

HOW TO BUILD A MULTI-BILLION DOLLAR BUSINESS IN AFRICA FROM SCRATCH.

STRIVE MASIYIWA (AUTHOR).

COMPILED BY

GEOPHREY TENGANAMBA.

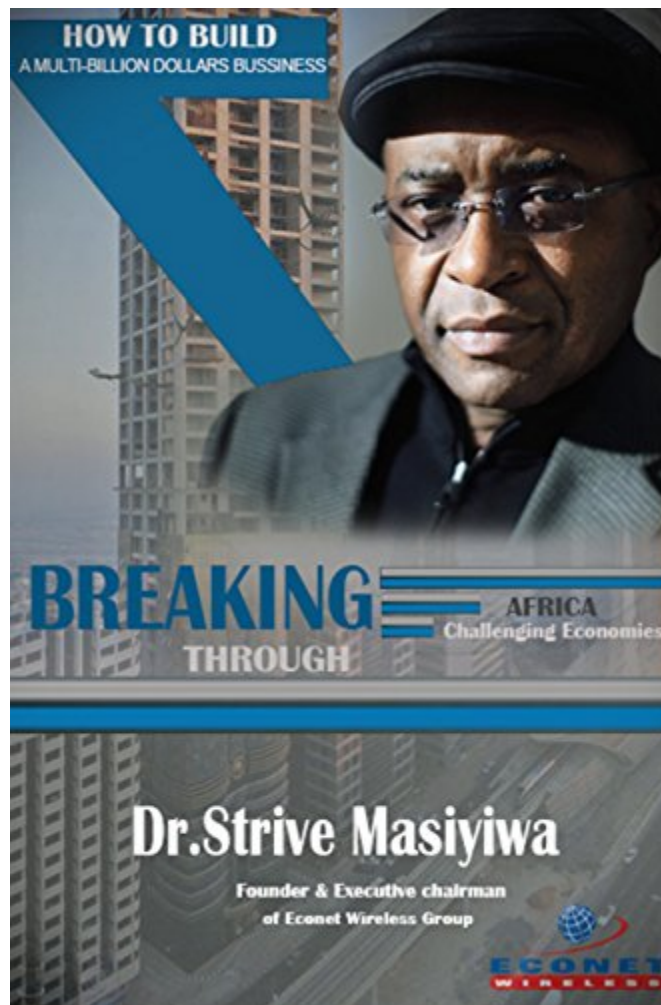




TABLE OF CONTENTS

CHAPTER ONE:	7
EARLY DAYS.	7
Early days: My first capital \$75.....	8
"It's all in the numbers. Show me the numbers".....	9
Early Days: Raising capital From The World Bank	9
Early Days: GOD ANSWERS PRAYER.....	10
CHAPTER TWO:	11
FIGHTING FOR MY DREAM.	11
My five year battle to set up Econet.	12
God's Intervention.....	14
A miraculous phone call.	16
Something Spiritual, Then Monopoly Is Struck Down.....	17
When "a Storm Arose"	18
"When the storm was lashing our house"	20
The Whirlwind and the Storm	21
Whose Report Will You Believe?	22
The Audacity of Faith.....	22
The Meeting with Joshua Nkomo.....	23
Victory in Court.....	24
CHAPTER 3:	27
Raising money to build the business.	27
Using the Stock Exchange.	28
Raising our game for the next level	29
How We Raised the Money	30
Zimbabwean Business	31
Why We Listed our Zimbabwe Business.....	32
CHAPTER 4:	33

How Mascom Wireless was born in Botswana	33
I would not be deterred!.....	34
What is it, you are seeing that others cannot see?.....	34
CHAPTER 5:.....	37
2 DEGREES COMPANY.....	37
How Far Can You Go?	38
CHAPTER 6:.....	39
BUYING TELECOM LESOTHO.	39
We did not qualify, even to participate.....	40
Let The Battle Begin.....	40
CHAPTER 7:.....	43
Understand investing.....	43
Investing must be always at the forefront.....	44
Raising Money using a Stock Market Exchange.....	44
HERE IS MY OWN STORY:	45
Do your research.....	46
Owners and Traders.....	47
CHAPTER 8:.....	49
Turning a small business into a big business.....	49
Yes, it is possible.....	50
List of largest companies in the world.....	50
First Things First: Get Organised.....	51
Study how organizations are built and managed.....	52
Management is the X-Factor	53
How they made it.....	54
My Toolbox Principle.....	55
The Toughest Challenge Ahead Of You, Is Building An Organization.....	56
Your Organization, and it's Brand.....	57
“Continuous” investment.....	58
CHAPTER 9:.....	61
Modern Management.....	61
“Does he have a lot of children to help him?”	62

Manage your way to the top!	63
Are you prepared to become very serious?.....	64
CHAPTER 10:.....	66
Making Sound Financial Decisions	66
“Financial Literacy”	67
How to Hold Onto Money	69
Open A Bank Account.....	70
Calculate The Cost, “First” ... Don’t Just Start.....	70
CHAPTER 11:.....	72
BUSINESS PARTNERSHIP.	72
Know your partner.....	73
“If you can phone him, don’t write; if you can see him, don’t phone.”	75
Holding Regular Meetings With Your Partners Is Very Important.	75
We must always, always respect agreements, and contracts.....	76
CHAPTER 12:.....	79
Be a “Fast Follower”	79
“How do they really make money?”	80
Eat the meat and throw away the bones.....	81
CHAPTER 13:.....	83
Leadership for the Senior Class.	83
I got from the bible.	84
Recruit Competent, and Honest People	85
The “Volunteer Prince”	86
Bad Habits Die Hard.....	88
A Lesson from Joshua On Public Service Leadership.....	88
Take a Longer Term View.....	89
Face up to your creditors... with humility.....	90
Build a “Circle of Trust” Around Your Business	91
Chapter 14:.....	93
Being Business Minded	93
I make it my business	94
Changing dispensations	95

Change is coming to your Business!.....	95
Uber ...EcoCash or M-PESA, are just the same!	97
Witty inventions	97
So who is making the money?.....	98
Respect. Respect.....	99
CHAPTER 15:.....	100
Turn your business into a “technology company	100
All this is technology.....	101
Harness the future!.....	102
Listen before you leap.	103
Use mobile phones and the Internet to change your business.....	105
Applying technology to an old, old idea!.....	107
CHAPTER 16:.....	110
Setting up business in Nigeria	110
The Price I paid.	111
As citizens, we have a duty to speak out to stop the rot.....	112
Beware the company you keep	114
Witness for the people of Africa.....	116
The long arm of the law.....	117
Rights, wrongs, and rule of law in Africa	119
Ending corruption: It only takes one brave person.	120
A few words about fear	121
Respect for contracts and agreements drives business.....	122
Chapter 17:.....	125
My battle against Corruption in business.	125
SAY “NO” TO CORRUPTION	126
Each one of us, can play our part in getting rid of corruption.....	127
A brush with President Charles Taylor of Liberia.	129
“You want me to be a Commission Agent?”	131
An Indecent Proposal.....	132
When one of the bidders wrote the actual bid documents!	134
The Rule of Law Drives Investment.....	135

Chapter 18:	137
The eagle in a storm	137
Brace yourself, there’s a storm on its way!.....	138
Changing our “wealth creation model.	139
Imagining new wealth creation models.	141
Protect the root of your business.	142
”If you find yourself in a hole, stop digging.”	143
You need to develop relationships with people based on trust.	144
Chapter 19:	146
Living in the Diaspora	146
Running a Small Business in The Diaspora.....	147
Building Two Nations, At the Same Time.....	149
STARTING OR INVESTING IN A BUSINESS BACK HOME.	151
To start a business or to invest in a business?.....	152
Chapter 20:	155
The Entrepreneur in the Workplace	155
Become an entrepreneur, in your job!	156
Institutionalize Entrepreneurship, in your Organization.....	157

CHAPTER ONE:

EARLY DAYS.

“For me, nothing has really changed in terms of those basic principles: you start with what you have, you do what you can, you invest what you get, so that you can do bigger and bigger things”

Early days: My first capital \$75.

When I returned to my home country Zimbabwe, soon after its independence, I got a job with the state-owned telephone company as an engineer. In those days there were no mobile telephone companies. Almost every day after work, I used to stop at a local hotel for drinks with some of my mates before catching the bus to go home. I did not own a car in those days, and I used the public bus system to get to and from work.

My friends and I would often discuss different business ideas which could help us generate more cash for ourselves. I personally wanted to save up to buy or build a house one day, and get married. I soon realised that these discussions always ended up as nothing more than just beer talk, so I determined to put some form and structure to it:

”Why don’t we start a savings club in which we all pledge to set aside a portion of our salaries?”

I suggested to more than 10 people gathered around the bar.

“What will we do with the money?” someone asked.

“Well, we can develop projects in which we invest?” I suggested.

“Like what?!” someone else chimed.

“We can start a disco. The one here is lousy!”

Almost everybody thought it was a good idea, and I was chosen as the coordinator. I also suggested that next time we meet at a more serious venue, rather than a pub. I suggested the home of an uncle of mine, and we set a date for that weekend. On the Saturday morning set for the meeting, only three of my friends pitched up!

I suggested we start anyway, and we agreed to each set aside every month what would have been the equivalent of \$75.

I went off and opened the bank account, At the end of the month, only two of us actually put in any money. Two others who promised to put in money continued to attend meetings for a month or two, but then we kicked them out after it became obvious they were never going to put in any money.

We went around the suburbs fixing broken lights, and gates. We invested every cent, into doing bigger and bigger projects. For me, nothing has really changed in terms of those basic principles: you start with what you have, you do what you can, you invest what you get, so that you can do bigger and bigger things. From there we built an engineering company, and soon moved to telecommunications.

"It's all in the numbers. Show me the numbers"

It had been quite a while since I sold my car to fund our working capital. My partner and I spent all our time just focused on our business. We worked long hours and drove around in a battered old pick up truck. We were totally consummate about our business. When I was not working, I was reading every book or article I could find on business, and business management; It was my passion.

Although my partner and I were both engineers, I had retreated from the engineering side to finance. The only numbers that interested me, then and now are financial numbers. I had come to realise that the most important thing in running a business effectively is through financial reports. This is when I started using the motto:

"It's all in the numbers. Show me the numbers"

One day, I went to see a leading bank. Two years had lapsed since my first attempt at raising a loan. I submitted to them my proposal. The following day they summoned me. The head of the bank was present with his most senior deputy. They were both looking at my document. "Did you prepare this?" He was totally shocked by my presentation. He openly said to me, that he had never seen anything like it, and wished every manager in his bank would see it. "You have literally taught yourself banking, just to get a loan!" He begged me not to show it to another bank.

All that preparatory work had finally paid off: I got my loan....but I was already thinking beyond local banks...why not the World Bank?!

Early Days: Raising capital From The World Bank

I read a newspaper with a pen in my hand, and I always have a notebook. So there it was, in the newspaper: the International Finance Corporation (IFC), an arm of the World Bank, was creating a small fund to help, small businesses in Africa!

We had no emails in those days. I set about on my deep research: I read about the World Bank and the IFC; I tried to get as much information as I could, in the days when there was no Internet; I spoke to friends in the business community, to get advice. Finally, I wrote them a letter, and surely enough within two weeks, I got a phone call.

Dr. Lawrence Clarke, was a young banker, from Guyana, working at the World Bank office in Washington. He had been assigned to the IFC, to find ways to help develop the African private sector.

"I am coming to see you, in Harare", he said in his booming West Indian accent.....This was my break, and I grasped it with both hands!!! Before he arrived, I was like a student preparing for exams. I crammed figures, statistics.... I knew my business.

Lawrence Clarke arrived alone, with just his computer, and he parked himself in my office for weeks. He went to see my customers and he visited my projects. He created models. I can still see him, a mountain of a man, who often worked in his shirt sleeves. I had never met such a consummate professional.

I got my facility of \$250,000, in debt and equity..... From the World Bank's private sector arm, called the IFC! It was like receiving millions of dollars in today's money, and I was just turning 30 years old! That was 1990. Today; there are literally scores of funds similar to the one that the IFC had set up. These funds have hundreds of millions of dollars. The funds are looking for young people like some of you. It is my hope that some of you, have extracted some deep principles from what I have been saying, that will open the way to access these kind of funds.

Early Days: GOD ANSWERS PRAYER

In just four short years I had gone from cobbling together \$75 from friends and a relative to start a small electrical contracting business, to a burgeoning multimillion dollar, national business with almost 500 employees. I had learnt the art of raising money from banks, and had now secured an investment from The International Finance Corporation, an arm of the World Bank.

I had been named both Business Man of the Year and Industrialist of the Year. I was now sole owner of the business, as my partner had cashed out, and gone to establish his own business, before the IFC investment. We remain good friends to this day.

I began to think for the first time that I could tackle work in neighbouring countries, I chose Mozambique. So one morning, as part of my research into the opportunities in the country I visited their local embassy and spent several constructive hours with officials. When I left the Mozambique Embassy Building, I decided to walk back to my office rather than be driven. As I walked, I noticed a vehicle that appeared to be driving slowly behind me, but being deep in thought, I paid it no real attention. When I finally got into my office, two men rushed behind me, and abducted me at gun point!

I was taken to a secret detention centre by my abductors. Time and choice (today) constraints stop me from going into must detail about this incident. But let me say what is important; as I was in the place where I was being held and my abductors were outside, I did something I had not done since I was a child, I got on my knees and prayed earnestly to God, with tears in my eyes begging him to rescue me... He heard me! I was rescued from my ordeal that night!....

And now I had learnt the most important lesson of all... GOD ANSWERS PRAYER!

CHAPTER TWO: FIGHTING FOR MY DREAM.

“There is a man in this room, you have been having these dreams.... in these dreams, and you are building towers, rather like broadcasting towers...everywhere, all over the world. God is asking me to tell you, that He is the one giving you those dreams, and He is going to make it happen. He has also given you a new heart; you are going to have such compassion. Please come forward, if you are that man.”

My five year battle to set up Econet.

The investment from the IFC had taken me to a completely different level. For the first time, I had real EQUITY in the business and I was not just relying on bank LOANS.

I had to meet tight conditions on how I conducted every aspect of the business. I now had a “boss” again; they were called the BOARD OF DIRECTORS, experienced businessmen and women who took their job very seriously.

My management team were well selected; a team of the best young professionals, I could find in my country. They were absolutely the best. I was finally doing the kind of projects, I always dreamed about. We were making money, and growing fast.

Although I had worked for our national telecoms company, called PTC (now TelOne); since leaving them, I had not had anything to do with telecommunications as an industry, because my business was in electrical power construction work. I had however kept subscriptions to all my professional magazines on developments in telecoms. I knew that Mobile Communications was beginning to emerge as the next frontier. And yet in Africa, there were less than 5 countries that had built such networks, at the time. Most countries only had state owned fixed line operators providing poor, poor service. I wrote on our boards and I told our people, I said, our mission is to provide telecommunications to all the people of Africa

I began to put together a business plan for a network in Zimbabwe. I travelled to trade shows, and I visited manufacturers, and operators, to gain greater understanding.

That was 1993.

It took me more than a year of research and study to finally have a business plan. I then approached the best investment banker in the country, at the time. His name was Dr Nkosana Moyo, and he was CEO of Standard Chartered Merchant Bank Zimbabwe.

I called my new business, "Enhanced Communications Network". Dr Moyo read my business plan and his key comment was “can I suggest a name change? I think you should call it, ECONET. This is a great project, we are happy to fund it. I have put together a team to work on it. I also have the support of our head office in London”.

Since we would need access to special radio frequencies, we would have to approach my former employers the public telephone operator, They were not only a monopoly they were also the regulator!

We decided that it would be best to propose that they form a joint venture with me. They could have 51%, and I would have 49%. I would also raise all the funding and manage the business. The bank wrote the letter on my behalf, to show them that this was a serious proposal.

What happened next must surely rank, amongst the greatest follies in the world of business: **They could have owned the Econet Wireless Group, but instead they declared war on me!**

They told us that mobile telephony was a passing fad which would never succeed. And that they were too busy, with more important things!

I immediately, suggested that since they were not interested. Could they please allocate me the necessary frequencies, so that I could proceed to offer the service, to the public. This time, they read me the "Riot Act"; reminding me that they have a monopoly over everything telecoms.

I refused to go away: " How can you have a monopoly over something you do not want to do?" I asked. They responded by threatening me with prosecution, if I so much as tried!

One of the bankers in Dr. Nkosana Moyo's office, was a lawyer, by the name of Ian Donovan. As we sat in their offices, studying the latest reply, he pulled out the Telecommunications Act, and began to take me through it.

"...these guys are wrong about this Act. If I were you, I would approach the court and obtain a declaratory order, saying you have a right to proceed".

"Is it really, that simple?" I asked.

"Yes".

"Let's go for it!" I finally declared.

The bank said they could not get involved in a legal battle, but wished me well. And this is how the most celebrated legal battle, in the history of telecommunications in Africa began. It was to take five painful years.

"The best lawyer for this kind of case, is Antony Eastwood. He is semi retired, and only does cases that interest him. He used to defend the freedom fighters during the fight against colonialism. He is eccentric, but a genius. If you can persuade him and his partners to take this case, then you have the best legal team." That was the advice of Ian Donovan, the lawyer at the bank.

The team at Kantor and Immerman, the firm where Antony was a partner, just loved the case. After brooding over it, Antony suggested that we get a legal expert in telecoms law, to advise us. We chose an American lawyer from New York, called Dr. Judith O'Neil; easily one of the most amazing people, I have ever had the privilege to know, in my entire life. She was the heart and soul of the battle, that was to unfold.

And so the team was assembled: Antony Eastwood, Mervin Immerman, Canaan Dube, Beatrice Mtetwa, and later Tawanda Nyambirai, Nic Rudnick, and young Jo McNally. At times it seemed the whole firm, was just fighting one case. We just became one big family. For the presentations

in court, we selected one of the greatest legal minds our country and region had ever produced; Advocate Adrian De Boubon. But for Dr O'Neil, the entire legal team, were all Zimbabweans. It had become what the French call a "cause célèbre". For the next six months, I did nothing else, but work on the court case. I handed over management of the company, to my team. I met with the lawyers daily.

And so we went to court seeking a declaratory order, to state that Mobile Cellular telephony, was not covered by the monopoly enjoyed by the PTC. On their side the PTC, assembled an impressive legal team, led by Advocate Chris Anderson, who had once served as Minister of Justice. He was absolutely brilliant, and I enjoyed listening to him, even though he was on the other side. Many years later we became great friends.

Exactly six months, after we filed our papers, on 24th January 1994, the court ruled...

It was January 1994, I was in South Africa on one of my "spy missions" watching MTN and Vodacom roll out the first GSM networks in South Africa when I received the phone call from Zimbabwe. It was Antony Eastwood, "The High Court, has declared that PTC does not have a monopoly over cell phones. They have ordered that they should give you the frequencies immediately and you can begin your business. CONGRATULATIONS, YOU HAVE WON!"

Yes, I could roll out a cell phone network in Zimbabwe! However, within two weeks the PTC appealed to the Zimbabwe Supreme Court. I was stopped from proceeding until this apex court could hear the case and give its ruling. Six more months.

Nigeria had been doing really well in the World Cup in June 1994, and I was an avid supporter of the Green Eagles. I was watching them play Argentina when a call came that I had to be at the Supreme Court to hear the verdict on PTC's appeal the following day.

The Supreme Court of Zimbabwe ruled against us and said that the monopoly of the PTC extended to cell phones. They overturned the earlier decision of the lower court. It was over! We had lost....and there was NO appeal possible!

God's Intervention

When we lost the Supreme Court case in June 1994, I was totally devastated. Two years of work appeared to have gone down the drain. My dream was shattered. The lawyers made it clear that there was no appeal possible, and we packed away all the files.

Although four years earlier, I had survived abduction by what I believed, at the time, to be divine intervention; I never pursued this further from a spiritual perspective. Church for me, remained a place of funerals and wedding ceremonies.

When we got married, my wife tried very hard to get me to go to church, but whilst always respectful of her values I never went. On Sundays, I would drop her and our, then young daughter, at her church and go for my weekly squash game with "the boys" and dutifully pick her up, after the service. She was then pregnant with our second daughter.

On the Sunday after our Supreme Court defeat, I was still too gutted to go and play with the boys, but I took my wife to her church, as usual. She begged me to come in with her, but again I refused. I drove round the block and decided to return..... I sat at the back, by myself. My wife did not know I had returned: It was the first time, in my life, I had listened to a church service, without the compulsion of duty for an event held there. It seemed as though everyone in the room, except me was so happy! The young American pastor, was preaching about Jesus Christ, whom I thought I had known all my life. And yet now I realised that I did not know Him; I only knew of Him. Disturbed, I left hurriedly and went and sat in the car.

Throughout that week, I continued in my miserable daze, but I was also disturbed by what I had heard, in that service..... I went back the following week. At the end of the service, there was a call for those who wanted to "accept Jesus Christ, as Lord and Saviour". I stood up, and went to the front. This is, and shall ever remain, the most important decision of my life. "Now that you are "born-again", you must read your bible everyday", the Pastor said, to the small group of us standing in front of him, after he had led us in prayer.

Arriving home that day, I realised that the misery of my court defeat, had completely lifted. It just seemed so unimportant. Sitting down that afternoon, with a borrowed copy of the New International Version Bible, I sat down to read the bible for the very first time, in my life. Since the Pastor had said, "read the bible", I presumed that you must read the whole thing (cover to cover); and my wife did nothing to disabuse me of that: I just read, and read, and read...Often, I would read the whole day, and the whole night... Finally I finished it after about three weeks. What I did not tell anyone at the time, (including my wife), was that almost every night I laid my head down to sleep, I would begin to have quite extraordinary dreams...

One evening, I attended a special church event, held at a local hotel. The Pastor preaching, had never met me. As he preached, he suddenly stopped:

"There is a man in this room, you have been having these dreams.... in these dreams, you are building towers, rather like broadcasting towers...everywhere, all over the world. God is asking me to tell you, that He is the one giving you those dreams, and He is going to make it happen. He has also given you a new heart, you are going to have such compassion. Please come forward, if you are that man."

There could have been 500 people in that room, that Sunday evening. I got up, and made my way to the front of the room.

A few days later, a miracle would occur, which would take us back to court, in a very dramatic way...

A miraculous phone call.

Lancaster House, was the venue, in London of the negotiations to end colonial rule, in the then Rhodesia, which is now Zimbabwe. It was there the first Constitution to be adopted by the country, was agreed at the end of 1979.

'There is a clause in the constitution, which specifically says that every Zimbabwean, "shall have the right to impart information, without hinderance.".... I was there, when it was adopted. Discuss it with your lawyers; I think it could be helpful with your case. It's not over, if you have the courage to go to the Constitutional Court.'

'This caller of yours, did he also tell you that you have to file a completely new application; one that has nothing to do with the PTC? If you want to strike out a monopoly, you have to sue the government, before a special court, that rarely meets, called the Constitutional Court.' This was the opening remark of Advocate Adrian De Bourbon, as we sat down in his office, with my lawyers, from Kantor and Immerman. We had gone there to get his legal opinion on whether, a special application could be made to strike down the monopoly of the PTC, to allow private companies to offer telecommunication services. He continued, 'I have studied Clause 20 of the Constitution very closely, I believe it is possible legally to strike down this monopoly, on the basis that it is hindering freedom of expression. Our challenge is that it has never been done anywhere in the world; and there are monopolies like this everywhere, including in the developed world.'

It was not a long meeting, and it ended by my authorizing them to start working on the papers. I asked them not to file, until I was ready. And by this I meant, "spiritually" ready; meaning weeks of prayer and fasting, until I knew The Lord wanted me to proceed..

I never saw my caller after that call. He did not call me again.

Then one day, more than 10 years after the call, he called me, and told me he had been diagnosed with cancer. I arranged to visit him, with a friend and Brother-in-Christ. He had specifically asked that I come and discuss my faith in Jesus Christ. Taking my bible, I carefully took him through my own journey to believing, and accepting that Jesus Christ is the Lord. I will never forget the expression on his face, when he said quietly, "yes, I believe ... Yes, I believe ... What shall I do?"

And with that, I led him through the prayer of salvation in Jesus Christ.

"All along, as I watched you fight, I thought it was courage. I kept saying, this boy has courage, but it was not really courage...now I am beginning to understand something." He later remarked.

"No, Mukoma (senior brother), it was not really courage, as people usually think of courage, mine was simply an outward manifestations, of what we call FAITH."

He died peacefully a few weeks later.

Something Spiritual, Then Monopoly Is Struck Down.

The court papers had been ready to file for two whole weeks, and yet I had not authorized their filing. People who knew thought I had got cold feet..... I kept praying. Those were days, when I was still young in The Lord, and I was still learning like the young Samuel, how to hear His voice:

One Sunday morning, as I left a church service, I heard someone calling me. It was the wife of a dear friend and business colleague, Nigel Chanakira. He was following closely behind his wife. They were both excited, and fighting to catch their breath:

"This morning, The Lord spoke to me twice, saying tell Strive he can now go ahead. It was such an amazing experience! I am still totally shaken!"

His wife chimed in, equally excited, "I was right there, when he woke up twice, saying he has had this amazing dream about you!"

Then he asked, "do you know what it is, He wants you to proceed with?"

Although we were to become very close friends later; at that time, we were just beginning to know each other, and he knew NOTHING about the court papers, waiting to be filed.

"Thank you, my brother. I shall proceed, immediately."

We filed the following day.

Jesus said, "...my sheep know, my voice."

I believe in God, therefore, I believe in miracles. When I pray, I ALWAYS get an answer; sometimes like in this case it can be quite dramatic, but usually it is whilst, I am "meditating" on a scriptures.

After the filing, it would be 18 months of waiting, until the highest court in the land, delivered its judgment. During those 18 months I went about my business. My company continued to do very well. We had become the biggest in our industry, employing over 1000 people nationwide. I had no difficulty paying the legal fees. The court hearing was a titanic duel of legal minds, before a full bench of judges, called the Constitutional Court.

Perhaps the nicest compliment I got that day, came from the Attorney General, who led the government team. He came over and shook my hand firmly, when it was all over:

"Don't let anyone tell you, that you are fighting the government; why else would we have a constitution, if you the young Zimbabweans would not come, and fight for it? By your challenge, you have strengthened our constitution. Then he added, "it does not matter what happens here, you are going to go far. One day you will be richer than some governments."

On 18th December 1995, two and half years after we had first gone to court, the Constitutional Court of Zimbabwe, struck down the monopoly in telecommunications.

As soon as the Court ruled, I moved quickly to bring in equipment. And organise the launch of the network. Within two weeks of the ruling, I had secured a shipment of a small system, for just 5000 customers, from Ericsson's the giant Swedish company.

It was 31st January 1996, 5 weeks after the decision of the court to remove the monopoly of PTC.

The old man, waiting to see me, that evening, was a legend. His name was Gary Magadzire, and he was head of one of the most powerful farmers organisations in the land. He had asked to see me alone, and I could see from his face that he had something very grave to tell me. Having congratulated me on the court victory, he then went on to tell me, that a friend of mine, had set up a rival consortium, and was working behind the scenes, in high government circles to, as he put it, "hijack your project."

He went on to give me in the most elaborate detail, how the conspiracy against me had all been put together. He also told me who was involved and all their plans.

"He has managed to lie to some very powerful people, that you are working for a foreign government, hostile to this country, and that you should be stopped at all costs, and the project given to more loyal citizens. An emergency draft legislation has been prepared, which will stop what you are doing, and reverse, this decision of the court. Not everyone is in agreement with this. You must not be intimidated, I know you will prevail, because you believe in God."

He told me he was indignant that people could create such an elaborate "conspiracy of lies, because of greed.

"They want you declared an enemy of the state, and to have you imprisoned."

He was so distressed by it, that I found myself comforting him, even though I was the one under threat.

"Thank you, Mukoma Gary."

Once again, I marvelled at how God works.. This man was not my relative, or even close friend. To this day, I do not know how he had obtained all the information, that he gave me, including detailed intelligence reports.

Time and space constrains me to mention, so many others, including people sent to arrest me, who would forewarn me, and ask me to disappear for a few days. God knows them all.....

When "a Storm Arose"

When Mr Gary Magadzire finished briefing me he had slipped a document into my hand; it was a draft document of a new law that would be announced in exactly 5 days. It would ban anyone

from setting up and operating a cell phone network even though the monopoly had been removed by the court. Violation of this proposed law would mean a jail sentence.

It was about 8pm as we parted company. Having thanked God for sending him, I moved swiftly that night:

I first went totally unannounced to the home of our lead lawyer. I gave him the draft document. After reviewing it, whilst I sat there he said to me the only way, I could save my project is if I could prove within 5 days, that I already had a cell phone network before the new law came into force. It would allow us to go back to the Constitutional Court.

Since the ruling 6 weeks earlier, I had managed to get some equipment for a small network, but it was not yet working. I would need to get it all working, within 5 days! It was a daunting task, and to make matters worse, some of the critical equipment I needed was still at the border between Zimbabwe and South Africa, 500km away.

After leaving the lawyer's home about 10pm, I called an emergency meeting of my small team. I also called one of our contractors a gentleman called Pat Cox. He volunteered to leave for the border that very night. What he managed to do at the border remains one of the most remarkable events of the whole saga. Arriving at the border, he found that there were 23 trucks, in front of our own convoy of trucks. Now this is a border with truckers from more than 6 regional countries. Pat went to each and every trucker, and spoke to them, and they agreed to let our convoy go to the front. When Pat arrived with the trucks, we had all been up for 24 hours, since Mr Gary Magadzire had come to see me. By this time, he found a hive of activity; I had spoken to my friends in the construction industry, and every single moveable crane in the country had been released to me. My friend Christor Hohenthal, the Swedish MD of Ericsson in South Africa, had flown in a team of technicians by special charter.

We worked continuously for 4 days; I never left the site. Finally, we began transmitting cell phone signals over the city of Harare.

Once we had the system operating, and transmitting with just one base station, I called a press conference, and announced that I had a fully operational cell phone system, and invited journalists to try it out. It made headlines the following morning. And on the same day, a special Government Gazette, was published on the new law. Exhausted, we all went home, knowing that our "grandfather rights", had been secured.

That afternoon the police, arrived with engineers from the PTC, to inspect my operations. They had an order to take me into custody, if the system was operating, but I had switched everything off, to comply with the new law.

It was February 1996, we would return to court, for another Constitutional battle, at the end of the year. Meanwhile, I would have to face extraordinary persecution, and the loss of my business, and income.

"When the storm was lashing our house"

When the new law stopped us from proceeding with the project, in February 1996, we had no option but to go back to the Constitutional Court; a process which would take almost another year.

Meanwhile my detractors turned their attention to forcing me out of business altogether. Their plan was to force me into bankruptcy. They knew that over 80%, of my projects were for government. I was given an ultimatum: "drop your interest in telecoms or we will shut down all your other businesses!"

I was facing bankruptcy. It also meant the loss of jobs of over 1000 people.

I had to act quickly:

I decided to sell all my businesses that relied on any type of government contracts. I sold my businesses within 2 weeks. This meant I was not paid the proper value of the businesses; I agreed to basically walk away, with almost nothing... It was more important to save the businesses, and the jobs, but it meant that 10 years of my work was all gone.

... I was not bitter.

Meanwhile the PTC announced that they would launch a cell phone network, now known as NetOne. This would ultimately give them a 2 year head start.

... I was not discouraged.

The lawyers asked me to come and see them. It was the senior partners of the firm, Mervin Immerman, Harry Kantor, the Jewish- Zimbabwean, founders of the firm, Also present were Antony Eastwood, Canaan Dube, and Beatrice Mtetwa. We discussed the challenge of meeting the cost of ongoing litigation. They said they would continue to help me fight the case, even if I run out of money. A new group of young lawyers, had joined the firm and these included Tawanda Nyambirai, Nic Rudnick and Jo McNally, and they were now the mainstay of the legal battles, under Antony Eastwood's supervision. Dr Judith O'Neil also made similar arrangements with her law firm in America.

In the weeks and months to come many other creditors either forgave my debts or deferred them, until I was able to pay, at a future date. I visited each and every creditor, no matter what. This is when I realized the mantra, that **"integrity is better than money"**.

The police called me regularly for "interviews", and I would always go with one of the lawyers. It was a ritual, which they did not enjoy and they were often very courteous, and I was never mistreated. We always had to avoid, Fridays, because it would mean weekend custody. On one such occasion, one of the policemen tipped me off, that I was to spend the weekend in custody; not knowing where to go, I called Pastor Langton Gatsi and his late wife. They came and

collected me in a small van, and I slipped away, hidden under a blanket. I spent a weekend in their home and on Monday morning, I handed myself in, only to be released without charge.

The persecutions, instigated by the small group of powerful business people, who wanted to take over my project, intensified. The months ground on. My financial resources were almost gone. We still had almost two years to go.

And we continued hard in prayer "without ceasing", now joined by almost the entire Christian community in our country. I could not walk down the street without someone shouting, "**We are praying for you, hang in there!**"

The Whirlwind and the Storm

In December 1996, the Constitutional Court, ordered the Minister of Telecoms to end the PTC monopoly for a second time. They gave her six weeks to run a tender process and select an operator, or simply allow Econet to start operating. Whilst many people, expected her to let us operate since we already had a system, and had been fighting for nearly 5 years, I knew through my network of sympathisers that a massive conspiracy, was being hatched, to try and thwart us, once and for all.

The Minister set up a Technical Committee (TC), and within 2 weeks, they published a public tender. Whilst many people wondered how they had managed such an extraordinary feat, in such a short time frame. It would all be revealed spectacularly, in another court battle!

We submitted a tender response, along with five other companies. Exactly 4 weeks later, on 28th February 1997, the Minister announced that another company had won the tender, and was immediately issued the license. They announced that we had come fourth, out of five bidders, even though we had a working system, on the ground!

The following day, the Minister announced that they had complied fully with the order of the court and she also directed that I be arrested for illegal possession of telecommunications equipment.

The headline of one of the newspapers read:

"Masiyiwa's Dream Crumbles"

That morning, I received a very interesting visitor...

"...The Lord has His way in the whirlwind and in the storm, and the clouds are the dust of His feet..."

(Nahum 1:3).

Whose Report Will You Believe?

I was sitting in my office, looking at the headline of the newspapers, in front of me. One paper was a picture of the jubilant head of the company that had "won" the license. The other headline simply said:

"Masiyiwa's Dream Crumbles".

My PA told me there was " a big white man" wanting to see me urgently. Even before she had finished telling me he had breezed into my office, uninvited and was standing in front of my desk. His name was Pastor Jerry Barkus, an American missionary recently arrived in Zimbabwe. After introducing himself, in a booming voice, he then told me, he had come to buy "cell phone service"! I politely showed him the newspapers in front of me. He brushed them aside and stared down at me:

"Whose report will you believe? That or the Lord's? I am here to buy service and I would like to pay for 12 months."

He then slowly poured out \$10,000, in crisp bank notes on my table. I told my PA, to call Zac Wazara, then our Chief Marketing Officer. I directed him to count the money, and register our first customer.

I understood what was happening spiritually, and I knew that something miraculous was about to take place.

Then came the intervention of Vice President Joshua Nkomo.

The Audacity of Faith

When Pastor Jerry Barkus, left our offices, invigorated I turned my attention, to our next move:

Due to a sad family tragedy Antony Eastwood, had been forced to retire as our lead counsel. A young Christian lawyer, at the company called Tawanda Nyambirai, was now leading our team. Over the years, I have had the privilege to work with great lawyers from all around the world; but I say this with all humility, Tawanda Nyambirai has one of the finest legal minds, I have ever met. He proposed that we should avoid going back to the Constitutional Court, but instead go to a lower court (the High Court) and seek a "judicial review", of the Minister's decision, since it was a public tender. We had to act very quickly, otherwise our matter would not be accepted, as "urgent" by the courts.

We also needed evidence to show that there had been bias against Econet; we did not have any evidence whatsoever. To get this evidence Tawanda came up with a strategy whereby all the documents used by the adjudicating committee, that advised the Minister had to be "ceased and sealed" by a court order. This had to be done before anyone was ordered to destroy them. Tawanda and his team made a special application to the court, and it was granted, they then

rushed (quite literally), with a Sheriff of the Court, to the place where the committee had been holding meetings, and ceased all the documents that had been left in the room! It was audacious, and caught everyone by surprise. It all happened in just one day, and less than 48 hours, after the license award to our competitor.

The chairman of the Technical Committee, as it was called, kept a pile of documents, in a locked drawer next to where he sat. Amongst the documents, were found correspondences he had been receiving, by fax, from someone in South Africa, directing him on how to manipulate the results of the tender... we would later present this all in court, and use it to overturn the recommendation of that committee. Meanwhile I had to deal with a very furious Minister, who could not believe what had happened! She ordered my immediate arrest.

I arrived at my office the following morning, knowing that I was due to be picked up by the police. I did not try to run away and I did not try to lobby anyone. Our sources said they were preparing a charge sheet against me to ensure I got a lengthy jail sentence.

I waited:

"Fear not. I am with you!"

The call from the office of the Vice President of the country, Joshua Nkomo, came in the afternoon. It came completely out of the blue.

The Meeting with Joshua Nkomo

Joshua Nkomo is one of the fathers of African nationalism, and stands alongside Africa's greatest fighters against colonialism, and injustice. He is right up there with the greatest of them.

He was the epitome of courage.

Although he was now in his eighties, he had still kept much of the huge frame, which was one of his distinguishing features. He also had a quick temper:

Even as I entered his office, in the central government offices, he shouted loudly at me:

"What are all these bad things I hear being said about you, young man?"

I stood there, frozen, at first. Then he gestured to me, with his walking stick, and pointed at the door; telling me to shut it, behind me. I then sat down on a chair in front of his desk.

"Baba", I said in a quiet voice, "you do not believe that, do you?"

He stared at me, for a few moments, then he shook his head, slowly, "No, I don't. But let me hear your side of the story."

He listened quietly, and intently, occasionally asking sharp questions. It was clear that he had been well briefed about it. I also realised that the shouting had been for people outside the room

to hear, as there were always large numbers of people, in his reception. He was a very shrewd man.

I shared with him, pretty much, all that you all know now, including my deep faith and trust in God. I even shared with him some of my testimonies. He wanted to know everything.

Finally, he rose up, and asked me to stay where I was sitting. Initially, I thought he had gone to the bathroom, but he was gone for what seemed like an hour. I just sat there, and prayed. When he returned, he slumped himself in his chair, and began muttering audibly to himself. I heard everything that he said. He looked deeply concerned, and shook his head, several times.

After a few minutes, he asked me to walk out the office with him. We walked out slowly, together, into the bright African sunlight.

He insisted that I walk by his side.

He wanted people to see me, walking with him, and I escorted him along the corridors to his waiting car. Several people, seeing me, walking with him, came nervously out of their offices, and also shook my hand, or patted my back. Others just stared.

On a number of occasions he said loudly, to people who came up to greet us, **"This one is not a sell out. He is true son of Zimbabwe."**

People loved him.

The persecution against me, ended that day.

Victory in Court

It was 30th December 1997, I had travelled with Pastor Tom Deuschle, and leaders of our church to Boston, in the United States, to try and raise money for a hospital.

Nearly 3 months had gone by since our last court appearance. It had been a dramatic hearing. We had shown the judge, how the Technical Committee Chairman, had manipulated the tender results, using the evidence, we had got from the "ceased papers".

Although it had been 9 months, since the intervention of Vice President Joshua Nkomo, no one had persecuted me:

There was now a new Minister in charge of telecommunications, and although the court battle had gone on, he was very friendly. He told me that government would accept whatever ruling came from the judicial review, if it was in my favour.

Several other leading political figures had now also expressed support for me publicly. A former Minister of Justice, and member of cabinet, Dr Edson Zvobgo had given a public lecture on the importance of the original Supreme Court ruling. No one knew, until today as I write, that he was

the one who had tipped me off about the constitutional provision, that led me to court, in the first place. He was the man, I led to The Lord, just before he died of cancer, several years later.

Zimbabwe's other Vice President, Simon Muzenda, sent me a wonderful message through a former freedom fighter, whom he knew prayed with us. He commended me for my faith, saying, it had "taught him something, about God".

The night of 30th December 1997, in Boston, will forever be one of the most incredible spiritual experiences of my life:

As I slept, I had a dream, and in it, I saw a judge sitting down to read a ruling. It was so vivid, and one thing, I distinctly remembered was that the judge was white, and all our lawyers were there, as were the lawyers of the company that had been awarded the tender. The judge was very angry, and declared that the courts were upset that this case kept coming back to them. He then declared Econet licensed, and said it would never be overturned.

I woke up to find that it was about 2am. To be honest with you, I do not really care much for dreams, even today, and I always caution on taking dreams seriously, unless you have really prayed. After sometime of prayer, I called my colleague Zac Wazara in Harare, on the hotel phone. I asked him to enquire of our lawyers, if there had been any developments. He called back a few minutes later to say that Tawanda Nyambirai, had told him that the courts were closed for the holidays, until mid January.

After Zac's call, I got dressed and then began to pray again, as I was now unable to sleep; about 30 mins, or so, later, the phone rang. It was Zac Wazara:

"Justice Sandura's clerk has just summoned all the lawyers to court. Apparently, he has been promoted to the Supreme Court, from the High Court. He has been working during the holiday, to clear his High Court cases. He is about to hand down the ruling!"

Justice Sandura overturned the award of the license to the other company, and declared us, "duly licensed". It was an emphatic court victory.

A few days later, the company, whose license had been canceled by Justice Sandura, made an urgent court application, seeking to set aside the ruling pending their appeal against it, to the Supreme Court. This would have to be heard urgently, by the "duty judge", the following day: Justice George Smith, was one of the few white judges in the country, and he was the duty judge...

He declared that the order given by Justice Sandura, was above appeal, as he was confirming an order already given by the Constitutional Court. There was no court in the land that could overturn it!

The new Minister of Telecommunications called me, and congratulated me on the outcome. He said the Cabinet had given its support, and he was looking forward to working with us.

I briefed our Pastor, and he called other church leaders across the country. We agreed to have a special thanksgiving service. It would be attended, a few months later by virtually every single church leader. It was an amazing event.

On my arrival back in Zimbabwe, I went to Vice President Dr Joshua Nkomo. I went with several leaders of the church, including Pastor Franz, who prayed for him in flawless Shona!

Tawanda Nyambirai, was deeply affected by what we have come to know, as the "Boston vision", as I described to him the details of the proceedings, I had seen on the phone before, they occurred. I like to think of it, as our Heavenly Father's own way of "signing off"!

CHAPTER 3:

Raising money to build the business.

“The potential investor, looked me in the eye, and said, "Your numbers are totally unrealistic; we have never seen an operator with such high subscriber growth projections....".”

Using the Stock Exchange.

After our license was finally issued, we quickly turned our attention to raising the money to build the business.

I had long realised that this kind of business was capital intensive. I knew that I had to have a very good team on Finance. This was not just a job for an accountant; I needed a banker, to lead the team that would look for the money. I approached Jeff Mzwimbi, who had been working as an international banker, to return home, and lead our team. He had wanted to start his own bank, but I persuaded him to delay his plans, and come and work with me. We also recruited a Chief Finance Officer, Marion Moore, a very mature and experienced Zimbabwean executive. Together with Zac Wazara, our Chief Marketing Officer, the four of us, had worked every day for years, preparing our business plans. Even when we were in court, we never stopped planning.

Initially we thought that it would be best to bring in an international operating partner. We found a very respectable potential partner, but we failed to agree terms, and we walked away. Our financial model showed that if we simply borrowed money from the banks, the business would not grow properly. We needed to raise EQUITY, as well.

As soon as the case was over, Tawanda Nyambirai left the legal profession, and joined a bank, called NMB. Another young lawyer at the same law firm, came and joined us, as our legal advisor, at the company. His name was Nic Rudnick, and he is one of our most senior executives today.

Another young banker, who had been a member of Dr Moyo's team, at Standard Chartered Bank, and now working with Tawanda, at NMB, was Pateson Timba, One morning , I gathered this group, in my office. I had an audacious proposal that I wanted them to debate. It is how we make decisions, even today:

"Can we list a company on the Stock Exchange of Zimbabwe that has no trading record, and has never actually operated?"

Pateson Timba:

"Mukoma, the exchange say we need minimum 3 years experience, and audited accounts".

Tawanda Nyambirai:

"Mukoma, its just a tradition they have been applying. It's not underpinned by law. If we go to court, we will win."

Nic Rudnick:

"I agree. We can win."

Jeff:

"My brother, we need to raise just \$5m, in equity. Why don't we just go to London. I know investors who can write a cheque for that kind of money, without all this hassle."

Me:

"I want to give all those people who supported us, over all those years, a chance to own shares in this company."

And so we discussed, well into the night. Finally, I made the call:

"Tawanda, and Nic, tell the Exchange, that unless they give us, an exemption, we are ready to test it in court."

Raising our game for the next level

The stand off with the Zimbabwe Stock Exchange, lasted less than two weeks. They quickly realised that we had found a legal loophole in their regulations, and they had no choice but to let us list the company, even though we had no trading history!

The Zimbabwe Stock Exchange is the second oldest in Africa, having been established in 1896.

Getting permission to list the company on the Stock Exchange, was not my biggest challenge. The exchange knew it, and I knew it, and it was probably why they said, "go ahead".... No one seriously expected us to pull it off, and there were many good reasons why it was practically impossible:

Whilst I strongly believed that the general public would buy our shares, the problem was that we needed foreign exchange, not local currency. This is because 85%, of the money you need to set up a cell phone network goes into importing equipment, which is only produced by a handful of international manufacturers, even today. To raise the money we needed as a public listed company, in what is called an Initial Public Offering (IPO), meant that we would have to raise the money from international investors, in Johannesburg, London and New York..... And this was 1998!

- For a "start up" company, to try and raise money, through an IPO, was just unheard of;
- For a start up company coming from Africa, let alone Zimbabwe... That was also unheard of;
- We were considered an inexperienced management team, with no previous experience in the industry, and no "technical partner"!
- The long legal battle we had been through also made investors nervous.
- The cell phone industry in Africa was just starting. Many African countries, including places like Nigeria, did not even have cell phones. Those countries that had cell phones still had very few subscribers. It was an unproven industry.

After all those years of struggling to get a license, I was financially exhausted.

Investors who had the foreign exchange that we needed were only willing to invest, if I gave up control, and allowed a "technical partner" with experience to provide management. Most were not even willing to discuss the idea of my listing the company, before it was profitable, after three or four years.

How We Raised the Money

The potential investor, looked me in the eye, and said, "Your numbers are totally unrealistic; we have never seen an operator with such high subscriber growth projections....". Then added, with disbelief, "either you do not know what you are doing, or you are doing something we have never seen before. So which is it?"

International investors, in London and New York, can sometimes, be quite aggressive in their approach, and you have to take that in your stride.

Then at this point, Jan would pitch in, and say, "yes, Strive has something quite novel, he wants to introduce, that has never been done before...even here in England." And with a gesture of total confidence, look at me, and say, "tell them Strive. Tell them about "prepaid", tell them about your plan to go for prepaid right from the outset."

Prepaid, which we would brand, as "Buddie Prepaid", was our "secret weapon". Yes, believe it or not we introduced a commercial prepaid service, in Zimbabwe, before they introduced it in London and New York. We did not invent it, but we had realised its full potential.

As soon as Jan, our advisor from Standard Bank London, would give his signal, Jeff and I, like a well drilled tag team, would make our presentation. We would show our research, and our financial projections, and then show why we believed even ordinary people would one day, own a cell phone, instead of just the rich, as elsewhere in the world, at the time.

You are only ever given at most 30 minutes to make your "pitch", to these guys, who control more money than governments; if they like you, otherwise its 10 to 15 minutes, and a polite, "thank you".

We had been round to about 10 major investors, all with polite, "thank you-s". Then one day, our advisors, called to say that, one of the big investors, interested in Africa, wanted to see us again. The team, we met was led by an elderly white gentleman, and he had with him a group of technocrats, who included several Africans. He listened to me, quietly, occasionally questioning, our numbers, and assumptions. The meeting, continued for more than the customary 30 minutes. Then he suddenly declared, "I am in; work out the details with my team. Also tell anyone you meet from now, that, we are in." And with that he got up and left.

That was the breakthrough, everyone looks to, when raising capital. We had hit the jackpot, the door to the global capital markets, had been opened for us!

From there we went to New York, and by the end of our tour the calls were coming in, thick and fast. We were oversubscribed. We returned to Harare, and launched our prospectus. As soon as the local institutions heard the news from London and New York, they changed their attitude, towards us, and rushed forward to also buy. Before that they had been laughing at us, saying they would not buy shares in a "start up"!

I insisted that priority be given to ordinary people, first.

The most moving moment for me, was when the late wife of Pastor Gatsi, Pastor Chido, came to me, with a large sum of money, and wanted to know how she could buy her shares. When I asked her how she got the money, she said she had sold her car. She would not accept free shares, and told me, they were too valuable to get for free, because she knew how they came about! It brought tears to my eyes.

Every member of staff, who had been with us, was allocated shares.

We were massively oversubscribed. Our shares sold at the equivalent of less than 1 US cent, in today's money, they are now worth 62 cents, and this is considered half their true value, due to the liquidity problems, in Zimbabwe today.

I was right about the impact that "prepaid billing" would have. Over 5bn, people, in the world, have cell phones today, and 99%, are prepaid. Of these over 700m, are Africans.

Zimbabwean Business

My decision to list the Zimbabwe business on the local stock exchange, was initially motivated by my desire to offer thousands of ordinary people, an opportunity to be shareholders with me, in the business. Even today, our business in Zimbabwe, has about 10,000 shareholders, whilst many others, own shares through their pension funds, and insurance companies.

When I left Zimbabwe, in March 2000 to go and live in South Africa, I set up a new business, completely separate from the Zimbabwe business, called Econet Wireless Global, and this is the company, I used to expand into other countries around the world. Today, we have operations, investments and offices, in not less than 17 countries, including, many African countries, Europe, the Middle East, the United States, Latin America, and even New Zealand, in Asia Pacific. It has been, and continues to be an amazing and enjoyable journey.

I have often been asked why I was so adamant that the Zimbabwe business, alone, should be listed as a start-up, when after that I never used a listing again, to raise money, even though I have gone on to raise hundreds of millions of dollars, for businesses elsewhere. I could have waited for 3 or 4 years, before listing and still managed to keep my promise, to the investing public. There was another reason, why I listed the Zimbabwe company, with the urgency that I did; but I did not know it, at the time, and here it is:

Why We Listed our Zimbabwe Business.

As I said, there was another reason, why we listed the Zimbabwe, company, when we did, but we did not know it, at the time:

Nearly 5 years after the listing, Zimbabwe had a massive political and economic crisis, and entered into one of the highest hyper inflations, ever recorded, in world history. Some experts believe it went as high as 500bn percent!!! As a business it was the equivalent of being caught in a category 8 hurricane! We had to stop, all expansion work, as the economy collapsed before us. We could not pay staff proper salaries and many of our most skilled people began to leave. We were prohibited from adjusting our tariffs, which meant the service, had become completely free.

Then one day, as I sat in my office, brooding on what to do, I noticed that the share price of the Zimbabwe company, was tracking the hyper inflation! I "knew" then what to do to save the company!

I called the board members, and we discussed my plan.... Some members threatened to resign, then Tawanda Nyambirai, who was chairman, looked at me, and saw something, only he knew, and said, "let's do, it, my brother, its the only way to save this business. Do what you must", and with that the whole board, agreed with my plan:

We started to use our share price as an "inflation proof" currency:

We paid for goods;

We paid salaries;

We bought businesses, everything from land and buildings, to insurance companies, banks, bottling companies, hotels etc!

We bought anything, that we could get our hands on. And as we did this, our share price rose, even higher, and more people came, and offered us, their businesses, for our shares!

We even minted our own coins, using "airtime", as a denomination. These were totally "inflation proof".

As soon, as the hyper inflation was over, we "monetized" (sold), most of the businesses, we had bought, and rebuilt our balance sheet. Between 2008 - 2014, we had invested over \$1,2bn, in Zimbabwe. This is the largest single investment by any organization, in the country's history. As a result of this investment, cell phone penetration in the country, rose from 14% (the second lowest in Africa), to one of the highest at 103%.

If the company had not been listed, we would not have been able to save it, from collapse. And we would not have been able to recover for many, many years:

So this is why we listed, even though I had not known at the time!

The Lord Jesus, said in John 3:8,

"The wind bloweth where it listeth, and thou hearest the sound thereof, but canst not tell whence it cometh, and whither it goeth:so is every one that is born of the Spirit."

CHAPTER 4:

How Mascom Wireless was born in Botswana.

“Although I had lots of ideas, on how to win the tender, there was one big problem: we had never operated a cell phone network, and so we had no experience, to qualify as a bidder. Most people would have walked away at that stage, but I would not be deterred”

I would not be deterred!

Our first mobile license was not Zimbabwe, as is generally believed:

It was actually Botswana, in 1998, several months before we were licensed by a Supreme Court in Zimbabwe.

The government of Botswana called for international tenders, from experienced operators. It was to be a “beauty contest”, in which operators had to submit proposals on how they would provide services, if they won the license. Botswana is a country that does things very professionally and transparently.

Although I had lots of ideas, on how to win the tender, there was one big problem: we had never operated a cell phone network, and so we had no experience, to qualify as a bidder. Most people would have walked away at that stage, but I would not be deterred: I drew up a list of the major telecoms companies around the world, and began calling them, to see if they would be interested in joining a bidding consortium.

I was turned down by virtually everyone I approached, but I kept calling and sending “faxes” (there was no email). Sometimes calling as many as 20 companies a day. In those days, the Internet barely existed, so it was also difficult to get information, like you can today.

Finally I found the Business Director of a major European operator. He told me they were interested but all his key people were on holiday, as it was July. I proposed to him that we would do all the work of preparing the bid documents, and they could have 25% equity, if they joined us as “Technical partner.” He agreed, and he sent a small team, a few days before the bid, just to review and see that we had not “misrepresented” their role.

There was also a requirement for locals to have shares in the company. I called all the “big guys” in Botswana, and they told me they were already committed with one of the other 20 bidders. The hotel where I was staying in Botswana, had a very smart local manager. So I said to him, “get some of your friends together, and I will give you some shares”, he had no clue what it was all about, but agreed!

I decided not to use the “Econet” name because of the controversy in Zimbabwe. So, one of my colleagues said, “why don’t we call it Mascom Wireless?”

“Mascom? How do you get that?” I asked.

“Short for Masiyiwa Communications”

“Oh, Ok”.

“Mascom Wireless, will do. Now go register it quickly.”

And that is how Botswana’s largest operator got its name, and it went on to become the second largest company in the country.

But let’s not spoil, a good story, by getting ahead of ourselves.

What is it, you are seeing that others cannot see?

The two weeks prior to the submission of the tender bid for Botswana, are probably the hardest I have ever worked in my life, even to this day!

We produced a 900 page bid document, using a team of 35 people. Sometimes we went for two or three days without much sleep.

There were 21 bidders who had collected documents. They were mostly big multinational companies from all over the world, including operators like Vodacom, MTN, Bharti, France Telecom.

The Botswana government had hired international consultants from Sweden to run the process for them.

Although we were facing such fierce competition, and we were unknown, I had deep faith, that we would win. I did not care who we were up against, we had to beat them!

After submitting the documents, we were advised after a few weeks, that 5 bidders had made the final short list:

- France Telecom,
- MTN,
- Bharti Airtel,
- Vodacom,
- Mascom Wireless.

We received a letter inviting us to Botswana to make oral presentations of our proposals.

Our European technical partners did not at first believe we could win, but agreed to send some representatives to “show their face”. They would not even pay for the cost of submitting the bid documents. I paid for it with a personal cheque... It was just \$5000.

Each bidder was given a full day, to make presentations and answer questions. Our team drove to Botswana from Zimbabwe because we could not afford all the air tickets. I led the oral presentations:

There I was with my small team from Zimbabwe with one representative from our partners, who struggled with English, facing these silver haired Swedish consultants. The senior representative from our technical partner, had not even been involved in the preparations of the cell phone document, and he barely spoke throughout the rigorous presentations, and questioning that followed.

To this day, I still tear-up, just thinking about that day, 16 years ago:

It was time for the questions, from the Swedish advisors to the Botswana government:
“You say that you expect to achieve 120,000 customers, which is 10% of the Botswana population, within 5 years?

That is not possible. This kind of growth has not been seen anywhere; how can it be?”

“Those are our projections, sir”, I replied calmly.

They stared at me.

I stared back.

“Can you show us where you get your numbers from?”

“Yes, I am happy to discuss our research of this market. Please go to page xxx, and we can go

through our numbers with you.”

“We have seen your research. It is very well done, but we are finding it difficult to believe that there will be that level of demand.”

For hours, we discussed the assumptions, until we had a stalemate.

One of the advisors, in total frustration said, “none of the other bidders have this kind of optimistic projections. You are twice the best estimates from the others.”

“We believe these numbers are real.” I replied.

They kept thumbing through our meticulous figures, looking to find a fault.

“There must be a mistake, surely?” One of them said quietly.

“No sir. There is no mistake. Those numbers are real. People will take up service.”

“They are highly experienced operators, how can you say, they are wrong.”

“I don’t know their numbers. I only know ours, and I know that we can get service to that many people.”

“What is it, you are seeing that others cannot see?” One of them asked.

We left Botswana as the Vodacom team arrived for their presentation. They had arrived in a private jet, and were beaming with confidence.

As I boarded the small propeller plane that moved between Gaborone and Johannesburg, I realised I had lost my voice, from all the talking at the presentations. I was also shaking with exhaustion from several sleepless nights.

Four months later we were summoned back to Botswana. We were told the results would be announced on the radio:

Mascom Wireless had won the tender, for Botswana’s first cell phone operation. A second license was to be issued to France Telecom, now known as Orange, as the runner up. A dream I had held for nearly 10 years had become reality: I could finally set up our first cell phone network. I knelt down and thanked God, even as tears poured down my face.

“What do you see?”

This is the most important question that an entrepreneur must answer.

I remember watching Steve Jobs, launching the iPad, and I wondered:

“What do you see?”

I listened to Jeff Bezos, talk about the Kindle and I wondered:

“What do you see?”

I listened to Jack Ma, and I wondered:

“What do you see?”

Then, I thought about you, and I wondered:

“What do you see?”

CHAPTER 5:

2 DEGREES COMPANY.

“Your story has gone around the world, and we want you to help us set up a business in New Zealand”.

How Far Can You Go?

“Your story has gone around the world, and we want you to help us set up a business in New Zealand”. The man talking to me, was a Maori from New Zealand. His name was Bill Osborne, a legendary member of the revered, “All Blacks” rugby team, of the 1970s.

“Do you have a cell phone license?” I asked him.

“No, not yet, but we believe it might be possible to do what you did in Zimbabwe.”

“Oh, I don’t want to fight another protracted legal battle.” I said.

“We don’t think it is necessary, to go to court, but we have a rock solid case, to ask for a license, under the provisions of an old treaty, called the Treaty of WAITANGI of 1840.”

“Give me a few days, Bill, I just need to consult our Father.”

“Oh, I did not know your father , was involved in your business?”

“I suppose you could say, that.”

(How else was I to tell a total stranger, that I wanted to spend some time praying about it?)

After, a few weeks of prayer, and fasting, I bought a ticket, and headed down to New Zealand. In New Zealand, I was met by a man who has become a life long friend, and dear brother, Simon (Tex) Edwards. I took with me a young Zimbabwean engineer, who was part of my original Econet team (Nic Read), he is still there to this day.

A new adventure of faith, had began:

As in Botswana, we were forced to go head to head, in an international public tendering process, with some of the giants of the industry, such as Vodafone, Orange, and Telstra:

We prevailed in miraculous circumstances. We did not do it with any technical partner. The year was 2000 we then had to mobilise capital from all over the world, including Hong Kong,, Austria and the United States.

New Zealand is an amazing country, with some of the most friendly people, I have ever met. They welcomed us, with open arms, even though we were a young company, from Africa. The government helped our local partners, with support, so they could own shares, and participate fully, as investors.

It took several years to finally get it all going, but I am so glad, that we were, with our partners, able to get the business going, and create value, including many jobs.

We remain to this day, shareholders, with our partners, in one of New Zealand’s 3 operators. The company is called 2 Degrees. It was our first time to enter the Asia Pacific region.

CHAPTER 6:

BUYING TELECOM LESOTHO.

We went to lunch and I said to the Finance Director of this giant company, “I need your advice. I have this amazing opportunity to be a partner with Eskom, and Mauritius Telecom, but I have no money to pay for my share.”

We did not qualify, even to participate.

Lesotho is a remarkable country:

It is a small African country nestled in the majestic Drakensburg Mountains of Southern Africa. Uniquely, it is one of only three countries in the world, completely surrounded by another country; South Africa. And yet it is a fiercely independent and proud country, with its own constitutional king, who is greatly loved by his people. The moment, I arrived there for the first time, I fell in love with the people, and I said to my companion: "I could live here for ever."

In 2000, the then government of Lesotho, hired Price Waterhouse, the global financial advisory firm, and asked them to sell their public telephone company, known as Telecom Lesotho, in a public tendering process. The presence of Price Waterhouse, as advisors to the process gave bidders a lot of confidence, including ourselves. We knew it was going to be a tough, but transparent process, similar to what we had faced in Botswana. With two operations, under our belt; Zimbabwe, and Botswana, I was ready for a new adventure.

Although Lesotho was a small country, with less than 2.5m, this would be quite a challenging venture, if we won:

- Telecom Lesotho, was essentially bankrupt, and barely operating. Some of its facilities had been vandalised following a recent attempted coup.
 - we were required to buy 70%, of the company leaving the government with 30%.
 - the company did not have a cell phone operation, however we would be given a new license.
- Only problem was that one of best operators, in Africa (Vodacom), had already been in the market for 5 years, when we arrived!

We had other challenges to overcome, before submitting a bid:

- we did not qualify, even to participate, because although we had cell phone operations, in Botswana, and Zimbabwe, we had no experience in fixed line, telecommunications, and it was a pre-qualification requirement.
- then there was the small matter of money; each bidder had to provide bank letters, to show they had the money, needed to buy the company, and recapitalize it, over five years.

We bought a copy of the bid documents, and I sat down with my team. We studied every single line, making copious notes. We discussed every day, from morning to night. Personally, I meditated, and prayed, even as I studied. Often going for long walks, with the documents, in my hand.

Let The Battle Begin.

I drove to Lesotho, from Johannesburg South Africa, where I had recently moved with my family. I travelled in the country, incognito, with a small team. We studied the country, the people. We asked questions, and wrote notes. Then we went back. We did it again and again. We bought books about the history of the country, and studied its economy and business environment. We spied on the target company and connected with local business people. Then my team, began to work on the bid documents, as we had done on Botswana. I hired as consultants, the best fixed line experts that I knew, in Africa.

I focused my attention on dealing with the two issues, that we needed to overcome. We needed partners who could provide two things:

- technical expertise in fixed line business.
- Money.

I also needed to find money for our own shares; otherwise, I would be doing all this for someone else!

I knew I had to find what I have often, described, as an “insight”; I had to “see” something that was not immediately obvious:

In my reading of what was happening in the industry, I came across an article, that said the British Electrical Power utility was planning to split its “signalling operations”, and turn them, into an independent telephone company. As an engineer, I understood, exactly what it meant: I approached the signalling division of Africa’s largest power company: ESKOM of South Africa.

They were already aware of this possibility, but were focused on South Africa.

Having them, as a partner, would bring a lot of technical know how, but not public telephony experience, and we would not qualify.

I said to them, if you get experience in Lesotho, you can then, build a much bigger business in South Africa. They saw, the strategy. And agreed to work with us, if we could persuade a fixed line operator, to come on board, in a three way partnership.

Eskom, had money, lots of money, and would be the majority shareholder: I did not mind, because that is business.

As with Botswana, I approached a lot of operators around the world, but because Lesotho, is poor compared to Botswana, most were simply not interested. Eventually I persuaded Mauritius Telecom, to be our fixed line, technical partner. The Mauritians, did not want to invest significant money, but were happy to join the “consortium”:

We were almost ready to roll. Only I did not have money to pay for our own shares, and I was not going to beg my partners. I never ask my partners to fund me, in a venture.

By the time, we entered the Lesotho bidding process, we had demonstrated in Botswana and Zimbabwe that given the opportunity, we had the competence, to build a cell phone network and to operate a successful business.

We had also given business to equipment suppliers from all over the world, who knew we could be trusted:

we had paid them on time, and we had worked well with them. Many of them, were now able to give us credit on equipment supply. I had also stuck to the same suppliers, as I do even to this day. Early in my business career, I had learnt about the importance of developing, “circles of trusts”, with other businesses.

I went to one of our key international suppliers, (a global giant), and asked for a meeting with the Group Finance Director, based in Europe, an elderly gentleman. I was accompanied by the country manager of the supplier, who had flown with me from South Africa.

We went to lunch and I said to the Finance Director of this giant company, “I need your advise. I have this amazing opportunity to be a partner with Eskom, and Mauritius Telecom, but I have no money to pay for my share.”

Then I added, softly:

“I know you cannot lend me the money, but I just wanted to know, if you know someone who can?”

He looked at me intently as I spoke. Then he asked, “how well are you doing, in your business?”

I had come well prepared; I also knew I would be meeting a no-nonsense finance “guru”. So I handed him, our financials, complete with letters from our auditors. I had also prepared reference letters, from everyone who did business with me. I also made sure he got them, well in advance of the meeting.

“Very impressive”, he said.

Then he began to ask me questions, about our businesses, and my understanding of our operating environment. I was relaxed as I replied.

After a while, he looked again, at me, and smiled:

“You are right to say, that we are not able to lend you any money, because we are not a bank. In these short years, you have demonstrated to us that you are honest, and you are also competent, at what you do..... Your success is our success; we want you to grow.

I know a friend at a bank, I will talk to him, to see you.”

A few hours later, I left the country, as quietly as I had come. I called my Pastor, and shared the good news.

Back in Lesotho, we blew away the competition: no contest.

CHAPTER 7:

Understand investing.

“You might earn a lot of money working as a professional somewhere, even in the Diaspora. You might even be a very successful businessman or woman, but if you do not know how to invest, the money will just pass through you like a fast moving stream of water”

Investing must be always at the forefront.

In the last chapters I talked about how I started my businesses. I really hope you managed to pick up some principles, which will help you in your search for greater understanding of these important issues.

Now I want to talk about investing, as many of you have been asking about this subject. This is a huge subject, and I'm only going to scratch the surface. If you really want to deepen your understanding, you must use what I say as a launch pad to help you get into the subject, and then buy books and read as much material as you can over the next few years. If possible even take some courses, even Online. It WILL be an important start to "Investing".

If you do not know how to invest properly you will never really have any wealth of your own.

You might earn a lot of money working as a professional somewhere, even in the Diaspora. You might even be a very successful businessman or woman, but if you do not know how to invest, the money will just pass through you like a fast moving stream of water.

Investing well is not about how educated you are, because I have met many highly educated people, who have very limited understanding of how to invest.

Everyone should try and understand what investing is, and what it is not.

There is no one who does not have something to invest. Even if you are running a church, you must learn to invest properly and professionally:

Oh how I wish all God's people were good investors of money.

Investing must be always at the forefront whether you are in business or working! The big question is do you know how to invest properly?

How much thought have you really put into this subject?

On your bookshelf, how many books do you have with the title, "Investing.."?

- Have I provoked you?

Remember real truth is always confrontational:

You cannot afford not to know how to invest...properly.

Raising Money using a Stock Market Exchange.

A Stock Market Exchange is one of the most ingenious mechanism ever created to help entrepreneurs raise money to fund the development of a business.

Most of the world's leading entrepreneurs including global icons like Bill Gates, Jack Ma, Aliko Dangote, Patrice Motsepe would not be there today without a Stock Exchange Market.

IF YOU DREAM OF ONE DAY BUILDING A BILLION DOLLAR COMPANY, AND BECOMING ONE OF THESE GLOBAL ICONS; YOU BETTER START TO UNDERSTAND WHAT A STOCK EXCHANGE MARKET IS, AND HOW IT "REALLY" WORKS!

HERE IS MY OWN STORY:

In 1998 after securing a license to build a cell phone network in Zimbabwe, following a gruelling 5 year legal battle; I worked with my team to prepare a five year BUSINESS PLAN, to present to investors:

-One of the things the Business Plan showed us was that we needed to raise at least \$10m, to get started. As the promoter I did not have that kind of money... So what was I to do?

-The Business Plan also showed that it would be dangerous to borrow that kind of money.... A good Business Plan, will also show you whether you should borrow money from a bank, or whether you should look for investors who will buy shares for "equity".

This BP "showed" us we must find investors, and get "equity" financing, before raising any debt.

You can get "equity" finance from private investors, or from public investors.

I decided I wanted to go to public investors (I have explained before why I wanted public investors).

If your country does not have a proper Stock Exchange Market, you cannot access probably the most important sources of funding for a business. It also makes it very difficult for your entrepreneurs to build big businesses. Countries with no Stock Exchanges or poorly constructed exchanges generally do not produce top entrepreneurs either.

Fortunately my home country Zimbabwe has the second oldest Stock Exchange Market, in Africa, after South Africa. It was first established almost 100 years ago. In 1998 the Zimbabwe Stock Exchange was still able to mobilise both local and international capital to support business people. I have written in the past about my battle to get them to let me raise money from the public, through an Initial Public Offering (IPO).

We prepared a prospectus which we published in the newspapers. We offered 40% of our company to members of the public both local and internationally to raise the \$10m. Thousands of people rushed to buy the shares because they wanted to be my partners in owning the business. What I did is not different to what Aliko Dangote did in Nigeria, or what Patrice Motsepe did in South Africa. It is exactly what Bill Gates and Paul Allen did in America. Others are doing it everyday across the world. That is why Stock Exchanges exist, and that is how you access Trillions of dollars available to build and grow businesses!

The biggest buyers of shares on most exchanges,(by value) are Insurance companies, and Pension Funds. So if you have a life policy or make pension contributions through your job, you

are probably a shareholder of most public companies in your country, because this is where they invest most of your money. Some of you are shareholders even of the company I started without even being aware of it!

Once I "listed" the company my new PARTNERS (the public) who bought the initial shares, were now free to go to the market and either sell, or look for more from others who had bought. If the demand was high, the price went up, and if the demand was low the price came down. This buying and selling does not involve the company in any way. We had our money raised, and could now deploy it to grow the business. If we needed more money we could simply sell more shares ourselves, in another process, known as a RIGHTS ISSUE.

I never returned to ask shareholders to give us additional capital, as often happens. Instead I retained all the profits in the company for 5 years, and used them to finance further growth. I was heavily criticised at the time for this policy, by some myopic observers, who wanted me to pay dividends. The company went up in value from \$10m, to more than \$1.5bn by 2014, despite the huge economic challenges the country has faced.

In my next post, I will show you how I started to "buy" shares in global businesses, when I was only seventeen and still at school.

Do your research.

When I was still only 17 years old, I asked an elderly gentleman who was a headmaster at a school, about buying shares on a stock exchange. He was not particularly rich, but every day he would get a newspaper and begin to look at the stock prices, in much the same way many of you read the sports news.

"Do you need to be very rich to buy shares?" I asked him.

"Not really. Here in England, even working class people, like me, can also buy shares, if they know what they are doing."

"Can you teach me, sir?"

"Off course, I can. Why don't we start you trading right away!"

"But I have no money!"

He told me to bring a clean note book, which would act as my book on buying and selling stock.

"Let's create a fictitious £1000, as your share buying account.

Now what I want you to do is to choose some companies, and pretend you have bought some shares, using your money. And every day you must check how your companies are doing."

In less than half an hour, I was studying the stock prices of companies, and choosing which ones to buy with my £1000. I carefully wrote down which ones I liked.

Soon I was checking every day, how I was doing.

"The trick is to get to know your businesses. Remember you have "shares" which means you are a part owner in these businesses." He said to me gently.

Before long, I had become disciplined in checking prices of "my companies", because I had a "share" holding in these companies. If I heard anything mentioned about these companies, I was quick to check.

"Do your research, son; you must know "your" businesses. Those big managers, they work for

you... Its your business, not just theirs."

Soon I was passionately debating companies with him, and others...just like some of you discuss sports scores. Only these scores could make me money!

When my companies were not doing well I would get distressed, and if they did well I got excited. If they paid a dividend, I recorded it in my book.

"Easy, isn't it?"

"Very easy, sir."

"You will be a millionaire one day."

"I hope so sir."

That was a long time ago.

There is an expression in my mother tongue, which literally translated means, "don't fear from a distance."

But you know I prefer bible:

"My people perish for lack of knowledge."

There are people coming from far and wide to buy shares in your country, who will make money from opportunities at your door step.

Owners and Traders

There are two types of people who buy shares on a Stock Exchange:

"Owners" and "traders".

The people I call "owners" are those who buy shares with the mindset of an "owner", and a partner in the business. These people see each share they buy as representing a "stake" (part ownership) in the company. For them it does not matter that they own just 100 shares, in a multibillion dollar company; they are "owners".

Before they buy shares, they start by looking carefully at the company, its founders (if they are still around), and its managers. They are interested in everything about the company, including its history and the values of those behind it. They study financial statements, and read up about the business, and its activities.

Once they buy, owners are there to stay. They follow the business, not the share price. They are with the company in thick and thin. If there is a meeting of shareholders they pitch up, and participate.

I remember a woman who had a hundred shares in our company, who once stopped one of our vehicles, and shouted at the driver saying to him, "I'm Mr Masiyiwa's partner, and I'm going to tell him to get rid of you, for reckless driving!"

"Traders" on the other hand, are buying and selling, all the time. They do not read, or even try to understand financial statements; preferring rumours. They do not follow the business but the market. Sometimes they don't even know what companies they have bought shares in. They have all sorts of formulas and theories about what "moves the market". They are also the mainstay of some Stock Brokers, because that is how many stock brokers, make money: they need people who are constantly buying and selling, and also panicking!

Whilst I'm not there to pass judgement on what you decide to do with your money; the key thing to understand is personally, when I write about Stock Markets, and investors, I'm talking about those who buy shares to INVEST, and become an OWNER in a public company.

If you want to make money as a "trader" on the Stock Market, you need to train to become a professional at it. And certainly I cannot give you any advice, because I have never traded in shares; I buy as an "owner".

Personally I find "trading" in shares a risky business. I prefer to be an owner of shares in companies. I do not find it risky, and I consider it one of the best, if not the best form of investment.

CHAPTER 8:

Turning a small business into a big business.

“The difference between those people who are good entrepreneurs, and those who are great entrepreneurs, is the capacity to build and manage an organisation, that is effective, efficient, and innovative, even as it gets bigger and bigger, and bigger”

Yes, it is possible.

“How do we turn our small business into a big business?”

I know you have a big dream, and a vision to see your business become a national champion, and then probably a regional champion, until it is a continental champion, until ultimately it is a global brand with offices around the world.

Yes, it is possible and you can definitely do it.

One of the things I have learnt in life, is to avoid prescribing formulas. And I know many people would like to be given a formula. When I was at engineering school, I learnt that people who cram formulas are destined to fail. The ones who succeed are those who grasp principles, from which formulas are derived.

I am going to teach you principles; some of which will surprise you. Some of them, will challenge what you have been taught, or have come to believe. I hope you will have an open mind, and where necessary the courage to change somethings.

In the table (link below), which I took from Forbes Magazine, is a list of the world’s largest companies, based on revenue (not market value).

List of largest companies in the world.

#1	<u>ICBC</u>	China	\$166.8 B	\$44.8 B	\$3,322 B	\$278.3 B
#2	<u>China Construction Bank</u>	China	\$130.5 B	\$37 B	\$2,698.9 B	\$212.9 B
#3	<u>Agricultural Bank of China</u>	China	\$129.2 B	\$29.1 B	\$2,574.8 B	\$189.9 B
#4	<u>Bank of China</u>	China	\$120.3 B	\$27.5 B	\$2,458.3 B	\$199.1 B
#5	<u>Berkshire Hathaway</u>	United States	\$194.7 B	\$19.9 B	\$534.6 B	\$354.8 B
#6	<u>JPMorgan Chase</u>	United States	\$97.8 B	\$21.2 B	\$2,593.6 B	\$225.5 B
#7	<u>Exxon Mobil</u>	United States	\$376.2 B	\$32.5 B	\$349.5 B	\$357.1 B
#8	<u>PetroChina</u>	China	\$333.4 B	\$17.4 B	\$387.7 B	\$334.6 B
#9	<u>General Electric</u>	United States	\$148.5 B	\$15.2 B	\$648.3 B	\$253.5 B
#10	<u>Wells Fargo</u>	United States	\$90.4 B	\$23.1 B	\$1,701.4 B	\$278.3 B
#11	<u>Toyota Motor</u>	Japan	\$252.2 B	\$19.1 B	\$389.7 B	\$239 B
#12	<u>Apple</u>	United States	\$199.4 B	\$44.5 B	\$261.9 B	\$741.8 B
#13	<u>Royal Dutch Shell</u>	Netherlands	\$420.4 B	\$14.9 B	\$353.1 B	\$195.4 B
#14	<u>Volkswagen Group</u>	Germany	\$268.5 B	\$14.4 B	\$425 B	\$126 B
#15	<u>HSBC Holdings</u>	United Kingdom	\$81.1 B	\$13.5 B	\$2,634.1 B	\$167.7 B
#16	<u>Chevron</u>	United States	\$191.8 B	\$19.2 B	\$266 B	\$201 B
#16	<u>Wal-Mart Stores</u>	United States	\$485.7 B	\$16.4 B	\$203.7 B	\$261.3 B

#18	<u>Samsung Electronics</u>	South Korea	\$195.9 B	\$21.9 B	\$209.6 B	\$199.4 B
-----	----------------------------	-------------	-----------	----------	-----------	-----------

I have chosen this list because of something, I want you to see:

- ✓ Some of these companies have an annual turnover that is as large as the the GDP of Nigeria, Africa’s biggest economy.
- ✓ A company like Walmart, which is owned by an American family, has more than 2 m, employees.

“How is it possible to build and manage organisations of that size?”

“How”?

“How”?

The next generation of African entrepreneurs, must seize themselves with questions like this.

Let’s talk?

Let’s talk seriously, now!

First Things First: Get Organised.

When my children were younger, I would sometimes call them, at the end of the day, and make them write a list of the things they had done, since they woke up. The reason, I did this was to make them, forever conscious of the need to “account for one’s time”; time is an incredibly precious commodity. All these things that you want to do, are simply not possible, if you are not conscious of the need to account for time.

When I visited the United States, for the very first time in 1991, I wanted to learn as much as I could about what made it a success. This is something I try to do with every country, that I visit, around the world. If you look carefully, there is always something you can admire, and learn from any nation on earth.

In studying the lives of America’s founding fathers, I came across the “13 Virtues”, which one of them, man named Benjamin Franklin, wrote himself when he was only 20 years old. I wrote them, all down in a note book, and one I will always remember is this:

Virtue 1. Industry. Lose no time; be always employed in something useful; cut off all unnecessary actions.

It really does not matter what your vision in this life is; whether it is “for profit”, or for “great welfare of mankind”; you cannot accomplish it, if you are not organised. Make it your personal mantra, to always try to be organised and efficient. This is at the core of productivity.

Even if you are a hard worker, you will get less from yourself, if you are not organised and efficient, in how you approach things.

We have a lot of work to do, to get Africa, to realise its potential. It's important that this generation, approach this work with a sense of urgency. There is so much you can accomplish, if you are highly organised, and it is a fundamental building block, to organising others.

Being organised is not just a declaration of intent, it must be followed by action. And you must invest in those things that make you more organised and efficient, as a person.

Study how organizations are built and managed.

How does one build a BIG company, like Walmart, which has a turnover of nearly \$500bn, employing over 2 million employees?

This company is bigger than the economies of nearly all the African countries, and has more workers, than many countries!

When I started out in business, nearly 30 years ago, one of the first things, I realised was the importance of learning how to build, and manage an organisation.

.....No matter how great your business idea, no matter how smart you are, no matter, how innovative your idea, no matter how much money you raise:

Listen to me:

If you do not know how to build, and manage an organization, you will either fail, or you will never be able to realise your dream.

The difference between those people who are good entrepreneurs, and those who are great entrepreneurs, is the capacity to build and manage an organisation, that is effective, efficient, and innovative, even as it gets bigger and bigger, and bigger.

“This is not something that comes to you naturally. It is a skill you have to acquire, through study and practice.”

Whenever a business fails, if the truth be told, this is 90%, of the reason for the failure. Unfortunately many people never even realise that this is their problem. They might even get angry, if you suggest that this is the problem.

You can only solve a problem, when you realise that there is a problem.... For those who do not accept they could have such a problem, this is not for you. I'm talking to people who want to

turn their businesses, no matter how small they are today, into big, big, global companies...like Walmart or Apple.

Management is the X-Factor

The size of the business that you run, is dependent on your capacity to build and MANAGE, an organization. We can talk about vision, we can talk about entrepreneurship, we can talk about innovation..... we cantalk about all those things, and more.

But if you cannot manage, it will come to nothing... At best you will start something, then someone else will see it, who really knows how to manage, and they will go off, and make a success of it, while you watch.

Sometimes, it will seem like you are destined to always be small....
Not true....

See those huge organizations, we were talking about, like Walmart, Toyota?They are big because they have highly skilled managers, who know how to build, and operate complex organizational structures.

Being an entrepreneur, full of great ideas, and innovations is not enough. You have to become a skilled builder and manager of an organization. You have to be able to attract skilled managers, who know how to execute the vision you have, in a competent and disciplined manner.

Years ago, I remember listening to a finance manager of one of our businesses. He was so stressed, always talking about cash flow problems, and our problems with creditors. The next day, I called a top recruiter to my office, and I gave them a simple instruction:

“Find me the most skilled finance manager, you can find in this country. Bring me a list of the top five. The person must be capable of running a large organization and have had exposure to best practice from a leading international organization.”

“There is an African lady, working at a big international organization, in South Africa. She knows the systems of one of the best companies, in the world.”

“Go get her, please!”

Within two months of her arrival, we were swimming in cash! Now we could get bigger. If I had left that stressed guy, in place, we would have gone bankrupt, even though we had a great business.

As I have said before, when I started my business, I was barely 25 years old. And although I had worked for several years, since leaving university, by the time I decided to go and start a business, I was only a junior manager in a big organization. I therefore did not have the experience of building and managing an organization.

Starting a business with just a hand full of people was not that difficult, but within a few months, I realized that although I was a good engineer, and entrepreneur, it was not what was going to

make me a success. I had to become a leader and a manager of a business. And these two are not the same.

This is how, I became a good manager:

First of all I became a student of management. If MBAs were as popular then, as they are today, I would have rushed to get one. So I did the next best thing, I bought books, and spent hours and hours at the university library, in the evenings, reading about management.

I have spoken about this before:

“Don’t just rely on getting experience; study.”

I studied organizational and management structures. I would ask questions about local companies, from friends:

“So tell me, how is your organization structured?”

“Please draw for me the management structure?”

“Who does what?”

“How do you get optimal performance from your organization?”

“How do you run an organization that operates in more than one country?”

“How do you find the right people?”

I went to management talks, to listen to the best managers of the day, talking about what they do. I tracked international business leaders like Jack Welch when he was building GE, into one of the most successful businesses in the world.

I could not look at a business, without wanting to know how it was organized, for optimum performance.

...Oh how I wish there was Internet in those days!

Guys, you have no excuse whatsoever.

This guy, called Sam Walton, who built Walmart, the biggest company, in the world, I read his book back to front. Even those Japanese guys, like Akio Morito, the founder of Sony. I read all their books.

I had collections of books by all the management gurus of the day....reading, studying, putting into practice. Trying out the new ideas.

When I visited China, for the first time, and saw the behemoth organizations, they have built, I was astounded:

“How did they build these?” Back to school! You should see my collection on Chinese organizations.

Brothers, and sisters, let me get passionate:

Get into management, and become skilled at it. Adopt best practice, benchmark yourself, with the best in the world.

If you do this, you can take practically any idea, or any organization, and make it big. This is not rocket science, but it is science: it is not something you are born, with, it is an acquired skill.

How they made it.

The founder of Walmart, started what we would call today, “a flea market”, and yet he turned it into the world’s largest company, by sales, with annual revenue of nearly \$500bn. The guy who

built McDonalds began with what we would call a “hamburger joint”; and as someone said recently, even today, anyone can make a better hamburger than McDonalds, at home (certainly one that tastes better!), and yet it is a \$30bn sales, global business. I spoke of a street corner coffee shop, called Starbucks, which is now a \$15bn revenue company.

A few months ago, I met one of the richest men, in America, and he told me about how his father, started a business delivering goods with a small truck; they are still in the same business: delivering goods with a small truck, except now they have tens of thousands of small trucks, delivering goods countrywide.

There are three fundamental points, I’m trying to convey to you, in this series:

1. It really does not matter what business you are in.

You need to get out of your head the notion, that there are areas that make more money than others. A young friend from Nigeria, said to me, he does not have enough money to get into the oil business. So, I asked him, “what is your problem? Go start a flea market, only don’t stay a flea market. Use the Internet, and build an Alibaba!”

2. Building a big business, is a function of management skills: yours, and those you manage to bring around you. It has nothing to do, with how small you start.
Be “management conscious”.. Remember, I said earlier, “it is the X-Factor”!
3. The capacity to invent something is a great blessing. If you are able to invent something, and patent it; this is really great, and you must be applauded. In business, it is not all you need, and it may not even be enough. What you need is to develop a capacity to be “innovative”; even with the most mundane things around you:
These are the guys that take a “hamburger joint”, and turn it into McDonalds; a coffee shop, and turn it into Starbucks!

– Can you be challenged to look at a Kombi (Matatu), and find a way to create an “Uber” (one of the fastest growing businesses in the world today)?

– Can you look at a corner kiosk and visualise it, as a Pan African retail business?

– Can you look at the waste in your city, and imagine yourself, creating a business, that will be a global giant? Some of the most successful, global giants, began by collecting rubbish. And today, they have gleaming offices, with tens of thousands of employees... But they are still rubbish collectors.. And making billions!

My Toolbox Principle

Like most young people, starting out, my first car turned me into an amateur mechanic; I spent a lot of time fixing it!

In my “toolbox”, there were about 20 “spanners”; each with a number. Here is a principle I extracted from those spanners, about managing a business, with lots of people: Imagine if every single person, who works in your organization has a “toolbox”, and in that toolbox, are exactly the same number of spanners. From the chairman to the cleaner, everyone has a toolbox, with exactly the same number of spanners. The only difference is that the numbers on each spanner are uniquely different for each person.

Whatever needs to be done, requires a spanner, and only one person has the exact spanner required.

If the wrong person tries to solve a problem, then they will end up using the wrong spanner. The only way you can use the wrong spanner, is if you turn it into a hammer!

As Chairman of the company, if I hear that there has been a theft at one of our stores in Nigeria.

If I try to solve it, there is no spanners to fit the problem. All my spanners will be hammers!

Find the person with the right spanner and tell them to deal with it.

The more skilled we each become at using our spanners, the more effective we are.

The more we realize that each person has equal worth, and equal opportunity to solve problems and contribute, the more effective our organization.

The more we are conscious of the need to always appreciate that the person who has the the right spanner is the best person to provide a solution, when a challenge arises; the more effective we are as an organization.

Being the boss does not mean that you are the best person to solve every problem.

Sometimes being effective simply knows who has the right spanner. Recruiting and training the “mechanic” and giving them room to work, is key to success.

Relax: it’s not that difficult.

The Toughest Challenge Ahead Of You, Is Building An Organization.

In an interview, the late Steve Jobs, of Apple, was asked what was the most challenging thing that he had faced as an entrepreneur. The interviewer, who told the story, says he was expecting Steve Jobs to tell him that, it was developing one of his iconic inventions such as the Apple computer, or the iPad, or iPod, or iPhone, but that is not what he said:

He said the most challenging thing, he had to do, was “to build an organization”.....

.....I completely agree with him!

Having a great product, or unique invention, that the world has never seen before, is not enough, for you to succeed. You must be able to build an organization, and to manage it as it grows.

A few months ago, I had lunch with the founder of one of the largest financial institutions in the world, in his New York office. Something he said stuck in my mind:

“In my business we do not depend on patents, and IP, to win; we are extremely organized and efficient; that is our strength. We have built an efficient organization, that is highly effective.”

Then he asked, “how good are you, at building and running an organization? If two of you were given a cell phone license, on the same day, with the same terms, and conditions, would you come out top?”

I smiled, and said “yes”.

“Anywhere in the world?”

” Yes”.

” I believe you. And I would be happy to invest our money.”

In this series of discussions, I have really just scratched the surface, about some of the key issues, you need to focus your attention on, if you want to begin to turn a small business into a very large and successful business, with continental and global reach.

You are part of that generation for which this is increasingly easy to do.

Do you remember that CNN interview, in which I was asked, to give an example a practical lesson, I have obtained from the bible, that I use in my business?

Well I spoke of the discussion, between Moses, and his father in law, a man, called Jethro. By the time the two men, met Moses had become a mighty man of God, who lived a truly miraculous life. And yet despite this, Jethro gave him a lesson on how to create an efficient leadership, and organizational structure.

If you do not attend to it, in a studied and methodical manner, it will not happen, by itself. It is your responsibility, to go out and get the skills, in this area. You are not born, with an ability to manage. As I have also pointed out, don’t assume, it will come through experience, over time.....even those who are “experienced”, need to continuously study, otherwise their methods, become obsolete, and even harmful, to the business enterprise.

Your Organization, and it’s Brand.

When you start out in business one of the most important things that you must do is to choose a good name. This is something you and your partners should do very carefully:

It must be original, as far as possible;

Have the ambition to make it global... Think ahead to when the company is no longer just in your country but has gone to other countries__ will this name you have chosen still be good?

Keep it simple, clean and effective.

Get professional advice:

Econet Wireless was originally called “Enhanced Communications Network”, a banker friend changed it to ECONET. I later added Econet Wireless. After many years I went back to ECONET because we have other businesses in the group, which are not wireless communications.

Getting professional advice is very important. Don't take names and logo designs as something you just prepare yourself:

Initially I worked with a friend who was an advertising expert, and he taught me amazing things about names, and colours, and brands. He later set up his own advertising agency, and later moved to work in America. He is highly gifted man. I always, always paid him for the work he did for me. This too is an important principle: if it's valuable you MUST be willing to pay for it!

The brand:

Having a good name for your company is not what gives you a "brand". This is a highly complex subject. For a start just remember that when you register a company, it becomes a "legal person", which acquires a unique personality and characteristic just like a real person. It's amazing how first that personality mirrors the founder, and in time also its workers.

___ At Econet we say we are "Inspired to change your world"... It has been more than 20 years since we adopted that.

Brand visibility:

Advertising and sponsorship of events like this NBA game is one of the ways we try to promote and give visibility of our brands. Big companies spend billions of dollars. You don't have to be a billion dollar company before you invest in the visibility of your brand. When I started out I always looked for the most innovative, and cost effective ways to market our brand. I sponsored school sports grounds, bus shelters, street signs.

A good entrepreneur must understand marketing of not just products, but also the values of the brand.

If you are serious about building a business, then you must have budget for advertising and promoting your brand and it's values. This is not just about advertising to sell a product.

Brand Integrity:

You must be careful what you associate your brand with. Before we agree to sponsor anything for instance, we sit down and enter into written agreements which cover the expectations of either party, as well as expected conduct. For instance I once authorised sponsorship of a certain sport organisation in one of our markets. The complete disregard of the agreement by the sport's governing body was quite astounding. For me if someone does not respect an agreement or undertaking I will never do business with them again. We decided to stay away from that sport, and it's governing bodies.

I hope that one day we will have an opportunity to have a more in depth discussion on marketing, and advertising of your business.

Meanwhile I hope you enjoy this little advert that our people did on this historic occasion: And if you are a basketball fan, enjoy the game!

"Continuous" investment

Imagine if you bought a nice cow, and it produces a lot of milk, but all you do is milk it, but you never feed it... What would happen?!

I know it sounds strange, for me to say this, but there are a lot of people, that actually do not invest in their businesses!

I see it all the time, and it never ceases to surprise me:

There are people who own stores, that they never even put a coat of paint on, from the day they opened, for the first time. There are people with factories, that never bought new machines, or carry out regular maintenance on those they have, until they break down.

They are many, many businesses, that simply do not invest sufficient resources into developing new products, or expanding their capacity.

Now, that I have mentioned it, just look around at businesses, that you know in your community, and ask yourself the question:

-“Do they have a policy of “continuous” investment, in their business?”

No matter what business you are in, and no matter how small or mundane, the activities, there must be “continuous” investment in it.

A successful business, is one in which the owners, are constantly ploughing back the “majority of the money”, back into the business. They must be constantly investing to create new services and products. They must be constantly pushing to improve what they have.

I emphasise the word, “continuous”, because it should not be in “fits and starts”, but “continuous”: every single day, you must be thinking what you can do to improve. If you think about what I am saying it does not really just apply to businesses. It applies to everything, even the public sector. It applies even to NGOs. This is a challenge to any of us, particularly those in business:

We must invest “continuously, and incessantly”.

Personally, whenever I meet investors, I always tell them, that I try to invest as much as possible back into the business. If they are just looking for short term profits, then, I am not their man. The interesting thing, is that those who really understand, expect it, and invest. When I consider buying a business, one of the key things, I look for in their financial statements, is to establish how much they have been investing in the business, both to maintain and improve what they have, and also to expand.

Finally, let me even add, this:

Even your home, and your car... needs continuous investment, if you are to uphold its value. Don't wait until things break down, before you feel it is time to invest. It will cost you more.

Think investment. It's important.

CHAPTER 9:

Modern Management

“You still have to work hard, but not that hard. Just be smart, and learn the tools of modern management”

“Does he have a lot of children to help him?”

I once visited an elderly gentleman who ran one of the most successful supermarkets in my home town. He was a legend of his time, and everyone knew him to be “very rich.” Knowing that I was keen to learn about business, he invited me to his office to watch him at work; this was a rare privilege and I took it with both hands. He allowed me to ask questions which he answered slowly and carefully.

I still remember some of the things: “You must work very hard.” This was almost every third sentence.

He told me he started his day at 4 in the morning: “I’m here to open the shop every day, seven days a week.”

“What time do you leave?”

“11 pm, after I have counted the money and done my reconciliations. I do it myself. I don’t trust anyone.”

“What about holidays?” I asked.

“I don’t do holidays. That is for employed people,” he said with an emphatic wave of his hand.

I listened, then I asked: “Why have you never expanded?”

“You can only be in one place at a time,” he answered with finality.

“I tried it once and they stole from me.”

I said to him: “You know there is a man I have been reading about from America. He has thousands of stores like yours, and he is one of the richest men in the world. He has so many stores, that he cannot visit all of them. And he also goes on holiday.”

“Does he have a lot of children to help him?”

“Actually, no. He works with total strangers.”

Finally, he sighed and said to me:

“I wish I had gone to school and learnt these modern management techniques that you talk about. We have to learn these things otherwise we will just end up running small things. I never went to school, but I yearn to learn these things, only now I’m too old and set in my ways.”

I was deeply saddened because I realised that with his entrepreneurial zeal, armed with the modern tools of management and the right exposure, he could easily have built a pan-African business.

When the old man died, his sons took over the business and ran it to the ground in no time. All gone.

There are a lot of people like him. They work very hard, and many long hours. No one taught them that there are many modern management tools that can make them more productive and profitable. They can also have a better quality life.

You still have to work hard, but not that hard. Just be smart, and learn the tools of modern management.

Even now after 29 years in business, I still spend a lot of time reading business management books and articles. I try to learn new techniques that can make me sharper and more productive. It is a continuous process, which should never stop.

The other day, I said “I’m a numbers guy,” and some people even asked, “What are numbers?”

___ It’s a business management technique whereby you do not start a business without first developing a business plan with well researched marketing and financial projections. When you start the business, you must develop budgets, and adhere strictly to them. You collect statistics continuously on what is going on in every aspect of your business and use the data to drive your decision making.

Manage your way to the top!

Ever since I became an entrepreneur, one thing that has fascinated me almost as much as innovations that drive new businesses, is the complex management skill required to build large ones. Making a business bigger depends on management expertise. This is something many people do not really appreciate as much as they should.

More than 25 years ago, I had a construction business that grew very well for a number of years. I had hired the best-qualified people I could find, and we had many contracts. Then one day almost out of nowhere, we started to struggle with cash. We just never seemed to have any money, even though we had big projects. I struggled to understand what was going on. I even accused the staff of stealing from me as I angrily sought someone to blame!

Eventually I was simply overwhelmed by creditors. In the end unable to cope, I applied for voluntary liquidation of the business. It was a massive humiliation. Everything was sold to pay our creditors. I lost everything, and more than 1,000 people lost their jobs.

Although I still had other businesses that were successfully operating, I was very disturbed by what happened, and for a while quite depressed.

Over the months and years that followed, I did many soul-searching postmortems to try to figure out why a business that had at first appeared so successful could suddenly fail just like that.

I know many of you may have recently gone through what I'm talking about. You may even be going through it now. It is the ultimate nightmare of any entrepreneur.

As you start a business, the question of how you grow it into an even bigger business is really about management.

After analyzing my own business as a case study, I concluded that I did not have sufficient management skills for what I wanted to achieve in my business life. At first I thought to go back to university, but my circumstances at the time simply did not allow for a formal program. So, I sent myself back to school. Of course, in those days there was no Internet, or online courses. The MBA was a new concept.

No one is born a good manager. It is an expertise you learn both through experience and education. People management, financial management and marketing management are just three of the "core courses" that are essential to running a successful company.

I became passionate about understanding modern management. I would never take it for granted. I threw myself at learning all I could find on the subject. I wanted to understand how someone could take a simple hamburger, which anyone can cook, and turn it into a global business like McDonalds!

Every night after work, I sat down and read books. When I travelled, I would lose myself in bookshops, always in the business management sections. What I learnt I tried to put into practice. I subscribed to magazines on business management.

Soon I could do deep diagnostics of what happened in my business that failed. It did not happen overnight, let me tell you, in case you think there's a silver bullet or someone lays hands on you, and bang, you are an expert in business management.

God has given each one of us "a sound mind" and He wants us to use it. This is what it also means to "study and show yourself approved."

Gradually, systematically, I began to see the deficiencies and how to address them. I began to understand the "tools" that are used in the management of a modern organization, and how to use them skillfully.

I cannot say, "I have fully apprehended," but I'm consciously working on it. You cannot address a problem that you are not willing to accept exists. It starts there. If you want to manage your way to the top: analyze, read, ask the right questions and don't be shy to benchmark yourself with the best in the world!

Are you prepared to become very serious?

When I was a young entrepreneur just beginning to enjoy the first flashes of success in my business career, I befriended a very successful businessman from my homeland. Ariston Chambati was a towering figure in his day. He was the nearest thing I ever had in those days to

someone you would call a mentor today. He'd already gained international recognition and often travelled to international meetings, and served on several international boards.

He would often say to me, "Master two things: your time, and finding the right person for a job. Get those two things right and you are on your way."

He was a "no-nonsense type" and he did not "suffer fools." If he invited you for a meeting, no matter what time of day, he would turn up on time and well dressed.

I will never forget how he once asked me to come see him late one Sunday evening. Arriving at his home, I found him dressed up and in his study. He never joked around and expected you to get to the point quickly.

After the meeting, I asked him why he went to such great lengths ahead of such a simple meeting, even with me. His response was well measured and serious.

He first explained to me a very painful experience he'd gone through on one of his business travels. Then he added: "Young brother (he always used a term of endearment in my mother tongue and I always addressed him by a similar term, which means "senior brother"), you have the talent to go very far. . ."

__ "Only remember this," he said, "Don't expect others to take you seriously when you are not prepared to take yourself seriously. When you walk through that door, I want you always to know that I'm a serious person."

Those words still ring in my ears over what must be two decades now, as though that conversation took place only yesterday.

The men and women who are going to take Africa to the next level are those really prepared to become serious, very serious.

CHAPTER 10:

Making Sound Financial Decisions

“Poverty, can come at a bewildering speed, if one is careless in the manner, they approach matters of financial decision making”

“Financial Literacy”.

One of my favourite TV programs, is Global Public Square (GPS), on CNN, anchored by Fareed Zacharia. The other day, he spent some time, talking about a subject that is very close to my heart:

“Financial Literacy”.

There is more to literacy, than “reading” and “writing”. Financial literacy, is really about the ability to understand everyday financial issues, and here I am not talking about accounting practice. I am talking about the ability to make sound financial decisions. There are many people, who know how to read and write, very well, and yet are at “sixes and sevens”, when confronted with simple financial issues.

Which reminds me.

I knew a businessman, who wanted to leave an inheritance to his two children. They were both highly competitive, with each ever seeking ascendancy on the other. So this is what he did:

To one, he gave a parcel of land, and said to her, “this land is full of minerals, which I believe are worth at least \$10m. You cannot sell this land, at anytime. The land yields no income, as it is, unless you get an investor or a loan. And should you seek, an equity investor, it can only be your brother, to whom you go. I estimate you will need not less than \$1m, to generate any income from it.

It is my only inheritance for you.”

To the other child, a young man, he said “take this \$1m, in cash. Based on your lifestyle, it will be gone in a few years, unless you find a way to grow it. Should you decide to invest it, I would insist that you go only to your sister.

It is my only inheritance for you.”

Who got the greater inheritance?

Who emerged in ascendancy?

Discuss it, with your friends, and business partners.

If you have to say anything to me, about it, don’t use more than one paragraph. The correct answer, in business is not philosophical or ideological. Its just business.

Whether you are in business or not; whether you have a job or are unemployed; even if you are still a student. You might even be a social entrepreneur, a doctor or a teacher:

You still live in a world, in which everyday, you have to make sound financial decisions. You also live in a world, in which others around you, including local and national leaders, as well as business leaders, must have the capacity to make sound financial decisions, for the well being of all. Ultimately, how sound your financial decision making is, will be seen in the results.

“Time will tell, as they say”, whether our two young heirs , would make sound financial decisions. One is not born, with a capacity to make sound financial decisions, it comes through education, reading the right material, and also training.

Being promoted to a top position in your organisation, or even being elected to public office, does not suddenly endow you with financial literacy, if you did not acquire and develop it, earlier in your life. The Evangelist, Myles Monroe, once said, in one of his teachings:

“The rich man, and the poor man, have this in common; God gives sight to them both.”

I have seen people, who inherited greater riches than what these young people got; go on to lose them. Even ending up in debts, that far exceeded what they got in the first place. Poverty, can come at a bewildering speed, if one is careless in the manner, they approach matters of financial decision making. And there is no one who is exempt from having to make sound financial decisions. Even if you are in the village, with a few cows and goats; it is even more critical. I have also seen people who started with very little, go on to create spectacular wealth for themselves and their nations. At the heart of this, is the ability to make, “sound financial decisions”. It must be done, each and every day. It must be done for the short and for the long term.

Sometime, when you are on your own, in the quiet of the day, ask yourself this question: “Am I really making sound financial decisions, in the affairs of my life? Even when I get \$25 does it increase or decrease in my hands?”.... It always, always starts, with how well you handle, even the smallest sums.

Make a conscious effort, to acquire, and develop, your financial literacy. It does not matter how old you are.... even if you are 63 years old.

There is a story told, about a young entrepreneur, who had been working on an amazing new idea. After sealing a major contract, he and his friends decided to go and celebrate at a local restaurant. They ate and drank until very late. Finally when it was time to close, they called for the bill; it was a shocking amount, and much more than they could afford!

Ever the entrepreneur, the young man asked to see the owner, and told him about his business venture, and how he believed that it would one day, make him billions. So he offered the old man, some shares, for the large bill he had ran up that evening. The old man, who owned the business, refused completely, and demanded payment. Humiliated, the young man pledged his car, and went off to find the money.

Many years later, the young man, returned to the restaurant driving, a gleaming Ferrari. He asked to see the owner of the business, who immediately remembered him. He told the old man, that he was now a billionaire, and that had he accepted the deal that night, he might have been worth millions himself.

The old man, smiled, looked at the young man, lovingly, and said, “son, I am very happy for you. I am also happy with the decision I made that day.” And with that he quietly, and happily went back into his little restaurant.

Financial decisions:

It took me, more than 10 years, and much meditation to come to agree with the old man.

How to Hold Onto Money

As a young business person, it took me about 10 years to realise that it is harder to hold on to money, than to make money. Sadly many people never actually realise it, throughout their business life or even career.

I recently read a report which showed that many working professionals in a major European country, have enough savings to last 18 days, if they ever lost their jobs! The squirrel, a small animal that collects nuts during the summer, for the long winter, would no doubt be quite amused.

A business associate, who ran a construction company, came to me once complaining bitterly that people were stealing from him. He pointed out that he had done huge projects, in the past, and yet he was now totally broke. “How could this be”?!

” The problem, is if I tell you, the truth, I will lose you as a friend.” I told him.

“Please, please tell me!” He begged.

Okay:

To start with, always, always remember that, it is harder to hold onto money, than to make money. Teach it to your children, if nothing else.

People who inherit businesses, or money, generally end up losing everything. The first thing you need to know, is when you are making money, and when you are not. A large turnover, or revenue, does not mean you are making money.

Then I said to him, “before you tell me, how much you made on this project, and that, let’s talk rather about how much you saved, from what you made on each project.”

Then he looked at me, with a bemused almost blank look on his face.

Then after a while, he said, “I made investments”.

I looked at him, in the eye, and said, “you know its not true. You bought a nice car, you built a nice house, you..... You did not invest, in your capacity to make more money, and you did not SAVE, for the rainy day.”

Then I said, “do you want us to carry on, this discussion; it could become very painful for you?”

He looked down on the ground.

I stopped.

Friends, if you have a job, any job; no matter how little you make: SAVE something.

If you are running a business, no matter, how small: SAVE something.

Financial literacy, is about making sound financial decisions:

Step #1.
hold on to your money!

Open A Bank Account.

Now here is a mystery: studies recently undertaken on small holder farmers, showed that a farmer who opens a bank account, is more likely to have money to buy seeds for the next planting season, than one has no bank account. Surprised? This is part of the mystery of wealth.

The new Prime Minister of India; a man respected for his ability to bring millions of people out of poverty, has just embarked on a campaign to get millions of their poorest citizens, to open bank accounts. Surprised? This is part of the mystery of wealth.

The Chinese have long understood, the importance of SAVING. It is the savings of millions of Chinese people that has driven their economic miracle.

The Minister of Agriculture of Nigeria, Dr Akin Adesina, a close friend and colleague, has embarked on a major campaign to get small scale farmers in that country to open, mobile bank accounts. Experts, including myself, believe that it will bring millions out of poverty. Surprised? This is part of the mystery of wealth.

When people open bank accounts, it changes their mindset. It makes them, want to save something. I know some of you, working in the diaspora, send money home. That is good. Now here is a piece of advice, to add to your wisdom:
Get them to open bank accounts, and send your money through the account. Then ask them, to save aside 10-15%, of whatever you send them! every month.

A brother said to me, the other day, “how can I save, if I spend 70%, on transport to get to work?”

“Either move closer to the work place, or buy a bicycle”, I replied, “what you are doing is not sustainable”.

Do you have a bank account?
Open another one.

Calculate The Cost, “First” ... Don’t Just Start.

—“28 For which of you, wishing to build a farm building, does not first sit down and calculate the cost [to see] whether he has sufficient means to finish it?
29 Otherwise, when he has laid the foundation and is unable to complete [the building], all who see it will begin to mock and jeer at him...”
Luke 14:28-29 (Amplified Bible – AMP).

I have often said, “Everything important, I ever learnt about business, I learnt from the bible...”
What could be more practical than the above scripture, taken from the Master Himself?....

Jesus said:

...”first sit down and calculate the cost (to see) whether you have sufficient means to finish it.”

Flying over one of our African cities recently, my attention was caught by the number of people, who have embarked on huge housing projects, that they were struggling to finish. You are left wondering why they did not go for something smaller, that they could finish.

Sadly, I often meet people who are in the same situation with their business projects. My heart always pains when I see this, because I imagine what they are going through.

When people start out in business, they are sometimes so excited about what they are going to achieve, that they forget, “to sit down and CALCULATE the cost”.

Sustainable success in business, or even in a social enterprise, is as much about managing, your costs, as it is about generating sales or revenue.

—“I will sell my 10000 kgs of tobacco for \$10/kg, and make \$100,000... Its a lot of money.”

But what about the “cost side”?

— “sit down”

—“calculate the cost”—

“Once I buy the Kombi, I will make \$5000 per day”

But what about the “cost side”?

—“sit down”

—“calculate the cost”....

“I will borrow money, and buy an aero plane. I will fly people everyday, and make \$100,000”

Really, now?...”sit down”..... “Calculate the cost”....

It is interesting that The Lord, did not simply say, “count”, the cost, He said, “calculate”. The one who “calculates” does a deeper exercise than the one who simply “counts”.

Another way, of saying “calculate”, is to say “manage the cost”.

— when you do not “calculate” the cost properly, you might even manage to buy the Kombi, or the aero plane, or the telecoms equipment, and you will then operate it, until it is old and battered... and obsolete.

Always, “calculate” the cost FIRST.

Now, you might say, what if something happens, that I did not anticipate. Maybe, it was beyond my control... The Lord (practical as ever), spoke about that too: your turn, to “search the scriptures”....

Finally, let me say this, the cost, goes beyond what it initially costs, to set up the business; to run it profitably; ensure renewal and growth, and sustainably.... But you must also look at the cost on things like the environment, public safety, and the health of others.

Calculating cost is all about managing a dynamic cost environment. Now you are in business. Go prosper.

CHAPTER 11:

BUSINESS PARTNERSHIP.

“Many people think that succeeding in business, is about having a good idea, and then raising capital. If you do not know how to forge meaningful, long term partnerships, based on mutual trust, you will not make it”

Know your partner.

It was the first time I met a billionaire! I had travelled all the way to Houston Texas, my first visit to America. Time and space constrains me to tell you what I had gone to see him about.

I planned to be there for a week.

The first day, he invited me to lunch. And every time I tried to talk about the business idea he would brush me aside, and say, "tomorrow, son". Next day, I managed to see him, only for a few minutes. And when I tried to raise the issue of my business plan, he said, "tomorrow, son", then changed the subject, asking I instead, "What do you think of Houston?"and again invited me, for dinner, this time with his wife. On the third day, he invited me to his office, looked at me intently, and finally said, "son, I like you..... The most important thing in business is to KNOW YOUR PARTNER..... I like what I have seen of you.....Now I know you a little, you can discuss with my people, the details of what you have in mind." And with that he politely led me out of his office.

Over the next few days, I faced the most intense grilling about my life, and background, that I had ever faced. They wanted to know everything about me... And that was before they asked a single question, about my business idea. I learnt later that even in those three days of informal discussions, they had been evaluating me! I did not mind, because this is one of the most important rules of the game, at the very top.

Remember what I have said before:

"Every game has its rules, and its own language."

This is one of them:

Know your partners.

That encounter, with the most successful person, in business, I had yet met, gave me an life long lesson:

You must know your partner.

It is not possible to grow big on your own. You will need partners. In the end it is really all about partnerships.

Many people think that succeeding in business, is about having a good idea, and then raising capital. If you do not know how to forge meaningful, long term partnerships, based on mutual trust, you will not make it.

- who are your partners?

- how well do you really know them?

Incidentally, I never did business with the Texan businessman, because my idea, was actually not that good; but I learnt how to evaluate and to be evaluated; that was priceless!

When I was starting out in business, nearly 30 years ago, I was made to believe that the best partners, were those people in powerful positions, who had the ability to open big doors. Being a young entrepreneur, there were many powerful people, who offered themselves, to be my "sleeping partners", or "godfathers"; to whom I could go, if I had trouble with anyone, in "the system".

As many of you are aware, I was not born into a Christian family. I became a Christian by choice, when I was already a well established businessman. It was a deep personal decision, and this is not the platform to discuss, that issue. However, having made this decision, I threw myself with total fervor, often reading the bible, back to back, several times a year, as I tried to "come up to speed", with my new found faith.

It was at this time, that I came to realise that I had to "play by and succeed, by a different set of rules."

.... My partnerships had to align with my faith in, and trust in God...

I could not, and would not have "sleeping partners", in any business that I do.

I could not, and would not choose partners, simply on the basis of their ability to wield influence, or to sponsor my activities.

Let me tell you, this set me on a collision course everywhere I went, because I was essentially shunning, an entire world system.

I was despised and mocked for it. Those who were polite called me naive, and others not so kind, said I was a fool. We "lost" many contracts, and many business opportunities. Often we had to walk away from deals that were just "mouth watering". More often than not, we were just threatened and kicked, out, leaving others to take over what we had started. And when this happened, I just never allowed myself, to have regrets, about it.

One of my great mentors, Bishop Garlington, once said to me, " you are standing in the river of faith. Don't be afraid. You are not going to be swept away, and you are not going under; use your faith, to go over.."

Then he said to me:

"Focus on integrity, because one day, you will be the partner of choice for anyone wanting to do business in Africa, the right way..."

Do you want a partner?

Let me share with you a secret:

"The best partner for you, is not some big powerful politician, or someone with a lot of money, or some big international company. The best partner for you, is someone just like you, who has the passion for entrepreneurship, that you have. Who has the skills to compliment, what you do best, and is willing to work hard, very hard, alongside you.

It might be a man, or a woman; black or white...even from a different, tribe or nationality from you. What is key is to align your values, and respect each other's space. Never mind the money, the power and the influence... Its not a factor.

“If you can phone him, don’t write; if you can see him, don’t phone.”

An old sage in business told me:

“If there is a misunderstanding with your partner, or even the possibility of a misunderstanding on an issue, if you can phone, and discuss it, then do not write. And if there is an opportunity to see the person, then don’t, phone or write to them; go and see them.”

As I have said before, you cannot get big, and successful in business, without an ability to forge strong partnerships. The most important thing, in business is to “know your partner”. You must understand their character, their strengths, and their weaknesses. You must understand their aspirations and hopes. And even with all this, misunderstandings will emerge, and there may be a possibility of a misunderstanding. The moment this happens, do not fire off an SMS, or an email. Look for an opportunity, as soon as possible, to “talk, face to face.” Do it straight away. And when you do meet, listen to what the other person has to say, first.

And finally, remember what the bible teaches:

“You cannot be right and reconciled, at the same time.”

Holding Regular Meetings With Your Partners Is Very Important.

Entrepreneurs are generally very busy people, and they spend their time running around trying to sell their products and to make "ends meet" (as they say). Unfortunately many entrepreneurs, consider having formal meetings, as a waste of time, and simply want to get out there and do things.

This is not very wise.

It does not matter what business you are in, or how small it is: its important to sit down and have proper meetings. And by this I do not mean, "chatting things over, whilst relaxing, over coffee". I mean you must have scheduled meetings, during working hours, when you sit down with your partners, and also with your staff to discuss what is going on in your business.

.... Always hold such meetings, during normal working hours. It serves as a reminder that you consider it to be an integral part of your business.

Before you start your discussion, you must agree what you are going to talk about, and select someone to keep a record ("minutes of your meeting"). Before the next meeting, everyone must agree that the record of your previous meeting, is the correct one. This is one of the most important discipline for you to learn, if you want to grow and build your business.

As I have said before such meetings are not serious, if they do not begin, and end with a discussion on the finances. This is the engine and lifeblood of a business:

Proper financial reporting, followed by robust competent discussion of the figures.

When we were very small, I would begin by saying, "book keeper, take us through your report", and now thirty years later, it is the same, " CFO please take us through your report."

Practice to spend most of your time discussing figures, not just exchanging stories....remember you are in business now! In your agenda, you must always, have agreements, on what constitute your policies as a business. And these you must write down, and jointly sign with your partners.

.... "Keeping proper, written records, is key to your success...". Keep the records safe, and always have copies.

It is very bad to operate your business, in this day and age (someone as educated, like you), on verbal agreements!

In your discussion, make sure you discuss, sensitive and difficult issues, for example:

"- so how much are we going to pay ourselves in salary? What can we afford?"

"- how many shares do we each have in this business? Let's agree; let's sign... This is business now... Aha, aha!"

And remember:

Pay everyone their due... Including that little cousin, helping to clean the place.... She has dreams too! Aha, aha... That's business now.

Pay your taxes also...

We must always, always respect agreements, and contracts...

In the book of Joshua, there is a story about a group of people, called the Gibeonites, who managed to secure an agreement with Joshua and his leadership team, by false pretences. When

the leadership of the Israelites, discovered what had happened, they were furious. The intriguing thing, is what happened next:

Joshua 9:18-20 (Living Bible, The – TLB)

18 The people of Israel were angry with their leaders because of the peace treaty.

19 But the leaders replied, "We have sworn before the Lord God of Israel that we will not touch them, and we won't.

20 We must let them live, for if we break our oath, the wrath of Jehovah will be upon us."

"These things were written, for our learning";

so what do you learn from this incident, that can be of help to you, in your business, even today?

1. Before you enter into agreements, of any kind to work with other people, you must do your due diligence of those people properly. However once, you enter into an agreement, and you give your word, you must adhere to the agreement, that you signed!

All too often, people try to back out of agreements, they have made if they find, they believe they were misled, or the other party, did not give them the right information about themselves, or even misled them.

2. Adhering to, and respecting an agreement, with a party that you consider weaker, than yourself, is the ultimate test of integrity. It is never about the integrity of the other party... It is about your integrity, that you must focus on.

There is nothing that disturbs me more, than business people, who do not want to respect agreements, they have made, when the situation no longer seems to favor them.

They are people who default on loan agreements, supply agreements, and contracts simply because they consider the other party, too weak, to do anything to them.

Joshua's integrity was tested to the full, when the Gibeonites , were attacked, and appealed for his help, under the agreement.

Now, many people would have said, "this is God's vengeance against those lying cheats, let them deal with it, themselves".....read on!

-Joshua mobilised his army to go out and fight the enemies of the Gibeonites.

-And here is another thing, God joined the fight, with Joshua, to help save the Gibeonites!

When you enter into an agreement, whether it be verbal or written, you must respect it.

– Don't borrow money from people, and when they come looking for their money, you threaten them, and tell them to go away.

– Don't promise your employees salaries, and promotions, that you will ignore, once you get them to do what you wanted.

– Don't strip your partners of their shares, simply because you believe you have more power.

Finally, you must also respect agreements that others have made, before you came. If you buy a business, or property, respect existing agreements, and even titles. If you take over management, or leadership, respect every agreement, made by your predecessors, even if they were not smart agreements, in your opinion.

Time constrains me to tell what happened when a King of Israel, hundreds of years later, ignored this very same agreement with the Gibeonites.

God loves integrity.

CHAPTER 12:

Be a “Fast Follower”

“Steve Jobs, did not invent the cell phone, in coming up with the iPhone. He took something that had been there, for nearly 20 years, and completely re-imagined it, to come up with the iPhone”

“How do they really make money?”

As an entrepreneur or an entrepreneurial business, there is nothing better, than creating a new product or service, that no one has ever seen before, and turning it into a blockbuster commercial success.

There is however another path to success, and this is called, the “fast follower”:

There are a lot of organizations who are successful, through the ability to see what others have done, and then moving quickly to do the same thing; this is the “fast follower”.

If you look at great companies like Microsoft or Apple, they are not necessarily the first to come up with a new idea. They are “fast followers”; if they see someone doing something, that has potential, they either buy it or build something similar; only they do it better.

Our company did not invent “Mobile Money” (Ecocash), it was invented in Kenya, by Safaricom. As soon as I heard about it, I did two things:

-first I checked to see, if there was a patent protecting the idea. It turned out they had not protected it.

-I then put a top team to research the concept.

The key to being a “fast follower”, is the ability to move with lightening speed.

The Chinese are masters of the “fast follower” model:

When they see something in the West, like Yahoo, Facebook, Uber, Google, their entrepreneurs quickly follow, to build their own.

A Fast Follower, never allows a competitor to settle in, on a new innovation without a response. I can tell you, that if we do not respond, it is usually because we do not think much of the new product or service. Otherwise, we try to respond hard and fast, using better management and execution skills than our competitor, with devastating efficiency. It’s part of the game.

So next time you see a new product or service, in another market, don’t just admire:

Be a “fast follower”.

The key to being a “fast follower”, is being able to see what we call “substance over form”:

Most people find it very difficult, to see “substance”, over “form”:

You cannot afford to have a superficial understanding of how something really works:

You have to be very methodical in breaking down, the reason why something is successful. Most often it is not as simple as it looks.

You have to keep asking yourself:

“How does this really work?”;

“What is the business model?”;

“How do they really make money?”

Ninety-nine percent of the users of What’s App, or Twitter, for instance have no idea, how it makes money. It is superficial, to say, “advertising”; not enough: how exactly, do they do it?!

Sometimes, when you dig deep, you find the “secret source”, is not even technological.

The Fast Follower, is methodical and dogged, in their analysis. They act quickly, but not rashly.

The Fast Follower knows that there is a huge difference between, “knowing” how something works, as a user (consumer), and what you need to know, as an entrepreneur, who is looking for a serious opportunity.

The Fast Follower, does not copy, they look at something very carefully, and then try to re-imagine it:

-“How can we make this better?”;

- “how do we use this, in our own context?”

Steve Jobs, did not invent the cell phone, in coming up with the iPhone. He took something that had been there, for nearly 20 years, and completely re-imagined it, to come up with the iPhone.

In Fact, Steve Jobs was the “master” Fast Follower:

He did not invent anything new. He innovated around ideas that had been there all along. The same could be said, about much of what Bill Gates did.

A Fast Follower knows that if you simply copy something, you have not understood it.

When a Fast Follower gets hold of something, they “re-imagine” it into something new.

Understanding the concept of being a Fast Follower”, opens up an incredible world for you and your business.

Eat the meat and throw away the bones

One of my favourite entrepreneurs of all time was a man named Sam Walton, the founder of Walmart, the American retail giant.

Its almost hard to imagine that just over 50 years ago, he started a company which has annual sales of just less than \$500bn, and employs over 2m. It is the largest company in the world.

When he died in 1992 his wealth was divided between his wife and children, most of whom are still alive. The combined wealth that he left his heirs is currently at \$175bn. If Sam were still alive, he would be worth twice more than Bill Gates.

Now, why am I talking about Sam Walton?

He was a “FAST follower”.

I remember reading his autobiography, called “Made In America”, when it first came out.

This guy began his business as what we call in Africa, “a flea market trader”. No hi-tech, here; just a savvy guy who knew how to buy and sell cheap clothes, and other household utensils.

- I read his little book over and over again. Not because I wanted to buy and sell clothes, but because I needed to understand how this guy built such a large business. It was amazing!

The most successful Fast Followers, are those who already have a grounding, in a particular field, and stay in it. They don't jump about from business to business. They make themselves master of one game:

They watch everything that goes on in that game, always trying to anticipate the next thing... But they don't get into things they don't know.

You must be in the race, before you can chase. A Fast Follower knows they are already in the game. Steve Jobs did not look for opportunities running a PIZZA company or try to develop Real Estate.

Bill Gates, was a Fast Follower, in areas around computer software. This is how he made his money. He stayed focused in his chosen field:

Be focused.

Success requires you to be both a “a FAST leader”, as well as a “FAST follower”. This is because sometimes you get the chance to be the one who pioneers something new, but more often than not you must also be ready to be a “fast follower”, if the situation calls for it.

CHAPTER 13:

Leadership for the Senior Class.

“Being a leader is not confined to the President of a country. You are a leader once you are in charge of other people. You are a leader of your family; you are a leader even if you are supervising one person at work. I am therefore talking to leaders”

I got from the bible.

“Who Told You?”

The two oldest questions ever asked, are:

“Where are you?”

And,

“Who told you?”

These are the two questions, that God asked Adam. Now, since I am talking to the “senior class”, you no doubt, appreciate that God already knew, where Adam was, in terms of his physical location; so the first question, had to do with his spiritual location... But we will leave that for another day.

“Who told you?”, but God already knew who Adam, had been speaking to, so there is something else that He wants us to learn.

The chief Tentmaker said:

“the things that were written afore time, were written for our learning”.

In other words, these things are there, for you and I to extract life principles. So here is a principle, which I personally have learnt, as I have meditated deeply, on the question:

“Who told you?”

Being a leader is not confined to the President of a country. You are a leader once you are in charge of other people. You are a leader of your family; you are a leader even if you are supervising one person at work. I am therefore talking to leaders.

This question, is as important today, as when God, first asked it of Adam:

“Who told you?”

-It matters who you are listening to, on any issue;

-It matters where you got the information from.

If someone comes, and tells you, about something or someone. How you deal with that question:

“Who told you?”

Is a big, big part of leadership.

The Internet, is a wonderful source of information, but having read something on the Internet does not mean it is true. Newspapers are a great source of information, but that does not mean everything they say is true. The same can be said of television, or radio.

The Chief Tentmaker said, “take heed unto your doctrine”; which means, “be careful what you believe”. Do not be “tossed about, by every whim of doctrine”. As a leader you can destroy yourself, and others, if every time, you read, or hear something, you rush off, believing it, without stopping to ask:

“Who told you?”

Luke, writing of the people of Berea, a small Greek town, called them “noble”, because:

“These were more noble they received the word with all readiness of mind, and searched the scriptures daily, whether those things were so.”

If you read or hear something, that you think is very important, “search out” the matter carefully. Check your sources carefully; check out the facts carefully, and methodically. If it concerns someone you know ask them directly, before making up your mind. This is good, and “noble”.

My interview with CNN a few years ago, when I was asked for an example of practical lessons, on leadership, I got from the bible.

This is one of my favourite topics!

I gave the example of Moses, from a section of the bible, in the book of Exodus. I was amazed by the number of people who referred to it, including even government, and business leaders, from around the world.

The advice given to Moses by his father-in-Law (Jethro) is one of the greatest discussions on leadership ever penned. The irony, is whenever you read books of great leadership, you will find these principles repeated again and again.

I lead an organisation with operations, investments, and offices in more than 15 countries, across Africa, in Europe, the United States, Latin America, and New Zealand. These businesses employ thousands of people, and they are continually expanding. Many people have often asked me, how I am able to manage all these businesses, and at the same time, do all the philanthropic activities, that I am involved with:

If you study carefully, and put into practice, lessons such as those which are contained in Exodus chapter 18, you will capture some of the most enduring leadership principles, and qualities, that would enable you to run any organisation, no matter its size or complexity!

Recruit Competent, and Honest People

Exodus 18:21(King James)

Moreover thou shalt provide out of all the people “able” men, such as fear God, men of truth, hating covetousness; and place such over them.....

Exodus 18:21 (CEV).

You will need to appoint some competent leaders who respect God and are trustworthy and honest.....

Exodus 18:21(Living Bible)

“Find some capable, godly, honest men who hate bribes, and appoint them.....

In my life I have had the privilege to meet with and discuss with some of the greatest leaders from politics, business, philanthropy, and even the church. And whenever the discussion has turned to effective leadership. There is always one thing that occupies 80%, of a serious discussion:

-Finding, attracting and holding onto talented and skilled people.

The “big secret is out”!

Jethro advised Moses to appoint people,”such as are able”.

God Himself told Moses to appoint, Bezeliel, because he was “highly skilled as a craftsman”.

As a leader you must have the ability to identify people, such as “are able”.

When I consider my own humble history, as a business, I have always used our ability to attract “talented and skilled people”, as one of the most important measures of progress and success. I will never forget the first time, I managed to persuade a university trained engineer to join us. I offered him the best car, I could buy (better than what I drove), I also paid him the highest salary.... Better than I got paid! We have technicians who are better paid than engineers. We have craftsmen who are better paid than some of their own managers:
I have no problem with it.

If you want to understand how this works, just consider a top flight football team, like Real Madrid or Manchester United. Do you know who is the best paid?

– the most skilled player, or the longest serving?

-the most skilled player or the manager?

In our battle for growth and success (in business), it basically boils down, to recruiting, and effectively, deploying men and women, that are competent and honest.... from any tribe, gender, age, race, religion... and from “any where “, in the world...

In our business, I spend more time thinking about, how we recruit and hold on to the best people, at all levels... Than any other issue. You can have the greatest idea in the world, but if you do not have the skilled and honest people to run with it, there will be no success.

The “Volunteer Prince”

A very successful businessman, was attending an exclusive function one evening, and found himself in a conversation with a member of a very wealthy royal family, who was also attending the function. The young prince, who would one day be king asked the businessman, about his work, and his life. The businessman responded by talking passionately about his vision, his values, his work and his philanthropic and charitable activities. The prince listened very intently, and for a long time, asking many questions.

The following day, the prince called the businessman, with an unusual proposal:

“Do you think, it would be possible for me to come and work, for you, for a few years, as a volunteer? I believe this experience would be very good for the kingdom, and me personally. I have a Masters degree, in engineering, and marketing. Also you would not have to pay me, anything. And it does not matter what position, you give me; even to be your driver is fine. ”

Realising the prince was serious, the businessman, was totally humbled, as he thought to himself:

-how do you hire someone, who does not need the job or the money?

-how do you motivate such a person?

Now, imagine, if in your approach, to life, you were as this prince:

– you have the skills to work, anywhere or for anyone, that you want;

-if you offer your services, they will do anything to take you, because of the value that you bring.

-your mere presence, at an organisation, will transform it completely.

-you do not work for money;

– You will never have to complain, because you can just leave.

– VISION, VALUES, and INTEGRITY of the leader are the only motivations that will keep you, in a place.

How would you fare?

Now imagine, if you were this businessman:

-you have to approach, those that come to you, as “volunteers”, rather than as employees;

-they can get a job anywhere in the world;

-they do not need any supervision, they know what to do, even when you are not there;

-there is no promotion or position, you can offer, which would be good enough;

-they are happy with whatever position, you give them;

-they will work very hard, and not complain.

-they will not steal from you, because it would be beneath them, to do such a thing....

-there is no amount of money, that you can use to get them to work for you:

Your VISION, your VALUES, your INTEGRITY... are the only means, to recruit them, motivate them, and to keep them.... That is all....

How would you fare?

The greatest organisations, whether they are business, not for profit, church ministries, government departments... are built by people, who approach others, as “volunteer princes”. The most successful employees, in an organisation, are those who have the mindset of the “volunteer prince”.

Bad Habits Die Hard....

Let's change the way we manage, and unleash "the volunteer prince and princess in our staff".

During the colonial days, the people sent by the colonial governments, were essentially what we call "petty administrators", who relied on "command and control style of management", where they barked instructions at their subordinates, whom they saw as beneath them.

This style of management spilled over into the private sector. Employees, in such enterprises were not expected to be innovative and they did not try. After independence, in many African countries this management style was maintained, often inadvertently, as it was the only known method of management. It was particularly strong in countries where the military, had spells of governance: soldiers love "command and control".

Unfortunately successive generations of African managers have taken this approach to management, as "best practice". In this environment it is difficult to nurture the "volunteer prince", as employees struggle to be motivated, when they are managed like children.

Staff are often subjected to threats and shouting, from bosses hiding behind closed doors!
... This is not management.

If we are to unleash the full potential of Africa, we need to critically review the way we manage our public administration and enterprise sector. It will not only lead to higher levels of productivity but it will lead to increased innovation and therefore competitiveness, on the global stage. We cannot take the baton from China, if we cannot match them, in productivity and innovativeness.

A Lesson from Joshua On Public Service Leadership.

Joshua is the second leader of the children of Israel; he succeeded Moses, whom he had deputised for over 40 years. Joshua was a freedom fighter, a soldier and a politician, who dedicated his whole life to fighting for the freedom of his people. When they entered the promised land, it was not empty, and Joshua, then over eighty, led a military campaign, against superior forces, for more than 5 years.

The book of Joshua spends several chapters, giving a very detailed account of how Joshua, systematically and meticulously divided the land to each and every tribe, and family. Even within the tribes, he apportioned land equitably to everyone. He even ensured that women could inherit and own land..... 4000 years ago!

There are two leadership lessons, that I want to share with you, from this extraordinary leader:

Joshua, was from a tribe called Ephraim, and one day the leaders of this tribe, went to see him expecting him to do them a favour, and apportion a bigger share to “his own people”. Joshua publicly rebuked them. He was not prepared to show favour to those from his own tribe. Joshua, was a nation builder, and he knew that the moment you show favour to people from your own home area, or tribe, or race, or even religion; there is no nation. The converse is also true, when you as a citizen of your country, go to those in public office, seeking a favour on the basis of kinsman ship, even if its a job, or a small contract: there is no nation.... you become a destroyer of your nation.

Remarkable... 4000 years ago, this man, set an example for us, which many of us, particularly in Africa, still struggle to appreciate:

The promise of progress and success, has not burned this brightly in Africa, since the early days of independence. And yet, we can blight it, if we do not rid ourselves of tribalism; it is the twin evil of corruption. You are the generation, that can rid us of these evils.

The second leadership lesson, from Joshua, comes from this remarkable, verse of scripture:

“Joshua’s Inheritance

When they had made an end of dividing the land as an inheritance according to their borders, the children of Israel gave an inheritance among them to Joshua the son of Nun.

(Joshua 19:49).

Joshua himself, was only apportioned land, when he had taken care of the needs of those, for whom he had fought; not before. He did not keep the best for himself. He asked just for a small place to go and live out his life.

Secondly, Joshua, did not apportion even this small place to himself; he asked the people to apportion him his inheritance, because to do so himself would have been a conflict of interest.....

.....This was 4000 years ago!

If you are thinking of serving through public office, this is good; but remember the lessons of Joshua. His life in public service, was more than 50 years.

Take a Longer Term View

There is a story told, about either the founder of Toyota or Honda (I cannot remember which), but this man ran a small business making bicycles, in the early 20th century. One day, he saw for the first time, an American car, being driven by a wealthy businessman. Rushing back to his little bicycle workshop, he gathered his small workforce, and declared:

“Before the end of this new century, we shall be one of the largest car manufacturers in the world.” And of course by the end of the twentieth century, the Japanese car companies, dominated the global car industry; Toyota for instance was the largest in the world.

I have told you this story to show you, an interesting leadership principle: the need to take a long term view in whatever you are trying to build. It will teach you, how to practice one of the key leadership qualities, of true success: humility, and by it modesty. As an entrepreneur, whether social or business, try always to take a long term view. Sometimes success comes very quickly, as you start your venture. If its business you might find yourself making a lot of money, just after

a few months or even years of starting. This might encourage you to start spending money on your own needs, or trying to show people around you how well you are doing.... This is not wise.

Personally, I have always taken a long term view whenever I start something. I have shown you in previous posts, how to take a methodical well calculated approach; how to develop a business plan; the need to find good people to work with you. The need to put everything back into the enterprise. When you have a long term view, you will realise that its a long journey you have started. Don't take money out of the business; don't expand recklessly; don't try and show off with a big house, and expensive tastes.....steady as she goes!

This is one of the reasons, the bible stresses the importance of humility, as an important quality for good success. Modesty which comes from humility, will make you very successful, if you embrace it fully, in your approach.

Face up to your creditors... with humility.

Sometimes when you are running a business, things don't always work out the way you planned. You might find yourself having borrowed some money, or taken some goods on credit; then that payment you were expecting does not come through! And now you owe money, lots of money, and the creditors begin to chase you for the money!

What must you do?

First of all let me tell you something; there is no businessman or woman, who has not had this experience. It might be with a supplier, to your business, or even a bank. It can happen to you, whether you are small or big. The most important thing to always keep in mind, when you are in this situation, is not to lose sight of the fact, that the other party, once TRUSTED you by giving you goods on credit, or by giving you a loan. So don't get angry with them, and say, "why are you bothering me, now; didn't I say you will get it, when I have it?!" Then you cut off the phone, or slam the door.

That is wrong.....

How you respond to such a situation will not only test your character, but will decide how successful or big, you are going to be, in future. Go to the biggest and most successful business person, anywhere in the world. They will tell you what am going to tell you now:

1. Always treat your creditors with the most utmost respect, for the trust they had in you.
2. Be quick to apologise, for the situation. Even if the other party is angry and abusive, do not retaliate.
3. Do not default, under any circumstances. And by this, I mean that if you had an agreed payment date. The moment it becomes clear that you are not going to make that payment, go and see them, and tell them. Do this well in advance, giving the other party time, to make alternative

arrangements. Do everything you can to get them to agree a new date. Never default, by ignoring the dates.

4. When dealing with a creditor, in this situation, always go and see them. Do not write and do not phone. Let them see you.

5. Don't demonise your creditors, or lenders.

Work with creditors and bankers, as partners. Always make them feel this way. It will do you wonders.

If you think this is tough, then you are not yet tough enough for the big time. This is what it is about.

Build a “Circle of Trust” Around Your Business

In the early days of our business, We were often forced to pay our suppliers, for everything in cash. At the same time, our key customer, the government, paid us usually after 30 days, or more. This meant we had to borrow to buy materials for our projects.

I knew that the larger, more established players in our industry, did not have this problem, because they had terms from the suppliers; the same ones who demanded cash from us. So, we always had terrible liquidity problems in the business, and we were often chased around, and even embarrassed by creditors.

Our bank manager was an elderly lady, and one day, I sat down with her and explained our problem. She told me one of my largest suppliers, was also a client of the bank. She brokered a meeting, and told the supplier, she could vouch for me, as a trusted customer, because I was as she put it, “frugal and sensible with money”.

The supplier agreed to give us a small credit limit. I promised to allow the supplier free access to information about everything I was doing. If I got a new contract, I told them immediately, and when we got paid, or the payment, was late, I told them. We started small, but soon, they increased the limit. Before long, we became their largest single customer. We had built a partnership based on a common interest.

Over the years, as this supplier prospered through our relationship, he enthusiastically introduced me to other trusted suppliers. Sometimes, when the same suppliers, heard about a major new project, they would call me, and tell me to try and get it.... It was good business for all of us:

We had built a “circle of trust”.

That was when we were small, but those principles remained with me, and even now, we have similar relationships, with global suppliers, around the world; in places like China, India and Sweden. There are suppliers of ours, who have even recommended to governments, to give us licenses! Your suppliers (the ones you may now call your “creditors”..... because you have not

paid them); and even your banks, they are running businesses, just like you. Invest in getting to know them:

Make yourself a trustworthy partner to them.

Success comes from creating a “circle of trust”, between your business, your customers, your suppliers, and your lenders. The more people enter, this circle of trust, the more you prosper, and the more the nation itself, prospers. This is part of the “mystery of capital”.

And, when the economy of your country enters a difficult time, (as all countries, do from time to time), it can be all that stands between you and bankruptcy:
your circle of trust.

Chapter 14:

Being Business Minded

*“It does not matter what industry you are in, or how well established it looks.
Somewhere, somewhere, there is someone working on something, that will
completely turn it upside down!”*

I make it my business

One of the fastest growing businesses in the world today is a company called Uber. For those who do not know what Uber is; it is essentially a Mobile App (a computer program, using a cell phone), which makes it possible for you to call a “taxi”. Uber does not own any taxis or cars of its own. The App sends a message (similar to an SMS), to the nearest registered but independent Uber driver, within your vicinity. The car will usually arrive at your location, within 5 minutes. Whilst using one of these services, the owner of the car, proudly told me that he was making a lot of money, as the service brings him customers. Uber take a commission, and also do the billing. All he has to do is turn up. Then the driver, added this:

“Uber has no assets, just some computer servers.”

Seeing that he was a smart entrepreneur, I then engaged him in a wider conversation, about business:

I asked him so many questions, that he finally asked me, “are you planning to set up a similar business, in Africa?”

“Not really.... I’m just “BUSINESS MINDED”; I make it my business, to see the business side of any business.”

I then surprised him by telling him what I already knew about Uber. For instance I told him, that Uber, is now valued at more than \$40bn.

They are more valuable than Anglo American, which is one of the largest mining companies in the world. Imagine, a taxi hailing service, is more valuable than Anglo which has been around for more than 100 years, employs tens of thousands of people, and controls some of the largest deposits of diamonds, platinum, iron ore, and coal; in the whole world.

“Do you think that is fair?” The Uber driver asked. “How can a company with no assets, be worth more than a mining company that owns De Beers Diamonds, or Anglo Platinum?!”

Uber has no assets. They do not even own the cell phone network, on which their services operate.

“Who would have imagined that someone can come along, and change a service as simple as getting a taxi?”

\$40bn.

As we neared the end of my journey, I suddenly asked my driver, who incidentally was an African from Ethiopian:

“How does Facebook and Twitter make money?”

“Through advertising”, he shot back.

“What does that mean?” I asked laughing.

“Not really sure, sir.”

I laughed some more, and as I got out of his car, I was still laughing.

He looked bewildered, by my response. Sadly I did not have a chance, to explain to him, why I was laughing. He rushed to his next Uber client, I went my way... Still laughing.

Changing dispensations

I will never forget the first time we had to deal with Blackberry, when they produced their phone for the first time.

“Our business model is quite simple”, the sales executive said, to us:

“We charge you, \$20/customer, per month. And you can charge on top, whatever you want.”

My Chief Marketing Officer, who was dealing with them, was livid:

“That is ridiculous! We have invested billions of dollars to build the network, and to get customers. Now you waltz in here, and tell us, that you will get the lions share of the revenue on each customer? How can anyone accept such an arrangement?”

The Blackberry guy, smiled, and said quietly, “its a take it or leave it.”

The matter, was escalated up to me, as Chairman. I listened quietly to our senior executives, express their frustrations, and indignation:

“That means, we will only get about \$5, whilst they take \$20; is that fair?!”

“Why, why can't they just sell us phones, like everyone else. Why do they want a revenue share, as though they are the operator?!”

“Do it, and do it now.” I said quietly.

Then I explained:

“They have the upper hand. They know that they have an iconic product, which our top customers will want. If we do not sign, they can do serious damage to our business by handing this opportunity to a competitor. This game is no longer about building networks, its the guys who can use our networks, for their own businesses, that will be king from now on. We better learn to do the same, or at least work with them.”

The position of Blackberry, would remain unchallenged until someone came along with a better product, and that was Apple. They were even more aggressive, about what they wanted. There was no debate, we all understood, by then.

Today, Apple is worth more than \$600bn, making it the most valuable company in history; yes more valuable than any oil company, or mining conglomerate or cell phone company.

Being “business minded”, requires you to understand, what I call “changing dispensations”, when they occur. If you do not understand why Alibaba, an “online flea market”, is worth more than any cell phone company, or any mining company, you will not be able to play the business game.

Now, think about Uber, and learn, to be business minded.

Change is coming to your Business!

Whenever I share a little story, my key objective is to help you extract one or two principles that you can apply, when you find yourself in such a situation:

For instance, I gave the story of Blackberry:

Until they came along, our business model, as a Mobile Network Operator, was to buy phones in

bulk, as cheaply as possible, and sell them to our customers. Our business was not to sell phones, but to get people to use them; our business was “airtime”. Now here was a new manufacturer (Blackberry) who did not want to just sell us phones, but wanted a share of the airtime revenue...actually they wanted the majority of the airtime revenue!

I realised very quickly that they were not selling a phone, but a service. Blackberry is not a phone, it is a phone used to access the Internet. It was the first real “smartphone”:

The game had changed!!...new dispensation!

Companies like Nokia, and Motorola, who had dominated the game, until then were in big, big trouble, if they did not see this “change in dispensation”:

Nokia, failed to see this change, and were taken to the cleaners. Giant companies like Ericsson’s of Sweden , Siemens of Germany, shut down their cell phone manufacturing businesses, and fled at the coming of the “smartphone”, boys like Samsung and Apple! Others just became small time players in an industry they had once dominated.

“Changing dispensation.”

I also realised at that point that we would have to change quickly and turn our attention to things like Mobile Money services. Now we would have to hire bankers, and insurance people, even doctors (yes we have medical doctors developing products).

This was at a time when there was no Google, Twitter, Skype, Facebook, Alibaba, or WhatsApp. We would have to reach out to these new players, and find ways to work with them, or get rolled over!

Extract a principle now:

It does not matter what industry you are in, or how well established it looks. Somewhere, somewhere, there is someone working on something, that will completely turn it upside down! Uber is changing the public transport industry of taxis. Amazon took on the distribution of books. Netflix and similar services, will smash the traditional TV broadcasters, and Pay TV companies...

Being business minded, is accepting this reality. It is something that should actually “excite” you. I get goose pimples...I love it!

Another principle:

In 1900, if a young man or woman, went to the most successful person around and said, “what business should I be in, to really be successful?”, the answer would not be the same, when asked in 2000. And it would not be the same, if asked in 2050. These are different dispensations: You should not be dreaming of being a rural bus operator! ... It is not a business of your dispensation.

There are new industries, being developed every day, at an ever increasing pace.

UberEcoCash or M-PESA, are just the same!

One of my young daughters, intrigued by what I said in my first post on being business-minded asked me, “so how does a Mobile Money service, like EcoCash or M-PESA, actually work?”

“It works just like Uber?” I replied.

“How?”, she asked surprised.

“Like Uber, they use a very sophisticated software platform, to link up key partners in the transaction process.

.... Uber relies on independent drivers, who own the cars, and actually carry the people. Our mobile money service, Ecocash relies on thousands of independent small businesses, who handle the actual transactions.

If you think about it, the principles used in these two systems, are exactly the same:

Uber works, as a unique partnership, with the drivers...

Mobile Money transfer systems, works as a unique partnership with thousands of small businesses.”

She stopped and reflected for a moment, then asked:

“Do you think there are other partnerships, out there, that can use, this “Uber/Ecocash” type principle?”

“The opportunities, are actually limitless.... You just have to be business-minded, to find them. Why don’t you think of other services which could be developed using the same principle?”

Being business-minded, is not just about creating new products or services, but sometimes, it is about bringing “disruptive” new ideas, to existing products and services.

.....And if you come up with a great idea, be smart: don’t go telling the whole world on Facebook, just do it!”

In my next post, I will tell you a remarkable story about a smart young lady, called Chido.. Who listened to me!

Witty inventions

Proverbs 8:12

I wisdom dwell with prudence,
and find out knowledge of witty inventions.

Chido is one of my Facebook fans, she reads every post, and follows up with my “After thoughts”, taking copious notes, and extracting principles.

One day she decided to visit her grandmother, who lived in a village about 400km from the capital city of her country, She would have to travel there by bus, or “catch a lift”, from someone going to the area. The challenge for her was that the bus could be very intermittent, and never really followed a particular schedule, and as for the “guys with lifts”, she was afraid, she might get someone who could harm her.

Anyway she would have to brave it, because that is the way it had always been. Only this time, as she sat in a rickety rural bus, she was thinking about something I had said in one of my posts: She was thinking about Uber. In her own research she had discovered that the guy who set up

Uber, set it up because he could not get a taxi, when he needed it:

“Why can’t we “Uber-ize” rural transport?” she asked herself?:

“Imagine, if I could get an SMS 30 minutes before the bus was getting close to my village, instead of waiting all day?”

She had also read on the Internet, about the “Uber car pool system”, and she thought to herself, “if the guys who offer others a lift, were on an “Uber-like” system, I would have a better chance of vetting who gives me a lift, and when they are available.”

“Why doesn’t some African entrepreneur come up with a system, similar to Uber to solve our own transport problems? ... Surely, it must be possible to adapt the software they use for our challenges, here in Africa?”

Returning from the visiting her grandmother, Chido had to wait almost the whole day, by the side of the road, trying to get a lift back to town. As usual it was a harrowing experience for the young woman. Finally, she managed to squeeze herself into the back of a truck driven by a drunkard, who almost killed them.

The following day she called a young friend, whom she often met at the Internet cafe, and she asked him a question:

“James, you know how to write in code, don’t you?”

“I have Internet friends all over Africa, and even as far as India, who could help us develop something like this. Its actually not that difficult.” James declared, confidently.

The two of them reached out to some Internet friends, using Social Media, and began to develop their idea. Very soon they had a company, with partners in Nigeria, Kenya, India and America.

...when their company listed on the New York Stock Exchange, a few years later, they were richer than Aliko Dangote!

Principle:

Chido and James do not have to be imaginary characters. There are young people across the entire world who have skills to solve this kind of problem, and many others like them. They do not need to buy buses to get into business, but they will end up making more money than any bus operator in history. They will be able to get into business with far less capital, than I needed.

Be “business conscious”; “be business minded”..... This is your dispensation!

So who is making the money?

A friend of mine, in South Africa, wanted me to join him, in acquiring a business called a “Feeding Lot”. Something he said, intrigued me:

“They have 50,000 cattle on one farm...”

“Did you say, 50,000 cattle?! Wow! I have never seen that many cattle in one place. I have to see this!” I exclaimed with excitement.

Having walked around the farm, and seeing all these cattle feeding in one place, was pretty cool, for a city slicker like me:

“It would be great to have the bragging rights of saying, “I have 50,000 cattle!” I could just see how they would react back in my village, in Zimbabwe!”

But before, I got carried away, I had to look at the numbers. And when I look at numbers, I look at numbers.

How do they make money, and how much!

“Let me get this?” I asked the Managing Director, of the operation:

“You buy the cattle, from other farmers, and then you feed them. Then you sell them to the guy who slaughters them; and he sells them to the supermarkets?”

“Yes”.

“Interesting.”

“So who makes the money?”

“Its an industry”.

“Tell me about this industry, I want to know everything about it.”

The management were professional and passionate about their business. It was clear they had been in it, all their lives. Most of them had specialist agricultural degrees and MBAs. The more they spoke, the more I realized how sophisticated it all was:

There is a science, to everything:

Now the guy was talking about the type of cattle they use; how they get the cattle to put on weight quickly...disease control...competitors from Brazil.... “Wow, they do that?!”

“Yes, yes, yes.”

“I see”.

I wondered what the conversation with the professional farmer, would have sounded like. Or for that matter the abattoir operator, or the buyer at the supermarket chain.

Respect. Respect.

Being business minded requires you to always approach things with humility and respect. There is nothing out there that is “simple”. Only fools look at what someone else is doing, and say to themselves, “that is simple”.

The process of reviewing their Financial Statements, and Business operations took me several months, working with industry consultants. It was harder than a telecommunications business. I decided not to buy the business, although I would have gladly invested, for a minority stake, on condition that they stayed to run it. Understanding this distinction will prepare you for the “senior class”, of business minded people.

CHAPTER 15:

Turn your business into a “technology company”

“The most successful businesses today (big or small) are those that see themselves as “technology” companies, irrespective of what business they are in!”

All this is technology

The other day I was talking to a friend who runs a fast-moving consumer goods company, or what the experts call an “FMCG” company. He was surprised when I said to him, “I also consider myself to be in the FMCG sector; I discourage my people from seeing our business as a ‘technology’ business.”

“I don’t understand what you mean?” my friend said. “I thought you were in the telecoms business; isn’t that technology?”

“We sell fast-moving consumer goods. Our products and services (things like ‘airtime’) are for the mass market consumer. We’re no different from Coca Cola. We’re chasing the same consumer dollars.”

Then I added, “Now if you’re a consumer goods company selling bread, you must begin to see yourself as technology company if you want to succeed in today’s digital world.”

A technology company that sees itself only as a “technology” company will end up losing sight of the customer. And yet almost all businesses must so embrace technology in everything they do that, for all practical purposes, they’re “technology” companies:

 The most successful businesses today (big or small) are those that see themselves as “technology” companies, irrespective of what business they are in!

Confused?

Imagine an entrepreneur who’s running a small supermarket at a busy business center. Her business seems simple enough: she buys fast-moving goods like bread and meat, and sells them to her community, and perhaps to people who travel through it, like tourists or visitors.

How can we turn her business into a “technology business”? How could she use technology to make herself more efficient, attract more customers, be more profitable, and grow — perhaps into a franchise? What advice would you give her?

She needs to have a smartphone for starters. Through her smartphone she can buy applications (Apps) readily available on the Internet to help her with things like inventory management, payroll management, record keeping and accounts.

All this is technology.

She can use the Internet to link up with wholesalers and other suppliers to order goods and compare input prices.

She can research the retail price her competitors are charging for the same items.

She can bank using her cell phone. She can be part of a savings scheme.

She can invest in a credit card terminal to attract new business and larger orders.

She can advertise her goods on the Internet using everything from Facebook, to Instagram, etc.

She can even set up her own website. There are so many young people who can develop a website for her at very little cost. Whatever business you're in, even the informal sector, you must begin to have a presence on the Internet!

Technology matters in your business. Take the time to look for creative ways to leverage it to make your business more visible, efficient and profitable!

__ Don't think you must wait until you're "big" before you learn to harness technology. You'll become big BY harnessing technology! Even if you're running a rural trading post or sell goods at an informal market, technology can give you information, efficiency and competitive edge to help you succeed and prosper.

In this series I'll talk about how technology can transform even the smallest business, in any sector. As the great inventor Thomas Edison said, "There's a better way to do it – find it!"

Harness the future!

The other day I was watching a program about a young Chinese entrepreneur who created a restaurant that has no waiters. Everyone orders food using an "App" and simply arrives, collects and sits down to eat!

Ten years ago, I remember visiting a farmer's market in rural Kenya where they exchanged prices on their cell phones, from village to village, to ensure that middlemen don't cheat them. It has since developed into a highly sophisticated commodity exchange system. This is technology.

In the past few weeks, some of you have shared exciting ways you already use technology in your own businesses. Others of you are just beginning to launch your ideas. You are harnessing the future!

__ Whatever line of work you're in, you must master technology. It must be your silent partner!

Many of you have asked advice about how to get started. Why not use the internet to do research and bring yourself up to speed with best business practices and technology innovations around the world?

Whatever you do, don't think you can be blissfully ignorant, or worse... resistant to the changes happening because of technology.

When I was getting started in business, it wasn't possible to go to my phone or the "world wide web" to search for information about nearly everything. Today, almost all of you can do this. The world can be at your fingertips!

__ If you're really serious about learning online, consider looking for a "MOOC," which means a Massive Online Open Course. At www.mooc-list.com, you can find technology education and training courses (and a wide range of other subjects) taught by top universities and colleges around the world. Many are free of charge.

Coursera.org is one MOOC with courses on all topics under the sun, including "How to create a website in a weekend" and "Web design for everybody." You alone must decide what you need to make your business more successful and profitable using technology, but below are a few websites that offer IT courses that may be of interest:

www.udacity.com/courses

www.teamtreehouse.com

www.codeacademy.com

www.code.org

www.khanacademy.org/computing/computer-programming

__ Remember: information is power! But one word of warning: While the internet has some amazing research information, be sure your sources are trusted and credible. Some of what you read could be worthless and even destructive.

When I'm done with this series, I want you to be conscious of the impact of technology on the business you're in now, and imagine its role in the future... not in a negative sense, but in a positive way. You're not going to get away from the impact of technology. You must either learn to harness its huge potential and use it to your advantage, or it will destroy you.

Looking at your own businesses today, you should already be working on these five questions:

How can technology help me design, produce, market and/or deliver first-class goods and services to my customers?

How can technology make my business more productive and efficient?

How can technology make my business bigger?

How can technology make my business more profitable?

How can technology help me leapfrog my competitors?

Listen before you leap.

In a recent interview, a former CEO of Apple Computer, John Sculley, talked about entrepreneurship, innovation and new "disruptive" technologies. He said his Apple business card back then didn't call him Chief Executive Officer. It said: "Chief Listener" ...

As you transform your business into a technology company, you'll have important decisions to make. You, too, will need to become a "chief listener." Not every exciting new technology will be right for every business.

Not long ago I met a young farmer from Zambia who told me of innovations he was introducing on his smallholding of only a few acres:

He knew he had to introduce hybrid seeds to increase his yield... seed technology.

He was using fertilizers and testing out different application methods... soil management technology.

He was introducing storage bags to protect his harvest from losses... technology.

He was interested in buying a dryer to ensure that he could extend the life of his crops... technology.

He was using his cell phone to find buyers for his produce, and had set up a website... technology.

He regularly talked to other farmers and exchanged information on Facebook and Instagram... technology.

He was using solar power to light up his home and power up some of his equipment... technology.

He was part of a cooperative planning to buy a tractor and other equipment to improve productivity and output... again, technology.

He was aware of what other young progressive farmers were doing all over Africa, using social media to keep abreast of news from Ghana to Brazil and beyond... Technology, technology, technology.

This young man had done his homework and was in the process of making careful technology choices on his path to prosperity.

So, how might you get started? If you're already in business, you must first take the time to listen — to your customers, your business team, and a few trusted experts, whether many or few. I've already discussed the importance of reading...

What do people in your market or industry say they want? Is it available? Why or why not?

How can technology help?

How can you and your team do your work better — more productively, efficiently and quickly?

How can technology help?

Do you know what your competitors are doing?

How can technology help you do it better?

The business magazine publisher Malcolm Forbes once said: "The art of conversation lies in listening."

__ Listening is a critical form of market research that doesn't have to cost you a lot of money.

“If we were supposed to talk more than listen, we would have two tongues and one ear,” said the great American writer, Mark Twain in the 1880s.

Twain was reportedly offered the opportunity to invest in the first telephone by its inventor, Alexander Graham Bell, but he decided... no. I guess he didn't like the sounds of that new technology! I wonder who he listened to? Back then, a telephone was no doubt a very disruptive idea.

Basic listening homework includes deciding the right questions, then:

- # listening to customers, suppliers, competitors and experiences of trusted others;
- # consulting with experts (not just the ones trying to sell you new technology).

__ Please don't just wake up one morning and decide on “impulse” to spend or invest lots of money just because a salesman or so-called expert tells you that new technology alone will make you rich and successful. You must do your homework first!

In today's high-tech world, people still talk much more than they listen. Did you know the words “silent” and “listen” have the exact same letters in them? There are so many more ways to do your business research now than ever before.

Everyone can learn and benefit from being a “Chief Listener.”

Use mobile phones and the Internet to change your business.

Most of the fastest growing businesses in the world are businesses that have “re-imagined” well established business areas by introducing innovations based on the Internet and mobile phone technologies. You don't have to change the business you're in to make it a “technology company.” You just have to “re-imagine” it using the Internet and the mobile phone.

Let's look at some examples:

- # From ‘flea markets’ to eCommerce: Africa is full of what we commonly call “flea markets” (informal markets). These are small little businesses selling almost anything that we find in every African city. Some are huge — Mbare Market in Harare, Ikeja Market in Lagos, Kibera in Kenya, to name some of the best known. There you can buy almost anything!

In China some smart young entrepreneurs looked at these informal markets, and re-imagined them on the Internet.

__ Out of this came some of the most valuable businesses in the world today... companies like Alibaba and Tencent!

We all know about companies like Uber and Lyft, and their Chinese counterparts. All these guys did was use mobile technology, and the emergence of smartphones, to bring efficiency to something as old as cars — hailing down a taxi!

A young entrepreneur in America, who loved reading books, wanted to find a way to get a book. Instead of spending his time going to bookshops and libraries, he thought: “Why not sell books using the Internet?” The company he created is one of the most formidable businesses in the world today. It’s called Amazon.

A group of entrepreneurs used to sell videos, something we see on the streets of Africa every day. These guys thought to themselves: “Why can’t we do this Online?” First, they started selling on a website, then they thought why sell videos? We can just stream the videos direct! That is Netflix, folks!

Years ago if you wanted to sell something like your car, you went to the newspaper and bought a column in a “classifieds” column. It was time-consuming and costly. Today there are thousands of businesses that do this Online.

Some of the greatest opportunities today lie in simply taking things we have always done, and applying innovations based on the Internet and mobile phones.

Today I want you to think about the business you’re in, or work for, and ask yourself:

__ What have we done to make this a technology business? How much of our income comes from our use of the Internet and mobile phones?

If it’s less than 25%, you’re headed for extinction... and you probably deserve it! If you don’t get your business Online and using mobile technology, someone will “re-imagine” what you do, and take it away from you.

You have to drive your business through the Internet and Mobile phone technology. There’s no business which is exempt. You saw the article I published recently called “Digital Farmer.” Yes, even smallholder farmers in villages must use mobile phones and the Internet to grow their businesses.

Here’s an interesting prediction: within 10 years there should be no markets found anywhere in Africa, like Siyo So, Mbare, Ikeja, and Kibera. You shouldn’t find anywhere in Africa someone selling wares at a street corner, even vegetables. It will all have gone Online, and ordered using a mobile phone. Now let’s get to work!

The Internet, and the mobile revolution, have liberated us to build a new generation of businesses, and social enterprises, that play by a different set of rules.

If you learn things like “HTML Coding”, and how to “sell Online”, you can equip yourself with the capacity to build a new generation of business, which allows you to sell your goods and services, not only to people in your country, but even beyond, almost instantly.

You can build businesses like Alibaba, Weibo, Tencent, Facebook, Yookos, Twitter, and such like. You will not need to fight for contracts, and tenders, or land, or mineral rights, or an oil block.

You will not need to raise big bank loans to start, or rent expensive premises. You will not need to move to the big city in your country. You will not need to go to Silicon Valley. You and your friends can work from a small kitchen, somewhere, even in Kibera (a big slum in Nairobi).

As Jack Ma of Alibaba showed us, you do not need to be an engineer or rocket scientist:

-If you are a school teacher, you can start posting lessons for African children, even tomorrow.

-If you are a nurse you can share some of your health tips, online, even tomorrow.

– if you are a farmer or agri-entrepreneur, you can earn more money, than ever before, by using these new tools.

Just imagine what would happen to your country and Africa, if you too could launch a business, like Alibaba, or Tencent? Each one of these businesses is worth more than all the diamonds in Zimbabwe, and Botswana. Their combined value is almost the size of the Nigerian economy! The trend we are seeing in China, that gave way for companies like Alibaba, and Tencent to emerge is also coming to A

Applying technology to an old, old idea!

In some parts of West Africa, they call it “susu.” In South Africa they call it a “stokvel.” In Zimbabwe they call it “mukando.”

__A group of people who know and trust each other get together and they form a savings club. They agree to save a certain amount of money every month and each one of them takes turns to receive a large amount of money. It’s a traditional savings and loan idea that’s been around for a very, very long time.

Women in informal markets, in villages, in church groups, do it. Low income workers do it, right across Africa.

People who have tried to estimate how much money circulates in these informal savings schemes believe it’s probably billions of dollars across Africa.

About three years ago, I brought together a small team of smart “coders” and asked them to design a mobile “App” to “re-imagine” this system. The team developed a platform which enabled a group of people to use their “mobile money” service to save their money using this

platform, using their phone number as a bank account. We've now successfully implemented this idea, and thousands of Savings Clubs are now using it.

The "EcoCash Mukando" platform does not try to do away with this traditional system, but has simply applied technology to make it more efficient and flexible:

it holds the deposits on behalf of the savings clubs, and what are known as "burial societies."

they can earn interest on their money, which they could not do before.

it's easier and safer to deposit and move their money.

Since the service was launched in Zimbabwe a few months ago, I have been amazed at how many clubs exist, as each week hundreds of new clubs are joining, and being formed.

Now that we have got the concept working, and generating revenue, our next task is to begin to roll it out in other countries.

A few weeks ago I was having a meeting with a leading international banker in New York, when he suddenly said to me, "Tell me about this banking system your people in Zimbabwe have pioneered. You call it Mukando; what an amazing idea. You guys could mobilize billions in savings!"

I simply smiled, and thought to myself, "Here is a guy in New York, watching something we are doing in Africa."

I have no doubt in my mind that this is a billion dollar idea.

I have used this example to illustrate a very important point to you:

Some of the greatest opportunities out there do not necessarily involve new inventions or innovations. You can start by observing things around you, some of them basic mundane things. Some of these things are taken for granted, as "the way things are done," but everything that you can see with your physical eyes, is "subject to change."

Why can't you be the person who brings this change by applying a technological innovation to it...

Here's my challenge: Think about the most mundane activity around you, and "re-imagine it" for the DIGITAL AGE. If you succeed, you'll be on your way to becoming a billionaire.

One last point: many people tell me they have lots of ideas, but the mobile operators in their country are not willing to partner with them. As much as I'm in this business, let me tell you something: you don't need them!

Uber, WhatsApp, Twitter, Viber, WeChat, Instagram, Alibaba... none of them went begging mobile operators to partner with them. They just did it.

Come up with strategies that bypass the need to get anyone's approval or permission, including mine!

You could be the one who changes the world with an idea all others thought impossible. Don't get left behind.

CHAPTER 16:

Setting up business in Nigeria

“Abraham Lincoln once observed, “Nearly all men can stand adversity, but if you want to see a man’s character give him power.””

The Price I paid.

Sometimes the price can be very high in the fight against corruption.

I had the privilege of making Nigeria's first GSM phone call back in 2001 when I called the regulator to say, "We're live!" Who would've believed then that Nigeria today would have more than 167 million mobile phones?!

It all started out as a very exciting new chapter for enterprise in Africa. Shortly after President Obasanjo was elected, the new government announced an incredibly transparent international auction process for three national mobile phone licenses.

To participate in the bid, you not only had to raise money, but there had to be a member of the bidding consortium who was an experienced GSM operator. Econet Wireless met the requirements because of its experience in Zimbabwe and Botswana. Our Nigerian partners, which included state governments, local banks and high net worth individuals, were financial investors. The largest shareholder had only 10%. That was the written agreement.

I managed to assemble a consortium of 22 investors to put up the money needed to bid. Our shareholders were all Nigerian, mostly institutional investors including leading banks and two state governments, Lagos State and Delta State. The license cost us \$285m and was the most expensive license ever issued in Africa at the time. This was 2001.

We considered the investment not only about putting together a network, but also about building a nation. We knew it had the potential to transform Nigeria's entire business and social architecture.

Most of our investors had between 1-10% shareholding. Econet Wireless Nigeria had only 5% of the shares, but that was fine because it was 5% ownership of a very big pie.

As the "technical partner and operator," Econet was the company with the expertise to build and operate such a business. Our financial investors recognized this, and also allowed us to receive 3% of the turnover as our fees. This was standard practice in the industry.

We were one of the winning bidders and they gave us just six months to set up business and get our network operating. We were under a lot of pressure but our network was live two days before the others! Customers were pouring in. We were number one in the market with an estimated 57% market share.

___ Then came the fateful day when I was told that our company must pay a total of \$9m in bribes to senior politicians (in state government) who had facilitated the raising of the money to pay for the license.

I refused to authorize the illegal payments. Meeting after meeting was held to try to get me to agree, but I would not. The money would not be paid as long as Econet was the operator and I had signing authority.

James Ibori, the Governor of Delta State, was demanding \$4,5m be paid to him in his personal capacity. He was one of the most powerful men in the country and had a reputation for violence. When he heard that I was refusing to approve payment he issued an ultimatum:

___ "Pay or I will chase you and your people out of the country."

I refused.

The shareholders met and voted Econet Wireless Nigeria out of management. They cancelled our management contract. James Ibori and his colleagues personally attended the meeting to remove us. After the meeting one of them (a prominent local businessman even today) came up to me and said: "Unfortunately for you, God does not have a vote."

I had to withdraw all my staff and their families: 200 people in all. We left Nigeria.

Most of our people had to be retrenched. The loss of the contract almost drove us to bankruptcy as a group.

They invited a big international operator to replace us as technical partner and operator. They changed the name of the company from Econet to V-Mobile.

Within days of their arrival, the managers of the new operator signed off the payments demanded as bribes.

Then what happened?

A few noble Nigerians had both the integrity and courage to carefully collect all the documentation on the movement of the money, and pass it all on to me.

___ There's a saying worth remembering in uncovering the trail of destruction that is corruption: "Follow the money"...

I bided my time... then I wrote a letter to the United States Department of Justice!

It was 2003.

As citizens, we have a duty to speak out to stop the rot.

Nigeria has an agency known as the Economic and Financial Crimes Commission (EFCC). After we had to leave the country, a few noble people at the company tipped off not only me but the EFCC about the payment of the bribes, which had by this time risen from \$9m to \$13,5m.

I had never actually heard about this agency myself until I got a call from the Nigerian Embassy in South Africa to say they wanted to come and see me to interview me as a witness.

A team of very senior EFCC officers came to see us in South Africa. They were solid and professional in their enquiry. It was clear they wanted to do something about it.

However, when these officers returned home to Nigeria, they got into very serious trouble. Their investigations into the irregular payments had been brought to the attention of James Ibori (Governor of Delta State)...

Soon thereafter, the most senior officer leading the investigation was demoted and sent to a remote part of the country as an ordinary policeman!

Agencies like EFCC in Nigeria sometimes have brave and gallant law enforcement officers. Unfortunately, as I observed, they're often let down by their political bosses, and sometimes even by the courts. This can change if activism from the citizenry emerges to support their work.

___ We should not only support official efforts to stop corruption but also help these agencies and organizations in their investigations. If you have relevant information about illegal activities, passing it on could make all the difference between impunity and imprisonment.

In my letter to the US Justice Department, I detailed the full history of the demands for a bribe. I had dates, times, records. I then reminded them that since the big international operator had a listing on the New York Stock Exchange, they were duty-bound to launch an enquiry. Why did I go to them?

The United States government has a law called the Foreign Corrupt Practices Act. The United Kingdom has a similar one called the British Anti-Bribery Act. Whatever you do, make sure you never fall foul of those laws because, if they ever use them to come after you, you're a "gonner" my friends.

A few weeks later, US officials wrote back advising me that an enquiry had been launched. They contacted the big international company seeking answers to my allegations. My contacts at the company called to tell me, "All hell has broken loose at the company."

The parent company of the South African-based multinational sent external auditors and lawyers from London to Nigeria. They immediately dismissed all the senior executives sent to Nigeria to run the company, and they left in a hurry!

Although they fled the scene of the crime and returned to their country — after admitting even to both the US Justice Department and the EFCC that the money had been paid out — the stolen funds were never returned to the Nigerian people, even to this day.

Meanwhile, the departure of the other mobile operator did not mean we could return to Nigeria. The shareholders found another operator, this time from the Middle East.

They sold this new operator the control of the company even though Econet Wireless Nigeria had the "right of first refusal" over any sale. They simply ignored that provision in our

agreement. This was illegal, both according to our shareholders agreement and Nigerian Company Law. It was left for us to take up the fight in another forum, the Nigerian courts.

Beware the company you keep

The state government of Akwa Ibom held 15% of the equity in Econet Wireless Nigeria. This state was not one of the original investors but joined us later.

After five years, the governor of the state of Akwa Ibom decided to sell its stake. It had more than doubled in value in dollar terms, which meant it had been a good investment.

The state governor, an elderly gentleman called Victor Attah, sent a message through a friend that he wanted to see me in London to find out if I was interested in exercising Econet's right to buy its shares. I agreed to meet him in London.

"I want to sell the shares to build an airport before I leave office," the governor explained.

The governor was accompanied to the meeting by a British lawyer who sat quietly taking notes. His name was Bhadresh Gohil.

With a wave of his hand, the governor said, "Mr Gohil is our legal advisor here in London. I have instructed him to handle all our negotiations with you."

The meeting did not last more than 30 minutes, as the governor was on his way to catch a flight to the U.S.

We agreed with Mr Gohil that we would meet with my own advisors a few days later to start the process.

A few days later, I went to his office with a professional banker who advised me on such transactions. We met in the lawyer's plush London offices. He was confident and smooth-spoken as he explained how much we were expected to pay. Then he explained that our money was to go to a "Special Purpose Vehicle" (SPV) before it was transferred to Nigeria. It was a sophisticated structure and he showed me a drawing of how it would work. I wrote it all down very carefully into my notebook.

___ Such corporate entities as SPVs can definitely have legitimate purposes, but this one did not!

As I quizzed him about why such an unusual structure was necessary, Mr Gohil changed tact and tried to entice me with an offer I could not refuse (or so he hoped): "I'm also the advisor to the governor of Delta State, Mr James Ibori, and if you agree to pay for these shares using this structure, we will offer you shares belonging to all the state governments. In total, you can have more than 30% additional shares. It will be enough to take control of the company. My clients just want out, and they are willing to give you what you have always wanted."

I listened to him, quietly taking notes in my small notebook. I did not give away anything, but inside I was very angry. From the design of the structure, I knew immediately that it was meant to siphon off money before it reached the state governments. It was clear there was a conspiracy to steal a lot of money.

___ Having already pocketed \$13.5m, now the government officials could easily pocket probably another \$100m through the sale process that they had developed with the help of Mr Gohil and other clever advisors in London!

When I left the meeting I immediately contacted the mutual friend who'd set up the governor's meeting. The friend was so embarrassed as I explained the corrupt structure clearly designed to steal money from the state governments. He promised to raise the issue with Governor Victor Attah. A few days later he came back and said Governor Attah had claimed ignorance about the proposal put to me by Mr Gohil. He said he would speak to Mr Gohil and tell him it had to be done properly without the structures.

We never heard from them again. Mr Gohil simply vanished. A few months later we were told that the shares had been offered to a company from the Middle East who subsequently bought them. I was not privy to how they did it except that they had violated my right to buy the shares... That is another chapter in the saga, but not for now.

Fast-forward three years, long after the sale. Our lawyers in London called me one day and asked if I could come urgently to a meeting with the Proceeds of Corruption Unit of the London Metropolitan Police: "You are not in any trouble, but I think you will find what they have to say very interesting!"

This special unit was launched by the British to investigate corruption by foreign government officials who try to launder stolen money to the U.S. and the UK.

The officers asked me to explain everything I knew about the sale of V-Mobile shares to Celtel (later Zain).

I explained the history of the entire transaction and the shareholders disputes that had led to our departure. After awhile, they asked me to focus on specific events, and, in particular, my meetings in London with the governor of Akwa Ibom, and also the meetings with Mr Gohil. It became clear to me that they had a lot of information!

"What can you tell us about this structure, using a Special Purpose Vehicle?"

I explained my understanding of it. Later on, I gave them my diary in which I had recorded the details of my meeting that day with Mr Gohil.

Below my drawing of the structure, I had written in bold letters:

"This is corrupt!!!"

Not long after my meeting with the Proceeds of Corruption Unit, Mr Gohil was arrested together with one of his partners and several others. I later learned that when the Middle Eastern company bought the shares, some of the proceeds had been diverted using the Gohil structure. Some of the money was sent to a bank in London. This large amount of money was enough to alert the British authorities that money was being laundered through their banking system.

Their investigations led them to Gohil and his associates. They raided his offices and found stashes of documents, including details of the structures. Now they were looking for witnesses to help prosecute them for corruption and money laundering.

The British authorities tried without success to get other parties, including the governor of Akwa Ibom, to come out and clear their names but they refused. Officials of President Umaru Musa Yar'Aduah's government successfully thwarted all extradition requests.

I was asked to be a witness in the trial of those who had been arrested in London. I willingly accepted. Next I will tell you about my role as a 'Witness to the Crown' on behalf of the people of Nigeria whose money had been stolen. It would be the first time that someone big went to jail (in a foreign country) for stealing money from Africans.

Witness for the people of Africa.

Corruption often involves very sophisticated bankers and lawyers in Western financial centers. When corruption happens in Nigeria, or any other African country, it usually also happens at the same time with at least one accomplice on the other side of the world, whether in London, Geneva, or the like.

The London lawyer Bhadresh Gohil, who I wrote about in my last post, is just one of scores of international advisors who handle the sophisticated movement of money in the world, in this case the money stolen from the Nigerian people and hidden in overseas bank accounts.

When you choose financial or legal advisors, choose very wisely. Your very life could depend on it.

When Mr Gohil and other family and associates of Delta State governor James Ibori were arrested in London, I was asked by the British government to be a state witness in their trial. I agreed without hesitation.

Being a witness in such a case is not easy. It meant that I had to stop working for several weeks and just focus on preparation to give evidence. I knew I would be grilled in an open court by expensive defense lawyers who would try to challenge my integrity.

I was told that many potential witnesses had declined to give evidence in open court out of fear.

Not me!

I headed to England as a “Witness to Her Majesty’s Government.” For me personally, I went as a “witness on behalf of the people of Nigeria and Africa.” It was my duty.

A witness can help ensure justice is done. Solid evidence is crucial in ensuring the truth is heard and that the rule of law is upheld. Without witness testimony, criminals can operate with impunity, one of the greatest threats to Africa’s future.

What is impunity? It basically means evil actions have no legal consequences. As a result, criminals are allowed to stay busy committing their crimes, knowing they can get away with it without punishment.

___A culture of impunity endangers the prospects for prosperity and security in Africa in every imaginable way.

Mr Ibori’s wife, his sister, and his mistress, who each had each received money from the sale of the shares in V-Mobile (which were assets of the people of Nigeria), were also arrested in London and were sentenced to five years in prison.

My written witness statements were submitted and I prepared to appear in court to be cross-examined.

The night before I was due to take the stand in an open London court as witness for the state, I was told Mr Gohil and his associates had suddenly pleaded guilty. My lawyers told me that my witness statement was too strong and Mr Gohil and his team were afraid they would get even stiffer sentences!

In late 2010, Mr Gohil was sentenced to a total of 10 years in prison for crimes including conspiracy to defraud, conspiracy to make false instruments, money laundering and proceeds of crime. The sentencing judge said to him, “You were a solicitor of the Supreme Court and holding out as a man of integrity... You have brought shame on your family, your profession and your country.”

When corrupt people like this get into trouble, they often pay some of the best lawyers in the world to help them get out of it. Taking them on successfully requires authorities equally determined and sophisticated in their approach. These authorities in turn need the cooperation of witnesses prepared to stand in court and help with the prosecution.

The long arm of the law.

Abraham Lincoln once observed, “**Nearly all men can stand adversity, but if you want to see a man’s character give him power.**”

As governor of the oil-rich Delta State in Nigeria, James Ibori had a great deal of power. What he did with some of his power was blatantly steal from the Nigerian people. Public money meant

for building schools, health clinics, roads, etc. was instead diverted by slick operators to several personal overseas bank accounts across the globe.

As a public sector official, Governor Ibori had a constitutional responsibility to administer state resources to benefit the people of Delta State. Instead, he even tried to bribe the Chairman of Nigeria's Economic and Financial Crimes Commission!

In addition to trying to solicit bribes from me, and successfully extracting them from others, another crime was to steal about 10% of the share payments that SHOULD have gone into Delta State coffers. This was a lot of loot so as usual he decided to stash it overseas

___As I've told you before, to track the trail of destruction that is corruption... Follow the money!

Unbeknownst to him at the time, the British government had passed a similar law to the U.S. Foreign Corrupt Practices Act, known as the British Anti-Bribery Act. Although he had been under investigation since 2005, when Mr Ibori decided to divert some of the stolen funds to London, the UK bank receiving the money alerted the authorities, as they are required to on such large amounts.

Mr Ibori managed to elude justice for a while because he had immunity as a state governor. Even when his term ended, he was still protected by powerful people in President Yar'Aduah's government. However, when President Yar'Aduah died, Mr Ibori knew he would be arrested under warrant from Britain because the London lawyer (and accomplice) Bhadrish Gohil had exposed the truth.

Mr Ibori fled to Dubai but the British traced him there and used Interpol to arrest him and bring him to the UK for trial.

In February 2012 he pleaded guilty because his associates including Mr Gohil had already pleaded guilty to money laundering, implicating him in several crimes. He eventually pleaded guilty to 10 offenses including conspiracy to launder funds from the state, money laundering and obtaining money transfer by deception and fraud. In April 2012, Mr Ibori was sentenced to 13 years.

___This was a stunning victory in the fight against corruption.

We will not end corruption on this continent unless we are prepared to pay a price to end it! This means that you and I must be prepared to lose what may appear to be the deal of our lives. And let me tell you, when it is happening it is never easy; of course, it is hard.

Jesus said, "What is it for a man to gain the whole world but to lose his soul?"

If you engage in corruption, you will likely become rich, probably very rich, with all the material things in this life. Most likely you will never be caught like the hapless Ibori, and his advisors, BUT, The Master said, **"YOU WILL LOSE YOUR SOUL."**

Rights, wrongs, and rule of law in Africa.

If this were a movie, I can only give you a trailer...

When we set up the company in Nigeria, all 22 shareholders had to sign an agreement governing our relationship, known as a Shareholders Agreement. This was April 2001.

The purpose of a Shareholders Agreement is to protect the shareholders' investment in the company. It sets out the shareholders' rights and obligations and regulates the sales of shares in the company. It also governs how a company is run and seeks to establish fair and transparent relationships between shareholders. Any company with more than one shareholder should ideally have such an agreement.

Among the most important issues for us was to ensure legal compliance with two specific provisions:

1. What do shareholders do if they want to sell, transfer or dispose their shares in the company and get out?

Answer: They must first offer them to another member. They can only sell them to an outsider if the other members either decline or fail to pay within 30 days.

2. How do shareholders resolve any disputes between members involving the company?

Answer: Any aggrieved party must ask for Arbitration (rather than go to court). According to our Shareholders Agreement, a three-member international commercial arbitration panel had to be appointed by The Chief Judge of the Federal High Court of Nigeria. The decision of this panel was to be final and binding on signatory parties to the Shareholder Agreement.

When the other shareholders, led by Delta State Governor James Ibori, decided to throw us out of the company, they did two things that violated the provisions in our Shareholders Agreement, as well as Nigerian law:

1. They "cancelled" our shares and removed our name from the share register of the company. No one has power to do this except a court and usually only the highest court in a country, as it is tantamount to expropriation of property rights. They did it anyway and dared us to go to court. We did, and it took us exactly 10 years to reverse what they did. The judges of the courts of Nigeria were harsh in their criticism of this decision by the other shareholders. They called it "disgraceful." It was a form of gangsterism!

2. They did not offer us the right of first refusal. Instead they offered their shares to a third party (a company from the Middle East) without first offering them to us as an existing shareholder. Of course, in their minds, it was not necessary because they had first "cancelled" our shares.

___ There's no legal right for other shareholders to say, "We no longer recognise you as a shareholder," then hold private meetings and make resolutions as if you don't exist. (Protection

of shareholder rights is sacrosanct if we want to mobilise investment and see the people of our continent prosper. Otherwise the whole investment climate is thrown up in the air!)

To right these wrongs, we first had to approach the Chief Judge of the Federal Court of Nigeria. Her name was Hon. Justice Ukeje. She inexplicably refused to grant our request for nearly five years. When she retired in 2008, we petitioned her successor Hon. Justice Mustapha. He granted our request and appointed a three-member international panel of legal experts to serve on the Tribunal. Two of them, including a retired judge, were Nigerian. It took him less than three months to make the appointments, for which we have waited nearly five years!

This Commercial Arbitration Tribunal was constituted under the auspices of the UN Commission for International Trade Law. The Tribunal ordered all the shareholders to appear before them with their lawyers.

It took almost four years of hearing evidence and arguments from lawyers and financial experts. We counted that there were more than 50 lawyers involved in the case, many of them from Europe and the United Kingdom, as well as leading lawyers from Nigeria.

The Tribunal issued its ruling on 22 December 2011.

Ending corruption: It only takes one brave person.

Sometimes just one person trying to do the right thing can change the course of history.

Anas Aremeyaw Anas of Ghana is an undercover investigative journalist with a focus on exposing corruption, exploitation and human rights abuses. Last month his work changed the course of Ghanaian history when he released an anti-corruption film called *Ghana in the Eyes of God, Epic of Injustice*.

“The most powerful weapon against corruption is transparency and exposure,” says Anas, who was born in the late 1970s and first trained as a lawyer. He says the aim of his life’s work is to “name, shame and jail” people who hurt others and break the law.

Released in late September, Anas’ new three-hour documentary has led to the shocking suspension of seven of the 12 High Court judges and 22 lower court judges secretly filmed in an alleged judicial bribery and corruption scandal which Anas investigated for about two years.

Money, sex, yams and even a goat were among the alleged pay-offs. In exchange, many robbers, murderers, drug dealers, rapists and others allegedly received shortened sentences or went free.

Anas notably works undercover, usually wearing disguises and pretending to engage with “bad people” who he then tries to film committing crimes.

__ People rarely see his face. Even when he gives public talks about his work or receives awards, he hides it.

Could corruption charges against these judicial officials be true?

Ghanaians are now waiting for rule of law to take its course — for all parties concerned. What seems to have come to light through Anas' brave undercover work is 500 hours of raw footage of judicial corruption in action, allegedly involving some 180 judicial officials – judges, magistrates, court clerks, policemen, state attorneys and bail contractors!

In trying to block the screening of Anas' whistle-blowing film, one High Court judge ironically argued that showing the film “brings the authority and administration of the law into disrespect and disrepute...”

Each of the seven implicated high court judges has been give a week between now and 11 December to appear before a special Chief Justice Committee. Anas will also appear for cross-examination, and some defendants have demanded that he remove his disguise when in court.

___The five-member Committee has contended this week that Anas is protected by the Whistle Blower's Act. As such, he must not be unmasked and is also covered by immunity.

While not his first choice, Anas says he believes working in disguise is necessary, given the powerful and sometimes dangerous subjects of his investigations.

Acknowledging his own fear and the hazards of doing the work he does, Anas advises, “You've got to take intelligent decisions... If you don't, you will end up losing your life.” (He usually works with a backup team of private investigators).

Notwithstanding the risks, Anas says he and all professional journalists have the responsibility to keep the public informed about activities affecting the health of their democracies, and their own personal lives. Colleagues say his work is driven by the belief that it is corruption that is holding Africa back.

Anas Aremeyaw Anas, I salute you.

A few words about fear

I want to address a concern expressed by some of you about speaking up or acting against corruption. I want you to know I am listening. Your concerns can be put into one word – FEAR. What is fear? It is, of course, a response to imminent physical or emotional danger.

There are different types of fear – of death, of pain, of revenge, of the unknown, of collateral damage to loved ones.

Fear is very real, and it can freeze us like when an animal is caught in headlights on train tracks. Many animals act on instinct. At night, they are blinded by the light. They freeze.

___As humanity, we have a choice. We can stand there frozen in fear, or we can move.

Corruption is a train coming right at us. It comes in different ways. In broad daylight. In the dark of night. One thing history has shown us is that the corrupt do not intend to stop if we are in their way. They intend to tempt us, or threaten us, or come up with clever ways to make our best intentions quaver away into complacency.

Fear is a strategy of our enemies. There's a German proverb that "fear makes a wolf bigger than he is," but, in fact, the wolf of corruption is a very fearful wolf.

In Africa, corruption has devoured untold billions of dollars over the decades. It has devoured prosperity. Worst of all, it has eaten away at the hope and self-confidence of Africa's younger generations, in particular.

Most of us lament what we see. Impunity. Many do not see an honest way out. Maybe some of you even ask yourselves, "Do we play the game or does the game play us?"

Overcoming fear is a very real factor in the fight against corruption. As citizens you have every right to stand up for what is right, but I don't want any of you to decide to recklessly confront those who would maybe even kill you just to keep themselves out of prison, or out of revenge, or simply to make money. A strategy to fight corruption is required. Overcoming fear is a first important step.

What, on the other hand, is courage? Courage is the ability to do what frightens you, but, in this case, do it wisely.

The author Mark Twain wrote, "Courage is resistance to fear, mastery of fear, not absence of fear." Let's keep talking about what it takes to stop corruption. Several ideas have been suggested.

In the meantime, reflect on these words:

"Have I not commanded you? Be strong and courageous. Do not be afraid; do not be discouraged, for the LORD your God will be with you wherever you go." Joshua 1:9 (NIV)

Respect for contracts and agreements drives business.

When I first moved to live in South Africa, about 15 years ago, I was interviewed by one of the leading weekly business magazines, Financial Mail. It was probably the biggest interview I'd ever done as an entrepreneur. The journalist asked me what I considered to be one of the greatest challenges for developing businesses in Africa. At the time, I said that we needed to foster a strong culture for respecting contracts and agreements.

To my surprise the editor decided to make it the cover page of the magazine!

I believe strongly that respect for contracts and agreements drives business success.

So many people believe they can just tear up an agreement, or completely ignore it, once its terms no longer suit their own interests. As you saw in the Nigerian shareholder disputes, my partners signed all the terms of the agreement when they needed me to secure the license and start the business. As soon as that agreement no longer served their own interests, or it stood in the way of what they wanted to do, they just cast it aside.

Sometimes in business negotiations, you may not have negotiated as well as you could have. Sometimes later you find that you could have got a better deal. Perhaps you may even feel that the other party did not disclose certain things. Does this mean that you can then tear up the agreement that you just signed?

For those of you familiar with the bible you may recall that Joshua was confronted with such a situation following his agreement with the Gibeonites. Joshua had every reason to feel cheated, but he did not tear up the agreement. Instead, he risked his life and that of his entire army to fulfill his obligations under that agreement. Most importantly, God showed His approval for Joshua's stance by helping him in his battle on behalf of the Gibeonites.

The people of Israel were angry with their leaders because of the peace treaty.

But the leaders replied, "We have sworn before the Lord God of Israel that we will not touch them, and we won't. (Joshua 9:18).

Does this mean you cannot try to renegotiate a bad deal with your partners? Of course not, but always do so first acknowledging and respecting at all times that there is an agreement. Do your best to get a better deal, but don't act in bad faith by twisting and turning over something you agreed to.

There are many people who will agree to almost anything when they want something, but as soon as they have what they want, or their circumstances have changed and they have more power (or money), they behave as though there was never an agreement.

Treat each agreement that you enter into with others as though you had sworn it by oath before God.

 For Africa to move forward, we MUST replace a culture of impunity with a culture of integrity...starting with our own families, businesses and communities. And we must model that integrity in our actions, not just talk about it!

There will be times when, for any number of reasons, you cannot fulfill your end of a deal you've entered into. In such situations, engage the other party and be honest in telling them your difficulty. Don't run away or act dishonorably.

There will also be time when you are a successor to an agreement entered into by others before you bought the business, or took it over from someone else. You are bound by every agreement that they entered into on behalf of that business. It was your duty to check every agreement beforehand. Once you sign it, then you must adhere to it.

___ There's a saying, "**Caveat emptor.**" It means, "**Let the buyer beware!**" It is your responsibility to do your homework in advance of signing any agreement. Don't let anyone rush you, no matter how big or powerful you think they are.

As your business gets bigger, others (like your staff) will enter into agreements on your behalf. If they were authorised to enter such agreements, then respect them, even if they are bad.

Finally, remember once again what Abraham Lincoln observed:

"Nearly all men can stand adversity, but if you want to see a man's character give him power."

#If you are only humble and approachable when you don't have a big office or money, what does this reveal about your character?

#If you later show disrespect and contempt for those who ask you to honor your word, treating them like a nuisance, what does that say about your integrity?

If you tear up legal agreements and do not observe legal contracts, this means quite simply that you do not respect rule of law.

Of a truth, you are really only as big as the extent to which you will go to respect a contract and an agreement. For Africa to prosper, we must all commit ourselves not only to promoting rule of law, but also complying with and respecting the spirit of the law.

Chapter 17:

My battle against Corruption in business.

“We would not, as Africans, need aid from anybody if we tackle corruption; no child would sleep hungry if we tackle corruption; there would be no injustice, if we tackle corruption; every child will be in school, if we tackle corruption. The most powerful force, against corruption begins with one person, saying “NO”.”

”

SAY “NO” TO CORRUPTION

One of the questions, I am often asked by people who want to invest in Africa, is how do I deal with people demanding bribes....

My answer is really quite simple: I have never had any difficulty with saying, “NO”.

Corruption only occurs at the point you decide to participate; it takes two. There is the one demanding it, and the one who pays it.

And really this is how we fight it: each one of us, saying NO.

For me personally, dealing with corruption has never been difficult because of my faith. In my own mind, to quote, the Apostle Paul, “I am fully persuaded” that there is no person or force, in all the universe, that has the capacity to stop something which God has given me. This is a deep, deep conviction for me. I believe that I will never ever be disadvantaged because I walked away from a corrupt deal. In fact, on this the bible is clear: if I walk away, or lose anything because of my conviction that it is wrong, God will replace it with something much bigger and better,..”in this life” (Mark 10:29- 30).

Sometimes I have been viciously persecuted, because of my stand against corruption, at other times, I have had to wait for years, because some corrupt individual or individuals, were blocking our way. And always I prevailed, because, “faith abides” (it never, ever, fails).

Ironically some of the worst corruption I have witnessed, was not in governments, but in the private sector. Some of the most corrupt people I have known were not Africans, but, we as Africans must take responsibility, individually, and collectively, to fight corruption.

I could write a book about what happens to you spiritually when you accept a bribe, or offer one, but I will not do so, today. And for those of you who do not consider the spiritual perspective, let me rather respectfully, say this:

We would not, as Africans, need aid from anybody if we tackle corruption; no child would sleep hungry if we tackle corruption; there would be no injustice, if we tackle corruption; every child will be in school, if we tackle corruption. The most powerful force, against corruption begins with one person, saying “NO”.

In one country, we had a contract, on which we earned over \$30m a year. It was very important for our business. Two very powerful politicians, demanded that I pay them a bribe of \$8m, to keep the contract. I refused. They had our contract cancelled and we were thrown out. They then replaced us with one of our largest global competitors from Europe whose executives immediately paid the bribes. I reported them to the US Justice Department, as they are listed on the New York Stock Exchange. They admitted that their officials had paid the bribes, and fired the officials. They then left the country. One of the politicians was later indicted for corruption and is now serving a 13 year jail sentence. Years later we returned to the country, and we are building again, our presence in that wonderful country.

In another country, we submitted a tender on a privatisation, and we were recommended as the best, by the international investment bankers advising the government of that country. The deal was worth hundreds of millions to us. We waited and waited for an announcement, but none came. Then I was invited to the State House. The son of the President asked for a 20% stake in exchange for us being given the award. I refused, and withdrew our bid. I have no regrets. When the President had lost an election, we returned to that country, and got an opportunity to set up, and we are doing very well.

In yet another country, a retiring African President invited me to come and see him. He told me he had heard a lot of good things about our company. He said he wanted to issue one more license before he left office, and he felt that we should have it because we were an African company. He then suggested that I find a way to accommodate him quietly off shore, as he “needed something in retirement”. I politely told him, that I was not interested in the license. We are yet to return to that country, but we will one day.

In one of Africa’s most respected countries, a policeman asked me for my drivers license, as I drove to church one morning, with my family. I told him that I had forgotten it, at home. He said that I had committed an offense, which I immediately accepted. Instead of giving me a ticket, he suggested that I pay him something. I refused, he then threatened to arrest me, and I said it was fine, and he could go ahead. Several of his colleagues surrounded us, even verbally abusing me, and saying I would be deported because I was a foreigner. I kept quiet, I never raised my voice, or was animated. I simply asked that they either arrest me, or issue me a ticket. After a while they said, we could go. I refused, and insisted they ticket me, as they had an obligation to do so, under the law. Now, they were totally terrified! We have continued to prosper in that nation...but I never forget my license, when I drive a car!

Each one of us, can play our part in getting rid of corruption.

“After this, Felix often sent for Paul and talked with him, because he hoped that Paul would offer him a bribe.”(Acts24:26). Paul wrote more than half of the New Testament, his stand against corruption was amazing..

Corruption is not new; when the Apostle Paul, was held as a prisoner, at Caesarea, he could have been released, if he had agreed to pay a bribe to the Roman Governor, Felix. Paul came from a rich, and noble family, he also had rich friends who were concerned about him, including the writer of Acts, Dr Luke and his wife, a business woman, called Lydia. There is no doubt that if Paul had asked for money to pay the governor for his freedom it could have been found.

Instead Paul chose not only to stay in prison for another two years, but he preferred to go to Rome, in chains, where he would be tried, and face the death penalty! When I first read this, and reflected on it, I was deeply moved in my spirit. As my Pastor likes to remind us, “brothers and sisters, this Gospel of Jesus Christ, came to you by the blood of other fellows, don’t take it lightly”. Here was Paul risking his life, when all he had to do was pay this Roman governor, and get his freedom. And I hear so many people, say things like, “this is how it works around here;

we have no choice, how else are we going to get those contracts; how are we going to feed our families?”

When we were thrown out of a country, after I refused to pay the bribes that could have saved our contract, I knew exactly what it would cost us, both financially and in the jobs of over 200 people, and their families, that were forced to leave. Of course there is a price to pay! Look at Paul!! Mine was nothing!

Corruption will end in Africa, when some of us, say “enough! I don’t care, that I have to walk to work, I am not getting on a taxi that pays a policeman, a bribe at a checkpoint whilst I watch. I am not going to give my cousin a job, in government, because he is my cousin. I am not going to take a bribe when I am a judge in a court case. I am not going to pay a customs official. I am not going to pay anyone a cut for a contract, even if it means I am out of business.” And when we do this, one morning we will wake up and find there is no corruption in our society, and there are no corrupt leaders, because if there are corrupt leaders, they come from our societies.

Lets start a movement across Africa, of ordinary citizens who will wear a badge, that says, “no to corruption”, just like we wear badges of our commitment to fight HIV /AIDS, because corruption kills more people in Africa, than HIV/AIDS.

Nothing does more to damage Africa than CORRUPTION. Africa will not reach its full potential unless we deal with CORRUPTION. The majority of Africans will not be prosperous unless we deal with CORRUPTION.

Now, before I get into this topic, let me make it absolutely clear that corruption is not an African phenomenon. It is found everywhere. I have dealt with instances of corruption in America, Europe, India, China, Papua New Guinea, and in the Middle East. Just about everywhere I’ve ever been, I’ve seen corruption.

___ Some of the most corrupt people I have ever met in my life were not Africans.

Corruption has no colour, no religion, no gender, no age. Corruption is corruption. And make no mistake – both giver and receiver are corrupt.

__ Some of the most corrupt people I’ve met were very poor, while others were very rich.
CORRUPTION IS CORRUPTION!

Corruption comes in many forms and guises. The truth is – many people are engaged in forms of corruption without even knowing it is corruption.

Corruption has many names, including fraud, theft, kickbacks, bribery, stealing, bid-rigging, vote-buying, nepotism, patronage, tribalism, racism, graft, embezzlement, price fixing, protection rackets — these are ALL names for forms of human depravity we call corruption.

Corruption does not just occur in government. It happens also in the private sector, and even in not-for-profit organisations. A policeman who demands a tip at a roadblock is as corrupt as a

Minister who demands a multibillion dollar bribe. I'm yet to find a verse in the bible which says there are different Hells...just one! And they will both end up there.

As a new generation of entrepreneurs, we must pledge ourselves to play by a different set of rules. If we want to change the cycle of poverty in our beloved continent, we have to say "No!" to corruption.

Your fight against corruption will cost you something: it will cost you friends; it will cost you projects; it might cost you your business.

___ It may even end up costing you your very life.

Corruption will not end until there is a generation prepared to pay the price to END it.

What did Martin Luther King, Jr. say? "There comes a time when one must take a position that is neither safe, nor politic, nor popular, but he must take it because conscience tells him it is right."

The word "corruption" comes from the Latin word *corrumpere*, which can mean to bribe, but also to mar, destroy, rot, seduce, tempt, contaminate or infect.

What does corruption mean to you? Winston Churchill said, "Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen." Let's talk about it.

A brush with President Charles Taylor of Liberia.

When you're setting up a cell phone network, one of the most critical facilities you have to build is what is known as the Switch Center. This is where we house the huge complex of computers that process calls coming in and out. The equipment is housed in highly secure buildings that cost millions. It takes months to prepare such a facility before you can even install the equipment.

In 2001 after we got the license in Nigeria, we set about trying to find a building big enough to house the Switch facilities in Lagos. It was not an easy task to find the right type of building, and time was running out. We had paid \$285m for the license, and had been given six months to set up our operations. Failure to meet the deadline would have resulted in a loss of the license.

Then one day our estate agent came and told me they had found the perfect building. It was actually the Liberian Embassy building in Lagos. The government of Liberia, then ruled by Charles Taylor, wanted to sell the building and move to the political capital, Abuja.

It took only a few days for our people to reach agreement over the price. Sale and purchase documents were drawn up and payment terms prescribed. It was a lot of money, which meant I would have to personally sign off on the payment. As I sat there in my office in Lagos, looking at the documents, I noticed that payment had to go to an account in Switzerland...

“Why is the money not going to Liberia?” I quizzed my staff. Initially, it seemed to be a detail no one had picked up.

___”Is it really our business where they want the money sent?” someone asked.

I refused to sign.

The ambassador came to see me at my office, with an entourage of officials. There was a sense of urgency on their part.

I explained to the ambassador that I wanted a Government of Liberia bank account number, and I also wanted a Cabinet Minute authorising the sale. (A Cabinet Minute usually covers essential matters for consideration by a government cabinet minister, such as purpose, recommendation, background and options. It records the outcome of Cabinet’s consideration of the previous week’s Cabinet committee decisions).

He seemed to agree that my request was reasonable and promised to cooperate.

The following day he called me and said the President’s brother had been dispatched to “sort out the misunderstanding over the account details.”

“Ambassador, there is no misunderstanding. This is government property, and all I want is the necessary documentation to show that the sale has been formally approved by all relevant authorities, and I want an account in Liberia.”

He was now getting quite desperate and agitated, even suggesting they had another buyer in the wings.

I would not budge.

On another occasion, he invited me to travel to Liberia as a guest of the President. He thought it would impress me. Sometimes (not always), corrupters try to dangle the “flattery” of high-level meetings with top leaders or their close family members to reel you into their illegal activities.

“Sorry Ambassador,” I replied politely but firmly, “I have a network to launch. We have paid \$285m for the license and have a tight deadline. Please give me the documents I need.”

Of course, by this time I had long worked out what was happening and was already looking for an alternative building. I let them stew for a few days, then told him I was no longer interested and moved on.

We ordered specialised containers to store our equipment and air freighted them to Lagos. It was a more costly solution than if we had bought the Liberian Embassy building.

Many years later, Charles Taylor was forced to hand over power to his vice president after a civil war in which tens of thousands of people were killed. He was eventually sentenced to a total of

50 years in prison by the United Nations-backed Special Court for Sierra Leone near The Hague, in the Netherlands for his leading role in war crimes, crimes against humanity and other violations of international humanitarian law.

“You want me to be a Commission Agent?”

“We want you to be our local partner,” he began. “You are smart, and you have lots of friends in governments across Africa. When there’s a tender which interests us, we’ll call you and we can work on it together. We will pay you a 10% commission on every deal that we win together.”

The company he worked for was big and prestigious. It is one of the largest in Europe.

The gentleman talking to me was a director, and had traveled all the way to see me.

“What happens if your tender is not the lowest?” I asked quietly.

“Then you must do everything to make sure we (you and us) get it.”

He smiled.

“You want me to be a Commission Agent?”

“No, no,” he said, “our local partner.”

I could see I was making him uncomfortable.

“We make only the best equipment. This Chinese stuff is rubbish. Ours is the best, but you know it costs a little more, that is why we need someone like you with a little influence.”

I looked at him.

“You are looking for a Commission Agent. I don’t do that kind of business because it means that somewhere along the line I will be required to cut deals which are corrupt.”

His face turned red, then white as a sheet. Then he got up hurriedly and left my office.

He could hear me laughing loudly as he left.

“Commission Agents...” Know them for what they are.

There are some countries where all business is done through so-called Commission Agents. This is organised corruption.

Do not admire people who make money as “Commission Agents,” despite the conspicuous consumption that often follows their way of life. Commission Agents are not entrepreneurs. Also

be wary about companies that simply want to use you as an agent and middleman. That is not entrepreneurship.

The business of “providing access” is one of the worst forms of corruption. Large international companies that have so called “local partners” whose role is simply to provide “access to the right people” are not innocent of corruption, even though their fancy lawyers might say otherwise.

Let’s play by a different set of rules! Let’s kick corruption and corrupt practices out of Africa.

An Indecent Proposal

It is one of the most exciting markets in Africa, with a growing, robust economy and a fairly large population. Everyone wanted to get into that market, and a door had just opened for us. I decided to handle it personally.

“I know the Minister very well,” said an old friend who was an influential businessman. “I can set up a quiet meeting so you can make a pitch directly on your company’s capability.”

We met in a hotel suite in the country’s capital. The Minister was much older than I, but we hit it off straight away. He was well educated, sophisticated and had traveled the world.

“You’re just the kind of guys we want here,” he said. “I like the fact that you guys are African.”

Music to my ears!

We continued to talk.

At some point, our interlocutor conveniently left us alone and then suddenly out of the blue the Minister said: “Personally, I don’t like having shares. I prefer cash. I think \$3m is okay. I have a good relationship with the President and I’m allowed to run the show completely. I can get it done in a matter of weeks.”

I was totally speechless! Finally, I managed to tell him that I would need a few days to think and get back to him through our friend. And then I left as quickly as I could shortly after that.

Once out of the country, I never spoke to either again, despite their efforts to get hold of me. I completely stayed away from the country and never considered getting in again, for years.

For weeks and even months after that, I had many sleepless nights. I was really, really angry but not with the Minister and the interlocutor... I was angry with myself!

Every night I would toss and turn thinking about that meeting. And all the while I kept asking myself the same questions over and over again:

__”What could I have possibly said in that meeting that could have led that Minister to think that I would accept such an indecent proposal?”

__”Why didn’t I just tell him there and then: ‘This is corrupt and unacceptable!’”?

The answer to the second question was simple: fear! I feared that I would not be allowed to leave the country given how powerful he was.

The first question was much more profound, and led me to change the way I approach my own business dealings and meetings with powerful officials of this kind.

I realized that by agreeing to meet him quietly outside his office, I may have signaled to a corrupt man that I had come to do business “his way”. From that day, I was to avoid such meetings, insisting on formal contacts with other officials present.

__Going to a public official’s home or meeting them privately outside the office should be discouraged by anyone wanting to uphold their integrity and that of those public office holders.

I went further: I no longer seek personal business meetings even with a Head Of State. I see lots of Presidents and Ministers but I don’t discuss with them my personal business interests anymore. I can discuss broader issues of industry and economic policy. I don’t discuss things that are specific to my company or businesses. If I have a complaint related to my business, I prefer to send my officials or to put it in writing.

More often than not, I prefer to discuss issues of global development, philanthropy or humanitarian interests.

Last year I traveled to Nigeria to see the Head of State and we discussed agricultural development in my capacity as the Chairman of Agra. We also discussed how to get more children into school, in my capacity as a member of the Global Business Coalition for Education.

A few months ago, I led a group of philanthropists to Kenya. They wanted to donate philanthropic money to provide solar electricity to the poor. It had nothing to do with my business interests or theirs. We also visited rural communities and listened to problems they have as a result of lack of electrical energy.

Would you go to see President Obama to discuss setting up a business in America? Of course not! So why the obsession to see presidents in Africa with our own personal business interests?

__The fact that so many people do it does not make it right.

This does not mean business leaders should not meet politicians, but we must be careful about why we go, and the perception we create.

For economies to boom and people to prosper at all levels, we need consistent, transparent policies that apply fairly to all engaged in enterprise...including state-owned enterprises.

We also need vigilant citizens who know what those policies are, and do their part to stop the rot if they see it.

When one of the bidders wrote the actual bid documents!

It happened to me once...

It happened in Zimbabwe when we were fighting for the license to operate. After the Supreme Court first ruled that the state monopoly in telecoms must be ended, the judges then ordered the Minister of Telecommunications to issue a cell phone license by public tender. The judges gave a deadline by which it had to be done.

A few weeks later a tender was published in the newspapers by the minister. We had no choice but to participate in the process. We wondered at the time how the minister had managed to prepare the tender documents in such a short time. Little did we know that the bid documents had been prepared by one of the participants!

On the day of the closure, there were four bidders and they placed us last out of the four, awarding the tender to a company controlled by a well-known African businessman. The minister appeared jubilantly with the winner, and announced a “new era in telecommunications”.

After the announcement of the bidders, I met with my lawyers and we decided to urgently petition the court to undertake a judicial review of the award of the tender. Few people at the time appreciated the existence of this procedure on a public tender.

Our lawyers approached the court and asked that all documents used in the award process be put under court seal. When the order was granted our lawyers rushed to the place where the tender adjudication committee had been holding their meetings and asked the court officials to place all documents including any notes of the members of the committee found in the room under court seal. It happened so quickly that no one had an opportunity to hide anything!

Months later when the hearing was due to start, lawyers from both sides were allowed to study the sealed documents.

Amongst the documents found was a telefax draft document of the original bid document. It had been sent to the chairman of the committee by the company that was ultimately awarded the tender.

__The date on the fax showed that it had been sent before the tender was published!

During the process of marking, our company had mysteriously been docked points to ensure it came last. When we showed these documents to the judge, he cancelled the license and licensed us instead, as we had actually won, even the rigged tender!

The minister in question accepted the decision of the court, and we were allowed to operate. However, she went ahead to reinstate the license that had been cancelled by a court to the bidder that had cheated so blatantly. No member of the committee including its chair was ever asked to explain.

Amazed?! You should not be. This kind of thing happens all the time.

The Rule of Law Drives Investment.

“If you don’t meet my demands, I will have you thrown out of the country!” The man shouted at me over the phone. He was the chairman of our local partner in Kenya. This was after I asked him to put up his share of the investment in our joint venture.

It was more than 10 years ago but I still remember like it was yesterday.

Building the network was going to require over \$100m in shareholder funds (equity). Our partners, who owned 70% in terms of the agreement, wanted us to put up the entire \$100m, even though we would only have 30% of the equity. This had not been our original written understanding when we bid for the license in a public tender.

I suggested that we find other partners in Kenya who had the money to meet their investment obligations, but the partners refused.

When we appealed to the regulator to let us bring in new partners, the Minister of Telecommunications stepped in and began to support the position of the local shareholders. I knew that legally the minister was overstepping his role. It was also clear to me that he was not acting in a rational and fair manner.

By the time of that phone call, the stalemate had been going for months. Numerous meetings to resolve the issue had come to nothing. We were going in circles.

After the phone call, I wrote a letter to our partners and told them they must put up their share of the money or they would have to accept dilution. It was a Friday.

The following day, a Saturday, I was walking my daughters (then infants) in a local park in South Africa when I got an urgent call from our staff in Kenya: “The minister has issued a statement in which he has cancelled our license and ordered us to leave Kenya.”

“Do you have a copy of the statement?” I asked calmly. “Gather the legal teams, and fly to Kenya right away.”

By ten o’clock Monday morning we had been slotted for appearance before a judge of the High Court of Kenya. An hour later, the judge issued his ruling. He reinstated our license and rebuked the minister in open court.

The minister appealed the ruling of the judge and a higher court of judges threw him out of court. During the appeal process the minister sent an envoy asking me to come and see him “to resolve the issue.”

I refused saying: “All he needs to do is publicly withdraw his invalid statement and withdraw his court application.”

Not long after the minister was dropped in a cabinet reshuffle. I was later told the president of the country at the time had slammed the minister for “sending the wrong message to investors by behaving like a cowboy!”

Fast forward:

One day I was in my office many years later when we got a call from a very large global organization. It was their legal department who said to me, “We are planning to make a very large investment in Kenya. As part of our due diligence we are looking at the Rule of Law. Would you mind sharing with us your experiences in terms of how their court system works?”

Our lawyers shared with them our experience, together with our recommendation that they invest in Kenya based on the strength of its legal system to protect investors.

Soon after, they set up their investment.

You see, how a country’s legal system works is very important to how investors perceive risk in a country. These days, investors have access to decisions made in your country’s courts. During due diligence, they study these judgments carefully. They also study press statements made by those in leadership and talk to other investors who are already invested in your country. No serious investor simply puts up money without looking at the rule of law in a country.

What exactly do I mean by rule of law? Aristotle said more than 2,000 years ago, “the rule of law is better than that of any individual.” It means that government officials are held accountable under the law; that laws are just, and applied equally to all; that laws protect everyone’s fundamental rights; that the legal process is fair and efficient, and that courts operate with independence and integrity.

Kenya is a country where we have invested heavily over the years. We continue to do so with great confidence, and for me it was the strength of the judicial system when it comes to protecting investors that has been the key.

Chapter 18:

The eagle in a storm.

“Crisis is often how great innovation begins. When the going gets tough, don’t give up on new growth”

Brace yourself, there's a storm on its way!

The New Year opened with turmoil in the Chinese stock markets as prices fell dramatically, leading to a global selloff. In just one week, global stock markets lost over \$2 trillion US dollars! Other news in the global markets saw the price of a barrel of crude oil fall below \$35 per barrel, down from a high of \$62 per barrel less than 12 months ago. That's down 50% in 12 months and 71% in 24 months!

Since the beginning of last year, 2015, the price of copper has fallen by 30%; iron ore is down by 42%; platinum has also been a disaster, losing more than half its value from less than three years ago. Agricultural commodities have not fared much better on global markets. Last week the South African rand hit an all-time low of 16:1 against the United States dollar and it's still falling!

Your small business in Harare, Lagos or Nairobi may not have anything to do with China, or with any commodity like oil, iron ore, or platinum, so you might be asking yourself, "What's that got to do with me?" Answer: EVERYTHING! It has everything to do with you, and its impact is going to be very personal... Brace yourself, there's a storm on its way!

You might even be sitting at your desk as a civil servant, or supervising children at school as a teacher, or upholding the law as a policeman; or maybe you're a pensioner, and you're also saying to yourself, "I'm not in business; I don't know anything about these things, so what's it got to do with me?" Answer: EVERYTHING! It has everything to do with you, and its impact is going to be very personal... Brace yourself, there's a storm on its way!

You look at the sky and see rolling black clouds. The wind is picking up and you say to yourself, "A big storm is on the way." Even though rain isn't yet falling, you know the signs of a heavy rain storm and that you must button things down and secure yourself properly. Or maybe you're one of millions on the continent today suffering another rainless sky, for months on end, putting your fields, crops, livestock, perhaps your whole life at risk...

These are "signs" in weather conditions. Those who are experienced in such things can usually say with a degree of certainty that a storm is coming. However, if you do not understand these matters, or you blissfully decide to ignore them, you'll suffer a serious drenching or worse.

In business economics we also have signs, and we're seeing these warning signs right now. They're not any different from the black clouds and the wind, or the clear sky and the drought. They're all linked. The stock markets of China and New York may seem far away, and global commodity prices and exchange rates may seem irrelevant to your village, but they're linked to the real economy in which you live and work!

The next 12 months or more will be very tough, particularly in emerging markets. Many African countries will find it hard going. Consequently, it will be tough for citizens, especially those who are most vulnerable. The weaker your country's economy going into the storm, the tougher it will be. Similarly, the weaker your company or employer, the tougher it will be...

__ There is a storm coming.

Now let me tell you about the flight of the eagle. Prophets and Kings of the bible world absolutely loved watching this majestic bird. They believed the eagle is the only bird that flies during a storm. It's developed a flying technique (a skill) they call "mounting" the wind (as though it were climbing a stairway). The eagle has so mastered the storm that it not only flies during storms, but can find opportunities to prosper; it can actually use the storm to its advantage.

Even in these storms, those with the correct mindset will prepare themselves. They will train themselves to understand the times, and learn to prosper in its headwinds... they will mount on wings as eagles!

Yes, it's going to be very tough, and for some of you, tougher than anything you could have imagined, but you must not be discouraged or wearied. And when you come through it, you will be much better at what you do. Just don't be afraid, and don't panic.

This year we must be serious, very serious. Africa expects it of us.

Changing our "wealth creation model.

Ever since I started school, my teachers taught me that our country was "rich" because we had many minerals, and we'd recite the list of minerals. By the time I finished secondary school, I not only knew my country was "rich," but that Africa itself was "rich" because we had so many natural resources.

Even though I didn't study geology, I could almost tell you where all these precious minerals and other resources were found: oil, diamonds, platinum, gold, copper... in places like Congo, there were names of some things I couldn't even pronounce.

__ Yes, Africa is so rich!!!

As a young student, if I thought about what the global buyers of Africa's natural resources then did with them, it was only ever a superficial thought. But I soon realized something didn't add up...

__ Sometimes it almost seemed that the "richer" a country, the poorer the people! But how could this be?

"1+1=2"! My primary school teacher drummed it into my head, right?

Then I got to secondary school and one day the teacher came in and said, "You know, there are situations when 1+1 does not always add up to 2." ?!

“I’m here to talk about mathematics,” the teacher said. “It’s time to put away the arithmetic; this is senior school!”

“Senior school!”

I didn’t end my study of mathematics in secondary school. I also studied it at university where I majored in engineering.

What was it the Apostle Paul said about putting away childish things?!

Let me return to the wealth of our nations: I left university in the early 1980’s. In those days, it was not China that was rising into an economic giant, it was Japan! It was rising and overtaking every European country, until Japan was second only to America... It was so spectacular!

I first met a Japanese person when I was in my twenties and already working, yet I read every single book I could find about their prowess.

“Tell me about the minerals of your country?” I asked my Japanese friend.

“We have no minerals to talk of,” he said emphatically and proudly.

“What do you mean you have no minerals?”

As we talked about the Japanese rise, I was reminded of my lessons in mathematics!

And so I had discovered it was possible for a nation to be “rich” without minerals!

“We buy your minerals as cheaply as we can, and then we turn them into high-value products.”

“You mean you exploit us?”

“That’s not the way we see it. After all, what would you do with them if we didn’t buy them? Do you know what we do with your platinum or your oil?”

Then he added:

“Our wealth creation model as a nation is not based on raw materials and minerals.”

“WEALTH CREATION MODEL?” What do you mean “WEALTH CREATION MODEL???”

Deeply troubled (even insulted) initially, I knew there was something more to learn if I avoided becoming emotional. The conclusions I reached changed the way I look at wealth, and totally empowered me. It changed my mindset.

The Tentmaker once said that our greatest battle is always in our minds... changing the way we see things, particularly if we have held on to a certain perspective for a long time.

I hope it will do the same for you.

Imagining new wealth creation models.

The talk with my Japanese friend had left me thinking deeply about how we in Africa think about wealth. Maybe, just maybe, there was another way to think about it?

Imagine if my teachers had taught me that we are “very rich” because we produce some of the smartest entrepreneurs in Africa... people with the know-how and vision to transform our minerals into such great innovations and products that we no longer export our raw materials all over the world!

From then on, every time I visited a country (or even a major city), and watched its economic activity, particularly places doing well, I would reflect on its “wealth creation model.”

Imagine a wealth creation model that doesn't require any raw material endowment, like Silicon Valley, or Singapore!

I was fascinated by countries that rise without necessarily being underpinned by minerals and the exploitation of raw materials: Dubai, Mauritius, Singapore, South Korea, Switzerland, to name but a few.

I was also fascinated by countries where consumers can buy domestically-processed and finished products – value-added goods created from their own raw materials! I imagined a Nigeria which turned its oil into plastics, fertilizers, sports equipment, cosmetics, deodorants, and toothpaste!

It's good to have oil and platinum, and to grow cocoa and coffee. But for citizens to benefit from a nation's natural resources, it's critical to have the best stewardship, and to eliminate corruption. Without a culture of respect for rule of law, all future wealth creation models are doomed to failure.

The bottom line is: We can no longer allow our national economies to be underpinned solely by the export of raw materials.

If we're not careful, we can even become dangerously addicted to them, such that African nations, workers, and citizens in general are forced to endure endless boom and bust cycles... When the price of oil is up, we're doing well; when it goes down, we're scrambling... copper, platinum: boom, boom, bust! It's happening now.

We must prioritise the development of innovative capacity to redeploy our rich natural resources within our own economies. It goes beyond the simplicity of “processing” and so-called “beneficiation.” That's not enough. We must also pay attention to emerging technologies and how they're likely to affect the businesses we're familiar with today.

My appeal to this next generation is to get us out of a “wealth creation model” underpinned by export of natural resources. We can no longer afford to think of the wealth of our nations in terms of mineral and raw material exports. Not when you know there’s a Silicon Valley; not when you know that Apple Computers Inc. is worth almost the same as Nigeria’s and Angola’s combined GDP! Not when you’re the generation that knows about Alibaba, Tencent, Uber and Skype!

As we see the price of oil, copper, and platinum plummet, let’s stop and take a deep breath, and say to ourselves: “It’s time to change our WEALTH CREATION MODEL.”

___ Within the next 25 years, we must break our addiction to resource-driven economic wealth. It’s time to turn to our African inventors, innovators and entrepreneurs.

Protect the root of your business.

A young man and his father were watching a huge fire coming down from the hills towards their family vineyard. At first, the young man tried to organize buckets of water but it was clear that the fire would engulf everything and consume the vineyard. Then to his surprise he saw the old man pick up an axe and run towards the vines. Systematically he began to cut the vines, leaving only the roots.

“We must protect the root, my son. Do as I show you.”

And with this they saved a business that was several generations old.

Every business has a root, and you must know that root. You must be able to protect that root, when things are tough. Sometimes protecting that root looks cruel, but you must protect it at all costs. Sometimes it can come down to reducing activity to the bare minimum, with just a handful of staff. Your most valuable resource will always be good people.

There’s no successful entrepreneur who does not know what I’m talking about. It may well be one of the most difficult things you’ll ever do.

Stay very clear about who you are and what business you’re in.

Don’t underestimate the crisis.

Make sure you’re looking at credible data.

Manage with grace under pressure.

Review and revise your game plan as needed, acknowledging which plans aren’t working.

Decide what you need to do in order to get where you want to go.

Tackle the problems systematically. Don’t throw kerosene onto a fire.

Don't get distracted; make the tough decisions that you need to, without delay. One bucket of water won't save a hectare of crisis.

Seek and value professional advice.

Don't be afraid to try something new. Crisis is often how great innovation begins. (When the going gets tough, don't give up on new growth!)

Lead with courage and vision, even if your heart is sad.

Don't panic. Pray and plan.

"If you find yourself in a hole, stop digging."

There's a story told about a businessman who went to see a close and trusted friend.

"Things are so tough," he began to say, "I feel I'm in a deep hole and every day it just seems to get deeper."

"Tell me the problem," the other man asked sympathetically.

"Everyone is against me," his friend said emphatically, then began to list all the people who had undermined him and wanted to take over his company. It was a pretty impressive list.

After a while, his friend chipped in: "It appears almost everyone is trying to destroy you?"

"Absolutely!" And he continued to give more detail of people and things that had conspired to undermine his business.

"So what are you going to do?" his friend finally asked.

"I shall fight and fight."

The friend listened and then gave this advice: "I noticed as you were speaking that you yourself do not believe that you have contributed in any way to this situation?"

"No, I have not contributed in any way at all!"

"I see. So what will you do?"

"That is why I've come to you for help. I need to borrow some money to see me through this problem for the next few weeks." The friend then politely declined to give the man any assistance.

I personally would not help such a person. Do you know why?

If you find yourself in a “hole” for whatever reason, the first thing you must do is to stop digging and making the hole bigger.

People who refuse to accept responsibility for any situation they’re in will only make the situation worse by the actions they take. If you have a problem to solve in business, don’t get distracted by looking for scapegoats or trying to mobilize political support against perceived enemies. This is why many state-owned enterprises (parastatals) find it so difficult to solve business problems.

If you want others to help you, you must first stop digging, let go of the shovel, and allow a trusted someone to give you a hand up!

To move forward, you must dust yourself off and analyze honestly how you got yourself into that hole. While you may feel a bit defeated, don’t just drown your sorrows with drink or other destructive and time wasting habits. An eagle in a storm must be alert for danger and opportunity at all times, not at risk of slamming into a cliff or falling into a different kind of hole!

What is the Japanese proverb? “Fall down seven times, stand up eight!”

You need to develop relationships with people based on trust.

The other day I was in New York and decided to attend a church service with a dear friend of more than 20 years, Dr AR Bernard of Christian Cultural Centre. During the service they showed a video called the “Marshmallow Test.” Young children were put in a room with a marshmallow (a type of sweet) and told that if they didn’t eat it, they’d get an extra one when the adult returned.

Left alone, the children then had to manage their impulse to simply grab the sweet and eat it. Many of them managed to control themselves and so earned the extra sweet. However, experts found that those children who’d previously been let down by an adult ate the sweet immediately.

__Some of the children in the Marshmallow Test just didn’t value the promise made by the adult because they’d been betrayed by adults before!

So what has this got to do with our theme about surviving tough times... the Eagle in a storm? Everything. Getting through tough times will depend on how many relationships you have built up, based on trust!

When people trust you, it’s possible to get a helping hand during tough times. Some children were willing to wait because they trusted the adult who’d made a promise to them. Asking other people to wait or make sacrifices depends to a great extent on how much people believe they can

trust you, based on previous conduct, particularly when you seemed to be the one with the upper hand.

As a matter of principle, you must build relationships with employees, partners, investors, and customers based on trust. It's important to be known as a person of integrity. I've already written a great deal about respect for the rule of law. This is about respect for yourself as a person of moral character.

You must establish your track record as an honourable person when times are good. There's no point in showing humility only when things get tough; you must be trustworthy when you're flying high!

If during the good times you and your family were splashing money around like there's no tomorrow, you'll find it difficult to call on others to make sacrifices.

If you were never willing to pay your creditors (there's never an excuse for this!), you'll find it difficult, if not impossible, to secure credit during the tough times.

If you broke agreements with impunity because you were powerful, no one will stand with you when it's you who needs help.

__ Who do you know who really trusts you?

__ Who is out there that will stand up for you?

Real trust transcends your ability to go to members of your family, your clan, your tribe, your religion, your nationality or even your race. When you sit down to reflect upon this issue, consider how many people from outside your "comfort circle" of family, clan, tribe, race, religion, would consider you trustworthy? This is the "marshmallow test" for each one of us, everyday. In Christianity, it's the real interpretation of the Parable of the Good Samaritan.

Personally, one of the greatest testimonies of my life is the number of people who have stood in my corner when I needed help. It never ceases to amaze me how far people are prepared to stand in my corner. It's called "unmerited favor" and a blessing for which I am deeply grateful.

There are also people out there who I'll try to give almost anything to help out when they are in trouble!

Do all you can every day to reach out to other people and build trust. Be a person of your word. Your character as a person of integrity is far more important than any money in the bank, fancy car or anything material in your life.

Chapter 19:

Living in the Diaspora

“Whatever you do, do it with dignity; you do not need to add anything to yourself, you are good enough as you are, for God’s purpose in your life. Focus on developing yourself in God. Even as you study, and improve your skills do it with the focus, that you want to be a greater blessing to your world.”

Dr Chris Chris Oyakhilome

Running a Small Business in The Diaspora.

I have spent the greater part of my 54 years on this earth, living in the diaspora.

I left my homeland Zimbabwe, then the rebel colony Rhodesia, for the first time, when I was only seven years old. I did not return, home until I was 23 years old.

I left again 15 years ago.

This means I have lived in the so called “diaspora” for a total of 32 years of my life!

There are many reasons, why people go and live in the Diaspora:

Sometimes, it is political, as it was for me, when I was growing up. Sometimes it is economic; sometimes it is professional, because your job takes you there.

I know what it is to live in the Diaspora. Imagine, I once carried documents, which stated that I was a refugee, to avoid being arbitrarily deported!

It can be a fearful thing particularly if you are living on the economic margins. I’m not in that situation today, but I have an idea of it. And my heart and prayers are always with those who live in the diaspora, no matter whether they are Africans, or from other nations. Including those displaced by war, in places like Syria, the Sahel region, and the Horne of Africa.

My discussion, is not about why people live in the diaspora, but about the role they play in building “two” nations at the same time. I also want to discuss how you can prosper, and improve your situation, even whilst living and working in the diaspora.

I was compelled to write about this issue, after meeting two young Africans, (one from Angola, and another from Zimbabwe), who work in South Africa.

I have often said that some of the most important qualities for running a business, I learnt from my mother. She was a businesswoman in the diaspora. When our family, like thousands of others, fled Ian Smith’s racist, supremacist government of Rhodesia in the nineteen sixties, to live in the newly independent African nation of Zambia; we were essentially refugees. Whilst we did not use the now popular term “diaspora”, that is what it was. The Zambians welcomed us with open arms, and allowed us to work or even start small businesses, to sustain our families. Then as now, locals, sometimes see people coming from outside as “crowding out”, their own opportunities for jobs, and even businesses. This can lead to resentment, and even outright legislative measures being put in place. If you think it is hard to raise capital to start a small business, spare a thought for those who are from the other countries; for them it is impossible: You cannot go to even talk to a bank.

Little has changed, even in 40 years.

Now here are some lessons, I learnt from my mother, in those days:

There is nothing gained by complaining:

she never, ever complained, and she never allowed us to complain, but always insisted that we show respect and gratitude to our hosts.

The Tentmaker, says, “whatever is good, set your mind on that...”. We were taught to see “good”... Years, later I was to learn that she was teaching us to practice something she had been taught at a mission school.

It was from her, that I first learnt that YOUR ATTITUDE SETS YOUR ALTITUDE. Never allow yourself, to feel bitter, or angry, because you feel, you are not being treated right, by others.

You must save:

Because we did not have access to banks, or investors, we saved everything we laid our hands on. My mother was like a little ‘squirrel’, always hiding away small amounts of money. If she made a little money, she made sure that she saved as much of it as possible, for a “rainy day”. This capacity to save money, and live within one’s means, was always taken to the extreme in our household.

When I got a scholarship to go to college. My mother told me to save some of it! She would always ask me, so how much did you save?

Friends, you must develop a savings culture. Even when things, are good, don’t behave, as though there is no tomorrow. Have the discipline, to save from whatever little you get, even if it is a dollar!

Whenever I have seen people fail in business, sadly I usually find that they were not disciplined, in this basic and foundational area, of success:

Saving must be a culture.

Be frugal with your money:

My mother would be quick to rebuke me, if I did anything that was “showy”, or an attempt to impress others.

We never owned a new car, as all our cars were bought as used cars. Years later, I discovered that the old lady could easily have bought herself a Mercedes anytime; she was just frugal!

Avoid Borrowing money:

Relationships were incredibly precious, because they were hard to come by. And one sure way of breaking a relationship is borrowing money, and failing to give it back. We just never borrowed money from people. If we could not do something with what we had, we either waited until we had saved enough, or we did not do it. It was that simple.

If you do borrow money, at some point, then be quick to give it back, but don’t make borrowing a habit.

Spare no effort in the education of your children:

The other day, I read an article in an American newspaper, about Nigerians living in America. It was full of amazing statistics, about how well they are educating their children. It was an amazing story, and would have made us all proud. And that is how it should be.

I could easily recognise that story, because I saw my own upbringing:

If you are living in the diaspora, spare no effort in the education of your children.

Stay out of local politics, and don’t insult your hosts:

I lived in South Africa, for about 10 years, before moving to London. If you go through every interview I ever gave, you will not find a single comment, I ever made about local politics.

It is far better to focus your attention on things like being a member of a good church, which links you to others, in your community, particularly one which has a lot of local members, rather than just your own countrymen, or other foreigners.

Never stop reaching out to locals:

My mother always insisted that we reach out to our local Zambian neighbours, and make friends. She did not want us just hanging out with people from our own country. We were also to reach out to people of other races. Now decades later, I find that some of my oldest and most trusted friends are Zambians, I met in my childhood..... Some have done rather well for themselves, I dare say!

Building Two Nations, At the Same Time.

The study of economics is one of my personal passions. I strongly believe that many people allow themselves to be victims, because they do not understand how economics actually works. Perhaps, one day, I will write a book about this...

Anyway, here are some interesting economics:

In 2014, Africans living in the Diaspora sent home to their families approximately \$62Bn. This money enters their various home countries as “foreign exchange”; in other words, it is like “export revenues”. So how then, does it compare to other export revenues, such as coffee, tobacco, gold, and oil?

Here is my table, taken from information readily available on the Internet:

Export Revenues (Source)	African Revenues (\$ Billions)
Oil (2011)	294.1
Diaspora (2014)	61.8
Tourism (2014)	51.5
Gold (2012)	28.4
Diamonds (2013)	12
Platinum (2014)	8
Tea (2013)	3.4
Tobacco (2014)	2.1

Of the revenue sources above, only oil generates more revenue than the contributions of the Diaspora through remittances. In fact, the contribution of the Diaspora is double that of tobacco and gold combined. And, remarkably, it is higher even than that of tourism.

If you take Africa as a whole, the remittances income from the Diaspora, \$62Bn, is greater even than the total Foreign Direct Investment (FDI), \$55Bn, and total foreign aid, just over \$50Bn. In some African countries, the income that comes from their citizens, working in the Diaspora, is

actually greater than what comes from export of major natural resources and agricultural production.

Consider Uganda and Zimbabwe:

Revenue Source	Uganda Revenues	Zimbabwe Revenues
Tobacco (2014)	\$14Mn	\$960Mn
Gold (2012)	\$86Mn	\$790Mn
Coffee (2012)	\$452Mn	<\$10Mn
Diaspora (2014)	\$1 001Mn	\$3 500Mn
Overall GDP (2013)	\$21 500Mn	\$13 500Mn

So in some countries, including Uganda and Zimbabwe, remittances constitute a significant portion of GDP. In Lesotho, the figure is around 30%. Similarly, remittances to Egypt exceed the revenue from the Suez Canal, while in Morocco they are greater than tourism revenues. Even in Kenya, a global tourism hotspot, remittances in 2014 at \$1.5Bn were quite close to tourism receipts at \$1.8Bn.

The income sent home by Africans in the Diaspora is actually not 100% of their actual income. If you assume that these people are employed, and that their remittances actually constitute, say 20% of their net income, then they send home \$62Bn, every year, out of \$310Bn net income that they earn whilst working abroad. If Africans working abroad were a country, then we would say their GDP is \$310Bn. This compares favourably to the GDP of some very large countries in Africa: Nigeria \$522Bn, Angola \$124Bn, Kenya \$55Bn.

The contribution of the African diaspora to the foreign currency income of the African continent is quite extraordinary. As I have shown above, if you strip out oil revenues, diaspora remittances (money sent home by Africans working outside their countries) is greater than all the mineral exports, and exports of agricultural cash crops like tobacco, cotton, coffee etc.

They send more home home than all the foreign direct investors put together, and they send more money home than is earned from tourism. They send more money home than is received from foreign aid.

Next time you see that waiter or construction worker, working as a migrant worker, spare a thought for them: They are building two nations at the same time, even if they themselves do not know it.

In my next post, I will look at how you can start a business back home, even whilst living in the diaspora.

STARTING OR INVESTING IN A BUSINESS BACK HOME.

... Five things you need to consider before starting.

People who work and live in the diaspora are some of the hardest working people in the world. Sometimes they work on more than one job at a time. Many of them like to save money and start something at home, whilst others are simply looking for an investment opportunity, which can give them a good return.

If you are thinking of either starting a business back home, or investing in an existing business.

1. Be clear about your motive:

The first thing you must be clear about in your mind, is the motive behind your decision. Some of the motives behind a decision to invest back home include the following:

the need to reduce the burden of constantly sending money home,

creating an opportunity for you to return home.

creating a “nest egg” for when you retire, and return home.

getting a better return than what you think you can get where you are.

Hey, I’m not here to judge your motive. All that I want you to know is that understanding your own motive, and being honest about it, will have a big role in the strategy you adopt and can be the difference between success and failure, along with so many other things, I have spoken about before.

Not every motive requires the same strategy for success.

Some motives can lead to serious problems, if you are not careful.

2. How much time, do you have to spend on it?

It is extremely important for you have an honest assessment, from the very beginning about how much time you can spend tending to the business back home. You have to always bear in mind that your current job or jobs demand a lot of time. You might also be far away in a country with different time zones, or where it is very difficult to travel from at short notice, if there is a crisis in the business.

Knowing how much time you are able to spend, will help you evaluate the timing of the decision to start a business and most importantly, the type of business you should do.

3. Do your homework about the business environment back home:

Prepare a proper business plan.

Study the market carefully.

Don't rush, be methodical. Remember, you worked hard for the money.

4. It always pays to get advice from others:

Talk to others in the diaspora who are in business. Ask deep searching, well researched questions. Talk to other business people back home.

Don't rush. Be methodical.... Remember, you worked hard for this money.

5. Who is going to look after the business.

You have worked hard for the money so be careful and diligent about who you give responsibility for running the day to day affairs of the business.

Don't mix up, the need to have someone loyal with the need to have someone competent. Handing over your hard earned money to an unemployed cousin, simply because you trust him, has left many people in tears. Its important to be professional about how you go about choosing someone to look after the venture, even if it is a relative.

Should you start a business, or just buy shares, in an existing business?

To start a business or to invest in a business?

The skills that you require when you decide to start a business are very different from the skills you require when you are simply investing in an existing business started by someone else.

It is harder to start a business and run it successfully, particularly if you live outside the country. You must be very cautious, when doing this.

Here are a few simple things that you need to think about, if you are planning to start a business back home in your country. This is not intended to be exhaustive, but just to help you with your process:

#1.

How do you plan to fund it?

If you are planning to use your savings, as most people in the diaspora do, don't over stretch yourself. By this I mean don't put all your savings into the venture in one go. Start small, and go slowly.

Even if you really know the business area, you are going into, don't go into it with everything you have.

If you are planning to borrow either where you are working, or back home. Be very careful, and always keep at the top of your mind that you have to pay it back.

#2.

It's important to understand the business you are going into. Don't just wake up and say, "so and so, made money, so I will also try this." It must be something you fully understand better than anyone else.

3.

Spread the risk.

Even if you have all the money necessary. Try and get some trustworthy partners, who are also willing to invest something. As we say in business get partners who are prepared to put some "skin in the game"; in other words, they must be prepared to risk their own money as well. If you get the wrong partners, its "game over", choose carefully.

4.

Find competent people to run it.

In many ways this is the toughest thing you will ever have to do.

If you are really serious, the best thing to do, is to go back home and run it yourself. I'm serious now. Otherwise just invest (I will talk about that in the next post).

#5.

Be prepared to lose everything:

You will not be a successful entrepreneur if you are not prepared to lose your investment.

If the project falls over, don't behave as though the sky just fell on you. Laugh it off and learn from your mistakes.

Its very much part of the game. Next time you will be better.

#6.

Have proper reporting systems, don't rely on spies.

Systems to report, are better than cousins hanging around the MD.

I have spoken at great length before about the importance of numbers. Look for my posts, in which I talked about the importance of “managing by numbers”.

#7.

Don't procrastinate!

If you are going to do it, then do it!

There is nothing more irritating than those people who talk endlessly about doing something, and yet never do anything.

Chapter 20:

The Entrepreneur in the Workplace

“Being an entrepreneur at work does not mean, start a little business on the side. It means apply yourself in your job, as an entrepreneur, and make the organization you work for a great success”

Become an entrepreneur, in your job!

“Oh, how I wish all God’s people were entrepreneurs!”

A young man asked me once, “when did you first become an entrepreneur?” And was quite surprised by my reply:

“I have been an entrepreneur, for as long as I can remember.”

“Were you an entrepreneur, when you worked for someone else?” He asked.

“Yes, I was. Even when I was employed by someone else, I worked for them, as an entrepreneur.” I explained.

“Is that why you went off to start, your own business?”

“No; not really.”

There was a pause:

“Sir, I don’t understand? I always thought entrepreneurs, start their own businesses?”

“Not necessarily. Some of the best entrepreneurs in history, and even today, do not start their own businesses. It’s not necessary.”

Then I added:

“If my employers, at the time, had recognized me as entrepreneur and deployed me, in such a way as to allow me to express myself as an entrepreneur, I would have stayed, and helped them to build a bigger and more successful organization.”

A long pause, as he reflected on my comments:

“Sir, I’m a bit confused? Are you saying that I can be an employee, and an entrepreneur at the same time?”

“Yes, that is what I’m saying to you. It’s best to always function as an entrepreneur in your job. ...successful organizations are those who employ entrepreneurs and deploy them properly.

...you need an entrepreneur to start a company, but you need entrepreneurs, at all levels of a growing company.

There are 100 year old companies, that are developing amazing new products, and re-inventing themselves constantly. They may not call it, using such cool words as “entrepreneur”, but they employ entrepreneurs, to drive change and innovation. Being an entrepreneur, is at its best a way of thinking, and a mindset.”

Then I sighed, and paraphrased Moses, the prophet:

“Oh, how I wish all God’s people were entrepreneurs.”

Entrepreneurs are the most treasured, and most valued employees, in any organization, that wants to be successful:

See it as a way of thinking!

Become an entrepreneur, in your job!

Being an entrepreneur at work does not mean, start a little business on the side. It means apply yourself in your job, as an entrepreneur, and make the organization you work for a great success.

Institutionalize Entrepreneurship, in your Organization

It is not possible for an organization to grow big, on the ideas of one person. Even if that person is a brilliant entrepreneur.

Once, you as the “founding” entrepreneur have managed to start a business, and it is growing. One of your most important tasks, if you want the business to continue to grow, even for decades or more, and certainly when you have retired, or even died; you must institutionalize a culture of entrepreneurship. And this starts with the ability to identify and recruit entrepreneurs....and also hold on to them.

Let me tell you a secret:

The most important people in any organization, are the entrepreneurs, also known as “intrapreneurs”. Some of them are senior executives, some are senior managers, some are top engineers, some are supervisors, some are factory workers, some even sweepers! “Oh, how I wish all the people that ever work for me, were all entrepreneurs!”

Take a company, like Toyota, GE, or IBM. The founders are long gone, and yet these giant companies can create new innovations, start new businesses. They can identify new opportunities... They can do everything, an entrepreneur can do; but they do it institutionally. Every year they register thousands of patents, and develop new ventures. If you ever get a chance to read the stories of great business leaders like Jack Welch, and Ann Fudge, you realize that they were amazing entrepreneurs, and yet they did not own the businesses they were running. Being an entrepreneur, at its best, is a way of thinking.

Forbes Magazine just named a young executive in our company, Teresa Mbagaya, as one of the “30 most promising entrepreneurs in Africa.”:

Forbes Extract

[\(http://www.forbes.com/.../30-most-promising-young-entrepre.../3/\)](http://www.forbes.com/.../30-most-promising-young-entrepre.../3/)

Teresa Mbagaya, who is from Kenya, was working at Google in the United States, when we first heard of her. Just like a football coach, I have my “talent scouts”, scanning and looking for young people, who will be the next “Ronaldo”, in the corporate world. We asked her to join us, and gave her a new business unit to run, even though she is still in her twenties. She has a degree from Yale University.

Dr Precious Lunga, is a young woman with a PHD, in Neuroscience , from Cambridge University. She was living in England, where she had settled. One of my “talent scouts”, sent me a paper she had written on “Mobile Health”. I called her and asked her to set up a new business we call EcoHealth. She now has 500,000 customers, and is making money. She is a great entrepreneur.

Gavin Manning was running his own business, when he first came to our attention. He is what is called a “serial entrepreneur”,. We hired him. and he has now been with us for many years. He is

one of the people who has a license to call me, anytime. Sometimes he comes to my house, in the middle of the night.

Tendai Mashingaidze worked for McKinsey before going off to start his own business. He soon realized that he wanted to help young people, as a “social entrepreneur”. When I heard about him, I flew him to London to present his ideas. I asked him to join us as a “social entrepreneur”: He now runs an initiative to train young people in Computer Coding, called Muzinda Hub.

Les Cullen, is one of my favourite entrepreneurs, he has worked for us, for over 15 years. Every month he bombards me with “crazy new ideas”. He is like a kid in a toy shop. He is now over 70 years old.

We have lots of people like this: finding them and creating an environment in which they can thrive is one of my key jobs. They come from all races, and gender. They can be any age!