

Africa's new winning companies

Africa is now at a stage whereby it is continuously seeing new and existing winning companies, and this can be attributed largely to disruptive and innovative business models, and forward thinking methods.



Deloitte panel at Africa Outlook 2018: (L-R) Hardy Pemhiwa, Sola David-Borha, MD Ramesh, and Sabine Dall'Omo.

This article is a summary of a panel discussion at Deloitte's [Africa in 2018 Outlook Conference](#), which featured [MD Ramesh](#), the president and regional head of South and East Africa for [Olam International](#); Sola David-Borha, the chief executive for Africa regions at [Standard Bank Group](#); Hardy Pemhiwa, the group CEO and MD for [Econet](#) South Africa; and Sabine Dall'Omo, the CEO of [Siemens](#) Southern and Eastern Africa.

New companies in this era have adapted through diversifying product offerings and revenue streams. Some of the key elements that have led to companies across the continent realising sustainable and winning businesses include the technology revolution, intentional disruption and private-public partnerships (PPPs).

1. The technology revolution: Growth opportunities of the future lie in being able to deliver solutions digitally. Revolutionising traditional methods of offering products and services assists in reducing costs, provides the opportunity of acquiring new customers at reduced rates and offers companies wider reach. Winning companies across all sectors need to learn to adapt to compete within the digital realm, and create and maintain technology strategies.

2. First-movers versus disrupters: Although maintaining a strong position in the market is key to getting ahead as an

organisation, making the distinction as to whether a company is operating as a first-mover or a disrupter is vital. Today's generation is looking for more entrepreneurial opportunities than past generations, giving birth to disrupters. Unlike first-movers, winning companies do not try to disrupt existing businesses but instead cause disruption by exploiting the non-existence of businesses in key sectors providing high demand goods or services.

3. Infrastructure and partnerships: Basic infrastructure is critical – both for businesses and citizens. When building this infrastructure, African businesses need to take responsibility of building solutions within communities without relying on governments to take sole responsibility. PPPs are essential to scale the potential of projects. Winning companies in Africa think of different business models to better realise PPPs by focusing on and creating solutions that are relevant to the needs of the end customer. However, PPPs are difficult to realise and at times not viable in Africa. Common factors underlying many successful PPPs include collaborating with businesses on the ground with the capabilities to execute as well as creating local partnerships with a long-term view in mind.

Underlying some of the key challenges are past injustices and inequalities faced by Africans. These challenges include finding good and reliable local partners across the continent, involving local suppliers across value chains and promoting empowerment by supporting SMEs. Although new winning businesses driven by innovation are emerging in Africa, it is evident that it takes more than mere innovation and disruptive activities for companies to adapt and succeed in Africa.

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