

AFRICAN DECISIONS



AIMING HIGH

MIKE KGOBE

CEO of Denel Aviation

FLOWER POWER...Floriculture In Africa
AERIAL INNOVATION...Military movers
CHALKING IT UP...Free education
PLOT AND PLAN...Shipping logistics
THRILL SEEKING...Adventure tourism



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COVER
INTERVIEW

setting the targets high

KERRY DIMMER accompanies Mike Kgobe on a tour around Denel Aviation and finds out why he is both admired and respected by his staff

That CEO Mike Kgobe is greeted as plain old 'Mike' with enthusiasm by shop stewards and apprentices, receptionists and cleaners alike, says more about his management style than any other testimonial. His 'show me your values' call, has Denel Aviation staff eagerly waving a prized Denel 'credit' card high above their heads.

The card states the values of both the Denel Group and Denel Aviation. The group has embraced caring, accountability, performance, integrity and innovation in business. Flip the card for Denel Aviation values: to respect diversity, be reliable and innovative, and have a strong customer focus – all qualities that Kgobe himself possesses.

The flight path to his current role as the CEO of Denel Aviation was fairly direct, once he was on the right runway. Kgobe was born in Galeshewe, Kimberley and moved to Botswana with his parents at a young age. As a young man armed with an engineering diploma from Botswana Polytechnic, the job offer from the new Air Botswana came as quite a surprise. Up until then Kgobe believed he would be entering the mining field.

"My interest in engineering was sparked by high-school physics and mathematics. That led to training in mechanical and electrical engineering; I hadn't considered aeronautics, but the bug bit and I quickly became, and remain, an enthusiast."

Air Botswana indulged Kgobe's newfound passion by sending him to the UK to train in aeronautical maintenance. A few short years later, having developed quite a reputation for planning and reliability engineering, SunAir snapped him up.

Between the two airlines, Kgobe was exposed to a myriad aeronautical practices that included reliability and maintainability engineering, such as aircraft scheduling, maintenance planning, and liaising with original equipment manufacturers (OEMs) on technical matters. "I've done it all," he says, "from opening engines and checking oils to kicking aircraft tyres."

His studies continued into the 2000s, and culminated in the completion of an executive programme at Unisa's Graduate School of Business Leadership and a master's degree in Aeronautical Engineering from

École Nationale Supérieure d'Ingénieurs de Constructions Aéronautiques in Toulouse, France.

"This sort of experience only comes from working within the smaller airline organisations and was invaluable in giving me an appreciation of the entire value chain of operations."

Invaluable too, it seems, in his current CEO role, which followed his successful tenure as Denel Aviation's chief operating officer as well as his experience as an executive manager of the business unit.

Denel Aviation is the maintenance, repair and overhaul division of the Denel Group, SA's largest manufacturer of defence equipment. Founded in 1965 as Atlas Aircraft it was incorporated into Denel (Pty) Ltd as Denel Aviation in 1992. Since then, Denel Aviation has focused primarily on providing services to the South African Air Force (Saaf), which is Denel's biggest customer, with 80% of its operations concentrated on keeping the helicopter fleet mission-ready.

"Being 'mission-ready' does not mean the country is arming itself for war," says Kgobe.

Defence budgets are largely determined by the cyclical economies of the world, which is why Denel Aviation is set to diversify into revenues not related to the military



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'Although it is vital to the safety of the country, these fleets also play a crucial role in rescue operations, saving people's lives, for instance, in flood and fire disasters.'

That is why Kgobe is such a stickler for exceptional maintenance levels. Under his watch, attention to detail, reliability and logistical support is of paramount importance, as is maintaining traditional business. Now Kgobe and his team are eyeing a bigger picture: Africa.

Two years ago Denel Aviation underwent a major change. 'We began cleaning up our business internally, tweaking and sharpening our processes. It was extremely important that our 1 200 employees were thinking and acting in a collective sense. Only then could we penetrate the external environment.'

One of those external strategies was to align Denel Aviation with OEMs. These relationships have given the company direct access to technical support and expertise that have consequently resulted in a number of highly regarded international accreditations.

'We now have a depth of defence maintenance engineering capability that is unique in Africa and we are looking to the continent to engage in collaborative partnerships,' says Kgobe.

'This includes commercial environments in addition to traditional African defence force operations. We will be providing clients with complete aviation solutions and simultaneously be part of improving Africa's infrastructure and capacity-building programmes.'

That this is Africa's time is not just a cliché for Kgobe. He wants Denel Aviation to remain firmly focused on the continent, allowing for all manner of resources to be exchanged in a developmental strategy that, for the time being, does not include equity partnerships. 'That is something we will look at once we have released value into the business co-operations we are growing.'

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Kgobe wants to pioneer the diversification of Denel Aviation's portfolio and introduce new OEMs, such as those from Eastern Bloc countries, into the business. 'In a sense we've really only concentrated on Western technology but Russia and China, for example, have been very proactive in this field and we foresee a number of potential opportunities emerging from mutual collaboration.'

Teamwork and collaboration are a large part of Kgobe's management style. 'I believe that you are only as strong as the team around you.' But as a leader he acknowledges that there are times when he has to take a stand. 'Sometimes you have to make a tough decision but that comes with the territory.'

Some decisions have been easy to make though, like the strong commitment that Denel Aviation has made to BBBEE practices. The company recently achieved a Level 4 status from Level 7, a commendable jump.

This is in line with the company's desire to help grow an economically sustainable society as well as encouraging its partners and suppliers to embrace similar practices.

The company also awarded a US\$46 420 sponsorship for each of its 15 engineering apprentices, and provided the opportunity for disadvantaged community children to experience flight in the hopes of encouraging an interest in science and engineering.

Such initiatives have guaranteed Denel Aviations a 100% score with both corporate social investment and enterprise development at the last audit.

Kgobe is one of the lucky ones who, despite flying high in business is still firmly grounded in his private life, giving family the importance it deserves.

He is humbled by those who honour him: 'I am just a normal person and I have learnt not to abuse my position or the powers that come with it. My predecessor, Ismail Docrat, along with the great Nelson Mandela and visionary Thabo Mbeki have all inspired and taught me a great deal about humility, gratitude and leadership.'

There is no doubt that Kgobe has those qualities, but there is one more that adds to his character – a good sense of humour. He mentions that the overalls he wore as a young mechanical engineer still hang in his cupboard, juxtaposed to his current day business suits. When asked if he still wears the overalls, he laughs: 'Ah well, the detergents today are too powerful so they've shrunk a bit!' **AD**