

Enspired Agents for Change

by Mike Aldridge and Cheryl van der Merwe

There's a phoenix rising through the skies of the South African IT environment and it's called the Enspire Technology Group.

This new entity combines a company that was taken and rebranded from the JSE-listed Connection Group with a bouquet of subsidiaries that it has acquired over the past two years.

The rebranded entity, Enspire Technology, used to be known as Enterprise Connection, which handled corporate IT customers while its sister concern Incredible Connection catered to the retail market.

Two and half years ago a management buyout acquired a 50 percent stake in Enterprise Connection while a 50 percent plus one was sold to a black private equity firm called Canal Square. "Initially the split was 50-50 between Canal Square and the listed company, the Connection Group" says Enspire Technology Group CEO Paul Moses. "After six months, I decided to buy the other 50% stake from the Connection Group, and when we saw the

partnership was working, I sold one share to Canal Square, effectively giving them majority shareholding."

For Moses, this empowerment deal wasn't just about finding a BEE partner that was well known. "It was about finding young, eager black entrepreneurs who wanted a future in IT," he says. "When Mncedisi Mayekiso – who was one of Microsoft's top sales executives at the time – approached me with the idea for an investment vehicle, I was immediately interested. Mayekiso and his partners wanted to be a beacon of hope to other young entrepreneurs, and I wanted to play a role in empowering South Africa, so our ideas clicked from the beginning."

Currently, Enspire's employment figures stand at 47% historically disadvantaged individuals, and Moses also points out that employment equity is not the company's only route to empowerment. "We also have preferential procurement poli-

cies in place, which are aimed at encouraging purchasing from BEE companies," he says. "Where we do purchase from companies that are not yet BEE compliant, we insist on seeing their strategic empowerment initiatives, and in this way become an agent for change within the industry. It's all about a long-term commitment to empowerment."

With the link to the Connection Group severed, the company was able to open out its offering to market. As Enspire Technology CEO Johan de Villiers explains, "What we have done in the last two years is to expand the value offering across the board in terms of what we do. We want to list this company on the JSE in the next 18 months."

However, taking the Enspire Technology Group on the path to listing requires a solid base of investment value. With this in mind, Enspire extended its value proposition by acquiring a range of strategic subsidiaries. First was a 100 percent shareholding in Finance IT, a finance rental company that helps corporate IT customers with capital purchases. The acquisition has enabled Enspire to offer in-house, off balance sheet rental finance to its customers in addition to IT infrastructure supply.

Nevertheless, this was only the beginning of Enspire's strategic expansion. It also acquired a 25,1 percent empowerment stake in nVisionIT, a top Microsoft .Net and BizTalk developer that provides application development and architecture solutions. It also has a 26% equity stake in DocQNet that specialises in email vaulting and archiving solutions that enable customers to comply with the ECT Act. Then there is Hansen Africa, a company that Enspire acquired to gain exclusive rights to distribute the Hansen range of products for facilities asset management in local and provincial government.

Comments De Villiers, "This provides a more compelling mix for institutional investors because we have various companies that provide a range of services in one group. Enspire Technology provides the infrastructure in terms of hardware, networking, software and licensing compliance.

"Normally that is where we would have had to walk away, because where a client needs architecture, consulting or ap-

plication development – in other words intellectual property, they would have had to go elsewhere. This structure allows us to ring fence our customer base by providing end-to-end solutions from companies within the group."

De Villiers attributes the company's success to its people. "Our people are younger and more dynamic than our competitors," he says, "but also the way we run the company is radically different from

others in that Enspire has main offices in Johannesburg and Cape Town that each function autonomously, but at the same time leverage economies of scale with shared back office functionality. While other Johannesburg-based IT companies tend to impose a Johannesburg business model onto their regional branches, Enspire has an integrated national strategy, whilst utilising customised regional tactics where required. A case in point is that on



Paul Moses, CEO: Enspire Technology Group





Johan de Villiers, CEO: Enspire Technology

the anti-virus side Johannesburg is very big on Symantec while Cape Town is very big on McAfee products.”

Nationally the company has certifications that all branches must comply with. These include being a Microsoft LAR reseller, an HP Platinum partner and a Citrix Gold Partner.

Commitment to Empowerment

In October this year, Moses and his team will be launching a black franchise of Enspire Technology, with the first branch being in Pretoria. “The idea behind that

move is that we have products, systems, customers, capital – everything that you need to start a business,” he says. “What we don’t have are passionate young black people who want to own and be part of an IT business. Our thinking is, what better way to express this whole concept of entrepreneurship, than to empower young people.”

As Moses points out, hope is the key currency in most empowerment equations. “We have to show people that they can succeed if they have the passion and the desire,” he says. “There are people

out there who can enable you to succeed. Starting an IT company on your own today is unbelievably expensive – there are so many avenues to consider, and you may get lucky, but generally, this isn’t the case. It takes two or three years to establish a business, to find the direction, to understand strategy and business, not to mention having sufficient credit lines with strategic suppliers – for these young guys, that’s an almost impossible dream.”

Moses says that what most often happens with these young would-be entrepreneurs, is that they come to Gauteng, work for a couple of years, and then maybe go back to the provinces and start something up there. “We want to go into the provinces – North West, Limpopo, Mpumalanga – and find people there who are hungry for success, and who are passionate about IT and entrepreneurship,” he says. “We don’t want people with existing businesses – we want new, fresh people who can start the empowerment ball rolling, become business owners, and in turn become employers themselves.”

Moses doesn’t only want to impact one or two employees in his business, but change people for generations. “It’s not about having a commercial edge, although that is valuable,” he says. “I believe I have the means to empower people on a broad-based perspective, and that ability comes with a responsibility.”

The most significant piece of training that Moses has ever been on is a programme called *Investment in Excellence*, and he plans on sending not only the people running the first black franchise on this training, but all of his employees, as well as their partners. “*Investment in Excellence* speaks to people as individuals, and it has the premise that every single person in the world is born with unlimited potential,” he explains. “There are things about you that you can’t change, such as your genetics, but every other aspect about yourself, you can change, and it is up to you as an individual to be the best you can be, to be responsible for your achievements, and to

take accountability for your goals in life.”

Moses says that if one works on this premise that everyone has unlimited potential, the next step is to find ways to tap into that. “You have then got the basis of an outstanding organisation,” he says. “That is my core belief, and it is why we have signed a site licence to put everyone in the business through this training. It is only by us all setting goals that are relevant to ourselves and our lives and families that we will be able to maintain balance. That is why it is also important that people’s spouses or partners also participate in the training – when all elements of your life are aligned, you will find balance easier,

states, “Our vision is to be legendary partners who build absolute trust and confidence through delivering integration and infrastructure solutions from a basis of intimate customer understanding and personal relationships.”

De Villiers relates that the company’s new name – Enspire – takes the ‘E’ from Enterprise Connection and combines it with the notion of *Inspiration & Aspiration*, which suggests a young, dynamic and ambitious team.

The name Enspire evokes ideas of creating a spark, stimulating people, energising them to action and creativity. It also alludes to a *Spire* as being the pinnacle

concentrating on being a value-added specialist.

Enspire has defined particular danger areas that it keeps on the radar in order to remain on the pinnacle. These include not making false promises or compromising on quality of the solution. Careful management practices will steer clear of doing anything and everything alone or responding to every tender that pops up.

The company is committed to maintaining its direction and not changing strategy in midstream. Non-Microsoft products will be avoided, as will other technologies in development until such time as the benefits of using them substantially outweigh



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and will better be able to achieve your goals. You will be able to look after your whole self.”

Moses’ passion for people is evident, and his aim of allowing people to recognise their potential is a powerful one. “The only way we can make quantum leaps as people, and as an organisation, is to believe in what people have to offer, and then offer them the means to prove themselves,” adds Moses. “Once we achieve that, we can achieve anything.”

Rebranding

For Enspire Technology the purpose of its rebranding exercise is to build a solid company culture and to generate positive perceptions in the marketplace. The enterprise has established a new vision that encompasses the values on which the company will build its strength. As it

or summit to which the company aspires, invoking the essence of dreams rooted in ambition.

These factors culminate in an entity expressing a state of being resourceful, spirited and resolute. The unusual spelling adds credibility to all these meanings of inspiration and creativity channelled into ambition and aspiration.

Enspire aims to engage in partnering relationships rather than taking an opportunistic approach. The company will be based on providing “knowledgeable, integrated technology” rather than just information technology, adds De Villiers.

Its strategic aim is to be proactive rather than reactive, in the context of providing a clearly defined specialist offering instead of a generalist approach to business. This requires maintaining a focused vision in order to avoid diluting its direction and

the risks. Finally, it will never simply sell hardware with no added value.

This dynamic company intends to encompass the very best of what it means to be South African. The concern encourages a culture characterised by passion, chutzpah and energy. This results in an endeavour that is alive, fresh and new with a staff complement that is young, personable, friendly, warm and never arrogant.

Its positive approach will engender possibilities and enable the concern to be a successful global player that values excellence. A diverse, eclectic range of products and services will ensure a brand essence where the *spirit of a great heart* holds sway.

Concludes De Villiers, “This means that Enspire will be admired and renowned for being courageous and spirited in its efforts to become the fastest vehicle on the corporate IT track.”