

EDITORIAL

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Since 2008, as an editorial team, we have put every effort into the task of succeeding to accredited this Journal of Economic and Financial Sciences (JEF) with the Department of Higher Education and Training (DoHET). So it is with much gratitude to so many and with huge pride, that the editorial team proudly announces that we have achieved this milestone. From this issue onwards, all articles published in this journal will qualify for a subsidy payment from the DoHET!

Furthermore it is important to note that no issue of JEF was published in 2010 as a result of a lack of suitable articles which was exacerbated by the fact that authors were retaining their manuscripts until they were sure they could publish in a journal that affords them the possibility of claiming a research subsidy from the DoHET.

To all the authors whom have unselfishly allowed JEF to publish their work in the previous three issues knowing full well that they would not be able to claim a subsidy – THANK YOU! It is as a result of your efforts that we have reached this milestone in the history of this journal. Please know that onwards your hard work will be rewarded handsomely!

The editorial team of the journal will be following submissions of manuscripts very closely to see whether in future the number of articles published in an issue will have to increase to keep up with the demand for publication.

In this issue of JEF, two articles are devoted to the field of spatial economic development. In the first of these, authors **Ewert Kleynhans** and **Moloto Sekhobela** use spatial economic development to identify manufacturing industries that can offer future growth and job creation in the Southern District Municipalities (SDM) of South Africa. The economy of these municipalities is mainly dependent on a declining gold mining industry. By utilising a methodology of shift-share analysis (often applied to studies of Economic Geography), the authors provides insight into the shifts of production between various sectors over time and the national share effect on production of these sectors in the region. From the results of the empirical research conducted it was found that the sectors with the highest growth potential are Transport Equipment, Petroleum and Chemicals, Furniture, Metal Products, and Wood and Paper Products, and they merit attention in future development initiatives.

In the second article, **Ernst Drewes** and **Ewert Kleynhans** re-evaluate the development and provide an objective overview of the successes and failures of the Platinum Spatial Development Initiative (SDI) in the North West Province. The article considers the historical context of the Platinum SDI and evaluates a number of arguments, either in support of or questioning the viability of the Platinum SDI. The article concludes that after more than a decade there is still little evidence that the Platinum SDI will in the near future be efficient.

Higher education institutions have an obligation to provide graduates with the necessary knowledge and skills to enter the workforce and contribute effectively to the financial and economic development of the country. After 1994, the South African educational system was redesigned replacing the Senior Certificate with the National Senior Certificate. By way of this exploratory research, **Annelie Oosthuizen** and **Riëtte Eiselen** investigated the perceptions of first-year B.Com (Finance) students on the skills acquired in the National Senior Certificate, as well as the skills required to succeed in their university studies. The results indicated that these students felt that they lacked some of the critical skills required for academic success at university.

With her article (a first of its kind for this journal), **Adri Drotskie** investigated customer and organisational value added through customer experience differentiation. Previous research has shown that the customer experience is a strategic differentiator leading to a competitive advantage for organisations. The customer experience is the interaction between customer and the organisation and should lead to value add. It is important though that value is added to the customer as well as to the organisation. The study then concludes by offering a measurement tool (validated through application within a retail banking environment) that was specifically developed to measure the value to customer (VTC) and the value of the customer (VOC) to determine whether optimal value was added. The outcome of the measurement can then be used by organisations to understand the customer value offering and the financial implications of value.

Shareholders and the business world alike have been shocked by corporate scandals, fraudulent financial reporting and business failures over the years. Environmentalists, human rights activists and society at large have also become far more conscious of, and increasingly concerned about corporate abuse of the environment and the society in which they operate. Organisations are increasingly realising that they are members of a wider community and must therefore behave in a responsible manner, one that respects the environment and the society in which they function and exist. **Ben Marx** and **Vanessa van Dyk** provide a brief overview of the development of corporate citizenship, sustainability and sustainability reporting and the board's role in this regard and provide evidence regarding the board's commitment to sustainability as disclosed in a company's sustainability reporting. This is achieved through a literature review of current corporate governance and sustainability developments and practices supported by empirical evidence obtained from assessing the sustainability reporting of companies through a content analysis of the annual reports of companies listed on the Johannesburg Stock Exchange (JSE) Limited's Socially Responsible Index (SRI). The study found that sustainability and sustainability reporting are widely researched and advocated in the literature, and that companies report a commitment to sustainability, but that these reports lack specific detail concerning the board's responsibility for and commitment to sustainability.