



How widespread is fake transformation in asset management?

Motswedi have recently won a prestigious award from ABSIP (Association of Black Securities and Investment Professionals) as the most transformed investment/asset consultant. What it got me thinking about was the idea of economic transformation and how this is actually being viewed and implemented by the players in the financial services industry.

I am encouraged by the development we have started seeing where some SA asset management companies and related industry companies, both large and medium sized ones are actually starting to have meaningful discussions about economic transformation - what it means to them and how they may contribute towards it. This is certainly a positive development and I was wondering if we are actually seeing some inkling of the theory of diffusion of innovation (https://en.wikipedia.org/wiki/Diffusion_of_innovations) ... perhaps I get ahead of myself.

Along with this development we are seeing many a cynic shouting things like, its about damn time and why only now, when you had the opportunity many years ago why did you nothing, what were you waiting for? Questions which could be legitimately asked, but at this juncture, with so much on the line, perhaps we park that discussion.

In all these conversations, one of the real challenges to be faced by many corporates choosing to opening this discussion is the one about authenticity in transformation. This is an important concept on a number of fronts, on the up side, authenticity enables companies to create lasting change that is sustainable and fulfilling and perceived by clients to be so. When a company is authentic, they are more likely to be motivated and committed to the goals of economic transformation and are better equipped to

overcome obstacles and challenges that will arise along the way. These are the companies which Motswedi believe will find true success in South Africa.

This compared to companies who talk a good talk on transformation but at the same time strategically positioning white and black staff across cost centres and PTY(Ltd)'s to show higher representation in certain visible areas and not in others – this will always be seen to be just that – talk. One simply has to look at the push back from some corporates when asked for deeper levels of diversity disclosure in their corporate architecture, from holding company through to the subsidiaries. Any observers would see this as further evidence of the detraction from authenticity – and drives the views many people hold about the failures of transformation. The old adage, walk the floor and you'll get a sense of the diversity in a company.

Perhaps it is the case of brinkmanship where many more are seeing that we are at the precipice and if things do not change, no walls will be high enough and no fences electrified enough.

Whatever it may be, lets all approach this conversation with clarity of mind that the outcome is a better life for all South Africans, not the one deferred.