

**HOW A NEW BREED OF LEADER
CAN RADICALLY IMPROVE
BUSINESS SUCCESS IN
SOUTH AFRICA**

BY IAN FUHR

A group of diverse people, including a woman with glasses, a woman with a bun, and a man with a beard, are smiling and looking at a screen together. The image is framed by a white border.

Drastic times call for innovative solutions. South Africa is in urgent need of a new approach to business that will solve its unique and complex challenges. Enter the 'Cultureneering' concept that will give birth to a new breed of Culture-Driven Leaders.

WHAT IS CULTURE-DRIVEN LEADERSHIP?

Business leaders can no longer wait for our long-suffering economy to recover on its own. There is both a financial and moral obligation to support and uplift our people and to contribute to the building of the South African economy.



This new breed of Culture-Driven Leaders require specific talents and expertise over and above the traditional leadership competences that have largely failed South African businesses in the past. The old “tried and tested” leadership styles are simply not meeting the complex demands of our highly volatile socio-political landscape and have become inadequate in our ever-changing country.

Only when we accept the fact that what happens outside our businesses hugely impacts what happens inside them, can we start to address the real problems facing our country. Running a business in a polarised country with a melting pot of diversity, requires leaders that understand the complexity of building an inclusive culture out of a fragmented workforce.

A strong culture based on trust, equality, respect and a true sense of belonging. A unified culture that has a common purpose of obsessive customer service and is not only focused on chasing narrow financial objectives.

Cultureneering is a fresh approach to business success. It is sharply focused on creating a company culture that is driven by its ultimate Reason for Being and the core values of the business. The concept of Cultureneering goes way beyond the notion that culture is just “the way we do things around here.”

It’s a philosophy built upon a deep conviction that a common purpose of obsessive customer service can only ever be achieved when a group of diverse people have risen above their historical conflicts of interest and have come to understand, accept and tolerate their differences.

It is only when each member of the community cultivates a true sense of belonging and commits to the common purpose of service before all else, that South African businesses will be able to forge ahead and create wealth for all.

HOW THE SORBET GROUP WAS BUILT THROUGH AN OBSESSIVE FOCUS ON CULTURE

Most entrepreneurial stories start off with identifying a business opportunity, then working like crazy to get it off the ground. If (or hopefully when) this is achieved, the next step is to try and build a culture that will help the company achieve its objectives through its people.

I view culture in a completely different way. For me, culture comes first.

When I founded Sorbet in 2004, it wasn't because I had a burning desire to change the beauty salon industry in South Africa. It was because I had a culture framework that was ready for a business opportunity.

Over the previous 28 years, through my various entrepreneurial ventures, I had developed what I believed was the blueprint for a successful business culture.

I was convinced that, despite the complexity of the South African socio-political landscape, if you could create a working environment that was conducive to the creation of a common purpose of obsessive customer service, you had the recipe for a successful business.

It so happened that I found the business opportunity I was looking for in the beauty industry and I set about instilling that culture into the Sorbet chain of beauty salons. Over the next 15 years, Sorbet grew into the largest beauty salon chain in Africa.

In an industry where the competition was plentiful, it became clear that competitors could copy our look and feel, our marketing, our pricing and even our service menu, but there was one thing they couldn't copy... our culture of service.

The attitude with which our staff delivered their services became our biggest competitive advantage.

Today, I'm even more passionate about culture than ever before. I truly believe that we've built an entire methodology and toolkit around Cultureneering (pioneering culture in your business) that any business can embrace and follow.

It is my certainty that if we all embrace Cultureneering and become Culture-Driven Leaders as a result, that we can change the face of business in South Africa and spread success across our country and all levels of society

Are you ready to join South Africa's ranks of Cultureneers who put culture first?





6 STEPS TO CULTURENEERING SUCCESS

*Culture is not related
to the bottom line -
it is the bottom line*

1. UNDERSTAND CULTURENEERING AND THE IMPORTANCE OF CULTURE-DRIVEN LEADERSHIP

Culture-driven leadership is a type of leadership based on a true motivation to grow others through a deep and entrenched business culture that puts people first.

The culture-driven leader believes in the philosophy of Cultureneering, which states that culture and the bottom line aren't just related – **culture is the bottom line**.

- Culture-Driven Leaders work from the bottom up to build a nurturing community culture that has a solid foundation of service and upliftment, providing support, encouragement, equal treatment, effective communication and mentorship to employees, so that they in turn give exceptional service to customers.
- A Culture-Driven Leader uses the toolkit of Cultureneering to single-mindedly build a common purpose across the full spectrum of employees, which puts the customer at the centre of everything. They develop the skills of their people and build their self-esteem, thus enhancing their ability to continuously improve their service to others.

And the result? A sustainable, growing, profitable business that delivers on the moral obligations of South African businesses to lead the charge for change.



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2. BUILD A BUSINESS CASE FOR CULTURE-DRIVEN LEADERSHIP

We're a long way from where we need to be – as businesses, and as South Africans.

“When asked to pinpoint the causes of poor worker commitment and productivity, managers usually identify mistrust, communication, alienation, powerlessness, low self-esteem, lack of education, cultural differences and fear. They fail to acknowledge, however, that one of the root causes is the legacy of racial and cultural bias.

Surely it is no longer good enough to sweep race relation issues under the carpet in the hope that they will evaporate in the euphoria of political change. If anything, workplace polarisation could well deteriorate in the short- to medium-term as the various groups struggle to come to terms with the new order.

The ‘eggshell issues’ of racial discrimination, bias, prejudice and stereotyping, till now far too sensitive to discuss openly, need to become the subject of continuous debate at all levels of the organisation.”

It may surprise you to know that this was the introduction to an article I wrote for The People Dynamics magazine in June 1994, shortly after the first South African democratic elections.

26 years later, it's sad to think that the same introduction could easily be used in an article written at the beginning of 2020.

Despite the democratisation of our country, we're still faced with the many of the same challenges as we were back in the 1990s. In fact, some might say that the South African business culture has even gone backwards in many ways, damaging people, employer-employee relations, productivity, competitiveness and profitability as a result.

In short, we're all losing and it's time to do things differently.



The Setting: The Realities of the South African Business Landscape

Business leaders and entrepreneurs in South Africa are faced with enormous difficulties. Over and above the typical challenges of finance, cash flow, technology, operations, HR, sales, branding and marketing, our leaders are also confronted with the unenviable task of trying to build a meaningful culture in a highly volatile and complex social, political and economic landscape. I call this working environment a 'melting pot of diversity', and we're all in it – whether we want to be or not. Pretending otherwise is futile.

Different race groups, cultures, religions, political persuasions and genders bring their own beliefs, paradigms and behaviours to the workplace, based on their unique history of experience.

Each of these different groupings also brings an array of conscious and unconscious biases that greatly affect attitudes, behaviour and decision-making.

This often leads to a workplace culture that is riddled with misunderstanding, discontent, perceived discrimination, frustration, demotivation and even polarisation.

A fractured workplace culture invariably impacts negatively on productivity, performance and customer service, so to ignore the underlying consequences of our unique South African socio-political and economic environment is at best naïve, and at worst, irresponsible.

Either way, it's bad business.





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3. JOIN THE NEW BREED OF CULTURE-DRIVEN LEADERS

These turbulent times require an entirely new breed of business leadership.

Now, more than ever before, South African businesses need leaders with the skills and moral fibre to

- Create a common purpose in a country that has consistently failed to achieve a national sense of unified purpose
- Build a foundation of trust and safety in a country debilitated by mistrust and fear
- Enhance self-esteem in a country that has historically destroyed the self-belief of millions of people
- Foster a set of core moral values in a country that is plagued by violence, greed, corruption, xenophobia and the abuse of women and children.

Against this disturbing backdrop, our new breed of leaders will have to look beyond the confines of their own businesses and strive towards a higher purpose.

Culture-Driven leaders will have to commit to building a better country, not just a better business.

They will have to understand that we cannot separate the wide-ranging problems of our country from the more granular problems of our businesses.

In the past, many leaders have tried to build 'soundproof walls' around their businesses to keep human biases and stereotypes

outside the gates in the hope that the destructive external climate will eventually heal itself.

But sadly, hope is not a winning strategy. Asking people to leave their personal beliefs, problems and biases at the front door is like asking them to leave their brains behind when they come to work.

Whether we like it or not, racial, cultural, religious, political and gender biases and stereotypes cannot be checked in at security and picked up on the way out. Without exception, we are all products of our past and we are infused with a multitude of conscious and unconscious biases. These are neatly stored in our minds and we bring them with us to work.

The Role of Culture-Driven Leadership

Business leaders in 2020 and beyond need to set an example to government to show what can be done when:

- Culture is built around a set of moral values that puts people first and is entirely focused on customer service
- Trust, respect and community building become the foundation of a culture that everyone can believe in
- Employees have a sense of belonging regardless of their group or background
- Serving others becomes the common purpose and greed, corruption, discrimination and bias are thrown onto the trash heap of history.
- The upliftment of all our people stands at the forefront of our future

Then, and only then, can we start to rebuild a country out of the ashes of a misguided national culture.

Against the setting of a troubled country, business leaders must be measured, not only by their financial performance, but more specifically on the contribution they make to society and to building a better country for all.

These new South African leaders are going to drag us away from our fractured business cultures and debilitated workplaces that have landed us near the bottom of the world list of productive countries and lead us to a higher moral ground -- a place that most people would never have gone by themselves.

The challenge now is to arm these leaders with the skills and dexterities to broaden their horizons and to see beyond the limiting notion of 'business as usual'. Following simple old business principles in a highly complex society is no better than taking a knife into a gun battle.

Simply put, the country desperately needs a radically new style of leadership.



4. BUILD THE MORAL AUTHORITY TO LEAD

Culture-Driven Leaders are groomed to be able to cope with the complexities of our socio-political landscape and to create a working environment of respect, tolerance and trust between the different sectors of the population. This is an environment in which people are happy and content and that inspires them to motivate themselves.

The mere fact that you are a business owner or manager does not automatically provide you with the trust and respect of your people.

The 'power-based authority' of our traditional bosses has no place in our future. It has proven, over and over again, to be more a part of the problem than the solution.

The only authority that deserves the allegiance and support of your staff is the extent to which you show genuine concern for both their wellbeing and their personal growth and development.

Culture-Driven Leaders, Your Reason for Being and the Moral Authority to Lead

The challenge is to create a culture based on a crystal-clear **Reason for Being** and some deeply embedded **core values** that you will live and die for.

When you have created a culture in which people have a sense of belonging and common purpose and you have become a trusted and respected developer of people who is genuinely concerned about their well-being, you will have earned the **moral authority to lead**.

Then, and only then, will you qualify for this new breed of **Culture-Driven Leader**.



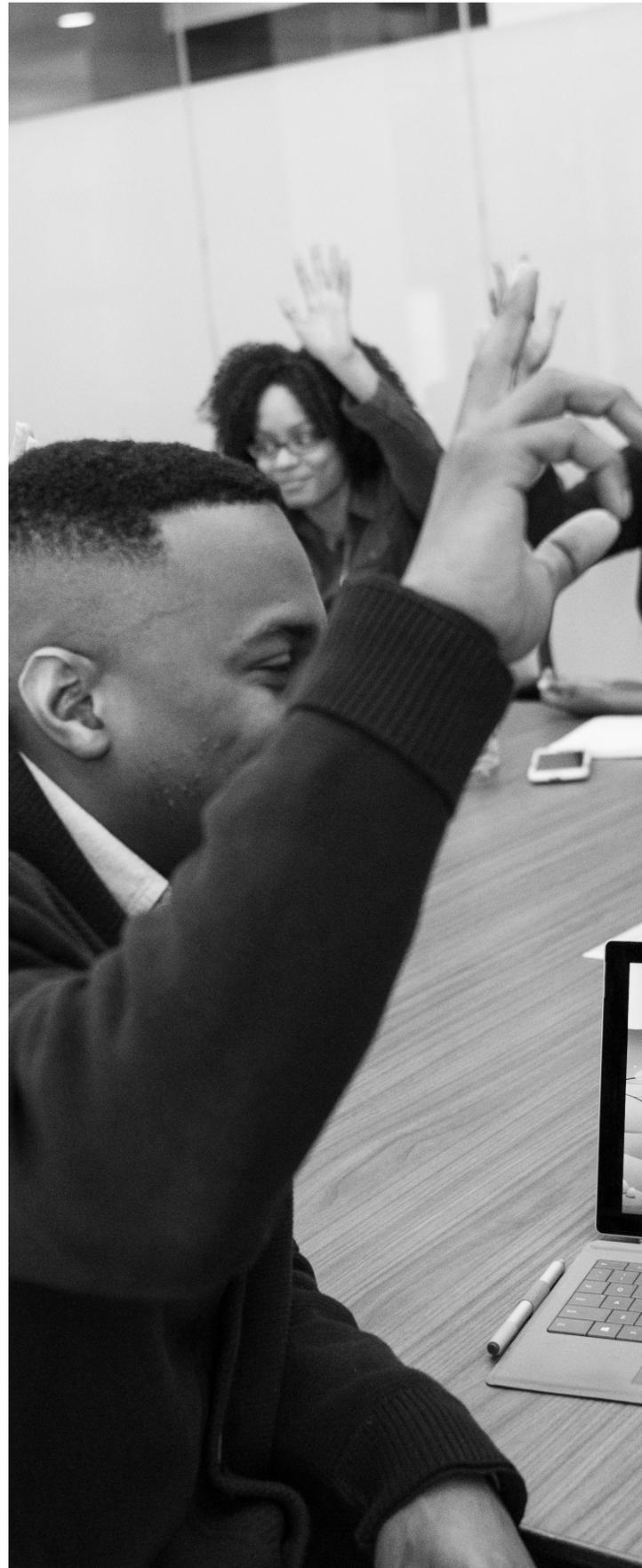
Culture-driven leadership has nothing to do with personal power or status. Instead, it is a type of leadership based on a true motivation to grow others through a deep and entrenched business culture that puts people first.

Rather than wielding power and fear from the top down, the culture-driven leader works from the bottom up to build a nurturing community culture that has a solid foundation of service and upliftment.

This new breed of leader should provide support, encouragement, equal treatment, effective communication and mentorship.

They single-mindedly seek to build a common purpose across the full spectrum of employees, which puts the customer at the centre of everything. They develop the skills of their people and build their self-esteem, thus enhancing their ability to continuously improve their service to others.

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5. YOUR PERSONAL LIFE JOURNEY

In order to become an effective culture-driven leader of people and to earn the moral authority to lead, you must first embark on a personal journey of self-discovery to identify your own obstacles on the path to becoming a better human being and also a better leader.

You need to identify the paradigms, beliefs and behaviour patterns that have shaped your life and understand how they were formed. You also need to be aware of your own conscious and unconscious biases.

Only when you realise how your ego, fears and unconscious biases (the “triangle of blockers”) have hindered your growth as a person and a leader, can you embark on a journey of change and transformation.

You cannot positively influence other people and create a culture of racial and gender equality if you still harbour your own deeply rooted biases and stereotypes. In other words, change yourself, before you

can ever hope to change others.

To be a leader that can inspire people to follow you to places they would never have gone by themselves, you must be a person who has great courage: the courage to be open and vulnerable, the courage to overcome the fears that are holding you back and the courage to ensure that your ego remains in check.

Your ego could well be your greatest stumbling block. As soon as you cross the line between confidence and arrogance, your credibility will be drowned.



6. MAKE CULTURE YOUR BOTTOM LINE

Many leaders struggle to see the connection between culture and the bottom line. I strongly believe that culture is the bottom line. Building sustainable profits without a strong underlying culture is like fighting a battle without the will to win.

Through this new breed of effective culture-driven leaders, we can start to rebuild a country that is in dire need of change. It will provide the moral compass to reverse the South African culture of rugged individualism, greed and corruption.

It will foster improved relationships in the melting pot of diversity and create workplaces across the country that are inclusive and equal. Ultimately, business leaders must play their part in creating a platform for a unified South Africa. The time for culture-driven leadership has come.

In summary, Culture-Driven Leadership requires the following key ingredients:

- Identify a crystal-clear reason for being; the ultimate purpose of the business that acts as a guideline for everything that happens throughout the organisation. Bear in mind that your reason for being needs to go way beyond making sustainable profits. It must rather be focused on the customer and your contribution to the betterment of society at large.
- Define a set of core values that shape the beliefs and behaviours required to achieve the company's reason for being. The values should not be mere words in a document but values that can be actioned and measured.
- Get every employee to understand that the purpose of work is to serve others and not merely to earn a salary. Money is always the result... never the purpose.
- Create a sense of belonging and a common purpose of service for all the people in the company, regardless of their differences.
- Develop skills and knowledge in order to improve the service to others
- Encourage positive attitudes towards their colleagues, their customers and the broader community.
- Build self-esteem, self-confidence and sense of self-worth.
- Create a place of safety in which people feel free to speak their minds without fear of victimisation.
- Foster a community of respect and acceptance amongst all the different races, cultures, religions and genders.
- Inspire people to motivate themselves.
- Serve the people who are serving the customers.

I'M READY TO MAKE A CHANGE

If these ideas and insights resonate with you, your views and the business you want to build, we're here to walk your journey to exceptional with you.

Welcome to The Hatch Institute

Ian Fuhr, a serial entrepreneur, author and founder of the Sorbet Group, is the founder of the Hatch Institute, which is inaugurating the concept of Cultureneering for South African businesses and breaking the seal on what "company culture" should really look like. Hatch is aimed predominantly at the growth and development of South African entrepreneurs and business leaders.

Walking your journey with us

Whereas most coaches focus on either life coaching or business coaching, the Hatch Cultureneering Concept is unique in that it links personal growth to business leadership and, most importantly, grooms business leaders and entrepreneurs to cope in the South African social, political and economic landscape, which is often a highly volatile melting pot of diversity.

WHAT SERVICES ARE ON OFFER?

- 1. Personal Life Coaching:**
The Journey to Exceptional, includes face to face and online coaching.
- 2. Hatch Cultureneering Programme.** Change your business from the inside out through our full Cultureneering programme. Our coaches will guide you through workshops, personal life coaching and the skills required to become a Culture-Driven Leader that champions a culture of service throughout your organisation.
- 3. Branding and Customer Service.** Build a brand that is obsessive about customer service.
- 4. Community Building.** Fostering relations of trust, respect and inclusion in a diverse workforce.
- 5. The Hatch Club.** A community club that offers our entrepreneurial members a range of learning opportunities and discount benefits.



CONTACT US

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