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ODE TO A KING

So much has been written about corporate governance across the world in recent years; it's a topic that is guaranteed to be raised by informants and critics when organisations or governments get things horribly wrong. Under its banner, poor corporate governance issues may include matters such as executive greed, poor leadership, unethical or irregular business or leadership practices, violating legal and policy frameworks, personal conflicts, nepotism, corruption and so the list goes on. Of course, the topic in namesake -- *corporate governance* -- may be fancy, but simply put it is really about applying good discipline and complying within a set of acceptable practices which meets with the approval of ethically and morally grounded principles. No matter its guise, corporate governance has been in existence for centuries. It is not a foreign concept at all, except that in more modern times, as people have become more entitled to openly air their disapproval toward various matters -- especially when they have been personally aggrieved -- that the topic is raised.

Indeed corporate failures such as the Enron Corporation -- an American energy giant at the time -- showed just how empowered ordinary individuals and employees have become when they voiced their disapproval against the willful and unethical business practices carried out by its leaders, Kenneth Lay and Jeffrey Skilling, who were both aware of the organisation's accounting loopholes and poor financial reporting, ultimately costing their stakeholders billions of dollars.

Since some of the world's most spectacular corporate governance scandals, evidenced for example through the cases of HP, Siemens, Arthur Anderson, Barings Bank, Fannie Mae, Parmalat and WorldCom, business leaders and civil society have had ample opportunity to understand the main reasons which led to their public exposure, and in most instances their demise. Expectedly, South Africa has also had its fair share of corporate governance scandals and failures, some of these found in the cases of Macmed, Tigon, Regal Treasury, LeisureNet, Saambou and Frankel International & Frankel Chemicals.

Irrespective of where these examples of poor governance may have occurred, albeit locally or abroad, they all have a common thread comprising any one and or all of the following dire components, these including; voracious greed, deceitfulness, people with an insatiable appetite for self-gain and self-preservation, and even outright fraud and corruption.

That said, whilst many South African organisational leaders in business and government will undoubtedly have come across the world renown, and comprehensive King Reports on Corporate Governance, the vast majority of these leaders may not have realised just how significant the King Reports have become across the world. These Reports provide important guidelines, which if followed correctly, can prevent future corporate governance failures and collapses of businesses, government entities and structures, not least the mistrust which is so often linked to these failures.

South Africa can be very proud of the fact that much of the thinking and effort which has gone into the three King Reports on Corporate Governance has essentially been driven by a well known former judge of the Supreme Court of South Africa, namely *Professor Mervyn King SC*. This extraordinary person has not only changed the thinking surrounding the principles of sound governance and its application in our daily business routines, but he has also significantly highlighted what the world is likely to become in the event that our natural resources are exploited at the current rates of consumption. It's not a pleasant scenario which Professor King presents, and it is for these reasons, which include his wealth of knowledge and experience, that he was elected as the Chairman of the *International Integrated Reporting Council* (IIRC), this being just one of his many and notable international achievements. Furthermore, noting Professor King's incredible contributions toward Integrated Reporting, he was recently awarded an Honorary Fellowship of CIMA (Chartered Institute of Management Accountants) by the President of CIMA, Gulzari Lal Babbar, who travelled from London to make the Award. Notably, Professor King is the



first South African to receive an Honorary Fellowship of CIMA and only the 6th person in the 93 years of the Institute to be so honoured. Shortly hereafter, he was further recognised by the *International Federation of Accountants (IFAC)* in November 2012 by its President, Göran Tidström when he received IFAC's prestigious *International Gold Service Award* for his outstanding contributions to the accountancy profession.

In many respects Professor King may be regarded as the 'godfather' of corporate governance; some even refer to him as the 'custodian of corporate governance' across the world. Considering his impeccable and illustrious career, which includes the roles he has fulfilled as a corporate advocate, arbitrator, mediator, corporate director, commission chair, author and public speaker; these descriptions are more than befitting to one of South Africa's greatest. Comparatively speaking, whilst Professor King has received many international awards for his work in corporate governance, he has remained one of South Africa's unsung heroes.

One of Professor King's earlier bold career moves -- which epitomized his deeply grounded morals -- may be high-lighted in 1980 when he took a brave and incredibly unusual step of resigning as a judge of the then Supreme Court of South Africa, following an issue on which he wanted a public hearing and Prime Minister Botha did not agree. It was after that highly publicised resignation that Professor King became involved as a director and chairman of companies. A discussion between President Mandela and Professor King has remained confidential between them, but suffice it to say that it was followed by Professor King becoming involved in the formation of the King Committee and thereafter chairing and directing the committee which produced King I, King II, King III and now he chairs the internationally famous, International Integrated Reporting Council.

Indeed, amongst Professor King's very many notable achievements and awards, he was also elected as President of the Advertising Standards Authority of South Africa (ASA), a position he served for fifteen years. Indeed, the changes he brought about at the ASA were notable. Prior to his appointment at the ASA, the ASA's judgements were in the main oral; however through Professor King's tenure, an enormous body of Advertising and Marketing Jurisprudence was created and through this, attracted the interest of regulators in this field around the world. Points dealt with by Professor King and his judgments were often ahead of judgements delivered by the High Court and Constitutional Court of South Africa.

More important than all of these achievements, are the achievements of Professor King as a man and human being. His marriage of many years to his lovely wife, Liz, has produced two sons who have themselves been highly successful in their chosen fields. He enjoys a close relationship with his sons and is adored by his grandchildren. Professor King loves his sport and wine, and has an outstanding sense of humour and a keen, and often wicked wit. He is admired, loved and respected by his enormous circle of friends around the world, and many people have beaten a path to his door when help and assistance is needed, never to be turned away.

Professor King remains a warm, caring and approachable person, notwithstanding the international accolades and awards which has been bestowed upon him and continue to be bestowed upon him. He is a true and great son of the African soil and will no doubt continue to contribute enormously to a country which he loves and admires, but equally will never hesitate to criticise when things are not done in accordance with his exact and precise standards.

We salute you Professor King for the manner in which you have served South Africa, and indeed the fine ambassador that you have been for South Africa over these many years.

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