



**Our values,
our people,
our transformation**

Introduction

In 2011, Blue has redefined its philosophy and core values, breathing fresh life into the business in line with the turnaround actions taken during the year. Holistic transformation - not only in our business approach but very specifically in relation to our people - is our highest priority. The fundamental shifts that we have made as an organisation in the last year have naturally had a significant impact on our most valuable asset - our people. Blue places enormous value on its human capital and in the last year we have established an exciting new people-development strategy.

Human capital - The BEE and transformation viewpoints

The focus on BEE is of course a critical aspect of the business environment in South Africa. The concept of BEE requires the empowerment of certain groups of people in South Africa who were previously left behind and disadvantaged commercially to varying degrees.

The Blue staff complement analysis presented here is broken down into Blue's employment figures in South Africa as one focus, and the whole of the African continent as the second focus. Numbers and percentages of Historically Disadvantaged Individuals ('HDI') and Previously Disadvantaged Individuals ('PDI') are normally particularly noted in South African analyses, and here they are extended throughout Blue's African operations.

HDI & PDI Statistics	HDI		PDI		Total
	Number	Per cent	Number	Per cent	
Blue: RSA	361	84%	278	65%	429
Blue: Total (RSA & Africa)*	1,037	93%	950	86%	1,111

Numbers and percentages of males and females are also of primary focus.

Gender Statistics	Number	Per cent
Blue: Total RSA - Male	154	36%
Blue: Total RSA - Female	275	64%
Blue: Total RSA - Male & Female	429	100%
Blue: Total (RSA & Africa) - Male	497	45%
Blue: Total (RSA & Africa) - Female	614	55%
Blue: Total (RSA & Africa) - Male & Female	1,111	100%

A focus on transformation is of utmost importance across our organisation and Blue is committed to strengthening and improving our business from a transformation point of view.

Transformation at Blue

As a pan-African organisation, our transformation strategy must be adaptable to the specific climate and unique needs of each country in which we operate. We believe it is vital to uphold the rich cultural diversity of our organisation. Transformation naturally takes different shapes in different regions, and we are acutely aware of the need to empower local people in each country.

Broadly speaking, our objective is to develop our people across the African continent to enable them to rise confidently into leadership positions, and successfully take the business forward.

In South Africa, transformation is precisely defined and regulated, with the focus being on developing the skills and capabilities of historically disadvantaged and previously disadvantaged people in conjunction with providing work experience at all levels throughout an organisation. That is to say that certain groups now receive preference at times of hiring or promoting so that inequities of the past are eliminated and better balance is achieved.

In order to address the imperatives in South Africa, we need to be specific in our intentions and plans. To achieve this we have developed our Transformation Charter which provides the structure and direction for achieving our transformation objectives. The Charter also doubles as our Transformation Policy document, and is the guiding plan to ensure transformation works positively within Blue and in the best interests of Blue.

Our Transformation Charter:

- Includes a comprehensive ‘how to get there’ handbook
- Binds us to support and promote the principles of transformation
- Fully satisfies our goals and intentions, and complies with all the requirements of our BEE strategy, our Employment Equity plans, and our commitment to B-BBEE (Broad-Based Black Economic Empowerment)
- Is completely transparent to our staff members

Firm foundations – Blue climate survey

As an essential component in Blue’s human capital strategy, Deloitte & Touche was commissioned to conduct an Employee Climate Survey in December 2010. The survey established the dimensions of the existing situation throughout Blue’s pan-African footprint and provided valuable information as the foundation on which to build plans for improvement.

Based now on measured facts, Blue’s strategy can move forward with confidence that the plans for improvement address realities not assumptions. This is not only the firm foundation on which to build, it is also the benchmark against which Blue’s progress will be measured.

Highlights of the results include a country-by-country analysis, shown at a glance in the table below, from the highest to the lowest scoring countries.

Points to note about the table:

- Countries lying in the upper dark blue section ranked as ‘Positive / Favourable’
- Countries lying in the middle orange section ranked as ‘Area of Concern’
- Countries lying in the lower pale blue section ranked as ‘Problematic’
- The two countries in the bottom white section were not separately analysed

Country		
Namibia	Nigeria	Positive / Favourable
Tanzania	South Africa	Area of concern
Swaziland	Malawi	Area of concern
Botswana	Zambia	Problematic
Uganda	Kenya	Problematic
Lesotho	Ghana	Not seperately analysed

Not only does the survey provide this league table of how each country measures against all others, it provides a mass of information on the different issues that need to be addressed in each country. This is the real value of the survey, giving information on which countries require action plans for improvement.

Blue now has clear knowledge and insight into the prevailing parameters, has gained incisive understandings of what is needed, and is moving forward with precise focus on what needs to be done.

Blue's human capital development strategy

Concerning Blue's workforce, it is a self-evident statement that people who are in the peak of personal wellness are in a better position to deliver excellent performance in their workplace environment.

Always moving closer to becoming 'The Best We Can Be' as an organisation is one of Blue's wider-based generalised commitments. To achieve this, Blue has embraced the concept that this is only possible through helping, encouraging, pushing, developing and educating every one of our people themselves to become the best they can be - in other words: all-round holistic wellness.



This is a big challenge, because the concept applies to the entire person in all aspects of life. Blue is addressing the holistic challenge by introducing a new Wellness Programme that actively looks at different aspects of wellness each month and drives wellness initiatives throughout the year. It is our Wellness Wheel concept, which we believe pays enormous dividends in terms of the involvement, loyalty and commitment of our people towards the success of our organisation. The positive response we have observed since adopting the Wellness Wheel initiative has been hugely gratifying, and is clearly releasing the power that in many cases had previously remained untapped and hidden inside our people.

Blue has set this process in motion through numerous workshops, development programmes and interactions, combined with our commitment of money, people, time and resources to bring it into practical reality and through the Wellness Wheel programme.

Our Wellness Wheel programme encompasses every aspect of life, including career development, social and cultural commitment, physical, spiritual and emotional wellbeing, environmental concern and action, financial wellbeing and life balance. It is a powerful, holistic tool that addresses personal development for all our people from every angle and from within a comprehensive framework.

We believe that helping our people to achieve their own goals in life – no matter what they may be – is an essential pre-requisite for us as a company to achieve our visions and exceed our corporate objectives.