



*By Dr. Liziwe Masoga*

# Business enablers

## People

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Protecting our unique culture and position the group as the most sought-after retail employer

Part 7





### OUR COMPREHENSIVE PEOPLE STRATEGY ENCOMPASSES MULTIPLE DISCIPLINES

Four key focus areas:

**Organisational health**

**Transformation**

**Succession**

**Organisational design and capacity**





- Aim to sustain a healthy and engaged business
- Established framework for measurement and baseline scores
- Measured at group and divisional levels: covering all associates
- Certified as a Top Employer South Africa 2024
- Consistent improvement in associate engagement
  - 68% to 73% (FY2023 vs FY2024) | Exceptional workplaces average 72% (Gallup)



## ORGANISATIONAL HEALTH INDEX

Associate engagement

Associate wellbeing

New hire turnover

Critical vacancies

Net promoter score

Regrettable losses

Whistleblowers

Transformation

**The above metrics are measured quarterly and collectively contribute to our understanding of the group's organisational health**



- Representation matters to enhance our organisation: not merely compliance
- The impact of a transformed organisation:
  - Increased associate engagement and retention
  - Improved understanding of customers = relevant products and services
  - Improved performance and profitability = improved shareholder returns

## STRONG PROGRESS MADE:

**99.0%**

of new hires were ACI

**95.6%**

of promotions were ACI

Strong focus on extending this impact into the most senior levels in the business

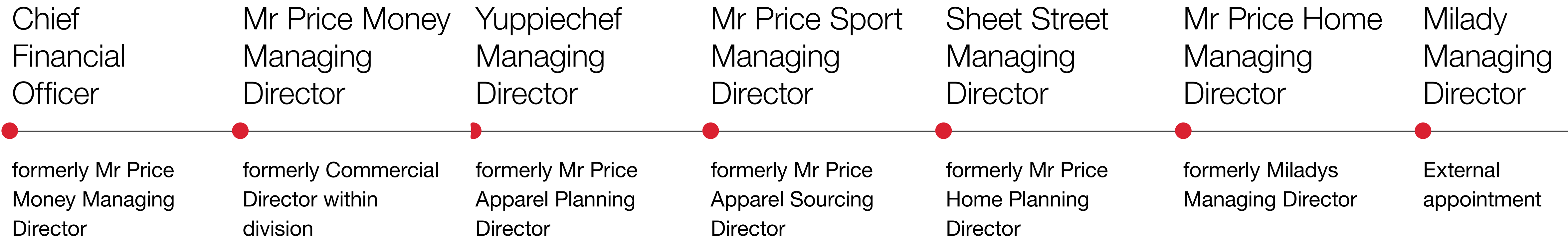




- High priority for management teams, executive committee and the board
- Succession management efforts bearing fruit, we continue to refine our approach and replenish the bench
- Multiple succession pools with different levels of engagement
- Rigorous process to identify HiPOs
- Individual Development Plans (IDP's) to close gaps and regularly monitored

**Homegrown talent is greatly valued, with external recruitment supplementing skills required that are not present**

**SENIOR LEADERSHIP APPOINTMENTS IN THE LAST 18 MONTHS INDICATE A STRONG BENCH:**



**These movements create opportunities for progression at other levels**



# Leadership

LEADER DNA

Build capacity to support achievement of group vision, repeatable formula for building exceptional multiplier leaders

**Leaders are primary influencers of culture = our secret sauce**

# Org Design

BUSINESS DNA

Initiated organisational design in 2021 to support growth ambitions

**Developing leadership capacity to deliver strategy in an increasingly complex environment – further enhancements expected in FY2025**

By Kim Sim

# Business enablers

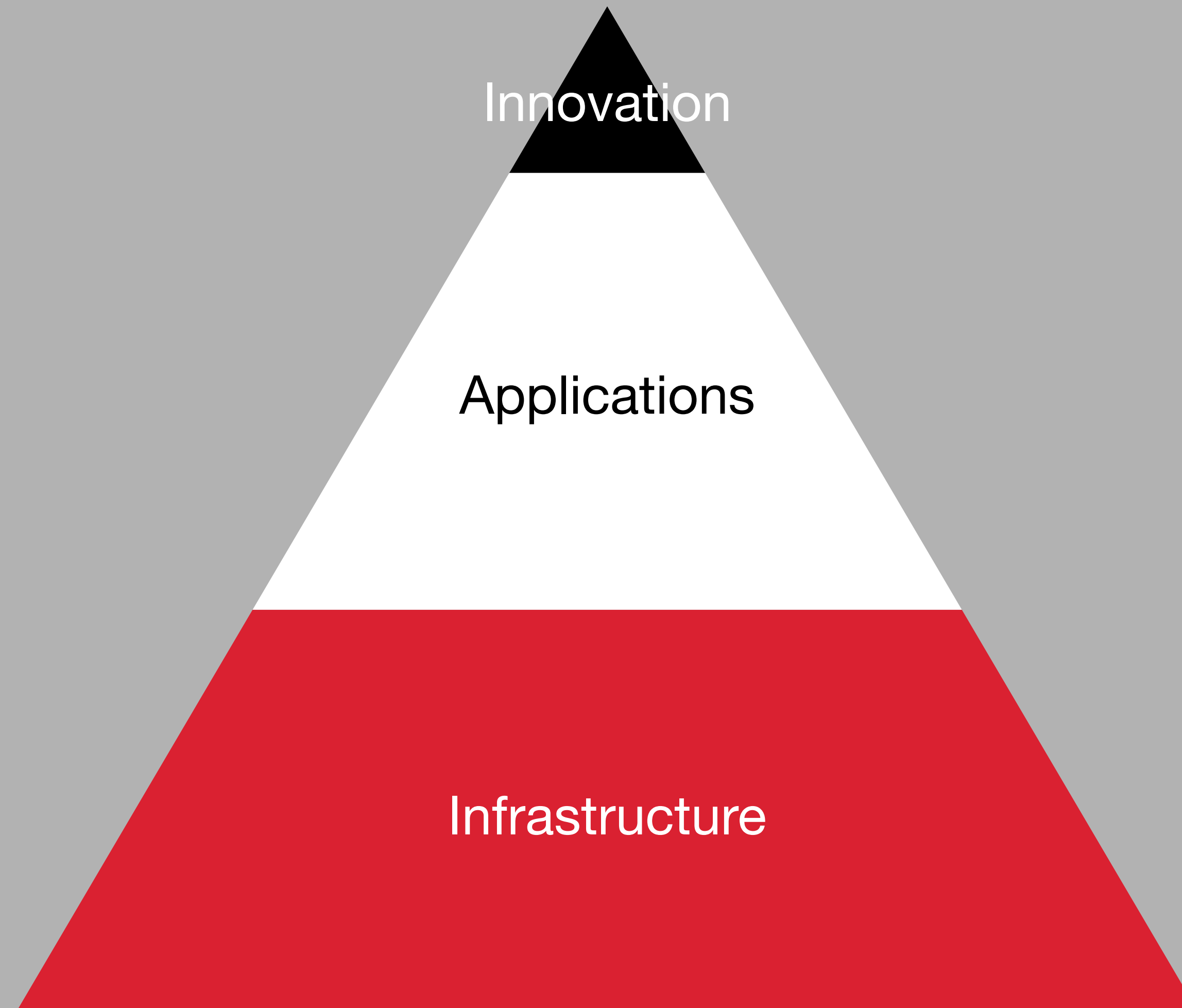
## Technology

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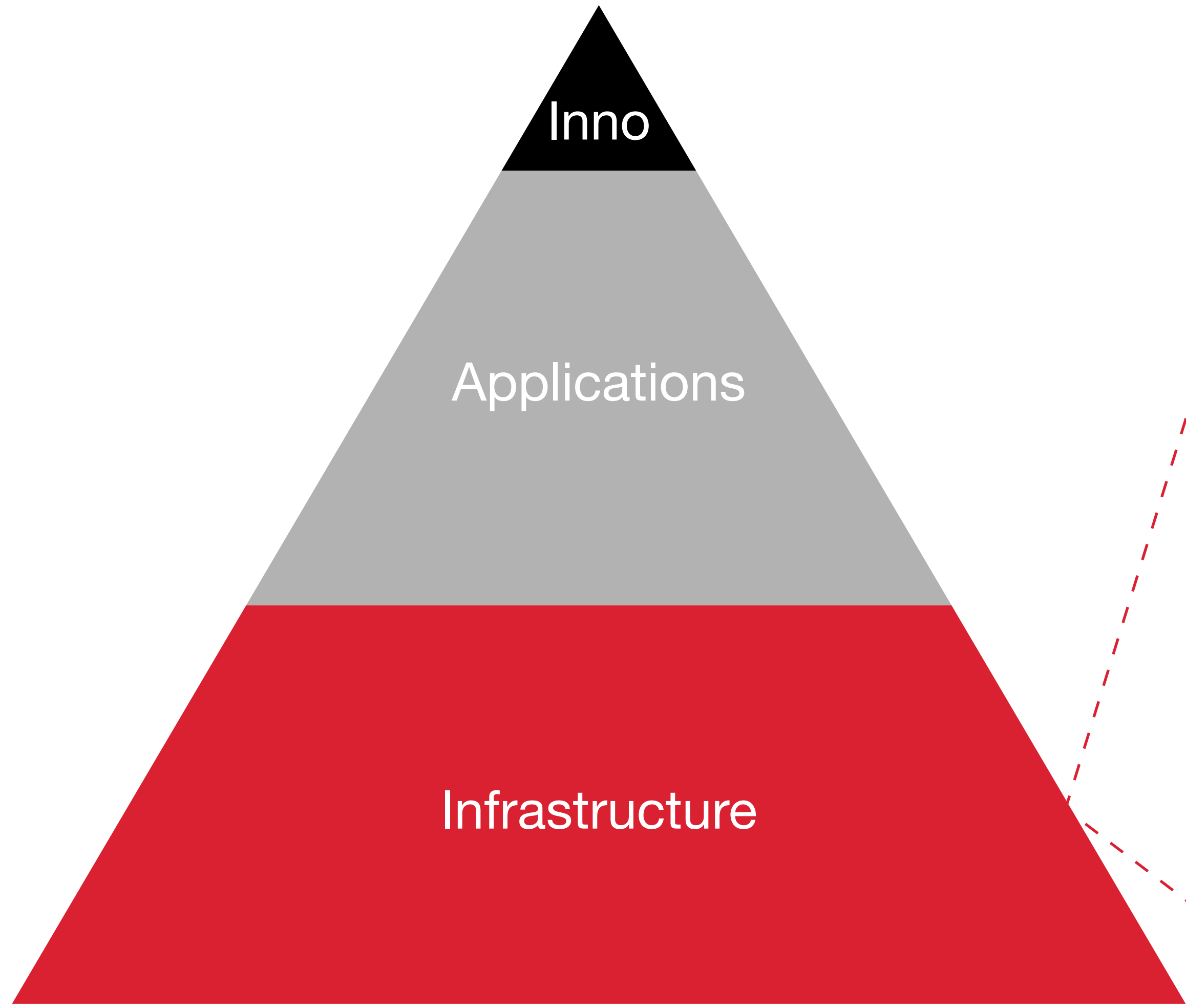
Position the group to become a digitally transformed, scientifically informed and customer-centric retailer

Part 7









### Infrastructure

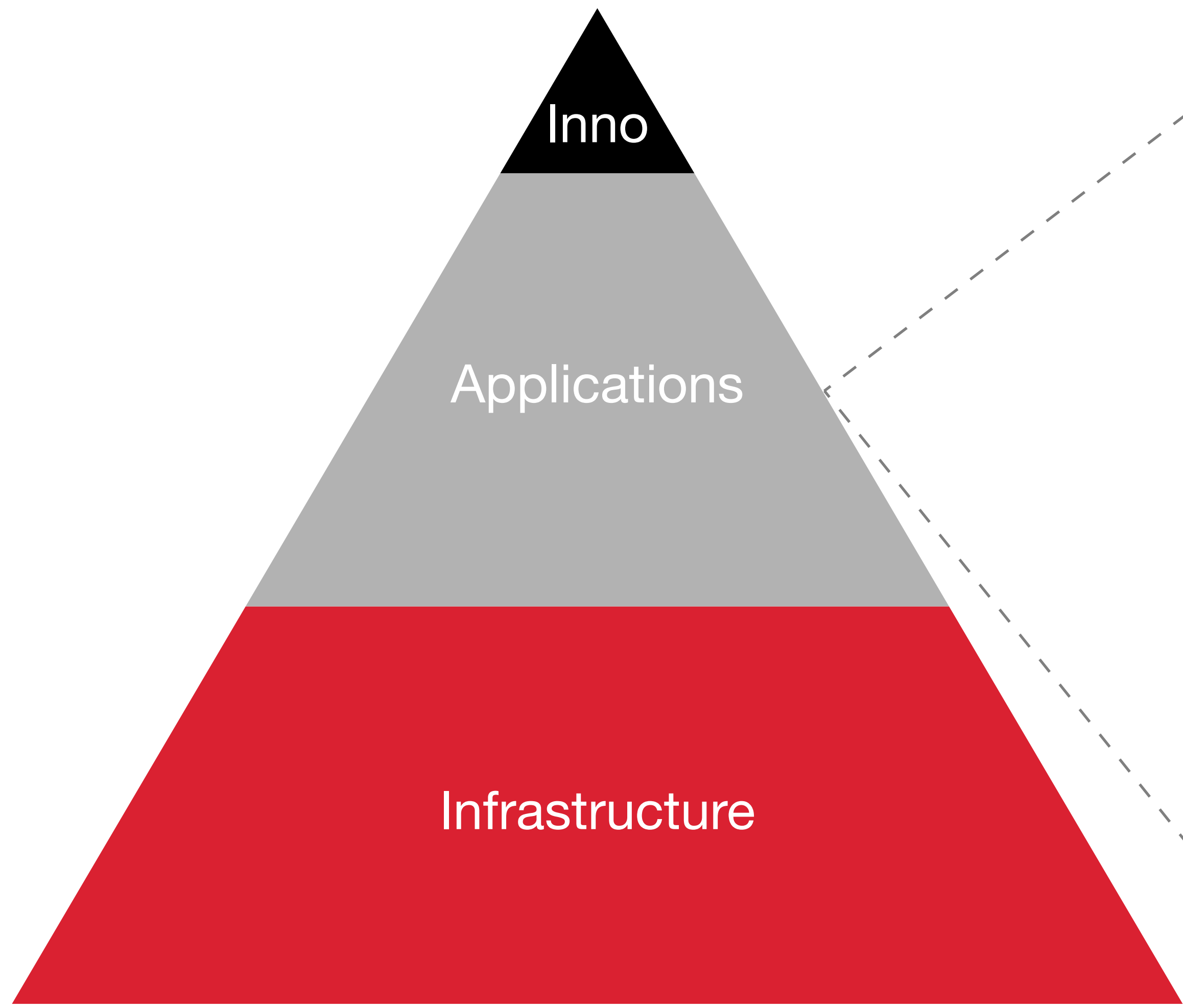
- Moved to cloud
- Migrated to professional data centres
- Implemented enhanced disaster recovery

### Network

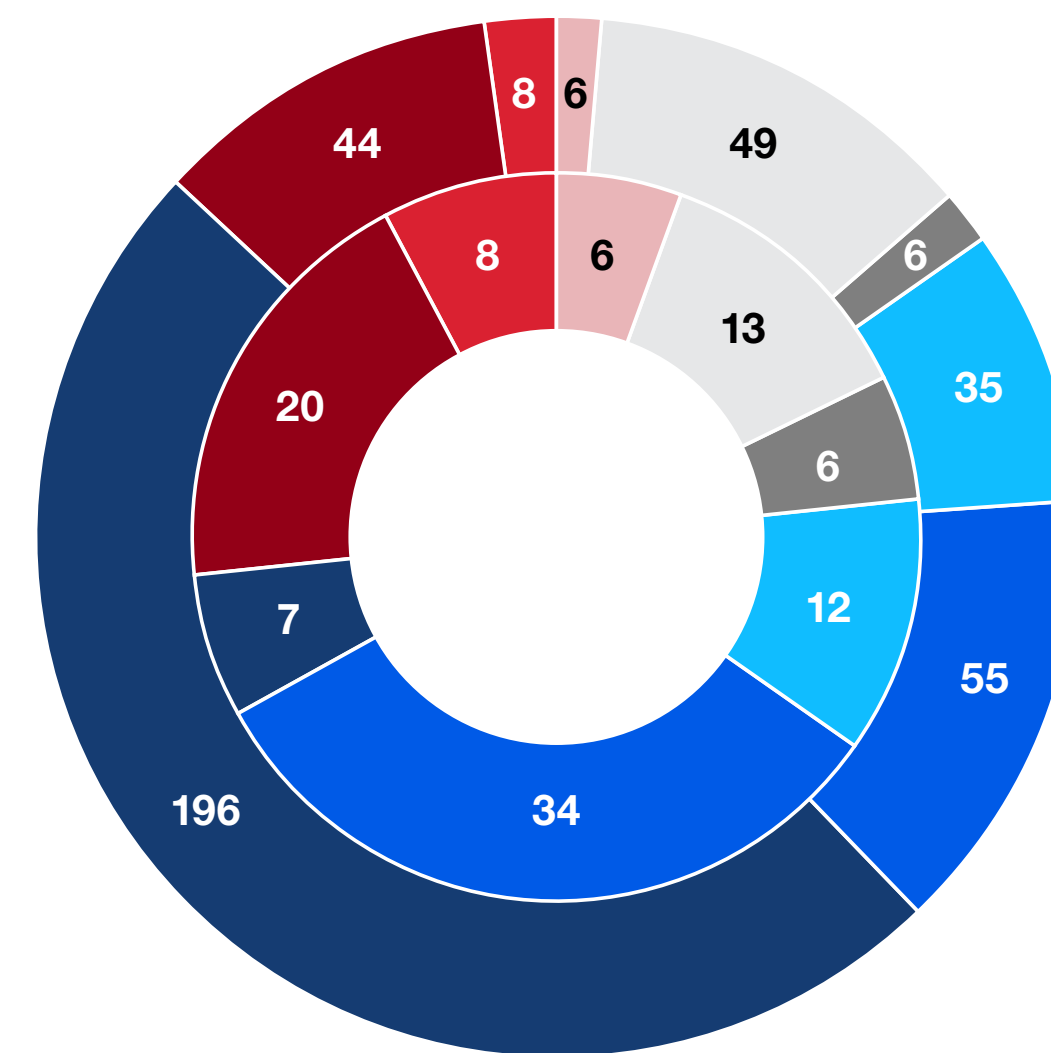
- Upgraded network
- Improved redundancy & monitoring
- Larger links at reduced costs
- Uptime guarantees

### Cyber security

- Developed 5-year security roadmap
- Investment in tools, skills & services



### Applications



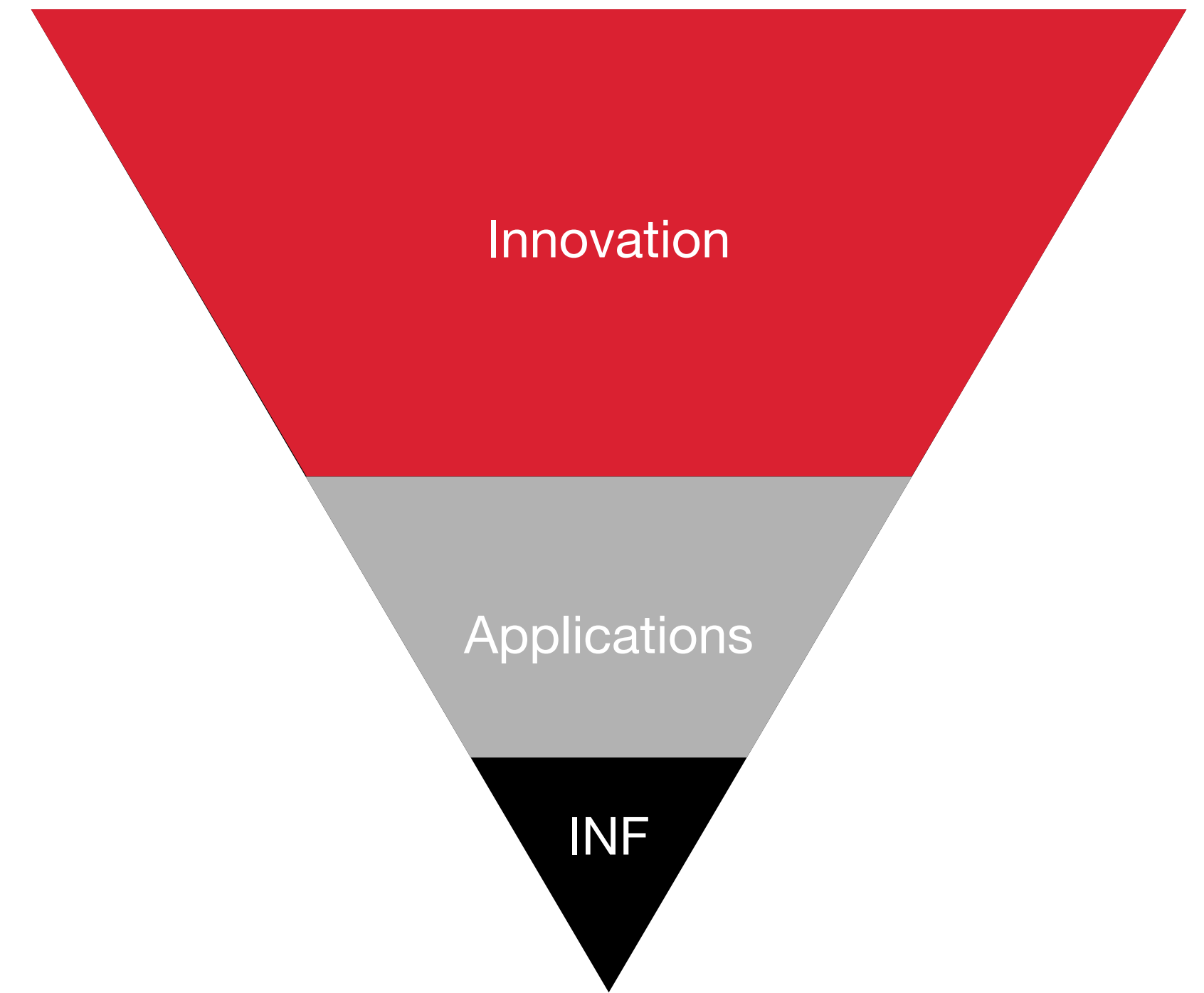
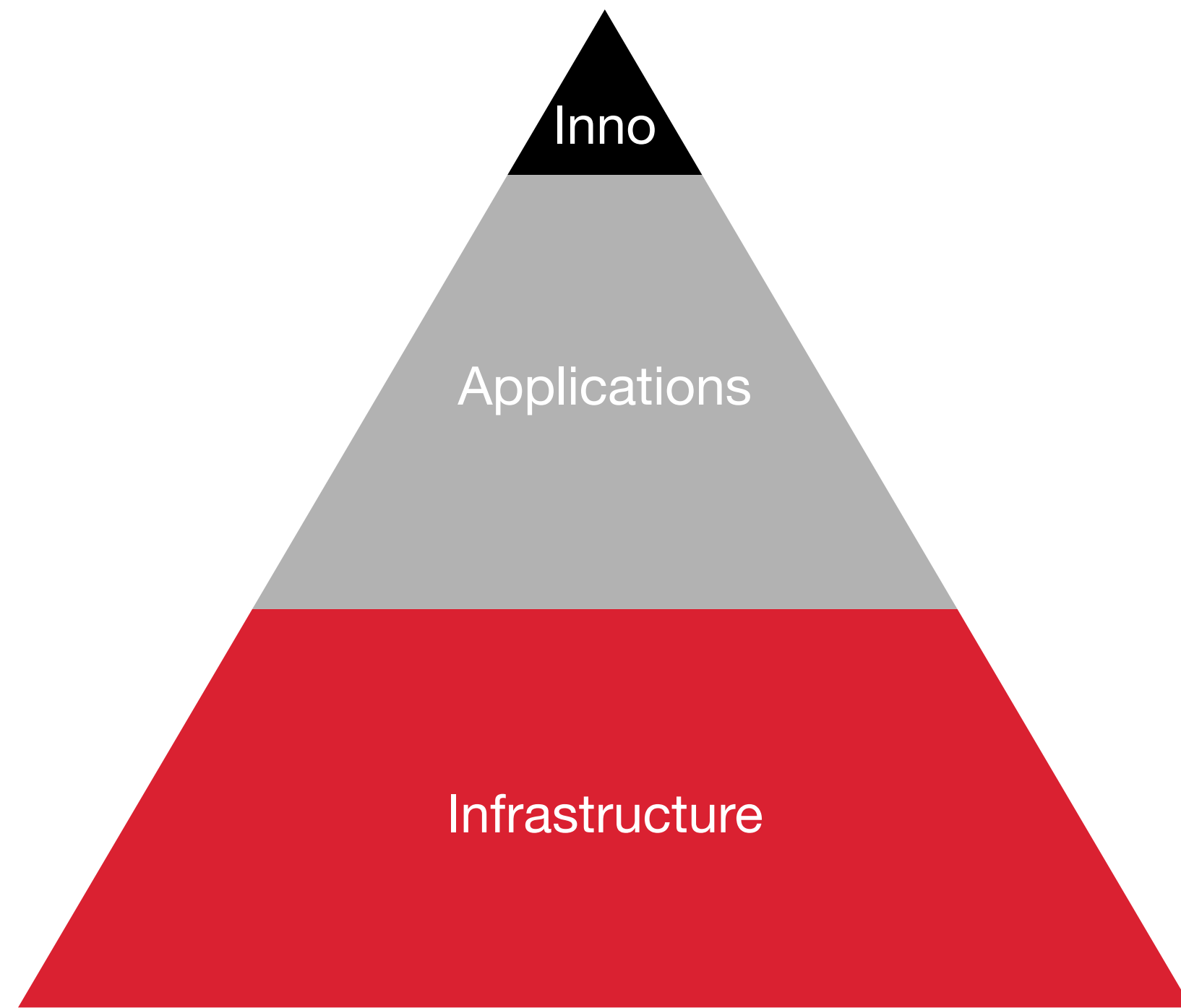
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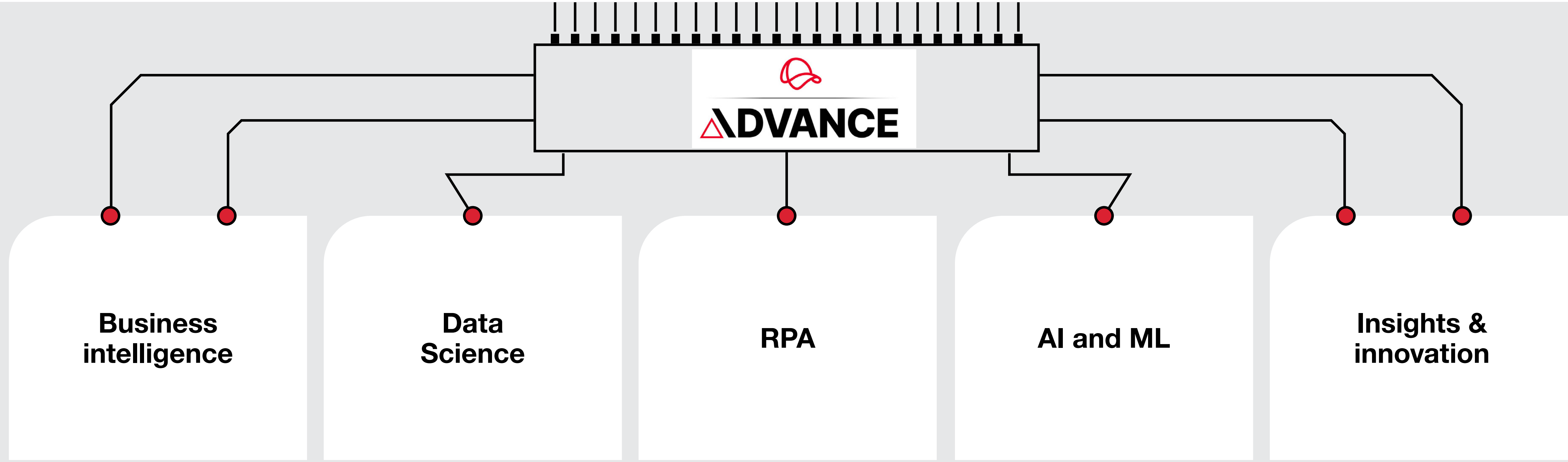
- Complex application landscape – ERP was the first step
- Modernisation roadmap developed for each area of business
- Significant investment required to support roadmaps



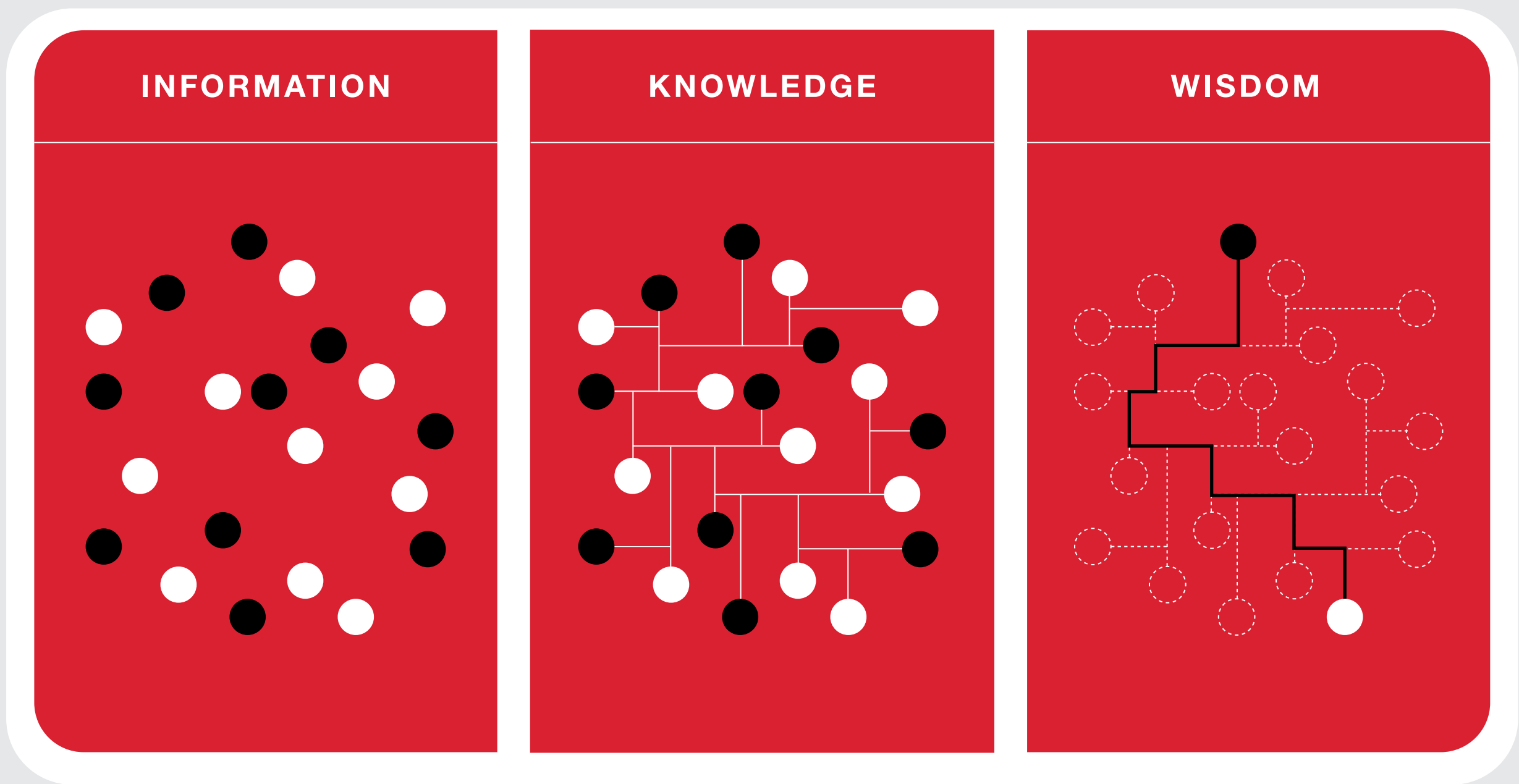
## Enhanced and focused investments to invert triangle:

- Modernising and automating infrastructure - less time spent managing this foundational layer
- Modernise and simplify the applications' landscape for security, scalability and agility
- Focus resources on exploiting data, AI, ML, data science and automation opportunities to support future growth

# A data-led business

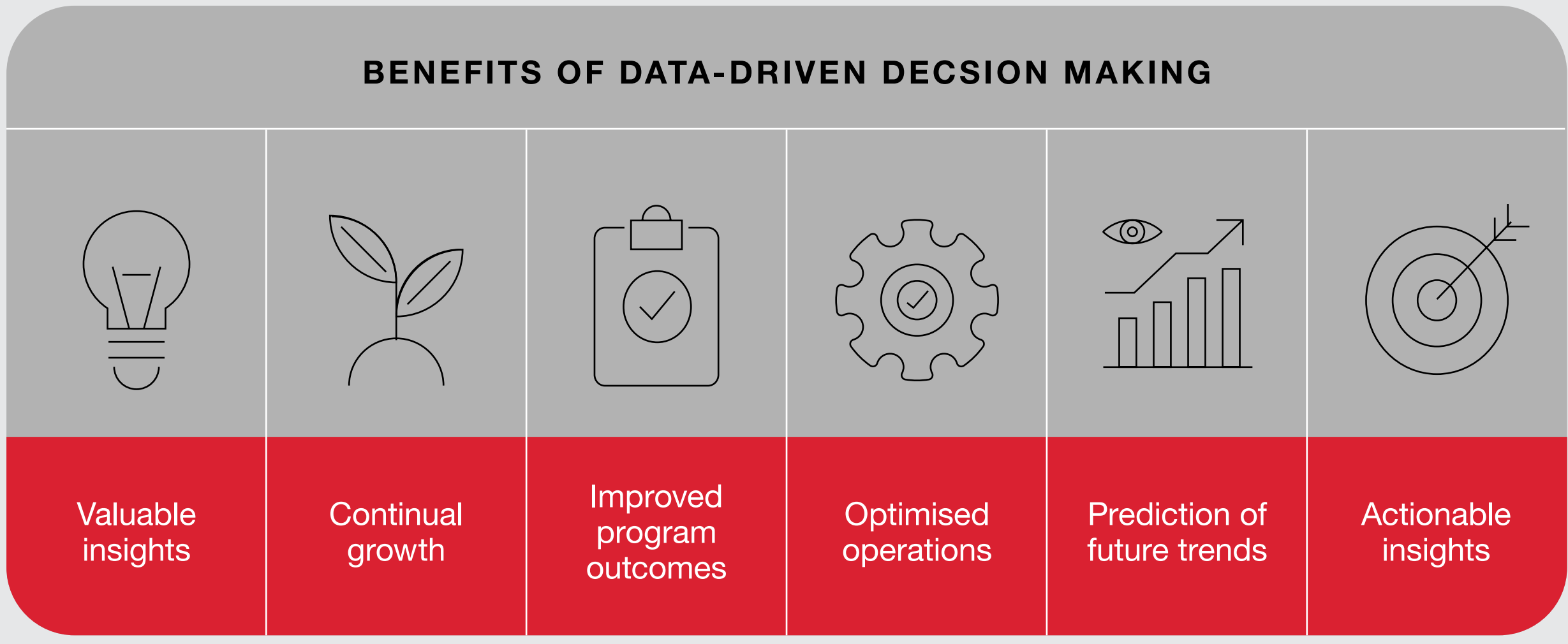


Dedicated team focused on utilising data to build a more agile and smarter organisation



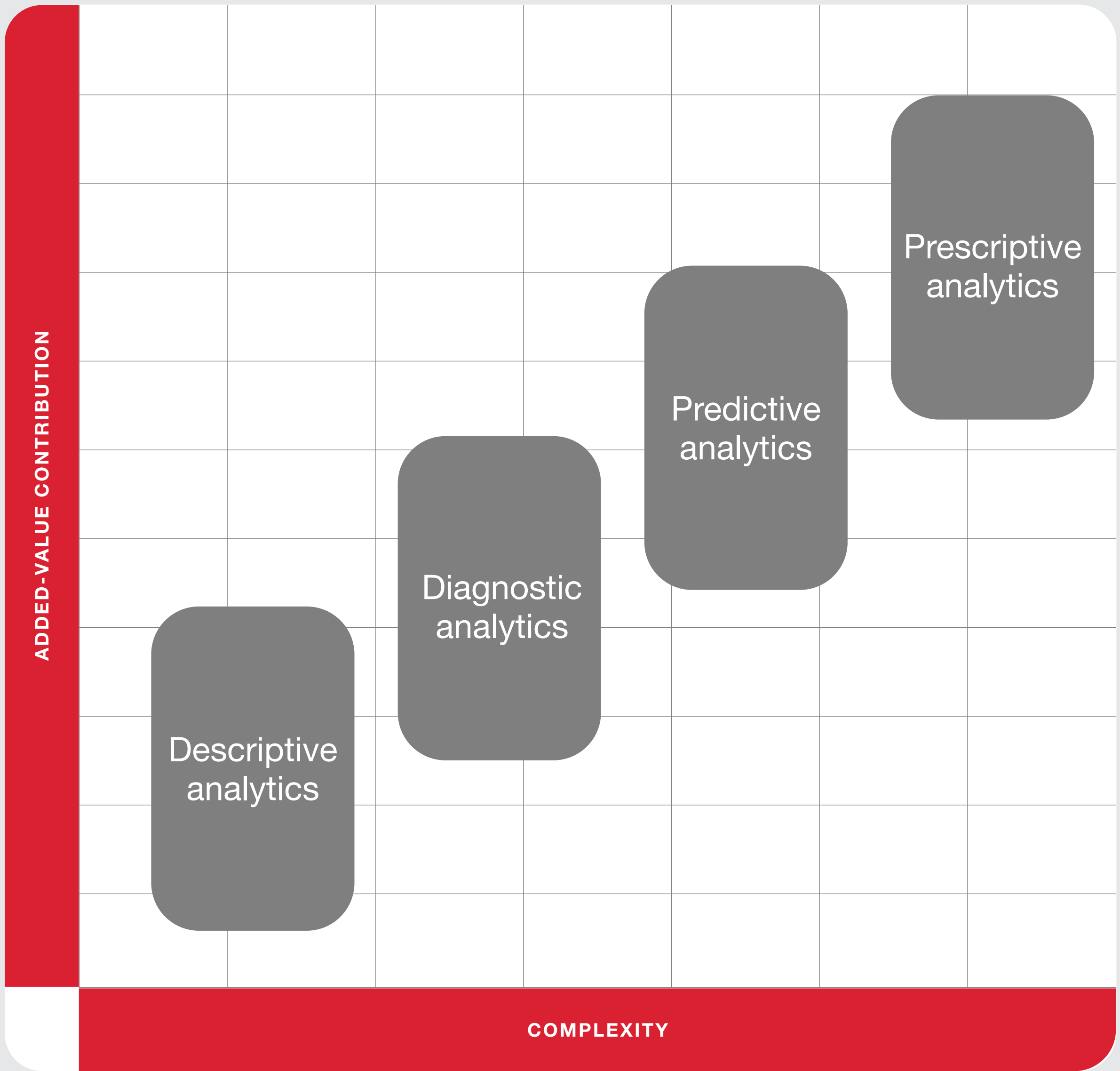
## Our journey

- Consolidated multiple legacy on premise data warehouses into one enterprise cloud data warehouse
- Deployed enterprise visualisation tool producing >450 reports across all business verticals with >20 000 monthly views
- Increased capability by substituting spend on maintenance and infrastructure with scalability and enhanced analytics



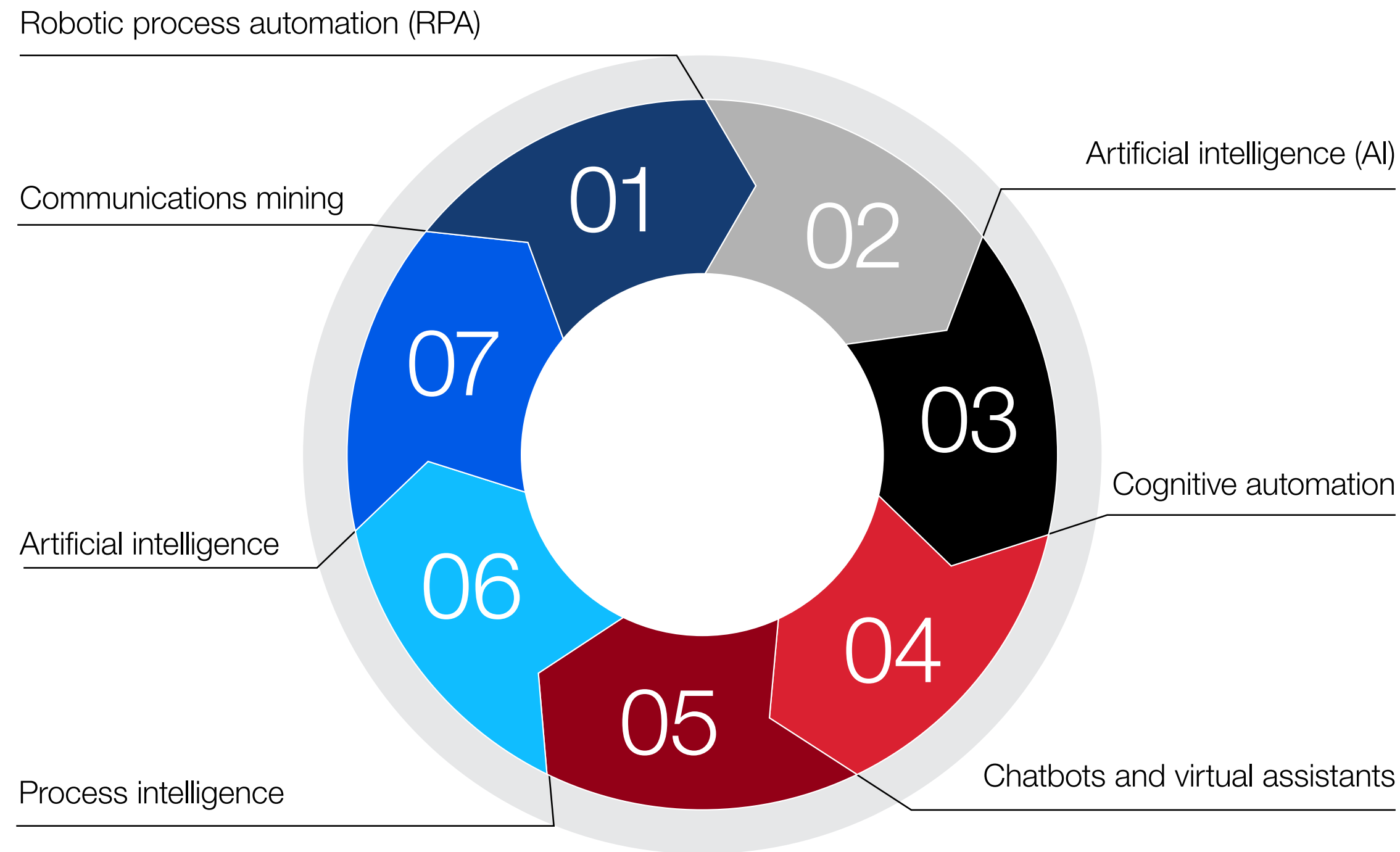
## Focus areas

- Store performance and KPI tracking through interactive dashboards rolled out to all stores
- Onboard new divisions into our data warehouse and roll out the current reporting suite to them
- Product affinity - true product affinity defined by relationships across all product in all stores
- Sustainability reports and analytics
- New store location analysis incorporating competitor landscape



- Re-platformed business critical calc engines to cloud data warehouse, reduced run time by >10 times and improved accuracy informing fashion calls
- Data science tools focus on various key stages of merch processes:
  - Markdown recommendations
  - Smart pre-pack allocation algorithms
  - Unit buy calculator
  - Sales forecasting engine
  - Store profile grading
- Plans to extend across the broader process as capabilities grow
- Currently between predictive & prescriptive phase in journey
- Investigating key partnerships to build future skills pipelines and tap into available resources for shared value





## Automation

- Automation function currently focused on tasks within shipping, real estate and shared services
- Saved >1 600 workdays in FY2024 through Bot Automation
- Currently working on automation of back-office processes supporting improved internal efficiency
- Automation of elements of promotion process to reduce errors and guarantee seamless customer experience

## AI and ML

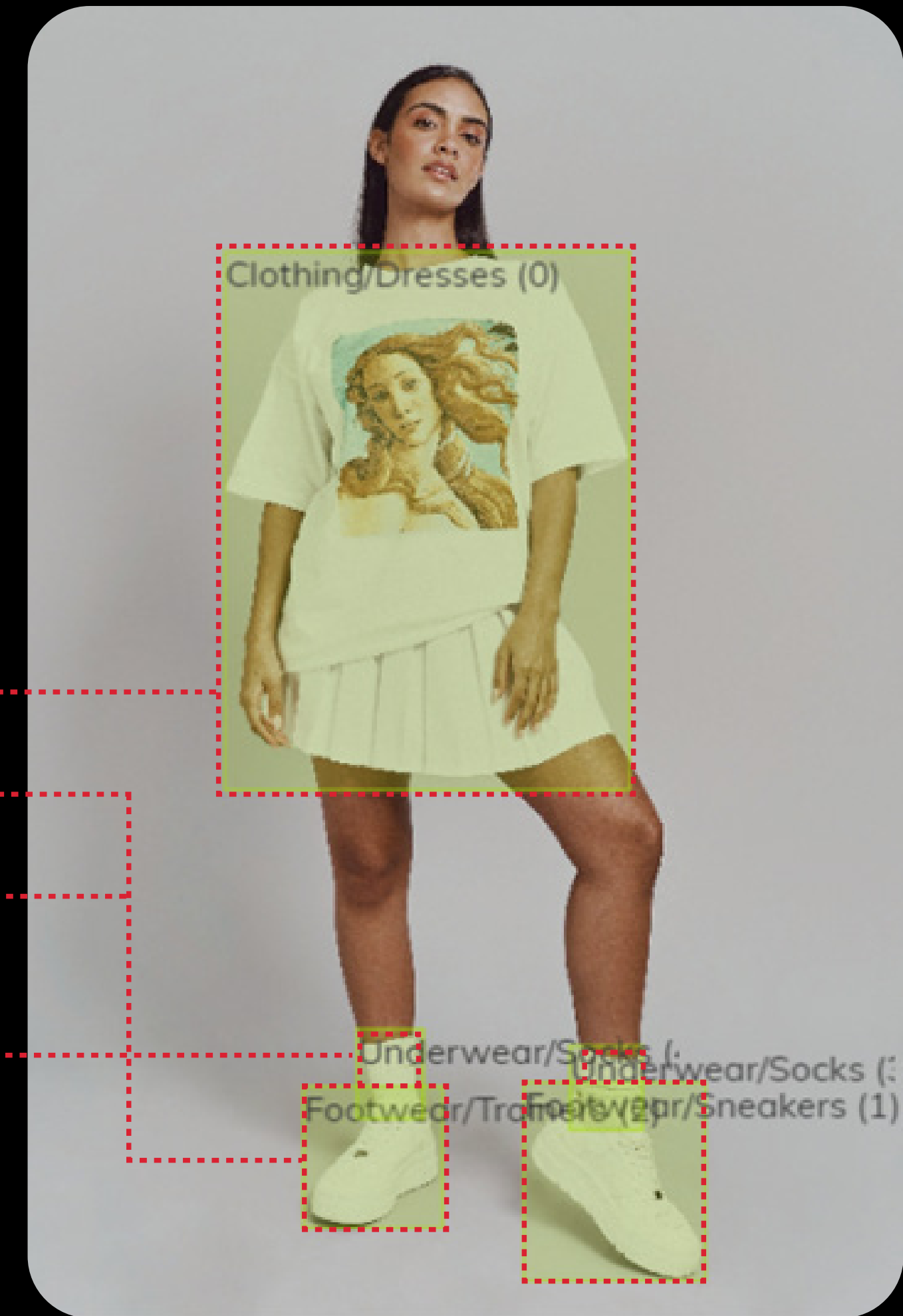
- Problem management and workflow programs driven by self-learning
- Demand, forecasting & trend monitoring
- Product design tools
- e-Commerce search optimisation, recommendations, fraud detection
- Sentiment analysis
- Cybersecurity tools

**WE HAVE INVESTED IN ALL THESE AREAS OF AUTOMATION**

- Dedicated resource focused on targeted problem solving to find cost savings or optimise processes
- Enhance product descriptions and attribute sets, as well as SEO using AI
- Shipping Container optimisation - driving material rate savings across the group

## Objects

|                       |              |
|-----------------------|--------------|
| Clothing/Dresses (0)  | <b>54.6%</b> |
| Footwear/Sneakers (1) | <b>90.3%</b> |
| Footwear/Trainers (2) | <b>88.3%</b> |
| Underwear/Socks (3)   | <b>42.8%</b> |
| Underwear/Socks (4)   | <b>58.3%</b> |







### Investing in intelligence

- Further enhance use of AI and ML
- Automate strategic allocations
- Partnering for innovation & big data analytics
- Acquisition integration projects
- Supply Chain Control Tower
- Extended Human Capital Management features
- Progress financial services offering

### Investing in efficiency

- Exception and enhanced reporting
- Inventory Management System
- Product lifecycle management and assortment planning
- Further progress robotic process automation

