



CLIENT BRIEF SPECIFICATION GROUP EXECUTIVE: TRANSNET PROPERTIES PRIVATE & CONFIDENTIAL

COMPANY BACKGROUND

Our client, **Gauteng based**, is a successful, profitable and growth organisation in the freight transport and logistics business. The organisation is committed to enabling economic growth within the macro economy, by providing integrated and appropriate port rail and pipeline infrastructure and operations in a cost effective and efficient manner and within acceptable benchmark standards. The commitment is consistent with shareholder expectations. The company gives meaning to its strategic intent through the implementation of the new growth strategy, after the successful completion of the turnaround strategy. The new growth strategy will focus on accelerating profitable and sustainable volume growth, improve service delivery to customers and long term financial performance. The new growth strategy is underpinned by four pillars:

- Capital optimisation and financial management
- Human Resource strategy
- Risk management with an emphasis on safety and effective governance
- Re-engineering, integration, productivity and efficiency

The turnaround strategy focuses on the re-engineering of the core businesses with the objective of improving efficiency, productivity, profitability, realising value from the existing asset base through the improvement of asset utilisation, optimisation and synergy of the value chain, reducing costs and focussing on client service. As a consequence of the successful turnaround strategy, all the core operating divisions are profitable, productive, and more efficient than any other time in the organisation's history. The company is also moving and handling more cargo volumes with fewer resources.

The organisation consists of 5 operating divisions. In the past few years, they have turned around a loss making diversified group into a focussed and growing company that is profitable and responds to the needs of its clients. The company is spending requisite amounts on maintenance to sustain capacity in the face of an aggressive program to create new capacity and vitality. Capital investment year after year is increasing. A new, shared and winning culture for the organisation is part of the people management strategy to enhance the organisation as an employer of choice and the ability to attract the best talent.

The results of the organisation indicate that the company's 5 operation divisions increase profit for the past year. They also generated strong cash flows. The numbers and financial performance confirm that the organisation has:

- Effected a turnaround strategy which has been an appropriate strategy and successful
- The success is sustainable because of its strong foundation and efficiency and productivity improvement
- The company has a strong balance sheet
- The company remains an interesting investment proposition for financiers
- The capacity expansion program is accelerating
- The capacity to role out the massive investment program is in place
- Growth will not be pursued at the expensive of the strength of the companies' balance sheet
- There is a team of talented, diligent and committed executives leading the organisation

The growth strategy is an evolution of the turnaround strategy and the organisation is well poised to launch a successful growth strategy, with a successful and appropriate foundation in place.



Group turnover	:	± R38 billion
Shareholder Equity	:	± R73.7 billion
Capital expenditure	:	± R21.5 billion
Total Transnet Property Assets value	:	± R167 billion
Value of Land, Building & Structures	:	± R12.1 billion
Investment Property	:	± R7.4 billion
External Lease Revenue	:	± R1.1 billion
Profits on Disposals (Including Plant & Equipment)	:	± R33 million
Group Employees	:	± 48 900
Group operations	:	5 operating divisions
Position title	:	Group Executive: Transnet Properties
Report to	:	Group Chief Executive Officer
Direct Reports	:	<ul style="list-style-type: none"> • 1 GM Operations • 1 GM Finance • 1 GM Shared Property Services • Senior Manager: Legal • Senior Manager: Information & Communication Technology • Senior Manager: Human Resources • Senior Manager: Risk and Compliance • Senior Manager: Facilities Management
Total Staff Responsibility	:	1166 people

BOARDS OR COMMITTEES:

- * Invited to the main Board by invitation only to present on specific issues
- * Group Executive Committee
- * Sub committees of the Executive Committee include:
 - Capital Investment Committee
 - Finance Committee

KEY STRATEGIC CHALLENGES FOR THE POSITION:

- * Develop and implement an integrated, high level strategy by raising the profile of the property portfolio to a strategic asset level
- * Develop and implement a clear and well supported strategy of a major national asset that provides clear strategic direction for the entire property portfolio for Transnet
- * Provide input into the Group's overall strategy to ensure the achievements of Transnet business objectives
- * Implement Group wide planning systems and programmes, ensure effective controls are implemented, provide leadership and structure and an efficient functioning of the property portfolio
- * Ensure that all strategic and operational objectives as agreed with the Board, are achieved and implemented
- * Define solutions for a fragmented property portfolio with a clear, integrated, well thought out strategy that supports the overall Group's objectives



- * Develop and implement a maintenance system and process to address and manage the risks associated with sorting out the maintenance backlog in the existing noncore portfolio
- * Interface across the Group to ensure that the operating needs are addressed as well as the property asset portfolio performance criteria
- * Develop and implement a balanced property disposal plan that supports the overall strategy and plan

KEY PERFORMANCE AREAS:

1. Develop /Implement Transnet Properties Strategy

- Analyse and interpret the company strategy and roadmap and relate it to the Transnet Properties roadmaps to determine the direction of the specific areas:
 - Provision of professional property services to all Transnet business units
 - Management of non-core property portfolio
- Collate the information into a workable document for use in the development of Transnet Properties' strategy and implementation of the roadmap
- Compile a draft strategy and implementation roadmap in accordance with the required format indicating the following elements:
 - The optimum management of the Transnet property asset base
 - The improvement of financial and operational controls;
 - Non-core disposals with specific focus on saleable residential units, disposals to Government departments, pre-emptive rights and the Carlton Centre.
 - The transfer of non-core property. This initiative entails the development and implementation of a national transfer plan for the transfer of non-core property from the Operating Divisions to Transnet Properties.
 - The implementation of the Transnet integrated property management system to ensure that property data is consolidated into a single view to enable strategic decision making on the optimal use of property across Transnet.
 - The rationalization of the Property portfolio and the implementation of sound or leading property management practices on all property owned by Transnet.

2. Manage Department (Transnet Properties)

- Consult the divisional and departmental business plan to determine the outputs required from the department.
- Define the objectives for the department in accordance with the divisional and departmental strategy and business plan.
- Determine the deliverables of the department from the objectives.
- Compile a comprehensive budget to determine and ensure that the financial requirements can be met.



- Identify and secure the appropriate resources for the management of the department.
- Analyse benchmarks for similar operations to determine performance indicators for the department.

3. **Manage Reporting Staff**

- Determine the human resources requirements, permanent and contractors, in accordance with the expected deliverables.

4. **Manage Strategic Relationships**

- Identify the relevant role players in accordance with business requirements and dependencies:
 - Exco
 - Board
 - Customers
 - Local Government
 - Government
 - Regulatory Authorities
 - Business Partners
 - Rail Operators,
 - Port Operators
 - Marine Operators
 - Transnet Capital Projects Planning
 - Transnet National Ports Authority
 - Transnet Rail Engineering
 - Transnet School of Rail
 - Audit Committee Members
 - Internal and External Auditors
 - Financial Institutions
- Agree to the expected outcomes from each party and set-up SLA's where required.

5. **Manage Finance**

- Analyse the business/project plan to determine the financial requirements.
- Obtain budgetary prescriptions from Group Finance.
- Determine financial allocations in accordance with deliverables.
- Consult the business/project plan to determine requirements in terms of expenditure.
- Compile a comprehensive budget indicating the financial requirements for each element in accordance with the budgeting guidelines.
- Submit the budget for approval in accordance with policies and procedures.
- Receive the approved budget and communicate the figures to each division.
- Monitor the expenditure against the budget and ensure that spending occurs within the budgetary restrictions.



6. **Representing The Group**

- Receive a request for representation and analyse to determine the nature of the representation.
- Providing Information
- Communicating the Group's Position.
- Presenting Papers.
- Press Releases and special communiqué's
- Conduct research to ensure that all relevant aspects are considered both nationally and internationally.

7. **Governance and Reporting**

Governance:

- Develop and continuously review internal controls.
- Develop and continuously review the Property Department's business processes.
- Review company policies and procedures in relation to their implications on the Property Department.
- Implement performance audit reports.
- Prepare statutory and annual corporate governance reports.

Reporting:

- Manage report development in accordance with policies, procedures and legal requirements.
- Prepare annual corporate governance reports.
- Implement external and internal audit reports

KEY INTERNAL LIAISON RELATIONSHIPS:

- * The Board
- * Key Executives across the entire Group
- * Various committees and executive sub committees including:
 - Capital Investment committee
 - Finance committee
- * Transnet Capital Projects Planning
- * TNPA
- * Transnet Rail Engineering
- * Transnet School of Rail
- * Audit Committee members



KEY EXTERNAL LIAISON RELATIONSHIPS: (TO BE DISCUSSED AND CONFIRMED)

- * Government and local Government
- * Regulatory authorities
- * Key suppliers and Business Partners
- * Customers
- * Rail Operators
- * Port Operators
- * Marine Operators
- * External Auditors
- * Financial Institutions and funders
- * Key suppliers
- * Asset management companies
- * Potential buyers

QUALIFICATIONS AND EXPERIENCE REQUIRED:

Essential:

The incumbent will be somebody who has:

- A relevant 3 year or 4 year degree in Commerce, Building Sciences, Real Estate Management, or Business Management
- 15 to 20 years experience in total, including 10 to 12 years experience in property and business management
- A successful track record and 3 to 5 years experience at a strategic Senior Executive level within the Property / Retail Management, Construction, Asset Management sectors or other large State Owned Enterprises with large property portfolios
- A successful track record in project development and project management developing and successfully implementing large, complex projects
- A sound knowledge and understanding of the Legislation in particular legislation pertaining to the South African property market and the interaction and impact of legislation on the organisation
- A sound knowledge of all relevant Property Management processes and trends , including economic trends pertaining to the property market, in order to provide professional property services to all Transnet business units
- A sound knowledge of the business environment, the relevant role players within the business community and ideally within the public sector too
- An individual who is perceived to be a South African who is committed to change and transformation and has political acceptance in this regard
- Strong interpersonal, negotiation, communication, strategic, conflict management, analytical and problem solving skills are all important requirements
- A strong track record in strategic leadership and management
- A successful track record and passion for property portfolio strategy and management



- An experienced, well respected professional with stature and gravitas who has worked in a professional environment. A strong, positive reputation in the market place, an individual who is well networked within the broader community
- A strong commercial orientation
- Willing to travel locally as least twice per month on average
- Extended hours required in the inherent nature of the position

Desirable:

- A post graduate degree
- An individual who adds to the cultural and gender diversity of the Group

PERSONALITY ATTRIBUTES (CRITICAL FOR SUCCESS):

- A goal orientated, assertive , self starter who drives performance
- An individual with stature, presence and a high level of self confidence
- A decisive and insightful individual with excellent commercial and business acumen
- An individual who has the ability to discriminate between relevant and irrelevant information and pinpoint critical issues
- A persuasive individual who is emotionally mature and assertive
- An energetic, independent thinking individual
- An individual who has the respect and relates well to diversity in the workplace to see diversity as an opportunity and create an environment in which diverse people can thrive
- Personal, professional and financial integrity
- An individual who has the capacity to create and communicate a motivating vision
- Persuasive and a capacity to present information to individuals and groups in a way that effectively conveys information and intent
- Tenacious, resilient
- An inspirational leader. An empathy and appreciation of their own people

PACKAGE AND PROSPECTS

- * A highly competitive package with attractive incentives and wealth creation prospects will be Negotiated
- * Career prospects within the broader Group will depend on one's skill set as well as one's ability to perform

COMPANY WEBSITE

www.transnet.co.za

Submit a detailed CV to:

Ref. : AP0542

E-mail : research@mp-a.co.za

NB: Please provide your **confidential** email address, cellular phone and fax number