

Q&A: Absa Group sees rosy future in rebranding

Absa Group Deputy CEO Peter Matlare

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In 2017, the UK banking giant Barclays Bank Group Plc announced it would be selling its controlling stake in Barclays Group Africa. The agreement, scheduled for completion by June next year, will see Barclays Group Africa transition to Absa Group Ltd by 2020.

Last year, the company officially launched the Absa brand across its African markets outside South Africa, kicking off the months' long re-brand. The Financial Standard talked Peter Matlare, deputy CEO, Absa Group Ltd, on the sidelines of the World Economic Forum (WEF) in Davos via telephone link last month to discuss the milestones achieved so far, the lessons learned and what lies ahead.

Where is the company in terms of the rebranding exercise from Barclays to Absa

We have up to June 2020 to complete this process. We have to put up a plan to the Central Bank of Kenya, (CBK) to show them how this will be done, the timelines and how we will be de-risking the entire process. We envisage this to happen in Kenya in 2020 and not before. We have a strong balance sheet and we have been able to continue investing in all the platforms that we need to have in place to manage this transition. There are several elements but where we started was to make sure we were able to put in place all the technology and other digitisation platforms as well as investing in our colleagues in order to better serve our customers and clients. At the same time, in periods of transition like these, you have to make sure your people, who are your greatest assets, have confidence and belief about what the future holds and therefore continuing to invest in them and transform the way they do things. This has been important for us and I am really delighted to say we not only retained a lot of the key talent that we always had but we've attracted new talent to the business.

What currently remains pending in the transition schedule especially on the regulatory front?

In order to do this successfully, we've had to make sure we completely understand any concerns regulators might have and work with them to ensure we don't pose any direct or indirect threats to any financial system because we have done something that may have been

ill-considered. We work very closely with regulators across the continent and indeed they have been most constructive in helping us through the process.

In the final phase of transitioning the brand itself, moving from the Barclays Bank Group Plc brand in Kenya to the Absa Kenya brand, there is an important process of communication and consultation not just with regulators but also with our customers and clients so they understand the journey every step of the way.

What does the transition from Barclays to Absa mean for the future expansion of the company across the various markets?

Last year we launched our office in London. This is because a number of our clients are global clients and with the separation from Barclays Plc, we have to have the ability to service those clients, see them and understand their needs. Having an office in that market ensures we are available to our clients. We'll be opening another one in New York once we have completed the licensing process and these will be our first two new markets where we will start. Quite clearly as we continue to evolve as a business, we will look at other key markets over time to make sure where our clients are we are able to service them in a professional manner.

Are we are likely to see Absa Group engage in mergers and acquisitions in the short to medium-term?

It's only logical to keep all our options open. However, what we are clear about is to make sure we've bedded down the separation from Barclays Bank Group Plc appropriately. We think there are opportunities for both organic and inorganic growth. We've put in new platforms understood new niches and opportunities and we are keen to drive those to build on organic growth. A good example in Kenya is Timiza, which we launched last year. In respect to inorganic opportunities, we'll consider them as and when they come because we have a growth agenda. It's however not

growth at all costs but has to be sustainable where we put shareholders capital to good use.



ON THE MOVE



Centum Investments Group has appointed **Mwangi Mbogo** as its company secretary with effect from February 1, 2019. This comes months after he joined the company in September last year as the director of legal affairs. Mr Mwangi has over 17 years' experience in commercial and corporate law. Prior to joining the firm, he worked at Simba Corporation Ltd and Mohammed Muigai LLP Advocates where he handled corporate and commercial transactions, including mergers and acquisitions, joint ventures and partnerships, as well as real estate and conveyancing transactions. Mr Mwangi takes over the role from Lois Gakumo, who has served the Group for four years from 2015, and leaves the position to pursue other interests.



Old Mutual Group has appointed **David Kuria** to head its general and health insurance businesses in Kenya as managing director. He replaces James Wambugu who quit the group last year to serve in the board of the social investment firm. Mr Kuria has vast experience across the insurance industry. Since joining Old Mutual Group in 2014, Mr Kuria has held several positions, including managing director of the group's general insurance, health and property businesses in Uganda, as well as managing director of UAP Insurance and property businesses in South Sudan. And prior to joining Old Mutual, he had held several senior positions across the insurance industry.



Global Fund for Women has appointed **Ms Latanya Frett** as President and CEO beginning July 1, 2019. Making the announcement, the board said Ms Frett will succeed Dr Musimbi Kanyoro who is retiring on June 30. The appointment comes even as Ms Frett is currently the Executive Director of Planned Parenthood Global, the international arm of Planned Parenthood Federation of America, with regional and country offices in Africa and Latin America. She is an attorney by training who has worked with governments, NGOs, and multilateral sectors. Prior to joining Planned Parenthood Global, Frett worked for eight years as a human rights officer for the United Nations Children's Fund (Unicef) and for 10 years with USAid, among others.

Fact-Checker: Ombudsman's record of settling cases a mixed bag of fortunes

Just how successful has the Commission on Administrative Justice (Office of the Ombudsman) in expending its mandate since inception?

This was one of the questions levelled at the new Commission Chairperson Florence Kajuju during a televised interview last week.

According to Ms Kajuju, the office achieved an 83 per cent success rate in the resolution of cases handled during the tenure of the past chair and current Rarieda MP Otiende Omollo. "By the last count of cases that were registered with us, they were over 300,000 and I have confirmed that over 250,000 cases have been settled," said Ms Kajuju.

"We've been able to settle most of the pension cases that were bought to the Ombudsman. We've been able to settle issues about the land where there has been a complaint that does not touch on the NLC but on maladministration and impunity," she explained.

A look at the annual reports from the Ombudsman's office spanning the past seven years, however, paints a mixed bag of successes and failures of the State agency tasked to level the scales of justice in favour of the disenfranchised.

In 2012, the first full operational year since its inception, the commission handled 4,062 complaints and inquiries.

These included 2,440 complaints inherited from its predecessor, the Public Complaints Standing Committee and 1,622 new complaints and inquiries of which 1,398 were resolved and the rest carried forward.

Over the past five years, the commission has seen an unprecedented rise in the number of complaints registered, solved



Commission on Administrative Justice Chairperson Florence Kajuju. [Peter Muthomi, Standard]

and carried forward. In 2014, the number of cases handled by the Commission shot up from 18,257 the previous year to 86,905 as public awareness and reporting platforms were expanded. Of these, the Ombudsman says 70,806 cases were resolved, with 9,066 carried forward, representing a resolution rate of 60 per cent.

The success rate in settling complaints hit an all-time high of 87 per cent in 2015 where 101,882 cases of the 117,939 were resolved, with 7,038 carried forward. This success rate has, however, been clouded by a 157 per cent cumulative increase in the

number of complaints unresolved over the past four years. Last year, complaints carried forward at the commission stood at 18,000, up from 7,038 in 2015.

Ms Kajuju cited low budgetary ceilings and wide capacity gaps in the counties where reporting of complaints is less prolific than in Nairobi County.

The commission is yet to receive budgetary support to operationalise the Access to Information Act signed into law in 2016 as one of the tools citizens can use to probe opaque government policies and projects.

[Frankline Sunday]