

## 'Skills Crisis' a Scapegoat for Lack of Brand Leadership and Inadequate Talent Management

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South African chief executives have warned that their companies are buckling under the increasing demands of a growing economy and in the face of fierce competition from international businesses, according to a survey on supply chain efficiency. The report paints a worrying picture of companies “creaking under the strain” of a “skills crisis” and the need to deliver bigger volumes of goods to increasingly diverse customers. This is compromising SA’s global competitiveness and is spurring “poorer” service across various industries.

The report is based on responses of 250 CEOs, general managers, logistic directors and managers in companies with over R1-billion in turnover, many of which are multinationals.

According to the report, growing competition from low-cost, emerging market countries like India and China, currency fluctuations, cost pressures and the complicated movement of inbound goods and services from across the world all add to South Africa’s woes. The CEOs surveyed are worried about the pressures on delivery. “We risk being left behind in the global economy if we cannot find a way to carve ourselves competitive advantages.”

Says Brand Leadership Expert, Dr Nikolaus Eberl, the author of "The IziCwe Code": "To be globally competitive in the 21st century, demands companies to compete neither on price nor quality (the latter being a sine qua non) but rather on attitude and employee commitment, as evidenced by a recent IBM study on the drivers of brand loyalty. To blame the industry or country of origin for your skills problems, is akin to the pope blaming the lack of church attendance on the rising interest in soccer – rather than passing the buck and shifting everybody's attention on a supposedly typical South African symptom called 'skills shortage', business should look at themselves and ask why they are not in a position to take advantage of an average growth rate of 5% - what about China, where growth has now been imposed by government to stall at 8%? When last have you heard Chinese executives complain about the strains imposed on the economy by the greater than expected growth rates of the country? The talk about the skills crisis must be stopped at once and a clear headed analysis of what it takes to build globally competitive brands should take place instead."

"The country facing the greatest skills shortage in history, against the background of growing demand (certainly more than 5%), has been Germany at the end of world war II: when the majority of men had been killed and incapacitated in the war, the country was rebuilt by the people who did not possess the academic skills but rather a burning desire to excel – the women of Germany, many of whom had no further qualifications than those of a house wife and mother. Unbeknown to many, women were instrumental to the revival of German commerce, first by restoring Germany's infrastructure which lay in ruins and had to be rebuilt from scratch, and then by contributing to the backbone of German business – the 3.4 million companies of which 99.7% are SME's, many of which are family enterprises."

Concludes Dr Nikolaus Eberl: "Transformation without inspiration creates polarisation. South African Business should trade the self-inflicted 'skills crisis' for inspired leadership and take a leaf from the German Wirtschaftswunder - create SME brands that are world class at their niche offering and power up the export industry. Anything else will invalidate South Africa's Brand Promise of being 'Alive with Possibility'."

Dr Nikolaus' new book is called "BrandOvation™ – How Germany won the World Cup of Nation Branding" (contributors Timothy Maurice Webster and Herman Schoonbee). An in-depth analysis of how Juergen Klinsmann built a winning team from scratch within less than two years and how Germany re-invented the world's biggest sporting event into a nationbuilding success story, by activating BrandOvation™ and turning spectators into brand ambassadors. To order BrandOvation™ - The Book, go to [www.brandovation.net](http://www.brandovation.net) or contact Dr Nikolaus direct at [nikolaus@brandovation.net](mailto:nikolaus@brandovation.net)

IziCwe Academy is the global leader in Internal Branding™ Services. Based upon twelve years of global research, IziCwe Academy has assimilated best global practices in Internal Branding™ to assist corporate organisations to align employee commitment to their brand promise and motivate employees to engage in touch-point innovation™.

Dr Nikolaus Eberl  
Chairman: IziCwe Academy  
Internal Branding™ Division  
Tel: 27 (0) 83 270 6009 / 10 / 11  
Fax: 27 (0) 86 500 1800  
Email: [nikolaus@internal-branding.net](mailto:nikolaus@internal-branding.net)  
Web: [www.internal-branding.net](http://www.internal-branding.net)

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