

Daniel's Perspectives – February 8th, 2018

What I'm reading into Investec's leadership rotation

As far as leadership succession planning and implementation goes, Investec's recent wholesale leadership rotation is pretty much as good as it gets. These facts impress me;

- 1) As far back as November 2015 they publicly announced a leadership succession process. It is probably reasonable to assume that the internal decision would have been made even earlier.
- 2) Judging by the share price movements leading up to and after the announcement, the whole organisation managed to keep this a secret.
- 3) The effective date for the leadership handover is in October 2018; 9 months from now.
- 4) Two of the retiring co-founder executives, Stephen Koseff and Bernard Kantor, will continue to serve the business as non-executives.
- 5) All of the new leaders were sourced internally and had already served the business for many years.

Culture is critical for any long-term business; arguably nowhere more so than in a multinational financial services business. Messrs. Koseff, Kantor, Hugh Herman and Glenn Burger alongside many others have over the past 40 years led the creation of a distinctive Investec culture, fully aligned to its purpose.

I do not think it is a coincidence that the new top leadership come from the asset management side of the business. Unless they totally stuff it up, in 10 years' time Investec will almost certainly be an asset management business with a bank; not the other way around as it is today.

Our work continues...

Legal Disclaimer

This document reflects the personal views of its author as of the date indicated. The author reserves his right to change his views whenever the facts change, without notice. This document is for information purposes only and should not be used for any other purpose. The information contained herein does not constitute an offering of advisory services or an offer to sell or solicitation to buy any securities or related financial instruments in any jurisdiction.