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# ENJOY YOUR JOB IN A STRESSFUL ENVIRONMENT

- Lessons from the Kumba story -

Presentation at the  
**15<sup>th</sup> Annual Executive Secretary / PA Symposium**

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# Who or what is Kumba?



**Heavy minerals**



**Base metals**



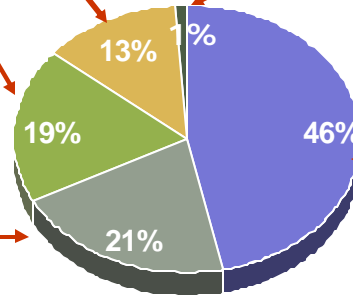
**Industrial Minerals**



**Coal**



**Iron ore**



Market capitalisation: R16,5 billion

Number of employees: 9 800





# Grootegeluk Coal Mine





# Sishen Iron Ore Mine





# Where did it all start?

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- Iscor – Parastatal steel producer with mining interests: 1928-1989



- Iscor privatisation: November 1989



- Iscor strategy 1994/95 : growth of mining

- Re-engineering: 1996-2000



- Unbundling: 2001

- Kumba listing on JSE: 26 November 2001





# The Iscor Mining/Kumba Dilemma

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- **Changing environment:**

- Political change in RSA post 1994
- Global change
  - Political: Berlin Wall, Soviet Union
  - Globalisation
  - Emergence of new economic order
- Changes to RSA mining industry
- Privatisation
- Re-engineering: workforce reduced by 50 %



- **Realisation:**

- The only constant is change
- Stress levels in the company were high
- We cannot work as we did in the past





# So what were we to do?

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- We realised we had some **good people** in Kumba, but



- We would have to **work differently**:
  - Transformational Leadership Programme was started



- We would have to create the **right working environment**
  - The Competence Process was initiated





# Kumba Quo Vadis?

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- The creation of Kumba brought the opportunity to fundamentally assess how we wanted to tackle the future



- Our pre-listing statement addressed three fundamental issues:



- We will be a South African-based diversified mining house;



- Our adoption of a multi-stakeholder model for the company;



- Our vision statement for the Company



# The Kumba Vision

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Kumba strives to outperform the mining and mineral sector in creating value for **all stakeholders** through **exceptional people** and **superior processes**



# Did it work?

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## **Kumba achievements since the creation of the company in November 2001:**



- Best new listing on the JSE: 2001
- Best mining company to work for : 2003



- Best mining company to work for : 2004
- Best empowerment company in mining: 2004



- Best annual report: No 3 in RSA : 2004
- JSE Sustainability Index : 2004



- Boss of the Year® : 2004



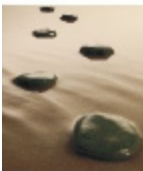
# How did we achieve this?

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## Fundamental tenets:

- **We have the people to do what needs to be done**
- We work through the skill of people, not rules and regulations
- We need the skills of everyone in the organisation
- We invest in people
- We recognise and reward performance
- An employment contract is a 50:50 contract between the company and the employee
- It must be fun to work





# Early Insights

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- **Values:** We need to work on the basis of a common set of values, shared and supported by all employees
- **Literacy:** The message must get through from management to the shop floor/coal face and back – we need active two-way traffic in our communication, BUT: our ability to do so is constrained by the lack of literacy of part of the workforce



# Values

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- **Everyone was involved in defining our value system**

- Foundation values:

- Integrity
- Respect
- Accountability
- Fairness
- Caring



- Motivational values:

- People make it happen
- We do it together
- Let's do it
- We do it better everytime



- **Today this forms part of our performance assessment and management system**





# Values



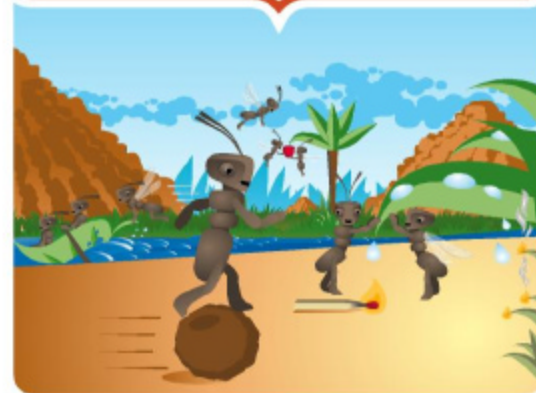
## KUMBA WAY FOUNDATION VALUES

INTEGRITY, RESPECT, ACCOUNTABILITY,  
FAIRNESS & CARING.



## KUMBA WAY MOTIVATIONAL VALUES

PEOPLE MAKE IT HAPPEN.  
WE DO IT TOGETHER.  
LETS DO IT.  
WE DO IT BETTER EVERY TIME.





# Literacy

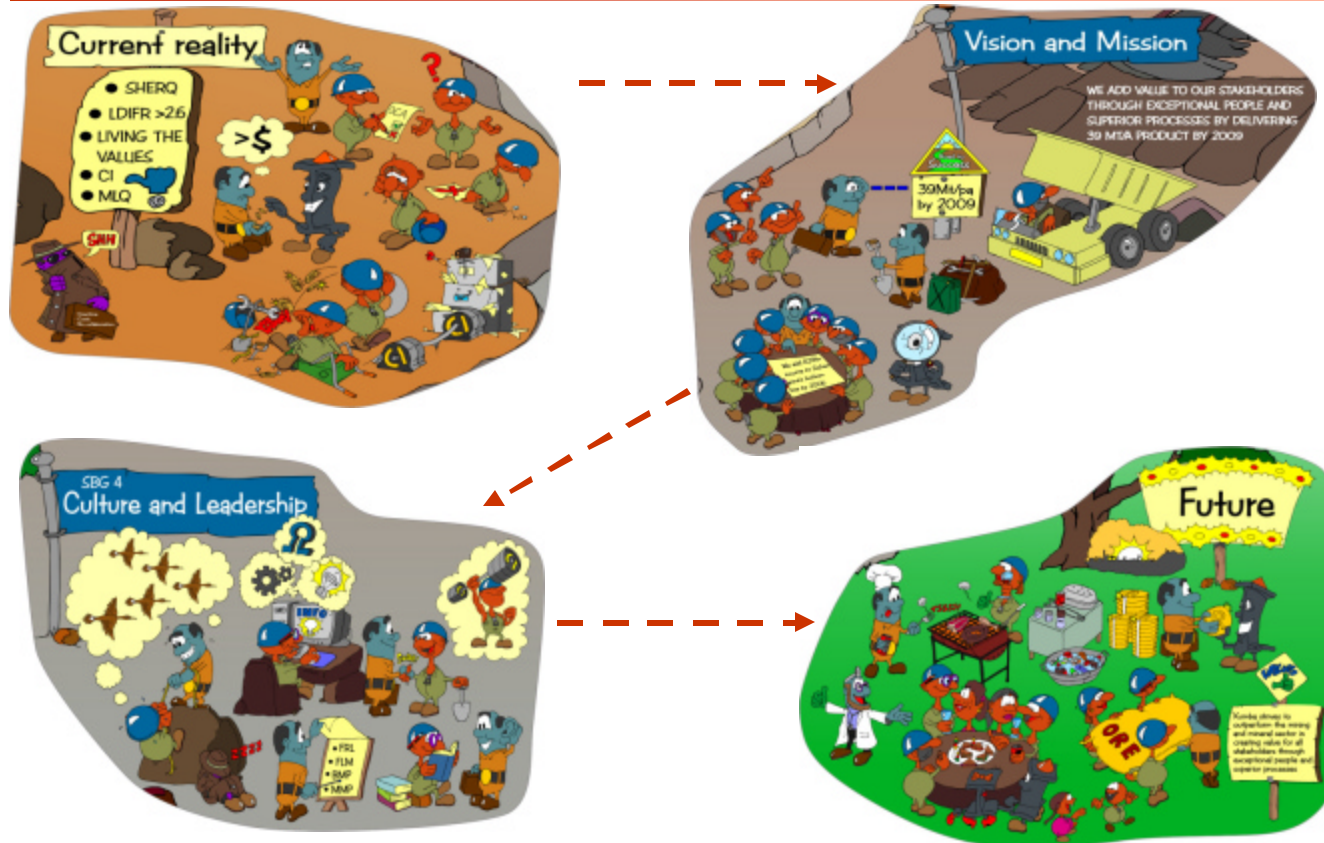
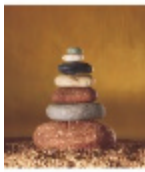


- ABET
- Skills training
- Story Board





# Literacy: The story board





# Role of the Kumba Management

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- Point people in the right direction and *get the hell out of their way*



- Remove obstacles – become chief hurdle removers



- Bring out the best in people – look for the shining eyes



- Supply the resources so people can do their jobs



- Do your bit for the team - people must be equally yoked
- Recognise and reward performance

Acknowledgement: Jack Welch, Benjamin Zander, Sipho Nkosi

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# Message from the Kumba story

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- You can and should help determine your own destiny
- Your skills and talents are valuable to your company – use them and develop them to the maximum



- Recognise the value and contribution of others around you and work with them



- Do things better today than you did yesterday
- You can and do make a difference – recognise that and act accordingly



- Don't take yourself too seriously

**If you do all this, work will be fun, even in a stressful environment**





# A final word ....



An excellent plumber is infinitely more admirable than an incompetent philosopher.

The society which scorns excellence in plumbing because plumbing is a humble activity and tolerates shoddiness in philosophy because it is an exalted activity, will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water.

*J Gardiner: Excellence, Harper & Row, NY 1961*

## **My message to you:**

We need good plumbers and good philosophers if our companies are to prosper.

Have fun while doing your job, whether you are the plumber or the philosopher



# Thank you



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