

Meeting minutes

Title	FOLP Leadership Strategic Plan
Date	10 -11 September 2016
Location	President Lodge, Edenvale
Meeting Called by	Executive committee
Delegates	David Setshedi (DS) Zanele Mapisa (ZM) Lerato Nkosi (LN) Samson Vilakazi (SV) Lebo Pule (LP) Reey Makwela (RM) Faith Sibande (FS)
Facilitator	Itumeleng Masege (IM)
Guests	Sandile Hogana (SH), Founder of Afrika Invest
Apologies	Siviwe Mazana (SM), Director of Mazi Capital, Roche Mamabolo
Minutes taker	Faith Sibande
Confidentiality	Non Disclosure Close (NDC)
Duration	2 Days Strategic Plan 07h30 – 00h00 (Day 1) and 07h30 – 12h30 (Day 2)

Agenda Day 1 (10 Sep 2016)

Item no	Time allotted	Presenter	Topic
	07:30 – 08h00		Breakfast
1.	08h00 – 09:	LP	Opening and Welcome
2.	08h10 – 10h30	SH	Workshop start up documents

	10:30 – 10:45		Tea
3.	10:45 – 13h00	SH	Presentation: Overview of possible investment
	13:00 – 13:00	ALL	Lunch
4.	13:30 – 16:30	Facilitator	Brain Storm: Vision Mission, Values, Business Mode, AGM, and Launch Approach, Contributions, Company Structure, Strategic Recruitment of strategic partners and growth strategy FOLP investment Group Business Complete
	16:30 – 16:45	ALL	Tea
5	16:45 – 20:00		Alignment
		SV	Align shared Documents FOLP Business
		SV	Business Plan Concluded
		RM	Check Skills Matrix and identify required talent
		LP	Define Roles for AGM and post AGM based on business model
	20:00 – 21:00	ALL	Dinner
6.	21:00 – 23:00		Summaries
		LP	Reflect, Identify Gaps requiring further Action
		All	Discuss and Conclude Key Action Plans
		SV	Priorities for the next day

Agenda Day 2 (11 Sep 2016)

Item no	Time allotted	Presenter	Topic
	08:30 – 09h00	All	Breakfast

1.	09h00 – 09h30	LN	Reflection : Summarise Key and Salient Points
2.	09h30 – 10h30	FS	Consolidate : Action Keys and Priority Areas agreed the day before
	10:30 – 10:45		Tea
3.	10:45 – 12:30	SV	Conclude : Finalise and Agree as a Team on Product
	12h30		Close Strat Plan – Farewell !!!

Minutes Day 1

1. Opening and welcome
2. Introduction of the facilitator and guest speaker
3. Facilitator (IM) and Guest(SH) signed the NDC
4. The ground rules of the facilitator
5. Discussion of the objectives of the next 2 days –
 - a. Start Up Documents
 - b. Possible Investments
 - c. Strategic plan of the organisation
 - d. Workshop and AGM launch

Discussion and Action

Item 1

- a. **Session: Workshop Start up Documents**

Presenter: Sandile Hogana

Discussion:

- He explained the important role the start up documents play in the organisation and which docs must be issued before on the day of the workshop
- He emphasised that Business and procedures should in place for effectiveness and for the prospective investor before they join
 1. The Terms and Conditions (T&Cs) must send to the prospective investor first
 - The T&Cs must state clearly the objectives
 - He recommended that the contributions to be done either scheduled payment or EFT, member to try avoid direct cash deposits and stop orders, because of back fees towards the organisation (stated on T&Cs)
 2. The investor form must issued to a the investor, to obtain the investor's signature and details

3. Once the investor has completed the investor form, a confirmation letter with a unique ref/ reg number may be forwarded to welcome the member
 4. Company Profile
 5. Proxy form
- To try and bring different skills sets when electing the board members
 - Show the potential investors trust
 - By obtaining a skills matrix will indicate the investor's profile and what type of people we are dealing with
 - Leverage the networks which we have such as human capital, networks and financial resources
 - MOI must be done by a legal expert

Action items and next steps:

Action to be taken	Person responsible	Due date
The necessary changes T&Cs must be amended urgently	Committee	16/09/2016
The T&Cs to be forwarded to potential investor asap and before the AGM	ZM/ LN	08/10/2016
Investigate debit order contributions by investors	DS	16/09/2016
Update skills matrix from the prospective investors	RM	16/09/2016

Item 2

- b. **Presentation:** Overview of possible investments

Presenter: Sandile Hogana

Discussion:

1. The objective is to create wealth
2. Long term investments e.g. 5 years lock down explained to investors
3. Investment framework needs to insync with governance
4. The types of investments may be short term, medium term or long term
 - ✓ Short term investments like cash investments offers low returns and low risk e.g. Savings accounts, certificate of deposits, money market funds
 - ✓ Medium term may offer medium returns and medium risk this may be dependent on the investor, for instance the investment may matures from 5 to 10 years, returns are higher than short term
 - ✓ A long term investment is an account on the asset side of the company's balance sheet that represents the company's investments including stocks, bonds, property and cash that it intend to hold for more than a year
5. Listed shares are risk and have high return

6. Risk tolerance must be assessed by the investment committee, the portfolio should include Return on Equity (ROE) and Risk Management
7. Investment Portfolio is separate from MOI, therefore the organisation should have an investment process in place
8. The fundamental principles must be set up before the committee is elected
9. It is important to plan before implementing any investment.
10. Timelines are important
11. Set up FAQs on the website.

Action items and next steps:

Action to be taken	Person responsible	Due date
Compile the Investment process	EXCom	
Elect the Investment Committee	Ex Com	

Item 3

c. **Topic:** **Strategic Planning**

Presenter: Itumeleng Masege (IM)

Discussion:

1. Company Model

Level	Person involved	Responsibilities
Corporate level	Chief executive Officer Key Managers Board of directors	Structuring and management of the enterprise in its entirety
Business level	General Manager	Establishing competitive advantage, Functional strategies, Utilisation of resources
Functional Level	Functional heads	Executing strategies and composing plans
Operational level	Section heads	Action plans for day-to-day actions

- The board of directors is appointed to act on behalf of the shareholders.
- Boards of directors' activities are determined by the powers, duties, and responsibilities delegated to it or conferred on it by the authority outside itself.
- Delegation of Authority (DOA) e.g. committee threshold may be taken to the board

2. The review of Vision, Mission, Strategic goals, Strategic objection, Performance indicators and Activities projects

- The vision must be simple and achievable dream (Reey summarized it as “ **To create wealth for every child to benefit in generation to come**”)
 - Idealistic
 - Philosophical
 - Future oriented
 - It provides no detail
 - It accommodated the aspirations and dreams of the top management of the organisation
- Mission explains why the company exist, e.g. wealth
 - A clear exposition of basic product or service
 - The primary market
 - The most important technology to be utilised in the production or service
 - The inclusive projection of the corporate image
 - The chosen future direction in which the organisation is to move
 - It is personified declaration that gives the organisation its own identity
- Goals
- Key Performance Indicators (KPIs)
- SWOT analysis – Strengths and Weaknesses are external , Opportunities and Threats are external
- **Components of external analysis**

Scanning	Identify early signals of environmental changes and trends
Monitoring	Detecting meaning through ongoing observations and environmental change and trends
Forecasting	Developing projections of anticipated outcomes base on monitored changes and trends
Assessing	Determining the timing and importance of environmental changes and trends for the organisations’ strategies and their management.

- **The identified company SWOT analysis were as follows**

Strengths

- ✓ Commitment
- ✓ Skills
- ✓ Passion
- ✓ Realistic
- ✓ Diversity
- ✓ Unity

- ✓ Continuous to evaluate

Weaknesses

- ✓ Punctuality
- ✓ Stretched for time
- ✓ Level of thinking strategically
- ✓ Communication Process
- ✓ Segmentation of audience
- ✓ The required experience , e.g. financial background

Opportunities

- ✓ Market niche
- ✓ Few companies with a similar model
- ✓ Political and Economic climate
- ✓ Innovative
- ✓ Skills Development
- ✓ Venture capital
- ✓ Provide platforms for stockvels

Threats

- ✓ Barrier entry
- ✓ Politics
- ✓ Returns
- ✓ Competition
- ✓ Basket of benefits
- ✓ Economic fluctuation
- ✓ Defaulters
- ✓ Disinvestments
- ✓ Investment decisions

- Review of Company Goals-

Goal 1 - To create an investment platform

How

- To ensure we attract and retain investors
- To establish a sustainable business
- To create a solid governance framework (OPS)
- To collect contributions on a regular basis (OPS)
- To start up subsidiaries/companies to broaden the organisation

Goal 2 – To maintain maximum retention of contributions

- To raise capital
- Maintain accurate records (OPS)
- Communication on contribution to motivate investors (Coms)
- Institute penalties (OPS)
- Simplify the contributions process (OPS)
- Maintain equidity ratios

Goal 3 – To maximise share holder value

- Identify investment opportunities and exploit them

- To discuss, investigate , implement and evaluate the impact of pursued opportunity
- To engage key individuals with similar business interest
- To identify business gap in the society with intention to form investments and partnership.

KPIs	MEASURABLE	
Attend stockvels	e.g. attend stockvel meeting at least 5 time a year	
To use social media to entice membership	Such as number of investors generated quartely	
Develop a company website which is informative		
Provide continuous feedback to the investor		
To deliver on objectives		
To participate in relevant platforms	e.g. mainstream media, workshop etc..	
To comply with all statutory and regulatory requirement in the country	Ops plan	
To appoint effective and competent board	Ops plan	
Ensure a solid governance framework	Ops plan	
Maintain unqualified audit	Audit committee	
Participate in social responsibility in community programmes		

Action items and next steps:

Action to be taken	Person responsible	Due date
Amend vision and mission of the company	LP	16/09/2016
Nominate board of directors	Excomm	16/09/2016
Approach the existing stockvels	Will be determined	

End of Day 1.....

Minutes Day 2

1. Open and welcome
2. Watched inspirational video
3. **Reflection from the Day 1:**
 - MOI (customize)

- T/C update and review
- NDA review (Finalise)
- Investment process (Design strategy)

4. Objectives of day 2

- Investment product/process
- Launch/ General meeting (outcome)
- Board Management Structure
- Required qualities of the nominated candidates for the board of directors
- Readiness/ outstanding documents
- Priorities

Launch of the AGM and Workshop objectives:

- ✓ Agenda
- ✓ To provide investors with sufficient info to make an informed decision
- ✓ Ambassadors of the organisation
- ✓ Positivity (How we will impact the prospective investors?)
- ✓ Readiness

Item 1 – Agenda for the workshop:

1. Opening
2. Logo
3. Briefing introduction and AGM
 - A. Vision , Mission and Volumes
 - B. Goals
 - C. Ops Plan
 - D. Company structure
4. Q&A
5. Closing remarks

Item 2 – Agenda for the workshop:

1. Opening
2. Approval of audit firm
3. Endorsement of Directors
4. Meeting closed

Item 3 – Board process and finalisation

Selection criteria of Board of Directors:

- SMEs in various fields
- Legal, CA, investments exp, venture capitalist, Finance exp, HR /Rem, Business guru and 4 founders

- Business acumen and experience
- Person who has served in the board before
- A person with contacts which may benefit the business at the strategic level
- Number of board members (e.g. 10)
- Representation of the founders – Objective is intellectual capital, to keep the core/ reason of the business and investor assurance. – Nominated DS, LP, LN, SV

Board process action plan	Person responsible	Due date
Nomination of Board of Directors	Committee	24/09/2016
Obtain CV		14/09/2016
Circulation		17/09/2016
Comment		24/09/2016
Confirmation of appointment		26/09/2019
Endorsement		AGM
First board meeting and briefing		

• **PRIORITIES**

Priorities	Person Responsible	Due Date
Workshop venue confirmation, Quotes, decision and finalise	LP	14/09/2016
Present board nomination and finalise	DS	
Circulation of strat plan report to all	FS	14/09/2016
Finalise the MOI, read and finalise, obtain legal opinion, lodges to MOI with CIPC	RM	12/09/2016
Outstanding docs finalization	ZM	17/09/2016
Launch and AGM presentation finalisation	LN	

Confirmation of speakers on the Agenda	DS	
Website and IT platform development	LP	

Additional Notes:

- ❖ What makes us different?– not much detail
- ❖ Not targeting only the elite?
- ❖ Information shared in the most simple form (exposure to info in an understandable manner)
- ❖ Non prescriptive
- ❖ Protective space – Cab
- ❖ Phases- targeting and affordability
- ❖ Returns – why 10% ?
- ❖ Market share average and group B

Intangibles

- ❖ University Education
- ❖ Bi-product and loyalty product
- ❖ Collective strength to negotiate

End of day 2

- **Meeting closed**
- **Next meeting 17 September 2016**