

Bashier Adam

CEO, SAB&T UBUNTU HOLDINGS LTD

Company background:

Founded: 1994

Activity: Professional Advisory Services in the fields of accounting, internal and forensic auditing business consulting and intelligence, taxation, information technology and human capital

Branches: 10

Employees: approximately 300

Listed: 30 November 2006

Turnover: R100m

Profile background:

Bashier Adam (37) is the founder and current Chief Executive of SAB&T UBUNTU Holdings Limited. Bashier's aggressive 'can do' attitude coupled with a passion for success has steered the group from an SMME focused accounting practice to one of the most prominent black empowerment professional firms in South Africa.

After completing his undergraduate degree, Bashier completed his Dip. Acc. on a part-time basis at the University of Durban Westville, before qualifying as a Chartered Accountant in 1994.

Bashier is a sports enthusiast with a leaning toward soccer and rugby. He is also a single dad with four children, aged five to sixteen.



*If there exists no possibility of failure,
then victory is meaningless.*

– ROBERT H. SCHULLER –

SIYA: Bashier, my knowledge of your company is somewhat limited. I know that it is a leading black empowerment accounting firm and it offers a wide range of services which include auditing, business consulting, tax advisory and various other business support services. Please tell me more about your company, SAB&T Ubuntu.

BASHIER: Let's go back in history to 1994 when the company started. It started in anticipation of political transformation and the potential opportunities emanating from this. Opportunities were anticipated to arise for previously disadvantaged people with drive and vision. This drive and vision, if identified and positioned correctly, would be invaluable in both the public and the private sector. As with all changes of this nature, transformation proceeded at a pace that was slower than anticipated and the newly formed business had to grow from a zero base. This made the first few years quite challenging. I recall walking into one of the major banks, who were my bankers at that point, to request funds to start the business. I was granted a R20 000 revolving credit facility – an amount that was not quite sufficient to start the business and it barely kept the pot cooking during the first few months.

SIYA: R20 000 is not a lot of money these days and here you are telling me that R20 000 is all that it took to start the business.

BASHIER: Yes. So, that's how it started. The first three years up to 1997 were rough – really rough. The work was limited to servicing SMME's as SMME's didn't have access to the big world at that time. In 1997 the tide started turning and we happened to be at the right place at the right time. I made a few phone calls to the right places and went knocking on doors saying, "Listen, you are putting big articles in newspapers about empowerment – how about using us?" In Pretoria there were a limited number of

empowerment firms, some of which were getting all the work and that didn't include us. The rest of the people acted as if we didn't exist. So I started knocking on doors. I remember a meeting I had with some of the 'big boys' at one of the prominent organisations and I said, "Guys, if I was to look in from the outside and knew that there were very few empowerment firms in Pretoria, some of which are getting all the work and we were not getting any, it would look like something is not quite fair." Bear in mind that at that time the accounting industry was demographically lop-sided. I think that the message hit home. The rest, as they say, is history. We soon started outgrowing ourselves. We started the business with two people and within four years we were 50 people. Then we started discussions with two little firms in Cape Town and Durban, both of which were slightly smaller than ours and we formed more of an association than a merger. We had cooperation agreements to work together. We had already started our first branch in Polokwane in 1997. This was a branch that we opened based purely on the potential in that area.

For nine months business was tough in Polokwane. I remember quipping that if we were pregnant we could have had a baby in that time. We had overheads of R30 000 per month with no revenue, but we had a presence. Towards the end of 1997 the first job came and I still recall quite clearly that the job was worth just R38 000.

SIYA: Just enough to cover the overheads.

BASHIER: Yes, one month's overheads. I said to the guys – if we deliver on this, the world is our oyster. We broke our backs and we delivered. From there it was mainly organic growth, but it was quick. We picked up one or two partners and their client bases and in addition sole practitioners joined us. That was typical of our growth at that time. We were not a traditional accounting firm and the fact that we became the first professional services provider in South Africa to list on the JSE (AltX) bears testimony to that.

SIYA: Indeed.

BASHIER: Our approach was to go to businesses – sole practitioners and partnerships. We targeted those that had been around for a long time but were

stagnant with little growth potential. These entities were just trudging along on a day-to-day basis. We went to the owners and suggested that they join us, purely on the basis of a shared vision and potential rather than promises of large amounts of capital. The premise was always that given their history and given their current stages of development and our aggression and innovation in the market we would, together, create a win-win situation. The underlying foundation of the strategy was that nobody would be

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worse off than before they joined our organization. The years went by and we added different service offerings based on the skills and abilities of the people that joined us, for instance a person that was not an accountant would join us but his or her special skill in consulting resulted in consulting being offered as a new service. In this manner we added forensic auditing, internal auditing and management consulting and have grown to own a sizeable chunk of the market in these different service lines.

We did get a little bit ahead of ourselves at times and I think even today we still feel the pains of growth. This resulted in us outgrowing our infrastructure. We continuously underestimated our rate of growth and this resulted in suboptimal infrastructure development. We have recently invested a significant amount in technological infrastructure throughout the country. While we were entrepreneurial, we chose to be managed along corporate lines. We made sure that we think like entrepreneurs but that our back office runs like a corporate office. As an example, consider our listing on the AltX in November 2006. We were on a strategic and operational planning weekend in August of that same year. An informal discussion one evening after dinner led to a discussion about our exponential growth. At that stage we were already one of the top ten firms in South Africa in terms of the accounting profession and by some distance the largest empowerment firm. We had achieved all these things but the question was, “Where do we go from here?” We got into a debate and while we were debating one of the guys took his laptop and logged onto the internet and

started doing some searches. By two o'clock that morning we were debating whether or not listing was a viable option for us.

A quick decision was taken, as always, and the listing was on the cards. The next morning I called Andrew Lianos, our designated advisor from River Group. After mentioning the potential listing, his first reaction was cautiously positive. It had never been done in South Africa but it was worth giving it a try. In Australia, the UK and the US professional services firms have been listed, but it hadn't been done in South Africa. Prevailing regulations in South Africa do not make provision for the listing of statutory audit services, unlike in Australia, so we said that we would extract the statutory auditing component and list the remainder of the business. The next day, the partners party to the debate of the previous night hijacked the meeting and the agenda and focused on the issue of doing the first listing of a professional services firm in South Africa. By the time the meeting was over I had been given the mandate to investigate the listing and report back in two weeks. I did all the ground work and in two weeks' time we met on a Saturday at the airport. We booked the conference centre and all the guys flew in from around the country and 25 of us sat around a table. I presented the business case and asked for direction from the executive team. The mandate I had there was to list the company. That was end of September 2006. On 30 November 2006 we were listed. This is in my mind, one of the fastest listings in the history of the JSE AltX.

SIYA: That's amazing.

BASHIER: During a recent roadshow, I realised that we possibly got ahead of ourselves, and ahead of the market for that matter. The analysts understand us with some difficulty and the companies operating in the same industry understand us, but the average investor does not appear to understand the key revenue and cost drivers as well as the growth potential of a business of this nature. Various consultations with roleplayers and stakeholders were held, leading up to the listing, in order to understand what the potential effect of the listing could be.

SIYA: Was this in the period between September and November?

BASHIER: Yes. I must tell you that we worked tirelessly. There were a lot of people we had to thank for making it happen. No one can really comprehend how everything happened so fast. The AltX themselves tells everybody looking to list that they should not expect to be listed in eight weeks. SAB&T Ubuntu was the exception.

Another thing you will pick up in your book about the AltX is that most AltX companies have strategic BEE partners. Very few of them are hands-on black

managed and run. It's one thing to say you have significant black shareholding but quite another to be black managed and to say that your roots, fibre and fabric come from the previously disadvantaged. We identified this as one of our major differentiators. We didn't raise a lot of money from the listing – only R11 million and we spent R1 million on our professional advisors. It's not a lot of money but we needed to put a number to the business. One of the main reasons for the listing was that we needed to retain key staff, so subsequently we introduced staff share incentives. We wanted to give ownership of the company to all the people that worked so hard to get SAB&T to where it was. We also wanted to raise the profile of the business as we had established ourselves well in the local market and it was time to go beyond the South African borders. We found it easier for international companies to work with listed entities than private organisations.

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SIYA: Now, back again to 1994. You mentioned that the first three years were a struggle. What were some of the highlights?

BASHIER: Highlights? I'm sure you mean to say lowlights, Siya!

SIYA: Ok, maybe both. Let me rather say major milestones that you achieved during that period in overcoming those challenges and lowlights.

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BASHIER: We started off in the garage, a makeshift office. I remember with a certain romantic fondness that this garage had a leaking roof. In times of heavy rain we were often ankle deep in water! Within three months we moved into our first offices – something we were very proud of back then. We were, and still are, very conscious of our cash position. As an example, my partner and I would take turns paying our bonds – one month we would pay my bond and the next his. We would often

wait for the dreaded call from the bank before we made payment. That's how we managed the cash flow at that time. Those were the lowlights. We did sit down with the big players from time to time to ask what business we could potentially do together. I wouldn't say I'm indebted to them as I think we have already paid our debts to them a long time ago. But yes, in the beginning we had the support of the big players. They recognized that there was no strong black accounting expertise at that time so when they needed it they used us and we reciprocated by giving them proper services. Lowlight, highlight whichever way you want to see it, back then it was literally rolling up your sleeves and doing it yourself. There was no large staff complement to do the work. There were two of us in management and we had two ladies that did data capturing. Our year-end function was lunch at a local pizzeria in Sunnyside and we even asked for a take-away.

Another lowlight was that our car's engine seized. We left the car at the mechanic for repairs and it was there for 18 months because we couldn't afford to pay for it. Nowadays we have millions flowing through our bank accounts and quite recently I reminisced with my partner that we struggled years ago to remain within our R30 000 overdraft limit. One of the biggest reasons for our success was perseverance – we knew where we wanted to go and we knew how to get there. We surpassed our own most ambitious forecasts and I think we are about seven years ahead of where we thought we would be. If you had asked me then where we would be in 20 years time, I would have said we will be where we are today.

SIYA: At the time you started would you say that you could see where you were going? Did you have the vision despite the challenges that you were facing at the time?

BASHIER: I would lie to anybody if I said that I didn't because I did. I knew exactly what I wanted to achieve. Whether I could achieve it or not, that was another question, but I knew what I saw as the end product and I think much of it has been achieved. I would like to think that we would leave behind a legacy with regard to black professionals. Years ago there were very few of us who could be classified as pioneers of transformation in the accounting profession. Siya, I need to put it all into perspective. We were fortunate. It was three years from the time that we started that the markets opened up to us. There were those before us who were not as fortunate as we were. By the time the markets opened up they were already in the twilight of their careers. We were only starting out our careers when the markets opened up.

SIYA: I've heard people say you create your own luck. What is it that you did differently to your competitors?

BASHIER: Being crude, blunt and honest I would say that we had the "balls" to go where no one else had gone. We took on the work that everyone else was scared to take on. We were very aggressive in the market and testimony to our aggression was the fact that at some point in the first ten years of our existence every one of the larger competitors had offered me some role or the other within their organisations. They wanted me to join them in a marketing and business development capacity. We ran our firm on the premise that we respected our peers but feared none of them.

SIYA: When you say your peers, are you talking about other accounting firms?

BASHIER: I'm talking about all firms, Siya, and I think although maybe one or two might not admit it and I doubt that any one of them will come out in public and say it, they have come to respect us over the years. I don't think they look at SAB&T as just another minor player in the industry.

Thinking about the challenges that we spoke of earlier, I remember

approaching one of the large role-players to explore opportunities for working together. I was treated in a very condescending manner, almost as if I was sitting in front of them asking for a job.

SIYA: Was it back then in the early days?

BASHIER: Yes. I kept quiet and left with one thought. I thought that they should remember that their organisation, as indeed any big conglomerate in South Africa, not only in the accounting profession, is where it is today because of what it has inherited from the past. I had no big name, brand and reputation that I could rely on. We literally had to go and fight for everything that is ours. It took a certain level of pride to get to where we are and you need to be careful not to lose yourself in the process. My advice to a lot of small guys is to visualise what can be done and then go and do it.

SIYA: Good advice in this industry. I want you to expand on something I asked earlier regarding the power of human imagination.

BASHIER: When I was at university I had, in my third year when I was writing for my degree, a poster stuck on my ceiling. It was there because when frustration hit, and students do get frustrated from time to time, I would tilt my chair and look upwards. I could also look at it when I was lying on my bed. It was a poster I made myself and it read: "Nothing is impossible to a willing mind". Next to it I had six zeros. I said to myself then, "One day I'll get there!"

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SIYA: That's powerful.

BASHIER: Yes, and literally that's what I believed in. It's what I believe now. I don't believe that there's anything that can't be achieved if you really set your mind to it.

SIYA: So was it a case of turning an idea you had back then into your reality and making money out of it?

BASHIER: Yes, that's what it is. I think the big thing was I could imagine a black organisation in this country and maybe black was a bit premature at that time but I could imagine a professional services company that could rival what the market had to offer. Many accountants sat back and became practitioners doing your accounting work and tax work. I don't think anyone sat back and said, "Hold on guys, what is Internal Audit and Corporate Governance all about?"

I believe nothing is impossible – literally nothing. What did happen from a personal perspective was that I found my own knowledge base growing because as we added services I made sure that I knew enough about that service to be able to deliver it myself. Even though we had people there for the new service, I knew enough about it to make sure that we were going in the right direction. I became a jack of all trades. That's why I never specialised on a personal level. My speciality at the moment is building and growing businesses. I'm an accountant and an auditor by qualification. We still very much have a culture of rolling up our sleeves and getting on with it.

SIYA: Now let's talk about passion and enthusiasm. At the end of the day nothing big has ever been achieved without enthusiasm.

BASHIER: We are driven by passion. This organisation is driven by passion. Everything about it is passion. When we get the message across – it's passion, when we do presentations – it's passion. I think it is more passion than peoples' technical competence. Our clients see a lot of passion in what we do and to me that's more important. Technical competence is something you can teach somebody. With the right attitude you can teach them technical competence. With the wrong attitude and all the technical competence in the world you have a liability.

SIYA: So it's about having a lot of passion for whatever you choose to do. For example a guy is going to read this and say, "Hang on, I'm an accountant myself and you know what, I actually hate my job, I hate what I do but I'm qualified." So a guy like that with only that technical competence is not ready to take on the challenge of being his own boss. Not without passion.

BASHIER: I always say a typical accountant doesn't necessarily make a good businessman. Just like at our universities for example, where the minimum qualification for a lecturer is a Chartered Accountant. Who says a CA can teach? Personally I think most CAs can't teach. They are accountants who are good at what they do, but they are not teachers.

We have a very simple policy and it's a policy that has been there from day one. We don't criticise weaknesses but utilise strengths. Everyone that works for us has got certain strengths in them and we look to get the best out of that person. We make sure that there's another person who is strong in someone else's areas of weaknesses. That creates interdependence and when you create interdependence you create teams – as long as your team works towards the same goal, they will win. We've got challenges with the whole generation X and the generation Y. These are the people born with the iPods, MXit and all the other technological goodies. It's becoming more and more difficult to motivate this generation, but I think the future is looking bright for us.

SIYA: I know from talking to the guys and I know from my own experience that as a start-up guy doing your thing it's easy to get stuck. A lot of entrepreneurs get stuck on a number of things. If it's not admin it's looking at the calendar and saying, "It's the 25th of the month, it's month-end and I don't even know where I'm going to earn my own salary, let alone paying the staff and a whole lot of other things." How did you make sure you moved forward day by day and got yourself unstuck?

BASHIER: Siya, we challenged ourselves. The more we challenged ourselves the more we rose to the occasion. To give you an idea, when we started, our salary bill, excluding the two partners, cost us R4 000 per month. We barely, for three months, managed to pay the R4 000 and what we did in month four was that we employed four more people and this took our salary bill to R16 000. If we used to battle to make the R4 000 how then were we going to make R16 000? But paying salaries was not negotiable. We were never a day late and never had to borrow money to pay salaries. The harder we challenged ourselves the more we had to do it. It's like your taxes. We had no choice – it had to be paid.

SIYA: What are some of the most empowering beliefs that you hold about life in general and about business?

BASHIER: You are the master of your own destiny. I believe your state of mind is a decision that you make. You get up in the morning and decide that you're going to have a great day or a crappy day. I don't always practise it but I believe it. Nobody can make your mind up for you. You have to live life to the fullest, you live only once. I haven't been living life to the fullest for the last 13 years, to be honest. I've been living to work. On a personal level I wouldn't say my work was all of it but it has contributed to a lot of things in my life. Implicit with the decision of listing was that there are now shareholders out

there whom I need to satisfy. It's no longer just me and our guys, but we now need to satisfy a lot of shareholders in terms of what we do. That's where we are, that's where we are going. We will continue to be aggressive and take the aggressive road and we are seriously looking at the future – succession. We want to put the right people in the right places. My biggest task in the next three years is finding my successor. Not that I'm going anywhere anytime soon but I need to know that if circumstances change, the show will go on!

SIYA: One thing I have learned is that in business challenges will always be there. What you find though is that a lot of people tend to focus on the problems rather than say, "Here's the problem now let's focus on the solution." What can you say about that?

BASHIER: Siya, you have hit the nail on the head. If you speak to any one of my staff, anyone of the 300, there are those who come to me and say,

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“We have a problem.” We truly live the culture of an open door policy. Our staff doesn’t make appointments to see me. Externally I make appointments but if I’m in the office anyone is welcome to come and sit and chat to me. People work directly with me in the day-to-day running of the business and report directly to me. So if someone comes in and says they have a problem, especially if it’s a junior and you can see he or she is panicking, I will try and elicit a solution. All of a sudden it changes the whole mindset because then he or she is not thinking about how bad the challenge is but thinking about how it can be solved.

It’s exactly as you put it. You need to focus on the solution. What also happens is that what is a solution today will be a problem tomorrow. We are busy with a huge rollout with our staff wellness programme. Every three year cycle we look at our work environment and ask what it is that we can do to enhance it. What we did three years ago is just not good enough anymore. So we are busy with that whole process, but in three years’ time what we are doing now and the millions that we are pouring into our work environment for our guys will not be worth it. All those millions will be a sunk cost because we’ll have to do the next thing.

SIYA: You seem to have a very positive view of life and the future. When you looked at the future at the time when you started you thought that where you are today would be where you would be in 20 years. This to me highlights something that I think is a factor in business success. That is the attitude of gratitude, always looking at things from a positive angle and being grateful instead of always complaining about how bad the world is. Your thoughts?

BASHIER: You have to be grateful for what you have, the blessings that you have got you as far as you are. And you look around you and you realise how bad things could be.

Certainly from a business point of view I look at any scenario and I’m critical because I am probably my own worst enemy in terms of opposing myself. In the last 13 years I had one focus and one priority and that was building the business to where it could be. Siya, there was a time when the business depended on me but that has changed in the last four years and

it's changed intentionally. I couldn't go away for more than a week – whether it was leave or overseas business. Once it happened that I went away for two weeks in 2001 to Canada. I ended up spending half the day on the phone with the office. It's not healthy. Not for me and not for the organisation. What would have happened if I hadn't come back? So we needed to start looking into it and I'm glad that now we have got it right.

SIYA: So what did you learn from the process?

BASHIER: You need to surround yourself with the right people and people need to take ownership. I suppose we are all passionate but some were more passionate than the others and there was a misperception that I was always in control. The fact of the matter is that I was, not by choice, but because nobody else would take control in my absence. We went to great lengths including executive coaching and all of those things to make the rest of the people take ownership. So if they take ownership what happens? If something happens, I don't have to worry about it. So all of a sudden you spread the responsibilities and it starts impacting positively on our lives.

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SIYA: My next question relates to something you have already touched on which is delegation and surrounding yourself with the right people. I know that in business on a daily basis there are certain tasks that you have to do but there are also things that you want to do. How do you decide, "I'm going to do this and delegate that", especially when starting up? I can imagine that in the early days when you had to relinquish tasks to people it must have been hard. How difficult was that and what kind of thinking did you have to go through to decide?

BASHIER: It was very difficult, more so in our industry because it's a service and there are relationships. You can delegate a task but you can't delegate a relationship. I can't tell my PA, "Please go and do this interview with Siya." It's not possible. It's a relationship, it's a network. There is some stuff that you need to do ... I learnt that people also want responsibility and the more you

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SIYA: Just looking at the business climate in general, the South African entrepreneurial landscape in particular, I think it could be better than it is. A lot of start-up businesses are failing left, right and centre and one of the reasons for their failure is that financial institutions do

not understand them. What advice can you give an entrepreneur in terms of dealing with these institutions? And what kind of thinking do these institutions need in order to understand small businesses and start-ups?

BASHIER: Siya, certainly one thing that we need to understand is that we South Africans are a proud nation. That's who we are. It's inherent in our make-up. It does not matter who you are. It doesn't matter if you support the Springboks or not. When they play Australia you want South Africa to win because we are South Africans. With start-ups and entrepreneurs our guys think that they can do everything on their own so they don't consult with the necessary professional advisors. They don't do all these things upfront. So my advice to entrepreneurs is to consult professionals before going at it. Get the right people in your team. You will get two things from it. Yes, it costs you money and that's why some people don't do it, but firstly, you will be getting the right team on your side, and secondly, like I always say to my clients you'll have someone to blame when something goes wrong. Who do you blame if you don't have these guys? You'll have to blame yourself. Spread your risk.

I think the financial institutions need to change their mindset. I think in my view it's historical legacy that sits in the financial institutions. Financial institutions like the comfort of being able to support multinationals and the government where there's no risk involved. We need to start taking risk if we are going to take entrepreneurship to another level and make it work.

If we develop SMMEs we need to take a little bit of risk, more than we are taking at the moment. Unfortunately it's the landscape we are in. We are a developing country and being a developing country we need our financial institutions and our powerhouses to assist these SMMEs. Most entrepreneurs are not asking for long-term assistance, they are asking for start-up assistance. We work with a lot of start-ups and the way I would present a case for a start-up and the way an entrepreneur whether an artisan, merchant or whatever would, is a different thing. It's how you package your business. And you need to look in the right places and talk to the right people for funds. We have more funds than our economy can absorb.

SIYA: When you are starting a business financial institutions will say you don't have skills in this area. Let's say you surround yourself with the right people with the skills. You can have everything, but the one thing they are going to ask for are signed contracts. In some businesses you need the infrastructure; you need some sort of basic equipment that will enable you to present yourself to the clients. They expect you to come with signed contracts even though you have indicated that you've got the capacity and a sound business plan but need infrastructure to deliver to those clients, especially when it's a new idea where clients need to see a demo first. Do you think there's a case for saying the institutions are so used to financing deals rather than helping entrepreneurs start businesses from scratch?

BASHIER: As I said earlier, I was on a road show a few weeks ago and I wanted to raise R40 million. Many fund managers looked at me and said, "You are not worth our while, in terms of size." Now that's R40 million. One fund manager in Cape Town said that we don't make a dent in any of their portfolios. So if I don't make a dent, with R40 million, what could a start-up do? It's scary but I think you are right. But you see, there is another differentiating factor between us and the other accounting firms. A number of the accounting firms have got an entry level cut-off. They will not take a client whose fee for the year is less than R50 000 or R100 000 or whatever that number may be. We look at everything that walks through our door because we have geared ourselves to have one special division that deals only with SMMEs and start-ups.

SIYA: Because someone has to do it?

BASHIER: Yes, someone has to do it. If nobody else wants to look after the SMMEs, SAB&T will.

SIYA: And you'll be treated as an important client.

BASHIER: Yes of course, Siya. I think that's where the guys are shortsighted. We have seen some of the SMMEs grow from startups into some serious businesses. So if you take an SMME from the beginning and you help them grow their business, counsel them and coach them to getting the best out of their business they will be with you for life.

SIYA: I agree. It's looking long term, which is important.

BASHIER: It's sustainability. That's where sustainability comes from. Without looking long term there is no sustainability to talk about.

SIYA: Now looking at the time when you started and the climate as it is today would you say that government has done a lot to improve the climate for starting a business, and what more can they do? Have they done enough?

BASHIER: I think they have done a lot. Have they done enough? No, I don't think so, but they have done a lot. They have tried to incentivise the SMMEs through tax breaks, tax cuts, simplifying the administration particularly the tax and tax compliance of the small businesses. Have they done enough? No; very simply, the regulatory red tape just around establishing and forming a company is too much. The exchange control regulations are too much as well. I had a potential client sitting in this very boardroom probably a month ago; a Malaysian client coming into South Africa with US\$60 million in capital. I told him that we had to get exchange control approval. After a while the client eventually said that it does not look as if South Africa wants the US\$60 million! The headache that you have to go through to bring that money in is a problem.

You look at the time it takes to form a company or get a Closed Corporation

(CC) registered in South Africa and it's about a month to six weeks. But a little island like Mauritius can have a company registered in three days including having a bank account opened for it. You can't do it here. Those are impediments. When you do have your CC or company registered you need to register for VAT otherwise most people will not do business with you. If you get a VAT number out of SARS in 20 business days, that's four weeks, you've done brilliantly. But what happens in the meantime until you get your number? Your business is stagnant. Nothing happens. So what are we doing? We are actually discouraging investment. I

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SIYA: Something needs to happen and fast. Now, back to something you touched on earlier about the role the JSE has played in your business. I know we also touched on the fact that as much as the AltX has listed companies very fast at this stage – every day there's a new listing or two – there are still a lot of companies – medium entrepreneurs – out there that could be listing on the AltX.

BASHIER: Plenty. AltX is the perfect platform to list family-owned businesses. The reason for this is that with the AltX you need only 10 percent of your share capital in the public which means that listed businesses can still very much control the company. There's a major pitfall in family-owned businesses generally and that pitfall is succession planning. What happens is that you have family members that start the business and it's great until someone decides to get married and then someone else gets married and so forth. All of a sudden the brothers who started the business now have wives and children to see to. It's no longer

about wealth accumulated to share with their brothers. A family business is like a wheel and if one of the spokes is missing from that wheel that wheel starts buckling. If the father or one of the brothers who started the business happen to pass away, they generally don't know what to do with the business. It creates an issue of continuity and succession.

SIYA: I don't know if a thought about listing had crossed your mind before September last year, but one thing I know is that some people don't even want to find out about listing. They just say, "No, no, no, it's not for me, I don't want to lose control." What do you say to that?

BASHIER: They don't know the benefits. There are a lot of benefits. Our profile has increased tenfold. Maybe, we are more an exception than the rule. People see us as an accounting firm that's listed. That hasn't been there before. But there are a lot of benefits, the reporting, the transparency and your extent of compliance. It definitely makes you feel good about yourself to know that your organisation complies with the best rules there are for transparency and you've got the ability to get value added service. We are fortunate; the chairman of our company is Jeff van Rooyen. Jeff is ex-chief of the Financial Services Board, so governance and transparency are non-negotiable. So these are the things that make the added advantage. I would never, if we had stayed private, have gone to the banks and raised R40 million in capital. It would be impossible. I can now go to the market and tell them that I'm placing shares. People don't see what it does to your business but it does a lot.

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