers will be assigned a Sales Development Manager (SDM) and a Diagnostic Sales Developer (DSD). The SDM or DSD accompanies dealers on their route for an initial period of two to three weeks, to assist with training in the day-to-day aspects of the business. During this in-territory training period the SDM or DSD covers sales training, product knowledge, van display, credit programme management, policies and procedures and record keeping.

The good news is that the training doesn't stop there; the SDM &/or DSD continue with on-going support, holding regular Field Group Meetings to discuss all aspects of the business; including new initiatives, promotional programmes, and developing product knowledge.

## Getting the word out

Snap-on spends thousands of Rands each year to promote Snap-on products and the Snap-on brand through sales and marketing campaigns. However, unlike many companies that charge their dealers an additional fee for advertising, Snap-on provides advertising and promotions as





part of its service. Some of the promotional arenas that the Snap-on marketing department is involved in includes media and trade publications, sales contests and promotions, promotional products, weekly promotions backed up by electronic marketing material & printed summaries of items on promotion once a month. These are all designed to help dealers grow their business; with Head Office realising that their own success as a company depends on the success of its dealers.

A strategically planned DEMO VAN programme exists currently, and is available to participating Dealers to show case other Snap-on product to their customers that they wouldn't ordinarily have available in their own stock holding. Take a virtual tour of the current demo van by visiting [www.snapon.co.za/Content/Virtual\\_Tour/](http://www.snapon.co.za/Content/Virtual_Tour/). Dealers have the opportunity to invite their customers to regular seminars to learn from experts in the field of Diagnostics & to expose their customers to the latest range of Snap-on Diagnostic & similar equipment. The investment cost of a Snap-on dealership depends on one's circumstances and there are a few options available. However, the minimum amount of cash available to invest must be no less than R150 000. Applicants must also have their own panel vans. A Sales Development Manager (SDM) will explain costs, panel van preferences, and options available at an initial meeting.

Buying a business is a serious undertaking and a decision that must not be rushed. That is why Snap-on makes no excuses for having a lengthy application programme that not only includes a number of meetings, but also a minimum of three days spent with existing dealers in their territories. With many unique features that sets it apart from other opportunities on the market (including being

an established company with a comprehensive product line, on-going training and assistance, financing and credit assistance programmes), a Snap-on mobile dealership is well worth investigating.

### What type of person does this business suit?

Like all owner-operated businesses, it requires a highly motivated individual to make a success of this opportunity, and although a person who is technically savvy, with sales experience could be better suited to this business, this is by no means a pre-requisite. Support in the form of a family member to assist with the everyday running of the business, and perhaps the book-keeping & reporting side would also be an advantage.

### What expansion opportunities are available?

The owner of a successfully run Snap-on dealership can apply for a second territory. This is quite common in other countries where the dealership is well established.

It is not uncommon for the original business owner to have invested in a second territory for a family member or sibling. This option would need to be considered very carefully and in collaboration & with final approval by Snap-on management.

Contact The Business Manager on  
031 569 7637, email: [biz@snapon.co.za](mailto:biz@snapon.co.za),  
or visit: [www.snapon.co.za](http://www.snapon.co.za)  
for more information.



# An uplifting business

**Maid4U is a premier domestic worker, nanny, au-pair, cleaner and home-based care workers training, recruitment and placement agency.**

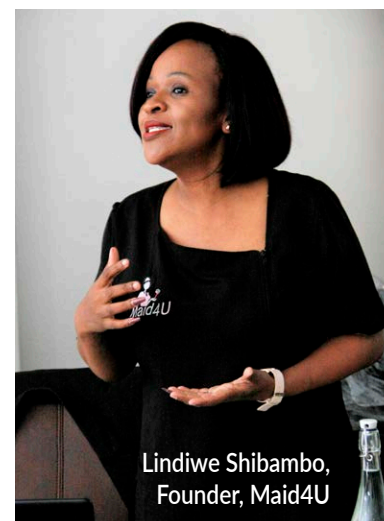
The focus is on the creation of a safe and secured platform for households, SMMs and retirement homes to sources reliable, screened and trained employees.

With over 7 awards for Good Service, Job Creation, National Business Champion and the Premier Award, the agency is expanding its offering throughout SA.

The recently-launched franchise opportunity offers affordable startup costs and high returns. Maid4U has secured funders that have undertaken to assist franchisees in need of

funds. Franchisees will benefit from training provided to them and their internal staff members, the full set up of their offices and ongoing support from head office. Franchisees focus on servicing their clients in their assigned location and recruitment aspects of their branch, while head office takes care of the rest, including managing all accounts, licence renewals, client queries, compilation and registration of all placed employees and their payslips, dealing with all legal issues, attending to applicants' training needs, national advertising, all IT-related aspects and assistance with the launch and opening of the branch.

If you are interested in finding out more, email: [franchise@maid4u.co.za](mailto:franchise@maid4u.co.za), call 073 011 5462 or visit [www.maid4u.co.za](http://www.maid4u.co.za).



**Run your own successful business whilst uplifting the lives of others.**

**Due to high demand Maid4U is now offering Micro Franchise Business Operations across South Africa. Franchisees will be allocated their territory, attend training, set up with all related systems, and Head Office does all the rest!**

## Key Agent benefits:

- Credibility of the Maid4U brand and successful formula.
- Low start-up cost and high income potential.
- Exclusive area rights.
- Full training in all aspects of running the business with ongoing support.
- Complete start-up package (marketing and promotional material, stationery and contacts, employment forms, software, manuals, branded uniforms, etc)
- Proven lead generation formula to acquire clients.
- All accounting, legal and compliance duties performed by Head Office.
- Multiple revenue streams

**Maid4U is a premier award winning agency that provides fully trained, reliable and professional:**

- Domestic workers
- Nannies
- Au pairs
- Home Nurses and Home care givers (baby care, child minding, care for the elderly and special needs)
- Office cleaners / General Workers

## Additional Services

Training of Domestic Workers, Nannies, Child Minders. Training in work related skills such as Cooking, Baking, Laundry and Garment care, Swimming, Driving, First Aid and CPR, Cleaning and House Keeping, Time and personal Finances Management.

**The Investment required for a Micro Franchise Branch is a Total Capital of R65 000 (excl. Vat). This is a small branch of about 40SQM, home-based or Small Holding Branch (Funders, Funding Application and Assistance and Support Available).**



**Maid4U has won more than 14 Awards** in recognition of job creation, service excellence and a winning business formula. If you are interested in joining the family, email [franchise@maid4u.co.za](mailto:franchise@maid4u.co.za) or [info@maid4u.co.za](mailto:info@maid4u.co.za), contact Lindiwe 073 011 5462 or visit our website Click on → **Franchise** for more details and a Prospectus [www.maid4u.co.za](http://www.maid4u.co.za). We are the Help.

**"When our clients find us, they stay with us"**





# Teach South Africa

To run a successful training business, it's important to pick the right partner. And, with Cyber-Minds® Training Institutes by your side, you are off to a great start!

Previously Creative Minds® centres, the recently re-branded CYBER-MINDS® TRAINING INSTITUTE has a wealth of experience in the training industry and has successfully set up more than 30 IT training centres across the country. The new license opportunities have all been designed to assist owners in their goal of growing successful operations and profits.

## Are you a good fit?

Teaching is not for everybody. No matter how much knowledge or expertise you have with computers, you must have the people skills and patience necessary to transfer that knowledge to others who might not grasp the concepts as well as you do.

If this sounds like you, read on.

There are currently four licensing options available, and your choice will depend on the size of the area in which your centre will be situated. The models are all fully customisable to suit your situation. There are options for rural villages, small rural town, towns and suburban areas, and large towns and suburban areas.

## Training with a difference

CYBER-MINDS® licensees specialise in training computer novices, and also offer more advanced courses for office workers, managers, businessmen, etc. All training is offered on a step-by-step basis using world-class training materials. Importantly, all training



is offered using no-fear, stress-free methods, allowing students of all ages and all walks of life to become confident users of computers.

"Computer training can be intimidating," explains CYBER-MINDS® founder Marius Lubbe. "A very important aspect that we have built into the process is constant confidence-boosting to make people believe in themselves."

Once students have mastered the most basic skills, they can move on to intermediate and eventually to our more advanced courses.

## Start your own **COMPUTER SKILLS TRAINING CENTRE**

### World class tutorials produced in-house to the standards of SAQA and MICT (ISETT) SETA

- Beginner to advanced courses
- Microsoft (Word, PowerPoint, Excel)
- Pastel software and IT training
- Step-by-step training in a friendly stress-free environment

### Various licensing options available, depending on size of the town or area

- Full training at Head Office
- Complete operational manual
- Initial marketing package
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# Medicinal Cannabis Agency Opportunities

The legalisation of Medicinal Cannabis in South Africa is going to change the way people see this amazing plant and what it can do, and at the same time create some fantastic financial opportunities.

Cannabis Oil Research is currently looking to appoint agents in every area. Agents will be fully trained in advising patients on what oils to use for what illness. Currently there are already over 170 products and treatments available for over 600 illnesses, ranging from acne to cancer and from dieting to body conditioning.

## A quick overview on how cannabis oil can get your body back to healing itself naturally

We are born with perfect bodies, with our cells all communicating with one another. Each cell has a memory and can “learn” from other cells. A damaged area will communicate with your body to get help with healing it – this is NATURAL healing. When a medicine is introduced it stops the damaged area getting natural healing from the body, and at the same time tells the brain that medicine now has the problem covered. What the medicine has done is hijacked the damaged area.

Each blockage can create side effects of aches, pains, insomnia, tiredness, hair loss and a host of “under the weather” feelings. Your body becomes slower and inefficient as the NATURAL HEALING fights to escape from chemical medicine.

Cannabis oil seeks out these medical instructions and rebuilds each cell back to as near as possible where it was BEFORE your illness. That’s why the oil helps so many different diseases – it doesn’t cure the disease, it “reconditions” the cell where the disease resides and allows the body to heal itself – NATURALLY.



## Opportunity to become a full or part-time agent in South Africa

Applicants must be a minimum of 25 years old and have a passion for healing. Any medical experience is an advantage but not a requirement. This is also ideal for those who are looking towards or enjoying retirement.

### Sole Agent: R149 500

With this top position you will be opening and managing a large area such as Sandton, Benoni or Bloemfontein, supplying retail outlets and looking after a direct sales team. There is NO CHARGE for the Agency – you just put up your over-heads, advertising and training costs upfront to cover the first year as your commitment, and we get you going. Full training and start up assistance will be provided. To receive more information about getting into the Medicinal Cannabis market, please email [editor@cannabisoilresearch.com](mailto:editor@cannabisoilresearch.com).

### Direct Sales Agent - R1 495

This opportunity is ideal for those looking for a second or retirement income. We are looking to appoint 300 agents per province, to start. Agents will be fully trained as the first Medicinal Cannabis consultants in South Africa. Application forms are available from [socialmedia@cannabisoilresearch.com](mailto:socialmedia@cannabisoilresearch.com).

Visit our comprehensive website for more information:  
[www.cannabisoilresearch.com](http://www.cannabisoilresearch.com)

**Become a Medicinal Cannabis Advisor with**



We are currently appointing Agents in every area that will be fully trained in advising patients what oils to use for what illness.



**Agency options:**

**Direct Sales Agent**  
R1 495

**Full Agency**  
R149 500

**[www.CannabisOilResearch.com](http://www.CannabisOilResearch.com)**

# Personalise your digital marketing

## How REMARKETING can increase sales.



You may have heard the word remarketing (or retargeting) in conversation, but didn't know what it was. The irony is that it's been used on you and you probably didn't even realise it! The concept of remarketing is to show adverts that are relevant to a certain segment of your target audience which has previously interacted with your brand, in order to try to re-engage them.

In the old days, you would have handed out a flyer to your customers in your store which promoted a certain deal to try to increase their basket size or make them buy again. In a modern, digital sense, remarketing is used via advertising platforms such as Google Ads and social media adverts.

### How does remarketing work?

According to Growth Badger, the average person has to visit your website over 9 times before they will make a purchase. In order to speed up the process of getting the customer to make the purchase, marketers leave a cookie in your browser to collect your (non-sensitive) information and track your movements once you have left a website. Is this legal? Yes, in fact you give them permission when you click "Accept" or "OK" on that pop up that comes up on a website telling you about their "Cookie policy".

Once the marketer knows which pages on their website you looked at, they are able to show you their products again on other websites by creating dynamic ads through the Google Ads or social media ads platforms. From the consumer side, you just see personalised adverts which show you something that you recognise and that is relevant to you, upping your online experience and reminding you to go and buy that product.

**FUN FACT:** You're going to lose 96% of the people who visit your site today. On average, only about 4% of site visitors convert before leaving\*.

And it works. Customers who see retargeted ads are 70% more likely to convert on your website, says US-based marketer Blue Corona. Brands like Intel and Zendesk have used it to drive a 30% increase in conversion rates and a 1,317% return on investment, respectively.

### The benefits of remarketing for businesses

As a business, you are already spending a lot of money on marketing your product or service to your target market, be it via social media, Google Ads or offline methods. You probably also spent a lot of money on building a website as your online storefront. With remarketing, you can target almost every segment of your audience at every stage of the modern sales funnel. And you can use other websites to help you, which allow you to expand the reach of your marketing much further than your own platforms.

There are plenty of reasons that visitors don't convert on your site on their first visit. Either they are in the research phase, they are busy with something else or get interrupted, they aren't convinced, or they don't see the solution they need. Remarketing gives you as



## EXAMPLE OF A REMARKETING CAMPAIGN



the business the opportunity to give them a gentle nudge and show the user that in fact you do have the solution they need. Ads can be personalised to explain your product in a different way, which can be effective in changing the user's perspective and increasing their likelihood to convert.

The ads work because the brand and its services or products are already familiar to the user, which makes them more likely to convert when they see the brand again somewhere else.

There are many different types of remarketing, and it's likely that you've seen most of them before. Ads can be shown as pre-video ads on YouTube, at the top of Google search results, on Facebook or Instagram Stories, or as display ads on all social networks and other websites. As a business, it is even possible to use these platforms to upload a database list of your contacts so that customers that are signed into Google or Facebook can be targeted specifically.

### Tips for leveraging your marketing and increasing conversions:

- Ensure that your website is properly set up for remarketing and that you have the necessary requirements in place to take advantage of this method of marketing.
- Segment your remarketing lists to differentiate between different pages or products. For example, you can separate people who have visited the "women's boots" category and the "men's sandals" category to ensure you can personalise the ads you show to these customers.

- It should go without saying but even with remarketing, your brand creative and story should match your overall strategy and have the same look and feel. Also remember to include a compelling call-to-action.
- Make sure you test different ad platforms, sizes and formats to reach as many customers as possible and increase conversion rates.
- Your current customers are your most loyal, but you can always upsell to them too. Create a specific list of their details and use it to advertise discounts or special promotions.
- Know when your audience would be active online and schedule your

ads for when they are most likely to see them.

For example, older audiences might be online earlier in the day, whereas young audiences tend to scroll late at night.

- Ensure that your advertising spend is getting results. Keep testing and tweaking your campaigns to get the best return on investment for your own ads. Know what your conversion value is and if you don't feel the results are worth it, just stop!

All of this may seem out of your reach if you don't have an e-commerce website or if your service offering is a bigger investment than the average sale, however, not all conversions have to be sales. A micro-conversion, as we call it, is just as important: this includes things like email signups, user registrations, social shares, comments or reviews, or reading a key piece of content. These micro-conversions act as a great starting point to target your audience and are also goals for you to focus on to increase your reach and brand awareness.

At the end of the day, the aim in marketing is always to ensure that your brand is top of mind when that customer does decide that they are ready to buy your brand's product or service. If you're doing your job well enough, they will come directly to you to make that purchase.

\* Growth Badger

Co-founder of Cape Town-based digital agency Yellow Door Collective, Dominique Sandwith, manages key clients, and has a passion for innovation and the eye of a perfectionist.  
Visit: [www.yellowdoorcollective.com](http://www.yellowdoorcollective.com).



# Budget for your marketing

If you want to see results, you need to allocated a proper budget and do a marketing plan.



Let's be clear from the start: As a business owner, you can't complain about marketing not delivering results if you haven't kept to your end of the bargain and allocated a budget. The marketing budget sets the rules of the game and makes it possible to measure (to some degree of accuracy) that magical number called "return on investment". Everyone wants ROI on marketing spend, yet few know what they plan to invest, i.e. a marketing budget.

But how do you set a marketing budget? This is another piece of the puzzle that is often neglected by business owners quick to criticise marketing performance: a marketing plan. The marketing plan should describe the desired results expected from marketing activities and how these ties into overall sales targets. Only now can the marketing budget be set. A plan informs the budget and allows you to do what is called "zero-based budgeting", meaning you to build the budget from the ground up based on what's needed to achieve the goals. This is very different to simply allocating a budget based on a percentage of turnover or "last year plus inflation".

Although a zero-based approach is recommended, there are a few basics that every budget should cover:

- **A management component**, because you can't simply switch on the marketing taps; someone needs to project manage the process for you.
- **A brand-building component** to ensure the brand looks good wherever it appears. Graphic design, interior design and corporate signage and stationery fall into this category.

- **A communications component**, which is the part everyone thinks about first. This includes digital marketing, events and conferences and various types of traditional media such as magazine advertising and PR.

Ultimately, what everyone wants from their marketing spend, is sales. But a sale is only the last step of a successful marketing campaign. Before the sale, the prospective buyer must show interest, and before that, be aware of what's on offer. It is the classic concept of the marketing (or purchase) funnel, and one should measure your success at each step of the funnel – not just at the end when the sale occurs.

Carefully tracking each phase of the marketing funnel, as set out in a marketing plan, allows you to gradually fine-tune your marketing. Are you successfully generating awareness? Is that translating into interest? Do those translate into a trial (or a meeting) and then only, a sale?

A marketing plan, with a marketing funnel breakdown and associated zero-based budget, that sets clear objectives at each stage of the marketing funnel, means your marketing department professionally; just like every other function in your business should. Marketing cannot be approached haphazardly. The stakes are just as high, if not higher. If marketing fails, the business will ultimately fail. Think about it: without marketing, there is no sales funnel, meaning each sale is handled on a sample of one basis. You grow one sale at a time, almost randomly, instead of having a growth engine producing the sale, and the next one, and the next one. Don't you want to spend money on an engine like that?

Growth should not be random. It is the reason why you need a marketing budget with a marketing plan for the coming year.

Bernard Jansen has an MBA, is a marketing consultant and founder of Firejuice, offering marketing strategy and management services to small and medium sized companies. Email: [bernard@firejuice.co.za](mailto:bernard@firejuice.co.za), Visit: [www.firejuice.co.za](http://www.firejuice.co.za)







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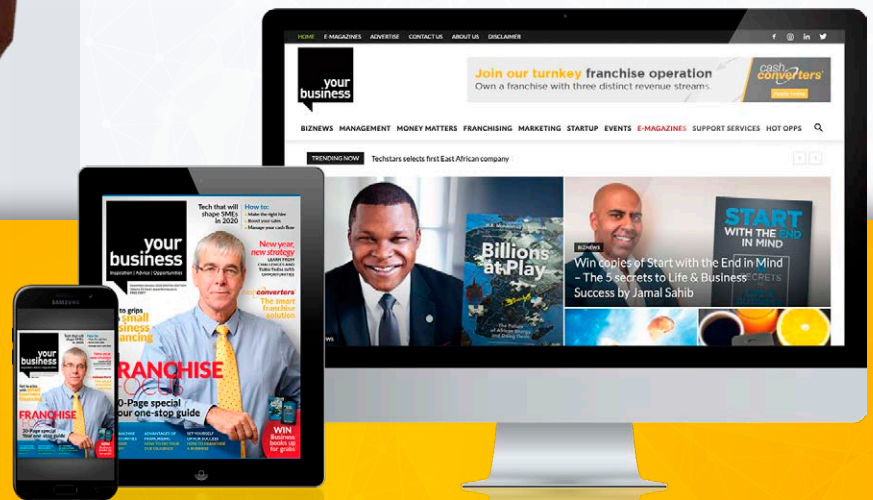
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# A sustainable business is a **successful business**

## Sustainability and climate change are two of today's hottest topics.

From Adidas selling 11 million pairs of shoes made from ocean plastic, to vegan meat sales increasing by 451% in the last four years, there is little doubt that a change in mindset is taking hold across the globe. But while the key drivers for sustainable products and lifestyles are often ethical or moral, there are also practical business reasons for adopting sustainable ways of working.

### Thinking big, starting small

Any change to how a business runs will invariably come at a cost. Sustainable practice is an investment like any other. But the cost doesn't have to be insurmountable. For example, reducing waste is likely the simplest and most obvious method to begin engaging in sustainable practices – and it's practically free. Since the 1990s, offices have been making inroads in this area. From collecting empty cans for recycling and changing out incandescent lights for LED bulbs to reducing the amount of waste paper created, businesses have been reworking or developing new processes that use fewer raw materials and waste less in the production of goods.

Some brands have taken this approach to impressive

levels, like Deloitte's Amsterdam building, The Edge. It is one of the most sustainably built office spaces in the world and it's connected lighting system is so low energy that the LED lights can have their power needs met through ethernet cables. Sensors measure room occupancy at all times, turning off lights automatically when a room is empty. The building also has smaller windows on south facing walls which keeps the interior temperature cooler in the summer and warmer in the winter, reducing the need for heating and air conditioning.

Of course, investing in a building like this is not necessarily going to be the end goal of every company: despite the fact that it would no doubt prove a return on investment within a number of years. But this is not just about investment – it's also about protection. By stepping up sustainability, organisations not only save money in energy and storage bills, they also future-proof their business. Investing in sustainable practices ensures that companies remain ahead of changing regulations before they come into force. For example, the British Government has vowed to halve the energy use from both new and existing building stock by 2030, so adapting an office space can help them avoid paying fines which, aside from being costly, could also damage a brand's standing with today's increasingly environmentally conscious consumers.

## Do it for your customers - and profit!

Indeed, sustainability seems to be one of the hot issues that is having a strong impact on business bottom lines. 87% of consumers said they would be more likely to purchase a product because the company advocated for an issue they cared about, while more than three quarters (76%) would refuse to buy a product if they found out a company supported an issue contrary to their beliefs. Consumers already actively prefer to buy from brands that they believe are doing social or environmental good. Organisations must think about their sustainable practices if they want to harness the benefits of this trend.



For example, Lush cosmetics is well known for its commitment to sustainable retail experiences. It recently opened a totally packaging free shop in Manchester where customers pick the products they want and take them home in a recyclable cardboard box. Its products are all 100% vegetarian and never tested on animals. The brand's ethically sound credentials have resonated with its customers, and as it has continued to push the limit of what is possible on the high street, it posted record turnover and pre-tax profits in 2018. This illustrates a clear link between sustainability and increased returns.

It is not just retailers who stand to benefit. Salesforce achieved its target of net-zero greenhouse gas emissions in April 2017, ensuring it's 150 000 customers were using a carbon neutral cloud service. The company recently installed the largest on-site water recycling system in a commercial high-rise building in the US and it has been sourcing 100% renewable energy for its HQ for nearly 2 years. The company's financial results, with a 24% to 26% revenue increase year-on-year for the past 3 years, shows that its green initiatives are landing well with their customers and contributing to the company's stellar growth.

## Attracting talent

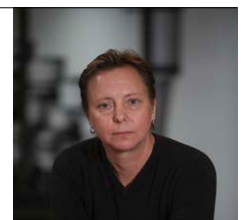
Sustainable practice has been shown to affect talent acquisition and hiring too. Research has found that improved brand image makes it easier to attract new employees to a business. 76% of millennials consider a company's social and environmental commitments when deciding where to work, and 75% would stay for less money if they worked for a socially responsible company. This kind of retention is a cornerstone of success and healthy work culture, and the cultivation of engaged and passionate employees protects the longevity of an organisation while driving it toward future success.

Sustainability drives purpose and passion. Deloitte found that 73% of employees who feel that they work for a purpose-driven company said that they are engaged with their job. People want to be part of something good and something bigger than themselves. They want to feel great about what they do every day. When employees are fully engaged, they give more and the company gets more. This serves to emphasise why incorporating sustainability into a business can prove so effective in the long run.

## Look to the future

Companies who embrace sustainability have an opportunity to be a part of a generational change in mindset. Customers, employees and even investors are all keen to interact with brands that reflect their environmentally friendly goals in a positive way. This opens a door not just for new businesses looking to enter the market, but also offers more established organisations a chance to rethink their position and update their strategy to make it more relevant to their target market. In both cases, the end result is a healthier bottom line. Customers want more than words, they want to see real momentum towards a more environmentally friendly future. To make certain adopting sustainability is a success, organisations need to ensure it is included at the start of any new processes and that commitments are followed through. With that in mind, a mountain of opportunity for growth is out there for businesses to tap into.

Dana Eitzen is Corporate and Marketing Communications Executive for Canon South Africa. Visit [www.canon.co.za](http://www.canon.co.za)





# Tips to 'Green' your SME

**Repositioning your business as a more environmentally-friendly one can significantly save costs in the long-run.**

Load shedding, water shortages, and overcoming a high-carbon footprint are just some of the environmental matters making the headlines in recent years. And that is not even factoring in the impact 16-year-old teen climate activist Greta Thunberg has had on popular sentiment. But apart from it being the right thing to do, 'going green' in your SME can significantly save costs in the long-run - with many of the measures not even being that difficult to implement.

Here are some of the steps you can take towards repositioning your business as a more environmentally-friendly one.

## 1 Cloud first

In the ultra-connected landscape of business today, going the cloud route seems almost a given. In fact, transitioning key services to an online environment is probably one of the fastest ways an SME can cut costs and become more environmentally sustainable.

With South Africa firmly on the radar of multinationals opening their data centres in the country, now is the best time to make the move. Without going into the complexities of the various cloud models available, each have their strengths. But all of them come down to being able to host data and applications remotely.

This significantly reduces the need to buy new hardware and software for the business. Cloud-based solutions scale according to the needs of your SME and all software is automatically updated. Plus, your business will use less electricity as these powerful systems are off-site.

And by not having the burden to manage expensive servers on-premise, you can focus on delivering more value to your clients – an essential part of being competitive today.



## 2 Goodbye desktop

As part of this transition to reduce the resources your business uses (think electricity), another way to quickly save money is by embracing the concept of micro-computing devices.

For example, the CloudGate X is a proudly SA computer that uses less than 5% of the electricity a typical desktop requires. This palm-sized device plugs into an existing screen and gives you access to all your cloud-based services at a fraction of the cost. And if you are hit by the inevitable load shedding, these energy-savvy systems can run longer on existing generators or UPS solutions than their larger brethren.

## 3 Work from home

It is incredible to think that at a time where internet access and technology have evolved so much, people still sit in traffic for hours on end as they travel to and from work daily. Not only do these hours quickly add up to lost productivity, but just think about the fuel costs and impact on carbon emissions - especially in a country like SA not known for its effective public transport systems.

Research conducted by GlobalWorkplaceAnalytics.com show that if employees who could work remotely only do so half the time, it would save the business more than R150 000 annually per person. And for the employee, this could save them almost R100 000 per year. No matter how you spin it, that is a lot of money in a cash-strapped economy.

Just think about the benefits of not having to spend so much money on office supplies, furniture, equipment, and even rental space if more workers can do their job from home. So, give it a try by letting a few employees work from home two days a week.

## 4 Becoming resource 'smart'

Smart meters are becoming an increasingly popular add-on to prepaid electricity systems in SA. Imagine seeing how much electricity you are consuming in real-time, and being able to be in control of these unavoidable expenses. Even better, seeing as how these smart meters can link to your mobile device, you can track power usage wherever you are - there is no need to be in the office to do so.

This enables any SME to be more pro-active when it comes to their energy usage and save costs along the way by switching off high-energy resources when they are not needed. Much like cloud computing that works on a pay-per-use model, installing a smart meter does much the same thing for the electricity usage of an SME. It gives the business owner the, err, power to take charge of a significant monthly expense.

When combined with the telecommuting, this can see the business owner save massively on air conditioning during the summer months and heating in winter by having fewer employees in the office.

## 5 Keep it simple

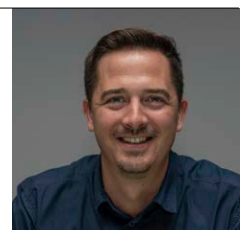
While SMEs have access to a wealth of effective technological solutions to help them become more green, sometimes it pays to return to basics. Ask your staff members what initiatives they would like to see implemented at the office. It could be something as simplistic as having recycling stations that separate plastic, paper, and so on.

If your SME runs out of a home office, then consider replacing existing globes with LED ones to not only save money but provide better lighting for employees. And have you taken the time to consider how much plastic (cutlery, cups, etc.) is used in the office kitchen? And that's not even touching on how office printers can quickly generate a mountain of paper waste with unnecessary print outs.

The key is to not immediately try and solve the green issue on a massive scale, but rather start with a few easy (and quick) wins. That way, the business owner can get better employee buy-in that will help sustain these initiatives over a longer period.

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Aaron Thornton is the Managing Director of Dial a Nerd, providing professional IT & computer support and solutions across South Africa. Visit [www.dialanerd.co.za](http://www.dialanerd.co.za) or call (010) 007 0012 / (021) 200 1460.



# The year to explore uncharted markets



**Competition has become increasingly fierce. In 2019, we saw the expansion of price wars and the battle to remain relevant.**

It has become clear that the companies that will survive are those who over the years have invested in building strong and strategic relationships with their clients, and helped these clients achieve their triple bottom line strategy by offering integrated solutions, invested in their people, closely watched expenditure through establishment of efficient processes, built a high performance culture and continue to expand their business profile locally and across borders; especially in such a tough economy.

While we've experienced a local strain in the economy, opportunities across the continent abound. In fact, according to the African Development Bank, Africa's

economic performance continues to progress forward; while not strong enough to address structural changes, there is growth in many parts of the continent.

Perhaps as we look ahead to 2020, it's worthwhile to explore African markets that present opportunities for growth and expansion.

## **A look at some of our African counterparts**

We continue to observe how efforts to boost innovation in Ghana are driving economic growth. Innovations implemented in the country have moved the country from a low-income country to a low-to-middle-income one.

Kenya continues to experience growth across industries; notable growth was recorded in information and communication technology sector, accommodation and food services, and finance and insurance. Similarly, public infrastructure projects helped grow the country's construction sector. Kenya's annual increase in GDP has been averaging 5.46% since 2004.



Rwanda is another one of Africa's success stories. Having gradually put together measures to recover from the 1994 genocide which destroyed the country's economy, Rwanda has well positioned itself as one of Africa's fastest growing economies. Innovation is driving the economy - solar energy is powering most buildings in the country and GPS technologies are becoming the order of the day. In fact, the 2019 World Bank Doing Business index places Rwanda as the 29th easiest place to do business in the world - the only low-income country (LIC) in the top 30, and it ranks among the top 50 least corrupt countries out of 180 countries according to the latest Corruption Index.

The economy of Mauritius also continues to grow steadily with its GDP currently sitting at 4%, driven by the construction and services sectors (tourism, banking, ICT). The country has an unemployment rate of 6.9%, compared with South Africa's 29% unemployment rate.

Ethiopia has also boasted an impressive GDP growth rate of between 8% and 11% annually since 2016. Ongoing infrastructure projects, construction, and the services sectors have been the primary drivers of the economy's growth; with a market that has one of the greatest potential for opportunities for investors and start-ups within construction, agriculture, manufacturing and logistics.

The economy of Nigeria grew 1.94% year-on-year in the second quarter of 2019. While the output from the oil industry largely contributed to the country's economic growth, industrial sectors including manufacturing and construction showed the strongest growth at 3.2%. Nigeria's economy is projected to continue to grow steadily; as parliament has passed a budget of NGN 10.3 trillion which is likely to attract investors and particularly infrastructure projects.

### **An opportunity for South African businesses**

These markets present opportunities for abundant expansion. Perhaps more South African businesses should take a serious look at how they can tap into them for greater impact in growing our own economy and easing the pressure off our industries. And it is clear that we must exercise new forms of resilience, apply more systematic thinking to navigate

“ It's worthwhile to explore African markets that present opportunities for growth and expansion. ”

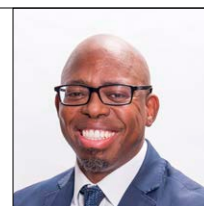
the challenges, and development and implement bold strategies to explore uncharted markets to expand and sustain South African businesses. Through such expanded efforts, we can help to address the challenges that the country continues to face: poverty, unemployment (especially the large proportion of youth unemployment), and ensure that we drive overall business sustainability.

At Servest, we have an opportunity to transform Africa through an integrated approach to facilities management that is focused on delivering solutions that enhance the built and marine environments.

Our experience across the eight African countries in which Servest has a footprint has been that, while there are growth opportunities across the continent, there are also opportunities for continuous improvement, opportunities to drive human capital strategies that will develop colleagues who will drive the implementation of integrated solutions, upskilling them for the Fourth Industrial Revolution (4IR) and the need to boost efforts to improve efficiencies, benchmark against other African countries on the continent and the world, and begin to truly showcase Africa's potential.

While companies continue to explore ways in which to remain sustainable, we must prioritise maintaining a good balance in the triple bottom line - people, planet and profits - and ensuring that none is compromised at the expense of the other.

Xolile Sizani is the Group Chief Executive Officer of Facilities Management Services company, Servest. The Group employs close to 24 000 people across 11 110 sites. The Group has a presence in eight countries across Africa.



# Managing Generation Flex

**Meeting the needs of a flexible workforce means changing the way you manage it.**

More and more, the prospect of flexibility in working hours to improve quality of life and achieve a better work-life balance is becoming a key motivator and consideration for employees. This includes spending less time in traffic, having more time with loved ones (particularly children), focusing on their health by having more time to visit the gym for example, and being allowed the freedom 'self-manage' and have creativity within their own productive spaces; amongst others.

The concept is known as Generation Flex, and in order for companies to attract and retain the best talent with the right skills in the market, this means shifting away from the old school mindset of "you can't manage it if you can't see it". Employers will need to adopt more flexible working arrangements, whilst still managing their remote staff effectively to maintain a sense of 'control'.

There is no specific cumulative data on the uptake and percentage of companies in South Africa who have adopted flexible working arrangements. However, as Recruitment Specialists dealing with various top clients in the South African market, we are noticing that the demand for flexibility is slowly being met by companies who are tailoring their offers in order to secure their talent.

So how do companies manage this flexible workforce to ensure that employees are still productive, motivated and relevant?

## **Tech, the true enabler**

Firstly, you cannot talk about flexible and remote working without acknowledging the key role that technology plays in making this possible. Technology is the true enabler for



mobility that allows people to work from home, a coffee shop or even whilst having their hair done using that 'wonderful thing called Wi-Fi' along with smart phones, laptops and cloud solutions. With these, employees still access work emails, documentation, Skype and other meeting tools.

Therefore, it's crucial that companies maintain their technology infrastructures and keep up-to-date with current tools and software that enable their staff to work remotely and being constantly connected with as little downtime as possible. Employers need to ensure that they have the right IT and tech-based team to ensure their relevance. There are also a myriad of apps and software solutions with which employers can track and manage employees to ensure they are genuinely performing their duties as expected.

### A new way of managing

Companies will need to adapt their traditional management styles to effectively manage a remote and flexible workforce. Here are some ways this can be achieved:

- **Communication is key!** You have to keep in constant contact with your remote employees. Never allow them to be in a space where they feel isolated, unguided, or not part of the team. This doesn't mean you need to check in every hour; but you do need to maintain a healthy communication schedule and include video communication tools like WhatsApp Video, Skype, Zoom and other web-based systems, along with phone calls.
- **Encourage the team to connect and collaborate with one another regularly, so that a culture of teamwork is still maintained.** Schedule and plan web-based team meetings with an agenda using a conferencing system to get everyone in the 'same room'. Also schedule good old fashioned face-to-face meetings once in a while, as well as team training or team-building activities. This regular interaction and engagement will help remote workers feel included and solidify their role in achieving the vision of the organisation.
- **Never miss performance updates, as these become even more vital when you have a flexible workforce.** Set clear expectations from the start and monitor KPI's and results. Managers are naturally concerned that

productivity will suffer, thus necessary performance measurements will ensure everyone stay on course and deadlines are met.

- **Have a trust relationship with your flexible and remote staff.** Trust should be a key component of your company culture, as well as your ability to be supportive and available to your employees, no matter their location. Make sure your employees feel valued, heard, and trusted. Remember: that element of trust was there when you hired the person initially, otherwise they would not have been offered the opportunity to work within a flexible schedule.

- **Identify and manage any potential red flags that might arise.** Sometimes not being in a set office environment can lead to various distractions that might keep some employees from delivering on their deadlines and remaining productive. It can also lead to a feeling of isolation whilst other might find it difficult to adapt.

Managers need to make sure that they understand the different personalities of their employees and their skillsets – not all are suited to working remotely. Those who are very self-motivated, self-disciplined and natural self-starters would be ideally suited to working away from an office, while those who need more constant guidance and motivation are generally better off in a set office space. When employees start expressing frustration, are not delivering their work on time or no longer communicate with management or the rest of the team, it means you may need to step in with more guidance and more check-ins and maybe a revision of their remote status.

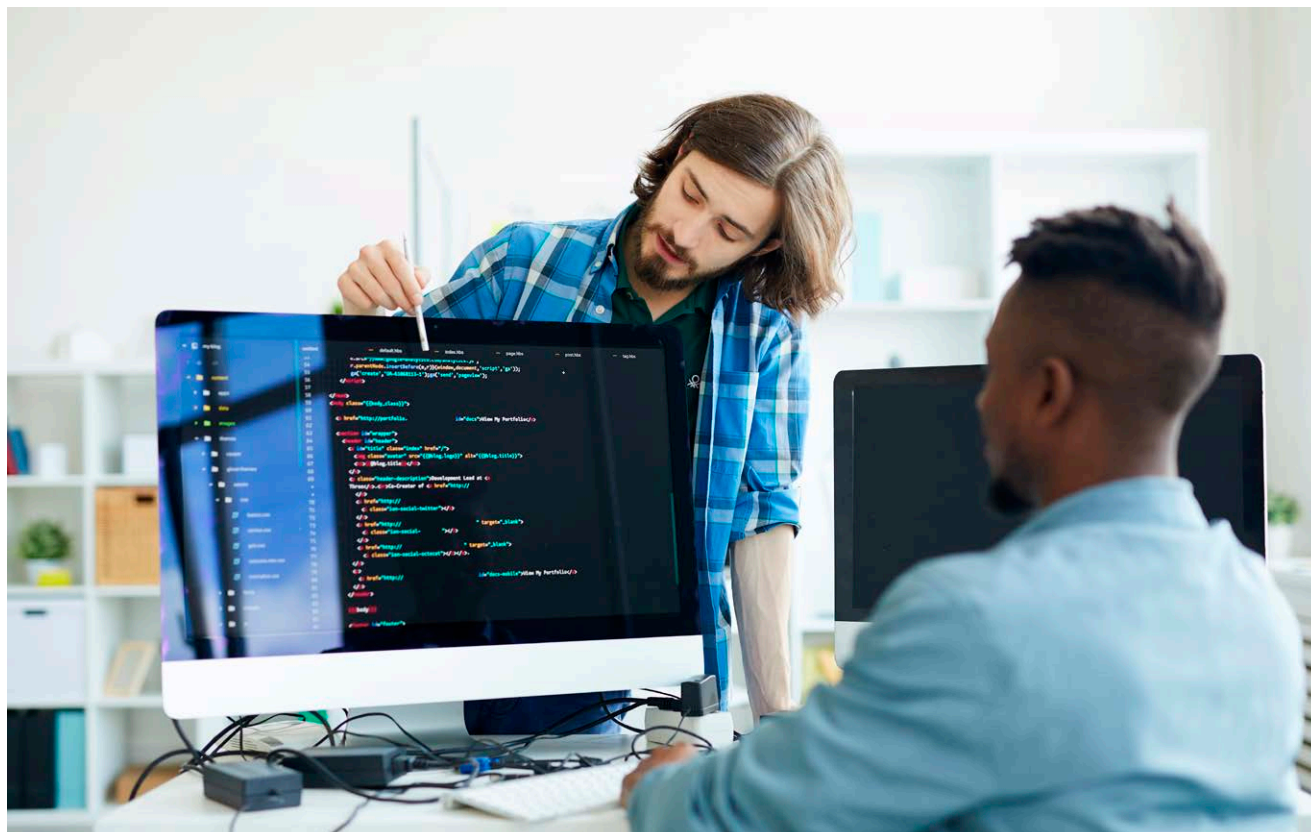
- **Recognise good performance.** Maintain the culture of recognising when your employees are delivering quality and timeous work. Celebrate achievements during any meetings and in company announcements. It'll ensure that productivity is both maintained and encouraged.

The remote working culture is often a very scary transition for many companies, however, if good management practices are maintained, such as the regular checking in, the constant communication, support and feedback, and clear expectations are set, this change will be a lot more natural and more easily adopted in the South African workspace.



# The competition for the best tech talent

What the IT and Tech Sector's growth means for hiring.



Companies in the tech industry, or those that require top-notch IT Departments, need employees with exceptional tech and IT skills in order to keep ahead of the competition and in line with the advancements.

Although the unemployment rate is high, the fact is there is a massive shortage of skills in the IT and Technology sectors where candidates are lacking critical skills. There are also more candidates than there are jobs available in the market, so companies need to really stand out when it comes to their recruitment processes.

Companies in the sector are competing against each other for the best talent with the right digital and tech skills. Out of the top 10 jobs in demand in SA at the moment, 6 of them are in IT and Tech, yet over 65% of

the rarest skills in SA still fall under the Tech industry.

This means that companies need to put a lot more emphasis on employing the right Recruitment processes when it comes to hiring the top IT and Tech talent there is.

## The recruitment strategy

To attract the top caliber of candidate, companies need to focus on creating a business environment that is a combination of informal, collaborative, more casual than strict, and allow for remote working options. Candidates in the market now are driven by global trends, such as upskilling staff and new hires, and using innovative learning practices that ensure that they grow in their skills set too.

Candidates want to be part of a 'bigger picture' to achieve something substantial, and be part of company culture that reflects flexibility, adaptability, growth and purpose.

This means that companies can attract top talent from highly innovative and market-leading companies as well as being able to retain their current staff and give them a sense of common purpose.

### **Focus on the company brand**

Showcasing the brand is vital in attracting top IT and Tech talent, and this means that companies need to build their brands on visible platforms that include the likes of LinkedIn, Facebook and other social media platforms like Instagram, Twitter and their own Websites.

When the company's brand is visible, intriguing, bold and appealing, it allows the Recruitment Specialist a company partners with, the best opportunity to market the company's brand to a potential new hire far more effectively and confidently too.

### **The cost of the hiring right tech talent**

The cost for the right skills has increased substantially over the years. Roles also need to appeal to employees' need for constant growth and goals. Companies need to put a lot of focus into their training and development plans that are offered to new hires, as well as to existing staff as part of their staff retention efforts. Upskilling the junior to mid-level candidates will see them develop into Senior resources as they grow.

Companies who want the top talent with the full basket of skills must be willing to pay top money for these candidates or invest in the more mid-level and junior candidates who have the potential to grow and take on new skills, adding value to their careers.

### **The value of experience**

When it comes to Tech and IT Qualifications, sometimes companies need to overlook the "necessity of a Degree" in favour of experience. Candidates are often rejected on face value on their CV's because they don't "tick the boxes" of the formal qualifications on the job specifications and this is one

of the easiest ways that the top talent is missed by companies and snatched up by the competition. With the skills shortage, the full range of technical expertise is hard to find in one candidate and if hiring managers are hard set on the outlines of a generic job description, it is very common that the candidates who are potentially a good fit for the company, are missed out on.

From our experience in successful IT and Tech Recruitment, many of the Developers and Software Engineers have been self-taught in their development skills. With access to online courses from many top reputable institutions, this is a very common trend in the global market and it's increasing in South Africa.

Make use of thorough screening and checks for IT and Tech candidates, and consider using Recruitment Specialists that are there to screen and thoroughly check credentials and the validity of their qualifications.

Often, companies will hire a candidate purely on their CV on paper and their personality put forward in an interview, without ensuring that what they say they can do, is true. This leads to a costly error, a new hiring process and a lot of unhappy management teams.

As the Fourth Industrial Revolution continues to impact change around the world, it's imperative that companies adopt recruitment strategies that allow for partnering with Recruitment Specialists to aid them in attracting and retaining the best IT and Tech Talent around in order to remain both relevant and ahead of the competition where Technology is one of the main drivers of essential and necessary change.

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Chantelle Smith is a Recruitment Specialist at HR Company Solutions, and is passionate about people and matching only the best talent with solid career opportunities.  
Visit [www.hrcompanysolutions.co.za](http://www.hrcompanysolutions.co.za)



# The **Operations Manual**

## - your company 'how-to' guide

In the simplest of terms, an operations manual outlines how things are done, and who is responsible for carrying them out.

It is in essence the company 'encyclopedia', the *know-how* that stores all sorts of information; from company hierarchy, to policies and detailed procedures to produce goods and provide services. Compiling and reading an Operations Manual may not be glamorous, but it is essential in streamlining your business to prevent problems caused by human error and bad processes. You want everyone to be as efficient as possible. That means having a specific procedure on how to do the job and be as efficient as possible.

### The benefits of an Operations Manual include:

- It serves as an aid to train new employees, reducing the learning curve. If anyone is unsure of how to fulfil their duties, they can access it as a resource at any time.
- It allows you to record and preserve the knowledge that is limited to a few experts in the company. Think of it as a centralised knowledge base collected in a single location that anyone can access at any time.
- It helps improve, standardise and fully-document processes that ensures consistency.
- It lets you quickly identify the suitable personnel when it comes to assigning or delegating tasks.
- It makes your business more easily scalable, especially as you grow and hire more staff.
- It helps make everyone accountable - nobody can argue that a task or duty isn't their responsibility or in their job description.

- It allows you to store important information such as process maps, employee contact details, business policies, etc. in one central location.

### Compiling your manual

Irrespective of whether you have one, one hundred or one hundred thousand employees, every company should have an Operations Manual.

It is a 'living' document that should be checked and reviewed at the very least annually to ensure that it is up-to-date and in line with legislation.

The manual is usually either a physical document (book/booklet) or an online resource, which is certainly quicker to update.

Obviously, the size of the business will determine how big or long the





manual is. And depending on the sector you are in, there may or may not be sections that are applicable. For example, if you are in a services type industry (say a Financial Advisor), you probably have no stock and therefore no need for stock control. Try and keep it as simple as possible.

The sections that you may require are (but not limited to):

### 1. Introduction

This should include:

- A brief history of the company, how and why it was started and also the purpose of the manual.



- The company's business objectives and mission/vision statement.
- A list of the company's products and/or services.

### 2. Organogram

An organogram is a graphical representation (the organisational chart) of a company's structure, that is used to show hierarchical relationships between managers and the people who report to them, as well as the various departments.

- Once you get to 3 or 4 departments, this should be split into two. The first one should show just the departments and where they report into. For example HR should report into Operations, Accounts into the Financial Director, and so on.

The second organogram should include the names of the individuals who head up the departments, as well as the name of the individuals that report into them, for example: Jane Doe and Joe Public who are Clerks in the Accounts Department report to Suzie Stressed-out, who is the Accounts Manager. She reports to Philip Pedantic, who is the Financial Director and reports to... you get the idea.

- The function of each department should also be outlined, as well as which department supports which activity.
- The job descriptions for each particular job (not person) should be filed here too. For example Jane may be the Receptionist, the Debtors Clerk and the Warehouse Data Capturer. This of course means that Jane should have 3 different job descriptions.
- Don't forget to include the details of the company, such as address of branch offices and contact details for key personnel.

### 3. General Information

This would include general guidelines like, but not limited to:

- General attitude towards clients, suppliers, colleagues and management.
- How to deal with customer-, supplier-, colleague- or management queries, complaints or visitors.
- Housekeeping (such as personal hygiene and dress code).
- Do's and don'ts. For example: "Do be at work 15 minutes before you are due to start working" or "Don't partake of illegal substances and/or alcohol whilst on duty".

### 4. HR and Administration

This section is self-explanatory and would deal with some of the below mentioned sub sections:

- Hiring practices: Who authorises new employees; job spec requirements; what the interview process is. What forms/templates need to be completed including: SARS, Department of Labour, Workmen's Compensation etc. Legislation registration requirements etc. Letters and Contracts of Employment to be issued, etc.
- When and how employees are paid, including full-time or permanent employees and/or casual employees.
- Frequency of salary reviews and/or bonus requirements as well as advancement opportunities.
- Benefits paid by the company (if any), staff contributions and payroll deductions. These also need to be carefully explained so that the staff understand them properly.
- Disciplinary policy and procedures, including Letters of Warning and/or Notice to Attend a Disciplinary and/

or Letter of Reprimand. Don't forget the Certificate of Service.

- Hours of Operation including Annual Leave, Sick Leave, Family Responsibility Leave, Unpaid Leave, Maternity Leave, Paternity Leave and Study Leave where applicable.
- Attendance requirements as well as overtime and holidays, and remuneration pertaining to these issues.
- Labour Laws - Basic Conditions of Employment Act, Labour Relations Act and "Best Practices".
- Any other policies and procedures such as (but not limited to) Smoking Policies, Sexual Harassment, Alcohol and Substance Abuse, etc.

## 5. Products and Services

This section should include:

- Your sales procedure and credit authorisation requirements.
- Customer relations and complaints process.

## 6. Operational Procedures

These should include a departmental flow chart and authorisation process for each department and for each process. It would also include detailed 'step-by-step' procedures such as 'once the sale has been completed and signed the order goes to administration where it is checked and data captured and then to the warehouse for the goods to be 'picked and packed'. Then the stock goes to dispatch where the stock is released to the driver and the invoice is produced and then...' etc. A copy of each document and/or template used should be included with the procedure.

## 7. Administration

This should include the following (but not be limited to):

- Departmental administrative

procedures and authorisation requirements that would also indicate responsibility and accountability.

- Templates for each requirement, for example Petty Cash Reconciliation.
- Procedures on how to complete each template and the purpose of such document.
- The document flowchart as well as due dates and deadlines.

## 8. Safety and Security

This includes safety issues around the premises, the personnel, company assets and information, for example:

- Safety of the premises (in-house or outsourced), security cards/access cards etc. Access to safes and/or restricted areas.
- Safety of the staff, compliance with OHS (Occupational Health & Safety Act), including safety gear etc.
- Managing the importance of the safety of the employee as well as the company.
- Protection of company assets and the requirements around that.
- Safety around confidential company information and client information..
- Key and password control.
- Incident reports.

## 9. Emergencies

- How to deal with accidents involving staff, visitors or clients, as well as company vehicle accidents.
- What to do in case of fire, theft, hi-jacking and all contact details that pertain to these.
- What to do in case of power failure, burst water pipes or gas leaks.
- Incident reports.

## 10. Maintenance and repairs

- Procurement policies pertaining

to these service providers as well as their contact details.

- Procedures pertaining to authorisation of these service providers as well as authorisation for the repair.
- Authorisation and control of after-hour access to premises.
- Key controls.
- Refuse removal.
- Handling of equipment.
- Procedures around damage and/or loss to property and/or premises.
- Incident reports.

## 11. Legal

- Legislation around local and national requirements and rules and regulations that are industry specific.
- The 'how to' and 'who with' handling of regulatory agencies and/or municipalities.
- Inspections that have taken place and the reports that were issued.
- Record keeping requirements.
- Maintaining of ethical standards.
- Green and carbon footprint issues.

This is quite a lengthy and comprehensive list, but a very necessary one at the end of the day.

An Operations Manual shows that you have a policy of full transparency and have nothing to hide. Your employees will have a clear understanding of what is and is not acceptable, and what the consequences of their actions will be.

Nikki is an Internal Auditor and Business Administration Specialist. Contact her on 083 702 8849, email: [nikki@viljoenconsulting.co.za](mailto:nikki@viljoenconsulting.co.za) or [viljoenconsulting.co.za](http://viljoenconsulting.co.za) for any policies and procedures that you may require.



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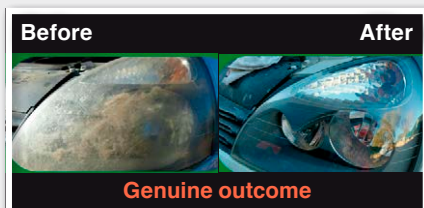
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# So, you think you're too small for POPI?

*(Hint: No, you're not...)*

Although many South African business owners are aware of the **Protection of Personal Information Act (POPI)**, there is a worrying lack of urgency when it comes to actually making critical changes and improvements to data management and data security. This lack of urgency (and commitment) to enhancing data protection measures is especially prominent among SMEs, many of which consider themselves as 'too small' to worry about POPI (and data security legislation in general). Our advice? Sound the alarm bells! This is a hugely risky attitude to adopt, as SMEs are just as liable – and as vulnerable – to data protection laws, including POPI.

Before we explain why, and also suggest important steps for SMEs to begin taking, let's clarify what POPI actually means for businesses – and its current legal status.

The POPI Act essentially promotes the protection of personal information by public and private bodies, and was signed into law in 2013. It is expected to come into effect very soon, after which organisations will have two years to comply. Notably, certain sections of POPI have already commenced (under proclamation No. R. 25, 2014), but it is only a few limited sections. The majority of POPI (especially the sections that create compliance requirements) will only commence on a later date to be announced by the President.

## Every business is a target for attackers

With the prevailing uncertainty around when POPI will commence in its entirety, many businesses of all sizes are simply sitting back and ignoring the



pressures to implement key structural changes to their data security and data management practices. This is both irresponsible and risky – and is an approach which places owners, managers, employees, clients, suppliers and other stakeholders in a highly vulnerable position. This is not simply because POPI and other data security laws (such as the EU's GDPR) carry stiff penalties for non-compliance...it's primarily because every business, including SMEs, contractors and sole traders, will be targeted by cyber criminals. It is not a question of 'if' anymore...it is simply a question of 'when'!

Still not convinced? Consider this: the global Cyber Exposure Index ranks South Africa sixth on the list of most-targeted countries for cyberattacks, while PwC's 2018 Global Economic Crime Survey ranked cybercrime as the second most frequently reported type of fraud (and identified it as the most disruptive and serious economic crime expected to impact organisations in the next two years). Moreover, SMEs are just as vulnerable to hacks and data theft as

their larger counterparts - and are in fact even more vulnerable because they have fewer dedicated IT security resources available to them.

### **Paying attention to POPI: an intelligent approach**

Now that we've highlighted the risks of the very dangerous online world that businesses now inhabit, let's get back to what POPI means for you, the business owner. Firstly, it's critical to highlight that it's now the law to do everything that is considered "reasonable" to protect data. Secondly, it's the right, ethically responsible thing to do to pay attention to protecting your personal information - and that of your customers.

That said, we advise that you don't spend too much time concerned with the Act itself - rather make sure that you understand everything you can about where your data is; who has access to it; and what your mitigation and recovery plans are to keep your business operational WHEN you are hacked (or have an outbreak of malware).

### **Your SME is not immune**

Critically, every business falls within POPI's reach. This is essential to note, especially when you consider the wording of the Act and how it refers to directors, people and businesses doing everything that can be considered "reasonable" based on what they do, the data they keep and the industry they are in.

Let's look at an example: a financial manager is technically a one-person business (i.e. a very small company) but he/she is in possession of clients' personal data, including sensitive financial data. This means that his/her adherence to the Act is imperative, even when compared to a furniture manufacturer that possibly employs 50 people. Yet even in the latter example, the personal data of those 50 employees is also on file, so there is a high degree of responsibility and adherence to the Act required there as well.

### **Getting your data (house) in order: layered security**

As we mentioned earlier, business owners and SMEs shouldn't concentrate on the Act itself, but should rather ensure that they understand the concept of layered security. Much like how you protect your home

**“ The global Cyber Exposure Index ranks South Africa sixth on the list of most-targeted countries for cyber attacks. ”**

and business with physical security (guards, electric fences, etc.) you must now protect the data in your business both digitally and physically - and back this up with continuous education and awareness training.

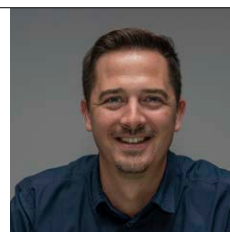
Importantly, this is a systematic approach that is made up of many layers. When properly and professionally executed, it creates a robust system of defence that is effective in mitigating the massive risks that sophisticated cybercrime and data theft present today. It is also an essential strategy to make sure your SME complies with POPI and GDPR!

This approach includes the following elements:

1. Endpoint Security
2. Education & User Guidance
3. Network Security
4. Contract Support
5. Server and/or Hosted Security
6. Monthly Reporting

While your business rivals may be shuffling papers and making calls to understand POPI and GDPR, your SME will undoubtedly gain many critical competitive advantages by turning its focus to the more important question of data security and robust data management. By focusing on strategies such as layered IT security, savvy business owners can ensure that their employees and stakeholders will be left in peace to achieve growth and sustainability - while others get caught in the crosshairs of POPI and cyber criminals!

Aaron Thornton is the Managing Director of Dial a Nerd, providing professional IT & computer support and solutions across South Africa. Visit [www.dialanerd.co.za](http://www.dialanerd.co.za) or call (010) 007 0012 / (021) 200 1460.



# Retail success in 2020 will be defined by value

## 7 Technology strategies to unlock growth.

It is clear that the role and function of brick and mortar stores has fundamentally changed. Increasingly, physical stores have to become a seamless extension of an overall customer experience that blends the best of the online and offline worlds. Indeed, savvy and forward-thinking retailers understand that the lines between online and offline are blurring, and the question is not so much around whether to have a physical or online presence – the fundamental question is how to deliver the most value to your customer.

In South Africa, retailers should take their cue from the global shift and find local solutions that speak to the fundamental shift that is happening. Arguably, many decision-makers within local retail are stuck in 'traditional' thinking that is purely focused on cost savings and efficiencies (the low hanging fruit) – with little vision of a fundamental transformation that puts the customer first.

### UNDERSTANDING WHERE VALUE LIES

To keep up with the lightning fast pace of change in global retail, most of which is technology-driven, SA's retail decision-makers have to embrace a new mindset

that is less risk averse, more experimental and that is entirely centred on providing value to the customer. Looking ahead, we believe that three things will define retail success in the years to come: convenience (for example, easy online payment options); brand strength (are you a premium brand?); and customer experience (is your buying experience seamless and easy?). In order to remain relevant in a highly competitive retail landscape, every retailer has to fulfil these three functions. In South Africa, we currently risk losing ground on all three...

So, where to begin?

### ASK THE RIGHT QUESTIONS

In order to better understand how to deliver value to your customer, you need to be equipped with the right knowledge. This knowledge can be extracted from data – credit card data, buying patterns, location data, stock trends, customer feedback, etc. Once you explore and analyse the data at hand, you can better understand what is working and what is not. Remember, unless this knowledge can impact in-store operations, it is probably irrelevant. Everything has to come back to delivering more value to the customer as they move





through the purchasing journey. To guide your thinking, ask questions such as: Who are we? Who are our customers? What do we do very well? What do customers come to us for?

## LEVERAGING TECHNOLOGY TO DRIVE VALUE

Once you have real insight into these key elements, you can then start exploring various technology solutions to ensure that you will be able to deliver unique value to the customer. If you start with the customer in mind - not the technology - you will undoubtedly make decisions that reflect the true nature of your brand and business.

With regards to technology investment and innovation, the most important thing is just to get started – there is no need to have full and expensive solutions in place right away! With that in mind, here are our top seven technology strategies that every retailer should be looking at....

### 1. Enable payment flexibility:

Allow customers to pay via mobile for example, and place the emphasis on security as well as convenience.

### 2. Create an omnichannel offering:

Today, every retailer has to have an e-commerce presence of some kind that links seamlessly to the in-store environment.

### 3. Transition into the Cloud:

Move your data and certain key services into the Cloud. The major providers such as AWS and Google will ensure both data security and reliability. Once in the Cloud, you can slowly start to explore more bespoke services.

### 4. Explore the IoT:

Although the Internet of Things (IoT) is still maturing in South Africa, networks are getting stronger and businesses can start to experiment with different use cases.

### 5. Find collaborative partners:

More and more retailers are harnessing collaborative partnerships to draw in foot traffic and leverage key resources, such as a global brand, to boost growth using the “store within a store” concept.

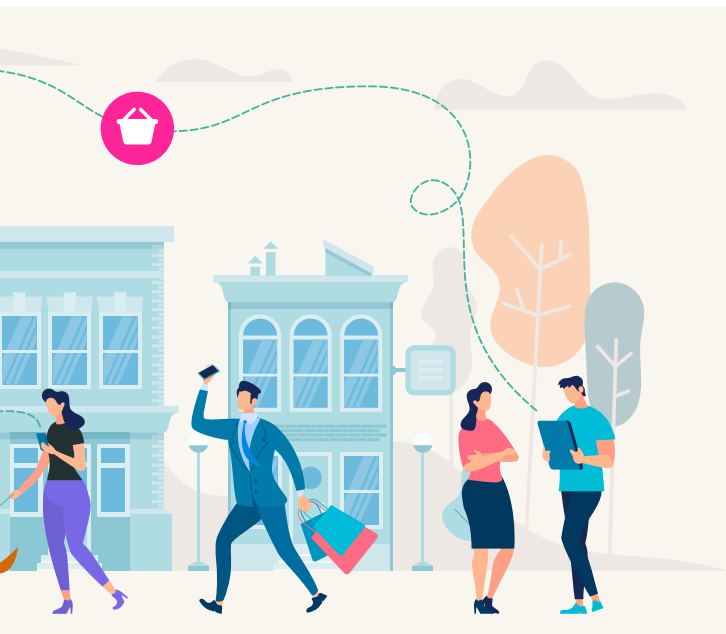
### 6. Look at voice-enabled technologies:

Many experts are hailing the beginning of a ‘voice’ revolution, whereby consumers will increasingly make use of voice-activated devices and services. Savvy retailers should look to become first movers in this space.

### 7. Find ways to apply AI to your customer database:

AI and machine learning, whilst still in their infancy, can be hugely transformative by creating questions that you would never have thought to ask. Start implementing data analytics and begin to mine customer data for key insights.

While many of these strategies may appear daunting, the key is to get started and to begin to explore where you can unlock value. Success will depend on finding the right partners and specialists, who can guide you along the way. Looking ahead, retail growth and sustainability will be the domain of those who prioritise experimentation... and are able to think differently about delivering value in-store!



Gareth Hawkey is Group CEO redPanda Software, a specialist enterprise retail software developer, providing highly customised software solutions to leading retailers around the world.  
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