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MEDIA STATEMENT

IMMEDIATE RELEASE

UPDATE ON DEVELOPMENTS AT BUSA

The following matters were considered at a scheduled BUSA Management Committee (Manco) Meeting held on Thursday, 14 July 2011, chaired by our President, Mrs. Futhi Mtoba:

- Black Management Forum's letter of resignation from BUSA;
- letter from Mr Sandile Zungu, suspending his participation in all BUSA structures;
- Chamber of Mines' letter dealing with the appointment of the CEO; and
- e-mail from Chemical and Allied Industries Association (CAIA) also dealing with the appointment of the CEO.

Manco also noted that a very constructive meeting was held with Black member organisations on 11 July 2011 by the BUSA leadership, led by Vice-President, Advocate Brenda Madumise.

The following was agreed at this meeting:

- bilateral meetings and briefing sessions would be arranged with all black organisations and the relevant BUSA Vice President/s;
- a task team would be constituted to consider the BUSA structure, capacitation of black organisations, participation of smaller organisations in BUSA structures and other transformation issues. This task team will be constituted

from representatives of organisations present at the meeting held on 11 July, as well as representatives from organisations invited to the meeting, but not attending. BUSA leadership will participate in the task team, and management will facilitate the work of the task team; and

- a strategic session with BUSA members, would be organised as soon as possible to address recommendations from the task team mentioned above.

Manco also noted that the BUSA Chairman, Advocate Andre Lamprecht, had been given the assurance during a telephone conversation with Mr Sandile Zungu that - notwithstanding his letter suspending his engagement in BUSA activities - Mr Zungu would remain on the selection committee for the recruitment of the CEO.

The President and Mr Cas Coovadia (Acting Vice-President: Unisectorals) also had a positive engagement with Nafcoc, represented by its President and Secretary-General. The President of NAFCOC, Mr Lawrence Mavundla, assured Ms Mtoba of his organisation's unequivocal support to BUSA.

The CEO recruitment process and the background were outlined again to Manco as follows:

- BUSA accepted with regret the resignation of Mr Jerry Vilakazi as BUSA's CEO as from 31 May 2011.
- The Deputy CEO, Raymond Parsons, was appointed Acting CEO from 1st June 2011 until a new CEO takes up office.
- The BUSA Constitution gives both the President and the Chairman of BUSA the responsibility to recommend a candidate for the position of CEO to the BUSA Council.



BUSA

BUSINESS UNITY SOUTH AFRICA

- Given the importance of this role, the President and Chairman decided to involve Manco in the process.
- Manco mandated the President and Chairman to take charge of the recruitment process, after agreeing that the process must be a transparent and objective one, to be managed by the recruitment agency Heidrick and Struggles.
- The recruitment agency was asked to compile a list of potential candidates from submissions by BUSA members and also from their own database.
- A member of BUSA then submitted the name of Mr Mthunzi Mdwaba, then Vice-President: Unisectorals of BUSA. Mr Mdwaba, at that stage, indicated his acceptance of the nomination. He recused himself from all his responsibilities at BUSA upon accepting the nomination. He did this by informing the President of BUSA in writing.
- The President and Chairman, through Manco, agreed that a panel consisting of the President, Chairman, four Vice-Presidents, and the Chairman of the Transformation Committee would interview the candidates identified by the recruitment agency in a process also facilitated and managed by the recruitment agency.
- By the closing date for the submission of the names of candidates, the recruitment agency had received twenty two (22) nominations. The interview panel subsequently conducted two interview sessions and reduced this list to five (5) candidates.

- Two more interview sessions will be conducted within the next two weeks, after which a preferred candidate will be recommended to the BUSA Council by the President.
- Although an undertaking was given at the last Council meeting to circulate the names of all applicants, the recruitment agency subsequently informed the BUSA President that names of candidates cannot legally be circulated without their permission. A number of the candidates were reluctant to give permission because their current employers are not aware they have applied for the position. It is thus not legally possible to circulate a list of candidates.

In the light of the above, Manco resolved as follows:

- the CEO selection process as outlined above will continue; and
- there will be regular communication with BUSA members regarding the above issues.

The Manco is confident that the CEO selection process, though difficult, has actually strengthened BUSA and ensured its long-term growth and sustainability. An example of the positive impact of the process is that a number of BUSA founding members have approached the President to offer their assistance to promote business unity and strengthen BUSA. Manco reaffirmed the commitment of BUSA leadership to business unity, built on a platform informed by sound principles and values.

Manco appeals to all members to continue to support BUSA and make a positive and constructive contribution to business unity and the strength of business through participating in the



different BUS A portfolio committees and helping to influence the policy environment.

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