



Interesting times at FedGroup

FedGroup achieved considerable growth in some sectors last year, at a time when most others were flailing. The company has also recently released exciting new peer-to-peer investment platforms. *RISKAFRICA* talks to the man at the helm, Grant Field.

SVEN HUGO

The first thing Field focused his attention on when stepping into the CEO role in 2015 was ensuring that, in his words, the right people were doing the right things. He entered the position from his role as chief operations officer of FedGroup, which allowed him to get everyone on the same page as to the direction the company was going in. But explaining strategy to anyone but yourself is often confusing, especially to those who should understand it best – your employees.

So he decided to relay the plan in everyday terms. He created the acronym Pig – predictable measurement, involvement and growth. Field was set on measuring every single measurable aspect in real time and get so good at it that the company would be able to predict results accurately.

This would include the measurement of bank reconciliations, telephone calls, sales numbers and more while it was happening. “We understand our business and know exactly what is going on.” He also envisioned that his employees would be involved as a team. “They are our most precious resource,” Field quickly adds. The growth aspect is self-explanatory, but he says that for many years FedGroup has been diversifying and it was time to see volume growth in these avenues.

In 2017, Field and his team are to focus on growing the sales and marketing areas in the group, which will see a lot of effort and time into building selling capabilities and letting people know about the company.

Rise and shine

The company has a number of new products planned for 2017, but at the moment one of those making noise is the peer-to-peer platform on which investors can buy solar panels, which are then managed by FedGroup and installed on the roofs of companies that are also invested on the platform. You, as an investor in these panels, are paid according to how much energy these panels produce.

“We realised that many people have no idea about where their money is,” says Field. “If you ask someone to explain what, say, a money market is, they have no idea.” Rather than this concept of depositing money into an investment product, Field says they decided to move around this idea. “How do we bring clients from two sides and cut the layers in-between,” he asks. The answer was a peer-to-peer platform.

It starts with a property owner going onto the platform and specifying that their company

wants solar panels on their establishment. The investors on the other side can buy solar panels, which will be fitted to the establishment and so complete the ownership circle. “To our mind, this has never been done anywhere in the world,” says Field. FedGroup never meets anyone in person, everything is done online and in real time.

The product was introduced in November last year and the uptake has been great, explains Field. Many investors bought one panel at R5 200 (\$382.33) each to test the waters and they generally returned to buy 10 or 15, he says, as they understand the concept.

As an example, if you purchased two panels at R10 400 (\$764.65) the money would be held in a trust account until enough panels have been sold for a site to go live, or a roof to be tiled, in laymen terms. As soon as this happened, the investor is notified and smart meters are activated, where investors can monitor the panel and its monetary output. The rent goes to the rooftop owner, to FedGroup and to a ‘nebular’ account with FedGroup in your name, which is paid out once you have a minimum of R300 (\$22) in the account. In time, Field and his team plan to enable investors to buy and sell secondhand panels as well as introduce other products to this peer-to-peer model.

“It will be very different from the energy space,” he says. “There are products you can rent for as low as R100 (\$7.35) which would work for a decent return.”

INTERESTS AT A GLANCE

- Tinkering with electronics and software
- Off-road motorbikes
- Music (used to DJ, now it’s just a hobby)
- Photography
- Relaxing at the beach