News Insight Consulting

Middle East and Africa

March 2016

The “News Insight Consulting” newsletter aims at collecting news and developing insights on management consulting firms in the Middle East and Africa. Infomineo gathers insights covering consulting firms’ strategic plans: expansion projects, M&A, partnerships, latest nominations, publications and events across countries of the region.

If you want to know more about Infomineo please send an e-mail to info@infomineo.com and our partners will answer within a few hours.

Publications and Events
Accenture launches new credit solutions business in Sub-Saharan Africa

- Accenture Customer Credit Solutions will offer organizations a credit administration service that will help them:
  - lower the cost of managing credit
  - implement a more digital, automated, controlled and simplified approach
  - Support companies in providing several banking options to their customers.
- Edcon, a South African non-food retailer, has signed a 10 year outsourcing agreement with Accenture to become the first client of the new business.

Positive long-term outlook for insurance sector in Egypt; focus on Takaful: EY

- A workshop led by EY, in association with the Egyptian Financial Supervisory Authority (EFSA) and Financial Services Institute (FSI) was held in order to discuss the latest trends, challenges, and opportunities in the Egyptian insurance and Takaful sector and also to share the results of an EY MENA Enterprise Risk Management survey.
- Sessions regarding Takaful developments, regulatory developments, and growth potential were attended by insurers, brokers, and insurance practitioners.
- Egypt’s insurance industry had a positive long-term outlook in the wake of improving political stability and economic prospects.

Africa: Deloitte unveils school of analytics to help increase the number of data scientists

- Deloitte launched the Deloitte School of Analytics in South Africa, which is a school that will give the market access to critical skills training in analytics and data management by creating capacity and capabilities needed to extract business value out of data.
- This will provide professionals and companies with the latest insights to enhance business and enable growth, in a time when business are faced with talent scarcity.
McKinsey: Creating global mining winners in Africa

- African mining companies have started falling behind this past decade due to declined productivity and return on invested capital
- Creating Global Mining Winners in Africa, A jointly developed report from McKinsey’s Basic Materials Practice and Mining Indaba, details big moves in four areas that could help African mining companies regain some prestige:
  - Pursue programmatic M&A
  - Dynamically reallocate resources
  - Deliver capital investments
  - Seek productivity breakthroughs
- To measure the performance of 65 publicly listed African mining companies, McKinsey compared them to the economic profit performance to the world’s top 3,999 companies in order to produce “the power curve” of economic profit.

Nigeria’s corruption to cost 30% GDP by 2030, A new study by professional services firm, PriceWaterhouseCoopers.

- A new study by PwC, Impact of Corruption on Nigeria’s Economy shows that Nigeria could cost up to 37% of GDP by 2030 if it’s not dealt with immediately.
- The cost is associated to around $1,000 per person in 2014 and nearly $2,000 per person by 2030.
- Given the current per capita income, the boost in average income estimated by PwC can significantly improve the lives of many Nigerians.
- One of the several steps taken to estimate Nigeria’s cost of corruption was to examine over 30 studies, was obtained from International organizations including the OECD, IMF, DFID and Transparency International, to understand the way that corruption affects GDP in Nigeria.

McKinsey scores as Saudis call in consultants for economy reboot

- McKinsey has won a larger share of contracts with ministries than some other firms in
Saudi Arabia, where consultancies are earning 12% more in commissions as it is the country with the fastest growth in advisory markets.

- The Saudi fee pool in 2016 attained $1.3 billion, 60% higher than 2012.
- As the country is responding to a crash in oil prices, consultants are working to transform the whole country, which makes enormous opportunities for consulting firms.
- McKinsey is currently identifying opportunities to cut costs and boost revenue while working with the ministry of economy and planning on large-scale projects.
- BCG’s Saudi business is also showing a double-digit growth and the company is hiring more staff for the Riyadh office that opened in October 2015.

QTA’s tourism strategy aims to attract bigger volume: EY

- Doha is an expensive destination compared to other GCC cities, with high average daily rate and low occupancy rates.
- The Qatar Tourism Authority is adopting a new tourism strategy in order to attract a bigger volume of tourists, to grow the leisure segment, and to capture more non-GCC arrivals.
- EY’s Middle East hotel benchmark survey report for January 2016 states the different products Qatar is developing in order to diversify its tourism offering and spread tourism density away from Doha. Examples are eco-lodges and desert hotels.

KPMG identifies five trends that will affect Dubai’s 2016 residential real estate market

- There was a decline in the number of residential units sold in Dubai between January 2014 and November 2015, statistics from Dubai Land Department show.
- KPMG’s published a report “Building Confidence” which reviews Dubai’s residential real estate market and predicts that 2016 will be a challenging year for Dubai’s residential real estate due to a number of internal and external factors but the market should experience an improvement in 2017.
- The report shows five main trends that should drive the Dubai residential real estate
market in 2016 and further:

- Importance of liquidity as market tightens
- Oil prices that are unlikely to recover in the short term
- Unbalanced supply and demand
- The drive towards affordable housing
- The direct and indirect impact Expo 2020 will have on the real estate market

Read More - Gulf News

**Booz Allen hit by oil prices, sees opportunities in Mideast**

- Booz Allen Hamilton's business in the Middle East is being hurt by the low oil prices since many procurements have either been canceled or delayed due to the government having less funds.
- On the other hand, the consultancy firm is also seeing an opportunity through the conflicts currently occurring in the region, such as the conflict in Yemen and the lifting of sanctions against Iran.
- As Saudi Arabia is at war with Yemen and is worrying about the lifted sanctions, there is great opportunity for Booz Allen to support them in their upcoming initiatives.

Read More - Reuters

---

**Expansion, M&A, Nomination**

**South Africa’s Deloitte Digital acquires Jinja Interactive**

- Deloitte has acquired Jinja Interactive, a fintech services business, in order to develop its strategy concerning the building of a fully-integrated digital transformation business.
- The acquisition will boost Deloitte Digital’s digital expertise segment of its value chain.
- Jinja Interactive, was established in 2006, crafts simple and accessible user-focused solutions for financial services clients.

Read more - Deloitte Digital
BCG expands roster of Middle East Partners to meet growing market demand

- BCG has announced the appointment of three new partners in key priority areas, in order to further speed up its growth in the Middle East and solidify its market position.
- David Panhans, Mirko Rubeis, and Ihab A. Khalil will each serve as Partner & Managing Director for the Telecom, Energy, and Financial Services/Principal Investors & Private Equity (PIPE) practices, respectively.
- These new partner appointments marks the firm’s commitment to reinforce its sector-specific expertise, widen its client portfolio, and drive new market growth in the region.

Read more - Zawya

Partnerships & Projects

Business in Zambia: Topco Media and KPMG announce a joint venture project

- A new venture between Topco Media, leader in South African business-to-business communications, and KPMG is in progress to create a publication that will become the authoritative guide to the top companies in Zambia.
- Zambia has shown promising growth in recent years and a positive outlook compared to its Sub-Saharan African peers.
- Top300 Companies Zambia will have a first edition published in April 2016 and will showcase the 300 top companies in the country.

Read more - Topco

Nigeria: Government appoints PwC as GEM projects administrator

- PricewaterhouseCoopers was appointed by the Nigerian federal government as the grant administrator for the Growth and Employment project, an initiative of the Federal Ministry of Industry, Trade, and Investment funded by the World Bank.
The project will create various opportunities for Micro, Small and Medium Enterprises in Nigeria and will have an impact on overall economic growth and non-oil revenue for Nigeria, by providing technical assistance and grants to firms.

Read more - All Africa

Israel: Nice and BCG form strategic partnership to generate deeper insights into omni-channel customer behavior

- A new strategic partnership was announced, between NICE Systems and The Boston Consulting Group (BCG), in order to help companies renovate their customers' omni-channel experience. This will be done through using a combination of both firms’ specialties: BCG’s world-class strategy capabilities and business insights and NICE’s analytics.
- The partnership is not an exclusive one and will help will also help both BCG and NICE in the extension of their market reach.
- NICE will be able to leverage BCG’s deep industry knowledge to translate analyses into business insights, as well as gain new possible accounts and different types of buyers.
- BCG will gain access to higher volumes of global customer data, in order to have more data-driven insights that will allow them to help their clients attain a sustainable advantage and more value.

Read more - Business Wire

Copyright © 2016 Infomineo, All rights reserved.