



*Celebrating the
ties that bind us*

2015/16 PERFORMANCE OVERVIEW

18 October 2016



ABOUT BRAND SOUTH AFRICA



TO BUILD SOUTH AFRICA'S NATION BRAND REPUTATION FOR 2 PURPOSES:

- To strengthen South Africa's global competitiveness
- To encourage and support active citizenship among South Africans

FOCUS

Creating a positive and compelling brand image for South Africa, thereby contributing to the reputation of the country

5 OPERATIONAL PLATFORMS

1. Raising awareness internationally of all that South Africa has to offer investors
2. Conducting operational missions abroad to promote investment and export industries
3. Mobilising influential South Africans as well as members of the media abroad
4. Boosting local pride and patriotism
5. Inspiring all South Africans to contribute to positive change through the flagship active citizenship campaign, Play Your Part

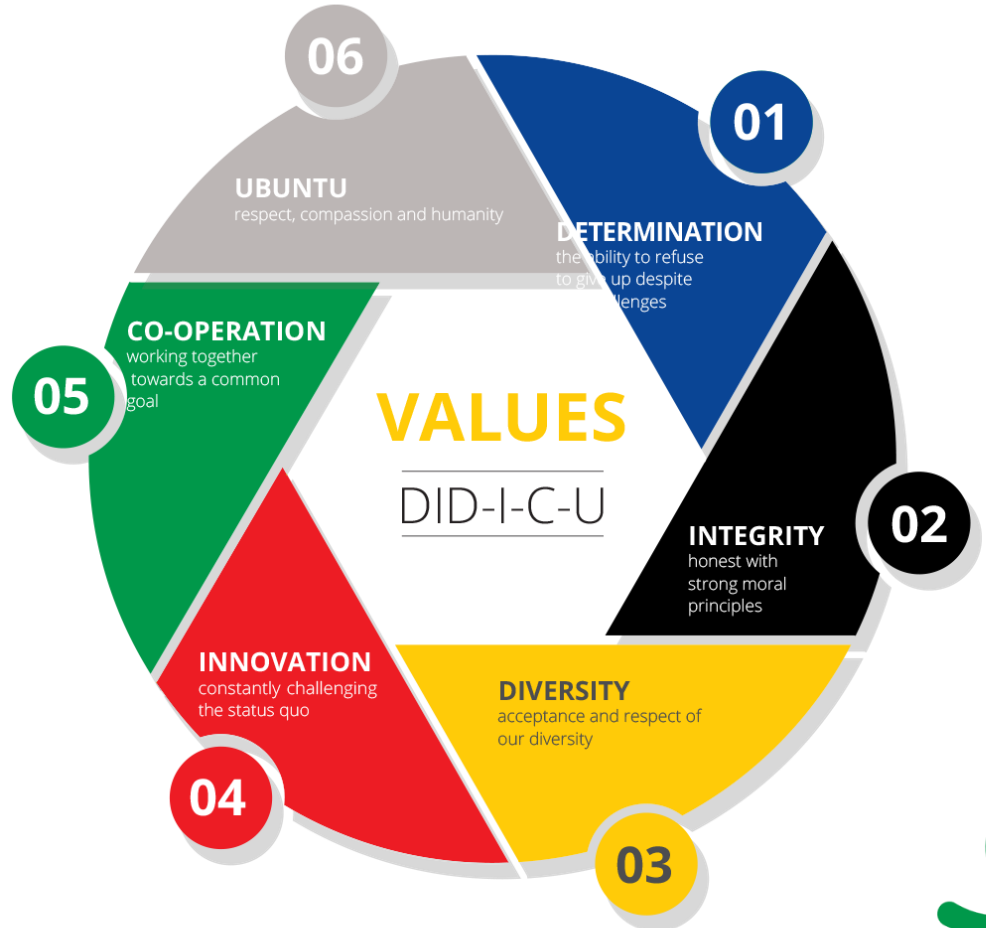
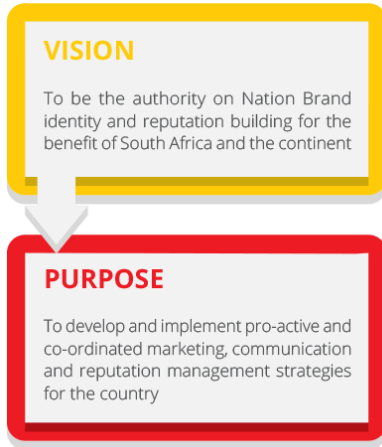
PRIMARY OBJECTIVE

Proactive reputation management and brand strategy; its aim is to create a positive and unified image of South Africa. Alignment of messaging and a consolidated brand image serve to engender pride and patriotism among South Africans and encourage investment and tourism





VALUES





HUMAN RESOURCES OVERVIEW

OBJECTIVES FOR 2016/17



Increase the representation of people with disabilities by filling one management position with such candidate



Review job specification, job documentation and job evaluation for all positions



Conduct an organisation-wide skills audit



Maintain the vacancy rate to a single digit



Develop an HR Plan that is in line with the Five-year Strategy

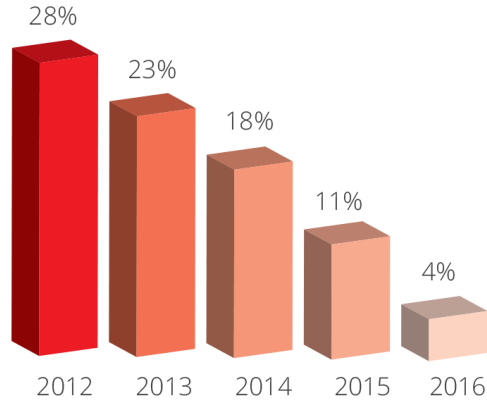




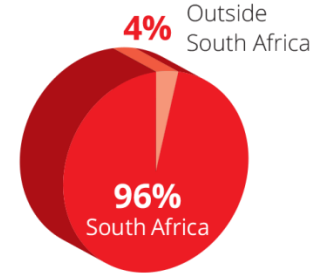
HUMAN RESOURCES OVERVIEW (continued)

HR STATISTICS 2015/16

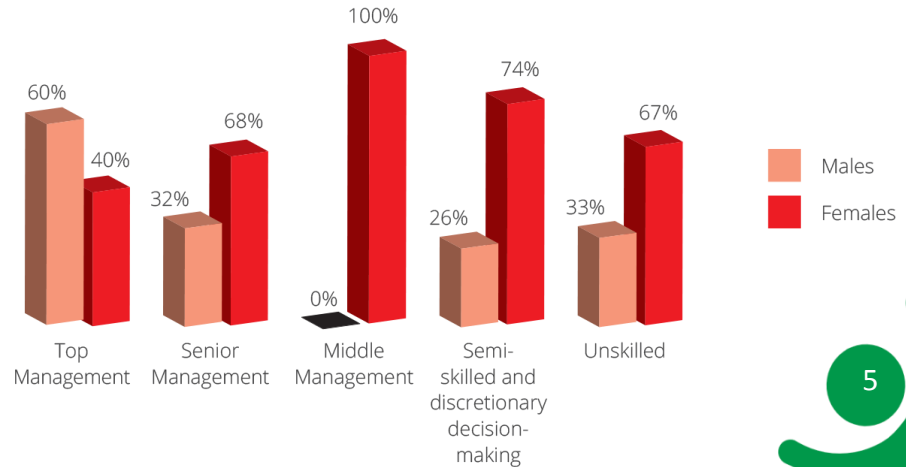
VACANCY RATE OVER THE PAST FIVE YEARS



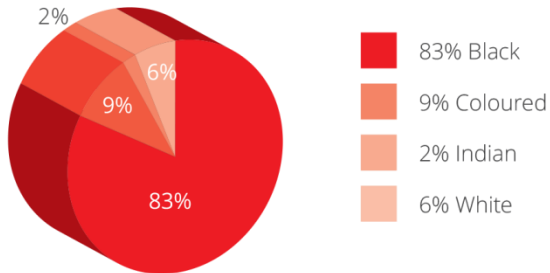
EMPLOYEE BASE



GENDER DIVERSITY PROFILE

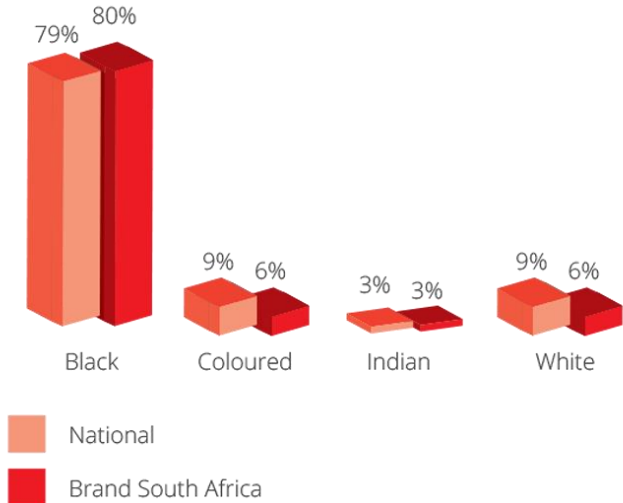


WORKFORCE BY POPULATION GROUP



HUMAN RESOURCES OVERVIEW (continued)

TOTAL ECONOMICALLY ACTIVE POPULATION VS. BRAND SOUTH AFRICA WORKFORCE BETWEEN AGES 20-59



JOB LEVEL

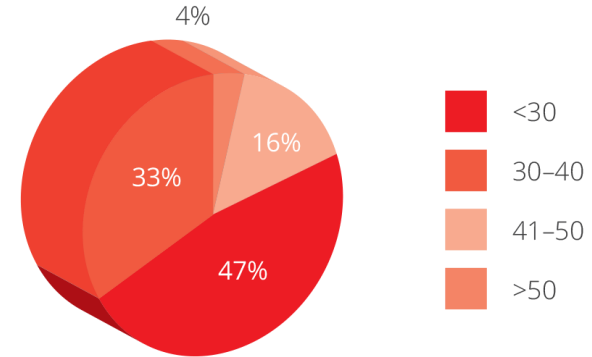
48%

Management

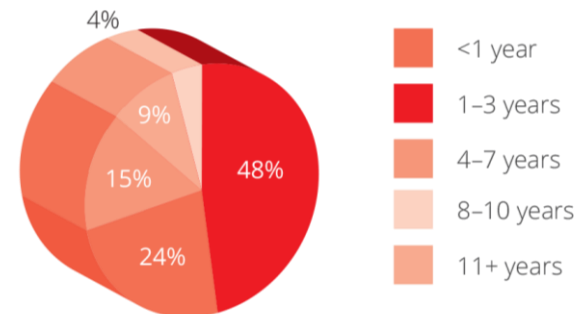
52%

Non-management

WORKFORCE BY AGE



WORK EXPERIENCE IN THE COMPANY



HUMAN RESOURCES OVERVIEW (continued)

Talent management and development

Talent management is a strategic business priority and the entity's ability to attract and retain key talent is measured through its recruitment success rate and employee retention rate.



Overall staff turnover

2014/15: 21%
2015/16: 15%



Exco staff turnover

2014/15: 67%
2015/16: 0%

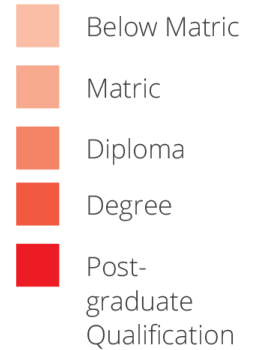
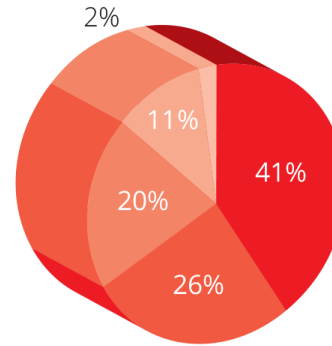


CWP staff turnover

2014/15: 22%
2015/16: 0%



EDUCATION LEVEL



TRAINING AND DEVELOPMENT SPENT

2014/15: R648 745
2015/16: R792 121



HUMAN RESOURCES OVERVIEW (continued)

2015/16 STAFF ENGAGEMENT SURVEY RESULTS

78% Fully engaged **22%** Undecided **0%** Disengaged

Engagement: In Brand South Africa, the great majority (78%) of employees are fully engaged in terms of Personal Attributes and Personal Effort, partly through positive self-perception. However, their reported levels of Job and Organisation Engagement are somewhat lower. Many staff members feel better connected to their own work than to Brand South Africa as a whole; further, 22% are undecided about engagement.

Climate: Morale, respect, teamwork, supervision and trust are positive and rated somewhat higher than rewards, equal opportunity, communication and the workplace.

Culture: Knowledge of standards, readiness to change, recognition, chance to learn and participation are rated highest. People assets, safety, leadership and consistency are rated somewhat lower.

Higher Culture Ratings:
Ready to Change, Know Standards, Recognition

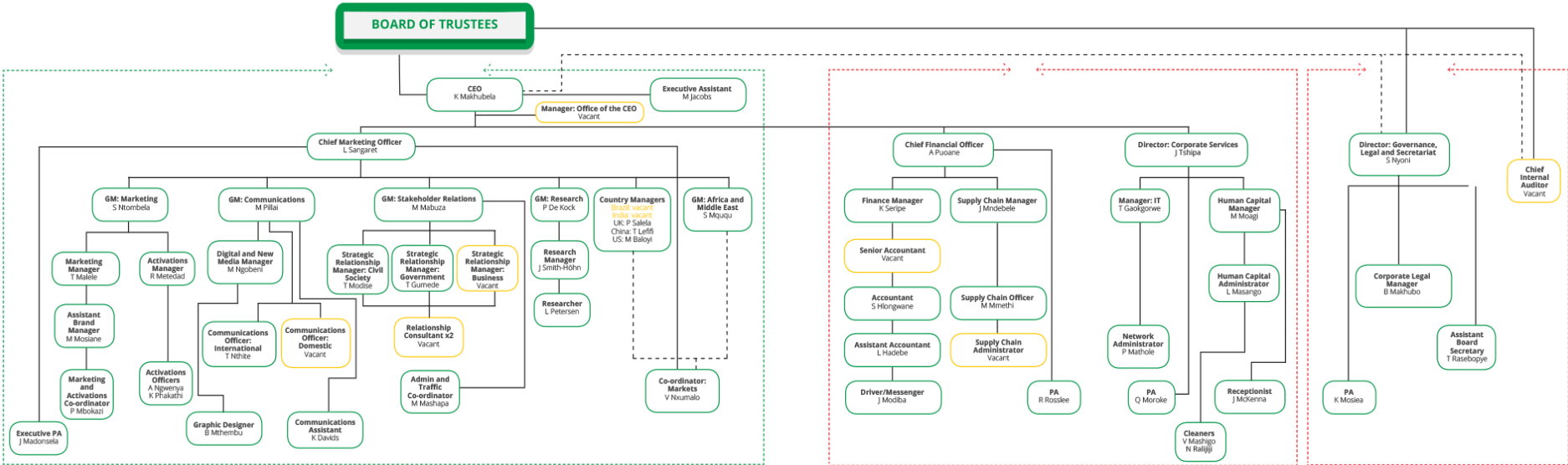
Higher Climate Ratings:
Respect, Teamwork and Supervision

Lower Culture Ratings:
Valuing People, Leadership, Consistency

Lower Climate Ratings:
Rewards, Equal Opportunity and Communication



ORGANISATIONAL STRUCTURE



■ Filled ■ Vacant

CORE BUSINESS

SUPPORT

Views on Leadership

Most respondents state that the new leadership has helped to re-focus Brand SA as a credible, efficient and performance-driven business (especially in the eyes of its stakeholders)

Respondents also praise the emergence of a new leadership style which is more participative, respectful, knowledgeable and tolerant
Leadership changes have also positively influenced staff morale, motivation and teamwork



ACHIEVEMENT FOR THE YEAR - Financial

- Achieved a clean audit for the first time in the organisation's history.
- A positive cash flow from operating activities - more details in the next slide.
- Reported a surplus for the first time in three years.
- Main cost drivers were reduced and more synergies were sought.
- Baseline funding from the Department of Communication was R173 160 000 (2014/15: R167 686 000) resulting in a 3% increase.
- No additional amounts above the baseline were received.

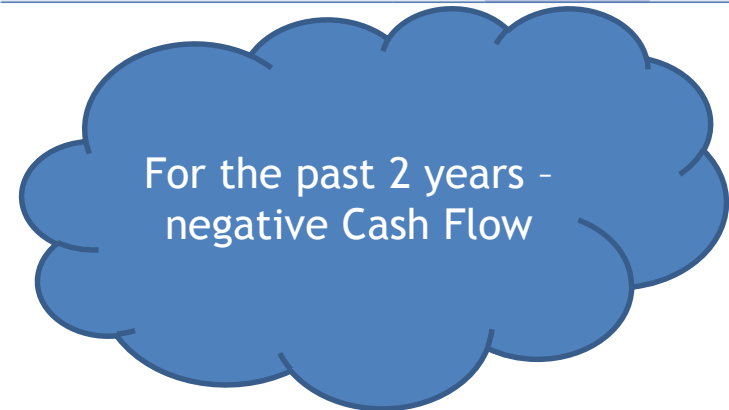




CASH FLOW STATEMENT

Notes	2016 R	2015 R
Cash flows from operating activities		
Receipts		
Grants	173 160 000	167 686 000
Investment income	672 992	416 035
Other receipts	1 403 860	10 220 404
	175 236 852	178 322 439
Payments		
Employee costs	(47 872 355)	(33 266 263)
Suppliers	(109 710 320)	(153 756 667)
	(157 582 675)	(187 022 930)
Net cash flows from operating activities	25	(8 700 491)
Cash flows from investing activities		
Purchase of property, plant and equipment	3	(1 766 766)
Purchase of other intangible assets	4	(26 950)
Purchases of heritage assets	5	(37 000)
Deposits paid		(101848)
Net cash outflows from investing activities		(1515982)

Notes	2016 R	2015 R
Cash flows from financing activities		
Finance lease payments	(232 220)	(179 715)
Finance costs	(31 094)	(38 722)
Net cash out flows from financing activities	(263 314)	(218 437)
Net increase/(decrease) in cash and cash equivalents		
Cash and cash equivalents at the beginning of the year	5 655 436	16 090 346
Cash and cash equivalents at the end of the year	11	5 655 436



STATEMENT OF FINANCIAL POSITION

	Notes	2016 R	2015 R
ASSETS			
Current Assets			
Pre-payments	9	1 096 230	2 397 401
Receivables from exchange transactions	10	532 234	1 984 515
Cash and cash equivalents	11	21 113 735	5 655 436
		22 742 199	10 037 352
Non-current Assets			
Property, plant and equipment	3	3 528 584	3 171 167
Intangible assets	4	19 090	19 469
Heritage assets	5	170 556	133 556
Deposits	6	871 558	697 584
Operating lease – asset	7	20 991	20 991
		4 610 779	4 042 767
Total Assets		27 352 978	14 080 119
LIABILITIES			
Current Liabilities			
Finance lease – liability	12	180 003	232 219
Operating lease – liability	7	76 505	245 684
Payables from exchange transactions	14	6 155 086	18 518 625
Provisions	13	6 680 468	3 991 619
		13 092 062	22 988 147

	Notes	2016 R	2015 R
Non-current Liabilities			
Finance lease – liability	12	43 691	223 694
Total Liabilities		13 135 753	23 211 841
Net Assets		14 217 225	(9 131 722)
Accumulated surplus/(deficit)		14 217 225	(9 131 722)

We have R1.38 in
CA for every R1 of
CL



PERFORMANCE AGAINST PDO

- Achieved 84% of the PDO

2% Increase



SUMMARY OF PERFORMANCE RESULTS

PROGRAMME 1: Administration

- **Strategy**

Ensure Brand South Africa is sustainable and a high performance organisation

- **Key result area**

Develop and manage the organisational capabilities we need, both locally and globally

- **Achievement**

13 targets met, 1 target not met
(93% achieved)





SUMMARY OF PERFORMANCE RESULTS

PROGRAMME 1: Administration

	1 Target not met	Variance Explanation
1	Implement ERP system	ERP implementation deferred to 2016/17 due to budgetary constraints.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

- **Strategies:**

Tell the SA story to key audiences to positively influence both awareness and perceptions/ provide insights, information and inspiration (pride & patriotism) for others to tell the South African story

Provide insights, information and inspiration (pride & patriotism) for others to tell the South African story

Rapidly and effectively counter negative messages about South Africa/orchestrate and align communication by various stakeholders

- **Key result areas:**

Brand marketing & reputation management

Monitor local and global issues and events to identify opportunities for action

- **Achievement:** 24 targets met, 7 targets partially met

(77% achieved)



SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

	7 Targets Partially met	Variance Explanation
1	Finalise overall country messaging and key messages for select target markets and or audiences.	The messaging framework was only approved at Marketing Committee level but not at Board sitting.
2	Submit to Board for approval and implement country messaging framework.	No funding received, however, provincial consultations concluded through SACF.
3	Develop and implement online integrated international programmes as well as analysis and implementation of GSA programmes.	The delays in the assessment of subscriptions were encountered due to market challenges.
4	Implement domestic programmes through own and key stakeholder programmes in all provinces. PYP: 22%, Pride: 86%, Social Cohesion: 76%, Active Citizenship 61% and Brand South Africa Awareness: 32%	In 2014/15 Brand SA implemented a Play Your Part TV series and this afforded the entity an opportunity to reach mass audiences. In 2015/16, a business decision was taken to take Play Your Part programme on the ground through regional activations/roadshows (due to additional scope of work which involved driving constitution awareness) and this approach will never yield the same reach numbers as when compared to TV.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

	7 Targets Partially met	Variance Explanation
5	Develop and implement integrated domestic programmes.	PYP benchmark was driven by the TV series reaching millions of people at the same time. In this regard, the ground regional road shows carried out would not have the same impact.
6	Develop and maintain a comprehensive and accessible facility to provide insights and information about South Africa and global target markets.	The process was halted due to the redesign of the website.
7	Communicate Brand South Africa research outputs to stakeholders.	Tender process concluded. Fieldwork initiated. Conduct international investor perceptions research expected in 2016/17.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

International Markets

- **Strategies:**

Tell the SA story to key audiences to positively influence both awareness and perceptions/ provide insights, information and inspiration (pride & patriotism) for others to tell the South African story

Provide insights, information and inspiration (pride & patriotism) for others to tell the South African story

Rapidly and effectively counter negative messages about South Africa/orchestrate and align communication by various stakeholders

- **Key result areas:**

Brand marketing & reputation management

Monitor local and global issues and events to identify opportunities for action

- **Achievement:** 54 targets met, 11 targets partially met
(77% achieved)



SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand marketing & Reputation Management

International Markets

	11 Targets Partially Met	Variance Explanation
	United Kingdom	
1	Align stakeholders with brand initiatives	The focus was on the Rugby World Cup Programme during to. In Q1 it was not possible to hold the quarterly team SA meetings because it was not possible to find a date that suited all members. The agenda was integrated into the Q2 meetings.
2	Use GSA e-newsletter and website to empower GSA's on messaging and end empower third party endorsers. (48 newsletters required).	43 newsletters distributed. During the planning phase, public holidays had were not taken into account.
3	Communicate Brand South Africa research services to stakeholder.. (4 quarterly briefings required)	3 briefing sessions held. In Q1 it was not possible to hold the quarterly team SA meetings because it was not possible to find a date that suited all members. The agenda was integrated into the Q2 meetings.
4	Develop and provide insight to research unit.	Q1 was conceptualisation of the stakeholder documentation, hence it was done during the following quarters.

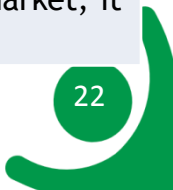




SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management - International Markets

	11 Targets Partially Met	Variance Explanation
	United States of America	
5	Presentations to business, investments, thought leader forums. (16 presentations)	Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.
6	Engagement with media (direct and online) (20 engagements).	15 engagements completed. Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.
7	By-liners drafted and placed for key stakeholders, third party endorsers. (8 articles)	6 articles completed. Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

International Markets

	11 Target Partially Met	Variance Explanation
	United States of America (USA)	
8	Newsletters to US influencers highlighting NDP progress, opportunities, success contextualising developments. (10 newsletters)	8 newsletters completed. Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.
9	Develop and provide insight to Research Unit in the head office. (12 reports to be submitted)	5 reports submitted. Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.
10	Share insights with key stakeholders. (4 quarterly briefings)	We leveraged the utilisation of the existing newsletters to showcase Nation Brand performance.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 2: Brand Marketing & Reputation Management

International Markets

	11 Target Partially Met	Variance Explanation
	Brazil	
11	Deepened understanding of SA value proposition, including NDP and achievement of first 20 years. (Mandela Day - 1 piece of content centrally generated)	The content focused on SA/Brazil relations as Mandela Day would only take place in Q2. There was only 1 target for Q1 -so no need for POE in Q2, Q3, and Q4.



SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 3: Stakeholder

- **Strategy**

Orchestrate and align communication by various stakeholders/tell the SA story to key audiences to positively influence both awareness and perceptions

- **Key result areas:**

Brand marketing & reputation management
Strengthening stakeholder relationships
Develop and maintain partnerships and relationships with targeted stakeholders to increase our reach and impact

- **Achievement:** 11 targets met
(100% achieved)



SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 3: Stakeholder

International Markets

- **Strategy:**

Orchestrate and align communication by various stakeholders/tell the SA story to key audiences to positively influence both awareness and perceptions

- **Key result areas:**

Strengthening stakeholder relationships
Develop and maintain partnerships and relationships with targeted stakeholders to increase our reach and impact

- **Achievement:** targets met 28,

3 targets partially met, 1 target not met

(88% achieved)





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 3: Stakeholder

International Markets

	3 Target partially met	Variance explanation
	United States of America (USA)	
1	Build, engage and inform GSA network. (500 US sign-ups)	The increase was not assessed. Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.
2	Build, engage and inform GSA network. (36 newsletters distributed to GSA)	URL links were provided to augment the newsletters.
	India	
3	Quarterly embassy engagement. (4 meetings)	The evidence from the agency could not be located.





SUMMARY OF PERFORMANCE RESULTS (continued)

PROGRAMME 3: Stakeholder

International Markets

	1 Target not met	Variance explanation
	United States of America (USA)	
1	Partner, inform and align joint marketing initiatives with stakeholders (embassy, consulates, the dti, WOSA, etc.). (4 investor roundtable)	Country manager arrived in the USA market in the middle of the fiscal and then also had to spend part of the fiscal in South Africa. Considering time spent in the market, it was not feasible to conclude all the targets.





Thank you!

