



## FAMILY BUSINESS

Building culture in an organisation takes time and effort, as Harsh Mariwala discovered when he embarked on the journey to create a unique identity for Marico

# Culture Gives the Organisation an Edge

Culture is defined in the dictionary as “a way of life of a group of people — the behaviours, beliefs and the values that they accept”. Values, in turn, are a critical part of every culture. Values exert a major influence on the behaviour of individuals in an organisation. They serve as broad guidelines to be followed in all situations. Organisations too need to define their values. But while determining values, they need to decide what is relevant for their business/strategy.

Marico's formation in 1990 gave me a great opportunity to establish the culture in a new company. Within nine months, we had recruited about 30 senior managers. Each new manager came from a different company and culture. Each therefore brought along a different value system. Soon, we realised that we had become a melting pot of different cultures with each one displaying a different leadership style. This necessitated the need to define a common culture and integrate the organisation, to articulate what we stood for and the values that were dear to us.

To create a template for Marico, I began by penning down the values that I had imbibed at Bombay Oil. I put down close to 20 pages of notes that spoke of various values. I then shared these notes with my management team. As we discussed these, it enriched the notes, gave them a better structure and helped us evolve a values document.

We stratified values into three segments: people, products and profits. These became the 3Ps for us. The next step was to share the values document with the next layer of managers. At an offsite retreat, we asked the larger team to critique the values document that we had initially arrived at in small teams. The critiques enabled further refinement.

The process of involving people both at the top (at my team level) and one layer below helped us get their commitment. Confucius

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rightly says— “Tell me and I will forget, show me and I will remember, involve me and I will understand”. At the end of extensive deliberations, we had a critical mass of 30 managers owning the values document. This broad-based ownership played a critical role in forming the culture at Marico.

The next step was to share the purpose of the value journey with the organisation at large — our field force spread across regions and our workmen at our factories. We did this over the next two years.

Mariconians believe the ‘Human mind is like a parachute. It only

works when open’. Openness is thus a treasured value for us. Here is an example. When we were moving to a new office in 1991, the brief given to the architect was that it should reflect openness. As a result, the office was designed to provide a view of all to all. Everyone could see what everyone else was doing. This didn't leave out the top team.

We continue to reinforce the value of openness through annual Open House sessions. Members are encouraged to put questions to the management on anything and everything. Besides this, members attend, within their first year in Marico, a six-day Relationship Management Programme (RMP). The RMP helps reinforce several values, including openness. We also have Relationship Reviews, wherein each team, including the bosses and their subordinates, go to an outside location to discuss their relationships and how those could be more open. Our annual Goal Setting and Review processes encourage members to define their own goals with their own performance indicators. These are reviewed periodically and jointly.

We have built a unique culture over a period of time. But a key challenge will always remain. That is about ‘Enculturation’. When we recruit fresh talent, we have to make them go through the values journey. We need to define to them what it means to be a member at Marico. One of the biggest chal-

lenges faced by an organisation when it recruits professionals from outside is how to integrate and assimilate them into the organisational culture. It is very important to proactively deal with this issue and ensure that newcomers imbibe this culture in a sound manner.

A unique or distinctive culture offers a competitive advantage. Especially so, when it is designed to synergise with business strategies. Your competitors may copy your products or technology, but it is impossible to copy your culture.

The enculturation challenge has now emerged as a global one, as we acquire companies in India as well as abroad. We have dealt with newer challenges as we expand in other geographies. Our values remain the same, however; we interpret them in the local context. We have consciously adopted a gradual process of inculcating the Marico culture in acquired businesses.

The top management plays a crucial role in driving the culture of an organisation. It has to continually ‘walk the talk’. It has to give the right signals all the time. Reinforcing values is indeed a continuous task of every leader!

EXPERT VIEW

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