



CLIENT BRIEF SPECIFICATION GROUP CHIEF EXECUTIVE OFFICER 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 roll out the massive investment program is in place
- Growth will not be pursued at the expense of the strength of the company's 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	:	± R 30.1 billion
Shareholder wealth	:	± R 51.2 billion
Capital expenditure	:	± R20 billion
Employees	:	± 50 000
Group operations	:	5 operating divisions
Position title	:	Group Chief Executive Officer
Report to	:	Chairman of the Board

BOARDS OR COMMITTEES:

- * Board (Member)
- * Exco (Chair)
- * Group Audit Committee (Member)
- * Group Risk Committee (Member)
- * Group Remuneration Committee (Invitee)
- * Nominations Committee (Invitee)
- * Corporate Governance and Nominations Committee (Invitee)

KEY STRATEGIC CHALLENGES FOR THE POSITION:

- * To create a new organization with a strong growth strategy and build on the fact that the company has started to grow for the first time in 15 years. The growth strategy marks an important transition point in the organisation's journey, towards being a world class transport provider
- * To create capacity at a lower cost to the economy, reduce the average cost of doing business through:
 - Supply chain integration across functions and divisions
 - Efficient capital expansion focus on removing bottle necks
 - Connecting South Africa to the global economy effectively and efficiently
- * Create International benchmarks year on year in a pioneering manner focusing on productivity, reliability, and service delivery
- * Determine the economic growth rate for the country to underpin infrastructure development and create an optimal level of capital expansion and infrastructure development commitments



- * Deal with shareholders in manner that balances the business mandate with the broader socio political dynamics

KEY PERFORMANCE AREAS:

- * The statutory and fiduciary duties and responsibilities that come with being a Chief Executive Officer of a large entity
- * Lead the culture of the Group to strive for greater achievement set and reward high performance standards and success, with unquestionable levels of honesty and integrity
- * Advise the Board and advocate and promote the organisations growth and change, in alignment with the mission and vision of the organisation and the agreed mandate with the company's shareholder
- * Proactively ensure at all times the Board is well informed. Keep the Chairman informed on all matters that may be of importance to the Group, including its current performance and progress
- * Focus and build a strong customer service orientation
- * Strong, regular excellent communication of the company objectives and plans to all employees and strategic partners
- * Build and foster long term, strategic relationships with key stakeholders and business partners
- * Maintain high levels of safety and customer service in the growth phase
- * Maintain and or improve the company's credit profile
- * Raise cost effective funding in a difficult debt – capital market to partly finance the capital investment program
- * Role out a successful capital expenditure program that is optimal and aligned with projected economic growth rate and appropriate levels of infrastructure development
- * In consultation with the relevant Executive Directors and the nomination committee's plan and implement effective succession planning
- * Together with the Chair of the Board, direct the corporate development activities of the Group operations, and ensure that planned infrastructure development and capital expansion programs as well as operational development are properly evaluated, prior to presentation to the board for approval.
- * Effective strategic planning for the Company policies and strategies, including the annual budget
- * Ensure that appropriate policies and strategies are adopted within the Company, that these policies and strategies are implemented effectively, that performance is effectively monitored and that guidance or direction is given where appropriate
- * Devise and successfully implement the appropriate people management strategies
- * Agree and deliver growth budgets and performance targets
- * Ensure that supply chain integration across functions and divisions is appropriately implemented
- * Ensure the effectiveness and adequacy of internal controls and management information systems in particular to achieve profitability, cash flow and working capital targets, and other key financial performance measurements.



- * Manage the expectations of and relationships with key stakeholders including the shareholder
- * Maintain strong and positive relationships with the necessary regulatory and government bodies

KEY INTERNAL LIAISON RELATIONSHIPS:

- * The Board and key Executives across the entire Group
- * The various committees

KEY EXTERNAL LIAISON RELATIONSHIPS:

- * Shareholders and investors
- * The media
- * Key Suppliers
- * The Auditors

QUALIFICATIONS AND EXPERIENCE REQUIRED:

Essential:

The incumbent will be somebody who has:

- * A relevant degree and ideally a Masters degree in Business Administration
- * A strong career track record, running a large, matrix organisation for a minimum period of 5 years, ideally within the Industrial sector, other large Manufacturing entities, Telecommunications or Construction sectors
- * A successful track record in project development and project management developing and successfully implementing large, complex projects
- * An individual who is perceived to be a South African who is committed to change and transformation and has political acceptance in this regard
- * An ability to maintain a leadership stance beyond “political correctness”, and one that integrates strong commercial acumen
- * Strong strategic competence and track record
- * Strong leadership, negotiation, communication and interpersonal skills
- * A strong local South African market knowledge within the broader business and macro economic landscape
- * Commercial astuteness and seasoned business judgment
- * An individual who has a passion for world class delivery and an understanding of how to balance the economic and socio political variables
- * A clear, confident communication ability and style
- * An individual who adds to the cultural and gender diversity of the organisation



Desirable:

- * Experience in the Industrial sector

PERSONALITY ATTRIBUTES (CRITICAL FOR SUCCESS):

- * An individual with stature, presence and a high level of self confidence
- * A decisive and insightful individual, who is results-driven
- * 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 (in terms of race, culture, nationality, gender, ethics, religion, etc) – to see diversity as 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 for the organization
- * 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

PACKAGE

- * A highly competitive package with attractive incentives and wealth creation prospects will be negotiated

COMPANY WEBSITE

www.transnet.co.za

Submit a detailed CV to:

Ref. : AP0 515

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

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