


ONE on ONE

# Finance for change

When it comes to black skills development, owning his own investment company, Jala Capital, gives Pumulani Ncube the muscle to make a difference. Yolandé Geyser caught up with him for an indaba.



**T**he term “rugged individualism” comes to mind while sitting opposite a man who is so honest about not being PC, but still actively supports the empowerment of historically disadvantaged individuals (HDIs) through introducing BEE policies in the companies in which he invests .

## **What is Jala Capital?**

Jala Capital is an investment holding company that was started in 2004 by Salala Lesela, Kumaran Padayachee and me. Our vision is to build value in the investee companies by providing both financial and human capital, as well as offering support to highly skilled management teams.

## **What is the company’s policy with regard to black skills development?**

When we invest in a company, we also introduce black operating skills into that company. We try to accelerate the transformation process by assisting companies with the appointment of black professionals with the relevant specialist skills on organisational transformation strategies, including HR and procurement strategies.

## **How did you get into your line of business?**

I came to SA from Zimbabwe in 1991 and got a job at a bank. It was so boring that I attempted to make a move to the UK, but I couldn’t find a job. The turning point came when I was employed by the then Grant Thornton (now Kessel Feinstein). The financial director took a special interest in me and persuaded me to do my articles. Once I got into mainstream accounting, it opened up various opportunities for me. After completing my articles I went into merchant banking. Thereafter, I realised that I wanted to “set up my own show”. Unfortunately, it didn’t work out. I learned a lot from the experience of failure. It teaches one how to get it right the next time around. Failure also taught me that there are no such things as mistakes, only lessons.

## **Why do you value self-employment?**

I want to leave a legacy not only for my children, but also for my grandchildren and the generations thereafter. Traditionally, when a black person set up a business, the line was blurred between the corporate entity and the owner of the business. So, when the owner moved on, the business ceased to exist. Furthermore, when you “go it on your own”, you are challenged in a different kind of way and work twice as hard (Twelve-hour days are the norm.) However, the freedom is enormous – in between doing business deals I get to see my kids playing sport and do different things on a daily basis.

## **Do you think the SA government’s BEE policies have helped you, even though you are Zimbabwean born?**

I support the principles of the ANC and would renew my membership if I had the time. I believe in its empowerment policies. All BEE did was to fast-track my career. In all likelihood, without BEE I would have been doing the same thing as I’m doing today, but it would have been a lot harder. However, being a product of BEE doesn’t make me a less

capable person. The clients that we deal with will vouch for this.

### What is your advice to youngsters choosing a career?

South Africa has a wealth of opportunities. If you have passion and a vision, you can have a rich life. However, you cannot be driven solely by money because, at some point, it becomes meaningless (the law of diminishing returns). Ask yourself, "If I had all the money in the world, would I still go to work in the morning?" If you answer no, then best you discover what it is that you are really passionate about. Bill Gates is a multi-billionaire, yet he gets up earlier each morning and pushes himself harder than most people. Having said that, all black people who have succeeded in life have an obligation to put something back into the com-

## The expectation is that, because you are an AA candidate, you cannot do the job

munities from which they come. We need to spend time in those communities as we can be valuable role models.

### What are the biggest work-place challenges for black executives?

Before I answer that one, you have to realise that, post independence, our future became linked to the global economy, and that is why we have to adopt best practices in terms of international standards. In South Africa, many companies do not think on a global basis. An example of this would be the much talked about skills drain. However, this is actually a global problem and therefore efforts to retain skills have to match what is being done internationally. Hiring black people based on their colour, without looking at their skills set and/or the potential of the candidates, is the fault of the recruiter. Companies must take responsibility for their hiring policies. As a black person, when you enter most organisations, you are at a disadvantage. The expectation is that, because you are an AA candidate, you cannot do the job, and this can lead to all sorts of issues in the work place. There is plenty of talent out there, but it is up to companies to find it. Hiring black candidates is only half the solution. The work environment has to be conducive in order for the candidates to thrive. In terms of remuneration, although there is a premium on black talent, some of the most talented black executives earn substantially less

than their white counterparts – and that is a statistical fact.

### How would a Zuma presidency affect business opportunities in SA?

I have a press article from over a decade ago that talked about the impact of President Mbeki being head of our country, about him being a racist, that he would chase all the whites away and nationalise all industries.

Eight or so years later the same paper is singing a different tune about how well our country has done and so forth. In a nut shell, no one trusted him.

People have been making similar accusations with regard to a possible Zuma presidency. Whether Zuma, or anyone else for that matter, is going to follow Mbeki's legacy is neither here nor there. The ANC is full of very intelli-

gent people, all of whom have South Africa's well-being at heart. I believe that the NEC will choose a leader that, as a collective, it deems fit to lead the country for the next decade.

Compared to the rest of Africa, we have the correct fiscal discipline and we are doing the right things to ensure that the country is stable. Despite our problems, we must have faith in our leadership. Furthermore, our biggest challenge is acquiring the skills to enable us to deliver more to the people.

### You live in such a Western culture. Being an African, do you ever go back to your roots?

I am a Catholic, but I do practise some of my native traditions – if you can call them that. We slaughtered a cow in memory of my grandfather, who came to South Africa and lived in Soweto and is now buried in Doornkop. He was a great man and a pioneer, and it is because of him that I came here. I will probably get crucified for saying this, but for me praying through Jesus is like praying through an ancestor. It is one of the routes to the ultimate creator, or God, "cometh the hour we will face the almighty individually".

### What is your advice on developing black skills in sports like rugby?

The average black cannot play after high school. If he gets injured, he doesn't have money for a doctor. When black players leave school, they

need to be employed to be able to look after their families. .

I am passionate about a system that gives the black sportsman a fair chance to become a Springbok rugby player, a system that fulfills the needs of coaching (in a black language and not just in Afrikaans), as well as providing medical personnel and financial sponsorships. We need to change the mindset of most black parents who think that sport is not a career. I was once told that a very successful black father decided that his very talented rugby playing son should go to the US. This was to make sure that his studies wouldn't be interrupted by rugby.

Sometimes common sense is not common. How do you expect to have a pool of black talent playing for the national team when every Super 14 team has a black player on the wings? In a rugby game you can only have two wings. Go figure... **3S**



## PUMULANI NCUBE

**1993** Ncube began his articles at the then Grant Thornton (now Kessel Feinstein).

**1998** Ncube worked for Mettle, a small firm dealing in structured finance. He craved the experience of the corporate world and left to join Rand Merchant Bank.

**2000** Ncube joined Rand Merchant Bank in the structured finance unit. He found that the culture was a difficult one to fit into and left to create Barbican Finance.

**2002** Ncube launched Barbican Finance, a company aimed at offering finance to small and medium-sized businesses. The company failed due to myriad challenges.

**2005** Ncube worked at ABSA Corporate Merchant Bank as a marketer in the corporate asset finance division.

**2007** Founded Jala Capital with his partners.