

News

2019

THE NELSON MANDELA UNIVERSITY FAMILY BUSINESS UNIT WELCOMES A NEW DIRECTOR

January 2019 saw the leadership of the Family Business Unit change hands. Dr Shelley Beck took over from Prof Elmarie Venter as the Director of the Nelson Mandela University Family Business Unit (FBU). Prof Venter steps down after leading the FBU for 7 years and continues as a valuable member of the FBU.

FROM THE DIRECTOR'S DESK...

2019 was a busy and successful year for the Nelson Mandela University Family Business Unit. The Unit hosted its 7th and 8th Family Business consulting SLP with PWC and ABSA which were both very successful. In April, The Family Business Unit teamed up with the ENACTUS society to promote the creation of family businesses and answer the questions posed by both the students and members of the community.

The FBU members attended and presented at various national and international conferences and workshops, as well as delivered guest speeches throughout the year. In addition, the Family Business Unit was part of the SAIMS organising committee and assisted in delivering an excellent event. We are so proud of the continued success of each member and the continued support of our partners to assist us with our research and engagement projects.

Going into 2020 I would like the unit to embrace this African proverb, "Wisdom is like a baobab tree; no one individual can embrace it" – This highlights that wisdom belongs to everyone and should not be kept to oneself. Essentially, if you have knowledge, share it. We want to embody this and collaborate with our stakeholders. Therefore, we as the Family Business Unit would like to encourage you to get in touch with us via our website (<https://fbu.mandela.ac.za/>). Please fill out our interactive form if you would like to partner with us in research or engagement, our training we offer or to join our unit family business database.

Thank you to our clients, partners, colleagues and friends for 2019 and we look forward to the year ahead.

Dr Shelley Beck
Director: Nelson Mandela University Family Business Unit



About the Family Business Unit:

The Nelson Mandela University Family Business Unit focuses on the research and teaching of Family Business theory. This unit works closely with leading scholars and family businesses to provide excellence in family business research and teaching. Worth noting is the unit's involvement in the global Successful Transgenerational Entrepreneurship Practices (STEP) project, a project that is putting Nelson Mandela University, the Eastern Cape and South Africa "on the map" in terms of the field of family business. It is also the only FBU in Africa that provides consultation training and other short learning programmes on family business related issues.

As a STEP collaborator, we have access to academics all over the world, as well as business families, in order to explore the entrepreneurial process among family businesses. The STEP project enabled us to expand our inter-disciplinary and international research collaboration and various research projects in partnership with international family business researchers. These partnerships generate solutions that have immediate application for family leaders. Academics and leading business families from around the world have joined as partners on the STEP Project to identify and explore successful transgenerational entrepreneurship practices and to create a stream of powerful practices and cases that empower families to build their entrepreneurial legacies.

The FBU also built valuable partnerships with companies such as Gutche Family Investments, the Tavcor Motor Group, KPMG, Old Mutual, PWC and Sanlam, to name but a few.

▶ IN THIS EDITION

2 Events hosted

3 Events attended & Articles presented

7 Upcoming conferences

FAMILY BUSINESS UNIT PRESENTS TWO SUCCESSFUL FAMILY BUSINESS CONSULTANT SHORT COURSES IN 2019

The Nelson Mandela University Family Business Unit hosted its 7th Family Business Consultant Short Learning Programme from 24-27 January 2019 at the **PWC Head office in Johannesburg**.

All 15 of the attendees were employees of PWC. For the first time attendees were not only from South Africa, but also from Nigeria, Kenya, Ghana and Namibia. Prof Elmarie Venter provided training on topics such as consulting models and processes, the field of family business and the challenges they face, management and ownership succession and ensuring transgenerational success and potential from one generation to the next.

She was joined by psychologist, Mr Robin Farrington, who focused more on family dynamics. Prof Venter and Prof Shelley Farrington also used the second STEP case study on the Stucky Family as the assignment for the group to do as part of the practical component of the consultation training. The feedback was extremely positive.

As the Unit has a strong African focus, we were delighted that attendees from other African countries could attend the training.



A few months later, the Family Business Unit presented its 8th Family Business Consultant Short Learning Programme from 27-29 May 2019 at the **ABSA Head office, Sandton, Johannesburg**. All 21 of the attendees were employees of ABSA.



Prof Elmarie Venter provided training on topics such as consulting models and processes, the field of family businesses and the challenges they face, management and ownership succession and ensuring transgenerational success and potential from one generation to the next. She was joined for the first time by life coach, Dr Pieter Barnard, who focused on doing a Strength Finder profile for each attendee and also explained how it can be used as a tool when conducting family business consultations.

THE IMPORTANCE OF FAMILY BUSINESSES HIGHLIGHTED DURING THE 31st ANNUAL SAIMS CONFERENCE

The 31st Annual Conference of the Southern African Institute of Management Scientists was hosted by the School of Management Sciences (Faculty of Business and Economic Sciences) at the Nelson Mandela University. Prof Elmarie Venter, Prof Shelley Farrington and Dr Shelley Beck were all members of the organising committee, with Prof Elmarie Venter taking charge as Chair of the Conference.



Above: Some members of the organising committee

The 31st Annual Conference of the Southern African Institute of Management Scientists was hosted by the School of Management Sciences (Faculty of Business and Economic Sciences) at the Nelson Mandela University. Prof Elmarie Venter, Prof Shelley Farrington and Dr Shelley Beck were all members of the organising committee, with Prof Elmarie Venter taking charge as Chair of the Conference.

In addition to hosting SAIMS in 2019, two papers on family businesses were presented by members of the Family Business Unit.

The first paper, titled: Leadership as a source of heterogeneity among family businesses, was presented by Mr Robert Izaks and co-authored by Prof Shelley Farrington and Prof Elmarie Venter. This paper formed part of Mr Izaks' already completed master's study.

The second paper, titled: The role of values in the transgenerational success of indigenous South African family businesses, was presented by Mr Welcome Kupangwa and also co-authored by Prof Farrington and Prof Venter respectively. Mr Kupangwa is currently doing his doctoral studies on values in indigenous African family businesses and is also a member of the Family Business Unit.



From left to right: Prof Elmarie Venter, Mr Robert Izaks, Prof Shelley Farrington and Mr Welcome Kupangwa after their presentations at the 31st Annual SAIMS Conference

FAMILY BUSINESS UNIT TEAMS WITH ENACTUS TO HOST PRESENTATION

Nelson Mandela University's Enactus, along with the Family Business Unit hosted "Transforming a Business into a Family Empire", an event aimed at encouraging students to take their loved ones into their entrepreneurial journeys to create generational wealth. The event took place on Wednesday, April 4th at the South Campus' Main Building Council Chambers.

This was another presentation of the Nelson Mandela University's Enactus amongst their Entrepreneurs Connect events and it further pushed their agenda of entrepreneurship, with this particular one mainly focussed on the topic of family business. The panel for this event included the current Director of The Family Business Unit Dr Shelley Beck, the former Director of the Family Business Unit, Prof Elmarie Venter and the Department of Business Management's HOD and Family Business Unit member, Mr Tony Matchaba-Hove.

The panel took questions from the attendees on family businesses amongst others and answered based on each panellists' expertise, whilst delving deeper into the dynamics that makes the family business differ from other business structures. The family business, like any business structure, faces challenges like funding and a lack of innovation that might make it fail to break into new markets. The panel took a broader approach and discussed factors like nepotism, expectations, innovation, family culture, succession and the 3 family components; the family, the business and ownership.

"Transforming a Business into a Family Empire" also shed light on the family business in an African context. Mr Matchaba-Hove stated that the African business structure is not as aggressive and competitive as the Western structure, given that the main principle of Ubuntu is at the heart of African operations.

"If you want to go fast, go alone; if you want to go far, go together"
 – African Proverb



Above: The ENACTUS Society Executive with the Family Business Unit (FBU) members Dr Shelley Beck, Prof Elmarie Venter and Mr Tony Matchaba-Hove.

He also stated that these businesses found success through collaborating and forming good relationships with competitors - integrity and reputation is key. What also sets the African family business apart in terms of governing style, is that the elders act as advisors and oversee operations, while a board of directors is elected in the Western business structure.

The big takeaway from the event was that it is important to build a family brand through ways that suit each family's unique needs and wants. This is important given that business is not a one-size fits all operation and the continuation of the family doesn't come from operating in the same field, as the family business can operate in different fields simultaneously.

MS JACKIE PALFRAMAN ATTENDS FINANCIAL LITERACY WORKSHOP AS GUEST SPEAKER

During the month of August, the Nelson Mandela University Financial Planning Society hosted their Opening Function themed Financial Literacy Workshop. The event was aimed at providing more information to members on the effects of saving and budgeting.

The guest speaker for the event was Ms Jackie Palframan CFP®, a senior financial planning lecturer and member of the Family Business Unit. Ms Palframan asked many thought provoking questions and challenged the attendees to consider financial matters such as the power of money, the discipline of saving, budget planning, retirement considerations, the cost of debt and the importance of a good credit record.

The event was a great success and Ms Palframan's wise words were definitely taken to heart by the attendees.



FBU MEMBERS ATTEND IFERA CONFERENCE

The International Family Enterprise Research Academy (IFERA) conference was held between the 17th and 21st of June 2019 in Bergamo, Italy.



Prof Elmarie Venter and Dr Shelley Beck (Pictured above) attended the conference and presented their paper which was co-authored with Prof Shelley Farrington, "Next generation family member's intention to join the family business". The conference provided excellent networking opportunities with top researchers in the field of family business and the opportunity to meet Italian family business owners.

DR SHELLEY BECK ATTENDS SIYAPHUMELELA CONFERENCE



Dr Shelley Beck attended the annual Siyaphumelela conference at the Wanders Club between the 25th and 27th of June 2019 in Johannesburg.

The conference focused on sharing knowledge on current teaching and learning activities that have been undertaken at various Universities in South Africa, as well as focusing on student support programs that have had a positive impact on student success.

DID YOU KNOW?

The Nelson Mandela University Family Business Unit was founded in 2010 and prides itself in being the first and, currently, the only unit of its nature in the continent.

PROF VENTER AND MR MATCHABA-HOVE PANELISTS AT 2ND PWC FAMILY BUSINESS CONFERENCE

The 2nd PWC Family Business Conference was held in Johannesburg on 17 July 2019 at Southern Sun ORT Airport. The conference was organised by the senior management of PWC, with the theme of the conference being "Embrace diversity. Create a legacy".

Prof Elmarie Venter and Mr Tony Matchaba-Hove (Pictured to the right) attended the conference and applied their expertise as panelists. Prof Venter was a panelist for the discussion on "Mothers, fathers and family dynamics", while Mr Matchaba-Hove was a panelist on "Doing business as a family business in Africa", as well as "Passing the baton - succession planning".



Dr Elikem Tamaklo was also one of the keynote speakers and is the Managing Director of Nyaho Medical Centre. Nyaho Medical Centre was established in March 1970 by the late Dr Kwami Nyaho Tamaklo whose vision was to give the best in nursing and medical care in Ghana and outside of its borders. Nyaho Medical Centre has always been committed to having an intense focus on the patient care while bringing the best of international standards to Ghana. In April 2015 Dr Elikem C. Tamaklo assumed the position of Managing Director and now serves the hospital in striving to achieve the vision of providing the best medical and nursing care in Ghana. Peter English of PWC reflected on **diversity and family businesses from a global perspective**. Other topics included **Passing the baton** and **Cyber security**.

PROF SHELLEY FARRINGTON ATTENDS ENTREPRENEURSHIP DEVELOPMENT IN HIGHER EDUCATION (EDHE) LEKGOTLA

Prof Shelley Farrington (Member of the FBU) was accompanied by Dr Riyaadh Lillah (Department of Business Management) as she attended the third annual national Entrepreneurship Development in Higher Education (EDHE) Lekgotla in Durban from the 25th to the 28th June.



The event was hosted by the Department of Higher Education and Training (DHET) and Universities South Africa (USA). The Lekgotla was a four-day gathering of leaders in entrepreneurship at universities and focused on the structures, mechanisms and entities that support the development of entrepreneurship in higher education.

During the gala dinner Peter van Kets, professional adventurer and inspirational speaker, delivered the inspiring keynote address. His message was Impossible is nothing and that one needs to have Passion, Commitment and Surround yourself with +1 People to succeed in life. From what we heard from the other speakers and panelists, the message was clear that families should professionalise their business and their family, and this process should be started as early as possible.



FAMILY BUSINESS UNIT MEMBERS ATTEND KPMG FAMILY BUSINESS CONFERENCE



Dr Shelley Beck and Prof Elmarie Venter (Pictured to the left) and attended the 5th KPMG Family Business Conference in Johannesburg at Emoyeni Estate on 17 September 2019.

The theme of the conference was ‘The impact of technology on people and growth’ and was organised by Alan Barr, KPMG Partner. Prof Venter was also a panel member during the afternoon’s session on ‘War for talent’. Family business owners from all over South Africa and Africa attended the conference. Other keynote speakers included Craig Robinson of Robins Liquors, Catherine Chamberlain of Chamberlain’s Hardware and Peter Harvey of Red Alert TSS, Nick Matthews and Monna Monnakgotla of KPMG.



PROF FARRINGTON VISITS THE UNIVERSITY OF GHENT IN BELGIUM

Prof Shelley Farrington and Dr Riyaadh Lillah from the School of Management Sciences were invited by colleagues from the University of Ghent, Belgium, to assist them in preparing a proposal for submission to VLIR-UOS. VLIR-UOS is an academic cooperation between the Flemish universities of Belgium, which provides funding for projects initiated and undertaken in partnerships between universities in Flanders (Belgium) and in the South (e.g. South Africa).

Funding is specifically given for projects that are looking for innovative responses to global and local challenges. The research team, which included 3 colleagues from the University of Gent, Prof Farrington and Dr Lillah, as well as Dr Alex Bignotti from the University of Pretoria, worked together in Ghent during the first week of April 2019. During the week Prof

Farrington also attended a VLIR-UOS proposal writing workshop. The project proposal submitted by the team focusses on promoting student entrepreneurship at South African Universities. Should funding be granted, the project will be administered and implemented from Nelson Mandela University. Colleagues interested in exploring this funding avenue should visit the VLIR-UOS website: (https://www.vliruos.be/en/about_vlir_uos/2).



Right: Prof Farrington and Dr Lillah with their research colleagues from the University of Ghent and Pretoria

CONGRATULATIONS DR BECK!

Dr Shelley Beck was Runner-up of the Best Masters Award during the Annual Clearwater competition.

The title of her doctoral thesis was: Parental influences on the next generation’s intention to join the family business. Prof Shelley Farrington was the main supervisor and Prof Elmarie Venter the co-supervisor. Prof Venter was at the handing over of the award together with the Runner-up from the Nyenrode University and Dr Martha Berent (Pictured to the right)



PROF VENTER ATTENDS AND PRESENTS DURING THE 10 YEAR CELEBRATION OF FAMILY BUSINESS UNIT IN THE NETHERLANDS

On Thursday, 26 September 2019, Prof Venter was invited to celebrate the 10th year anniversary of the Windesheim Family Business Unit in the Netherlands.



The Nelson Mandela University Family Business Unit is a STEP research (global Successful Transgenerational Entrepreneurship Practices project) partner of the Dutch FBU. As part of the occasion a seminar was organised

around the importance of family businesses for the success of regional, national and international economies. Several well-known researchers from various parts of the world, as well as, the editors of two top journals in the field of family businesses, were invited to join this seminar. A round table discussion on transgenerational succession was also held.

Prof Venter gave a presentation on Friday, 27 September 2019 on the research and succession challenges facing South Africa.



MS JACKIE PALFRAMAN ATTENDS TWO FINANCIAL PLANNING CONFERENCES IN JOHANNESBURG

Ms Jackie Palframan and Ms Jasmine Kinsman (Department of Business Management) attended the 30th Financial Planning Institute Professionals Convention at the Sandton Convention Centre from 17-18 July 2019. This is the premier national gathering of professionally qualified financial planners in South Africa.

Ms Palframan and Ms Kinsman also attended the Financial Planning Educators Forum in July 2019 held at Sanlam in Sandton, where the future of professional financial planning education in South Africa was discussed with the international professional body, the Financial Planning Standards Board.



Above: Ms Palframan and Ms Kinsman pictured at the Financial Planning Institute Professionals Convention (Picture credit to the Financial Planning institute)

CONTRIBUTIONS TO THE IBC AND SAIMS CONFERENCES

Prof Shelley Farrington attended the 13th International Business Conference (IBC) on the Arabella Estate in Hermanus, from 22-25 September 2019. Prof Farrington presented a paper that was co-authored by Prof Elmarie Venter, titled: How value shapes the organisational cultures of family businesses.



The primary objective of the research presented at the conference was to explore the nature of values and how they shape organisational cultures in the context of family businesses. The findings showed that family businesses tend to have their own unique organisational culture. Furthermore these cultures are reflected in the values explicitly embedded in the family business, values that stem from the founders.



In addition to the previously mentioned presentations held at the 31st Annual Conference of the Southern African Institute for Management Scientists (SAIMS) from 8-11 September 2019, a paper was presented by Ms Lorelle De Villiers that was co-authored by Prof Farrington. The paper was titled: The role of educational factors in predicting at-risk students in first year accounting.

“THE ROLE OF VALUES ON THE TRANSGENERATIONAL SUCCESS OF INDIGENOUS BLACK SOUTH AFRICAN FAMILY BUSINESSES”

PhD thesis in-progress by Mr Welcome Kupangwa (FBU member)

Family businesses are often described as having several unique characteristics. One such characteristic is that they are more emotions-laden and more deeply rooted in the values and cultures than non-family businesses are. In most cases, the values of the family businesses are described to be similar to those of the family. This is because the family business culture is found in many of these business is very much as a result of beliefs and values that are rooted in the family, its history and social relationships. Such values and the subsequent culture are established by the founding members of the family business. Most founding members often want to see their businesses run in accordance with early established traditions and core values. As a result, the transferring of family values across generations is considered a major factor for the transgenerational success of family businesses.



Today many indigenous African family businesses are participating in the South African economy. However, there seems to be high failure rate in these businesses as they are rarely passed on to the next generation. While values are considered one of the most important factors influencing the success and continuity of family businesses, many business founders and owners fail to successfully transmit these family values to their children. Such a failure also prevents business founders and owners to successfully develop an entrepreneurial legacy for their families. Against this background, my study intends to understand the role of values on the transgenerational success of indigenous Black South African family businesses. In the context of this research study, I intend to understand how values are developed, entrenched and transmitted to ensure the transgenerational success of indigenous Black family businesses. The success and continuity of the indigenous Black family businesses is important as they create jobs while being a driving force behind South African economic activities.

Upcoming conferences in 2020

- ◆ **20th IFERA Annual Conference**
“Generations to generations: Bridging past and future in family business”
24-26 June 2020; Santander, Spain



- ◆ **14th International Business Conference (IBC)**
20-23 September 2020; Speke Resort, Lake Victoria, Kampala, Uganda



- ◆ **32nd SAIMS Conference**
“Re-imagine Management Research”
13-16 September 2020; North-West University, South Africa



- ◆ **6th KPMG Family Business Forum**
September 2020
Date and venue to be confirmed



- ◆ **20th Annual EURAM Conference**
“THE BUSINESS OF NOW: the future starts here”
10-12 June 2020; Trinity Business School Trinity College Dublin, the University of Dublin, Dublin, Ireland



FOR MORE INFORMATION ABOUT THE FBU:



<https://fbu.mandela.ac.za/>



Nelson Mandela University
Family Business Unit



Nelson Mandela University
Family Business Unit