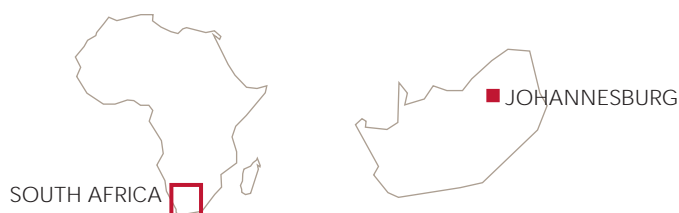


THERE ARE QUIET DAYS AT THE DE BEERS TREASURY – BUT WHEN IT’S BUSY, THE SUMS THAT NIGEL GREY HANDLES FROM THE SALE OF THE COMPANY’S PRECIOUS DIAMONDS TO THE PURCHASE OF MINING EQUIPMENT ARE VAST. TREASURY OPERATIONS ARE SPLIT BETWEEN JOHANNESBURG AND LUXEMBOURG AND NIGEL BELIEVES IN THE PRE-EMINENCE OF SERVICE; AVANTGARD HELPS HIM BRIDGE TWO CONTINENTS WITH CLARITY AND TRANSPARENCY



When Nigel Grey jokes that treasury should be a “boring” place to work, it doesn’t mean that he has lost interest in the area in which he has worked for 18 years. Far from it – he finds his role as treasury manager at the Johannesburg headquarters of diamond giant De Beers to be stimulating and full of variety.

But, as he says, “developing and implementing risk mitigation strategies – which are among treasury’s prime roles – should be disciplined, focused and consistently applied. That may sound boring, but things should be kept as simple as possible. Once a treasurer starts trying to perform complex strategies unrelated to core underlying risks, he moves away from service delivery – which I think is what treasury should be about.”

Qualified as a chartered accountant, Nigel found that a traditional accountant’s role didn’t suit him and, after some time working in London, moved into treasury and pension funds management at the Sugar Association in his hometown of Durban. “When I joined the Association there was a lack of dedicated financial expertise in the treasury area, so I took it as my own,” he explains.

Ten years at the Sugar Association were followed by the job at De Beers. It took a lot to lure Nigel away from his beloved Durban, but he doesn’t regret the move. “Although it is a large company, De Beers is very family-oriented and, historically, people have often worked here for their entire career. That is changing a little now, with more emphasis on lifetime *employability*, which is equipping staff with the skills to take on new roles.”

DIAMONDS FROM THE EARTH

Established in 1888, De Beers is synonymous with diamonds – the group is the world’s largest diamond mining company, with more than 40% of global gem diamonds produced from its mines in South Africa, and in partnership with governments in Botswana, Namibia and Tanzania. The South African operations generate about \$1 billion revenue, says Nigel. “Within South Africa, we are not like a

HOME LIFE

FAMILY: Widower with two daughters, aged 18 and 15.

HOME: Bryanston, in the northern suburbs of Johannesburg. “I resisted the move away from Durban, but once I got to Johannesburg I realized what a great place it is. The weather is phenomenal.”

PASTIMES: “I go out on my racing bike on weekends and participate in ‘spinning’ sessions at the gym. It helps me relax and is also great for fitness.”

VACATION: “I try to get overseas at least every two years. I always try to go somewhere different rather than visiting the same place twice.”

DREAM JOB: “I’d like to be involved in encouraging young entrepreneurs.”

CURRENT DREAM: “Ultimately I would like to leave the city and pursue a country life doing something – I’ve no idea what – that would still leave me fulfilled.”



“THE WAY OF
THE FUTURE IS
TO GET PEOPLE
TO DO THE
THINKING AND
THE MACHINES
TO DO THE
WORK”



retailer with thousands of outlets selling to the public. The mines have just one customer on the sales side – the Diamond Trading Company (DTC), which is based in London.”

EUROPE AND AFRICA

De Beers was acquired by Luxembourg-based DB Investments in 2001. The group treasurer is based in Europe and responsibilities are divided between South Africa and Luxembourg, with Johannesburg focusing on South African issues. While admitting the arrangement is “different”, Nigel says it works well. “The reality of the situation is that with telephones and e-mail, and being in almost the same time zone, dealing with Luxembourg is very much like dealing with an office somewhere else in the building here in Johannesburg.”

The division of responsibilities between the two offices has been made much simpler with the use of AvantGard, SunGard’s treasury solution. “Both offices are using the same software with a common database located in Johannesburg, and that creates synergy,” says Nigel. And the system has another, very tangible benefit: “Because we are working in a potentially high-risk area of the business, integrity of data is imperative to ensure confidence in the numbers being reported. Spreadsheets generally cannot ensure that integrity.”

The nature of De Beers’s business makes its treasury operations fascinating, and Nigel reckons no two days are ever the same. “We have periods of sales, with vast sums of money passing through, and then that’s it. However, on the cost side things happen every day. A great deal of mining equipment is bought, for example. The treasury has a low volume of transactions, but they are of very high value.”

Nigel strongly believes that the treasury should be a service, rather than a profit, center. “However, the problem with being a

WORK LIFE

HOURS: “Officially it’s 8:30 a.m. to 5:00 p.m., but usually I am in at 8:00 a.m. and leave at 6:00 p.m.”

LOCATION: “The office is in the southern suburbs of Johannesburg within the De Beers campus – 1,500 people work here.”

COMMUTE: “An hour by car.”

OFFICE: “We all have separate offices, but with glass partitions we can see each other, so we are not cut off.”

DESK HYGIENE: “It’s been a lifelong struggle to keep my desk clear and tidy.”

WEEKEND WORK: “Not unless I have to, but that is rare. I don’t have a laptop, because if you have one you tend to end up taking work home with you.”

CORPORATE CULTURE: “This is a very pleasant place to work and there is a lot of loyalty within the organization.”

service center is that you are only as good as your last interaction with your clients. We put a lot of effort into ensuring people are appropriately skilled and that the modeling we do will pre-empt any situations that might arise.”

At present the treasury team is working hard to improve straight-through processing rates and has made “enormous strides”, says Nigel. The idea is to create a process whereby, once a dealer inputs a transaction, “everything else falls in from there”. As he says: “The way of the future is to get people to do the thinking and the machines to do the work.”

THE SUNGARD SOLUTION: AVANTGARD

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