



▲ Combining a strong company culture with great employee experiences is crucial to forming a foundation for corporate growth and success, says Nicol

The future of business: What does it take to reinvent?

To thrive in an era of constant disruption, organisations need a future-ready business model and a transformative corporate culture. In an interview with *Arabian Business*, **Sylvie Nicol**, Executive Vice President of Human Resources, and Infrastructure Services at Henkel, talks about the steps to get it right

IT'S ONE THING FOR COMPANIES TO recognise they need to redefine the way they do business to succeed in an age of disruption. It's another thing entirely to understand how to achieve that. How do companies get started on their transformation journeys to become more future-ready?

In my view, there are two integral components: A business model capable of addressing the evolving needs with agility and, equally important, a strong organisational culture, in which people can unfold their full potential. What does this mean in practice? We need to create an environment that encourages entrepreneurial thinking and where employees can grow - both professionally and personally. As a global company

operating all over the world, we need to collaborate across borders. The prerequisites are strong leadership, mutual trust and shared values. This is even more important in volatile times.

In a fast-paced and a highly competitive environment, it is important for a global organisation like us to be agile and flexible and give our team members greater decision-making authority. This requires leaders who think strategically

8.1%+

Henkel's organic sales growth in the Middle East and Africa region in the third quarter of 2021

and a culture conducive to constant reinvention. And of course, we need a clear growth strategy with future-oriented business models that help us in gaining a competitive edge and capturing our full potential through innovation, sustainability, and digitisation. Strategic focus is important, but at the same time we need to remain flexible and keep adapting and questioning.

It is said that culture is the secret sauce for business. What are the keys to building a resilient organisational culture and how does it boost employee engagement?

Whether an organisation's employees and leadership realise it or not, every company has a culture. It's defined

by what the company stands for. It is the sum of all behaviours. Combining a strong company culture with great employee experiences is crucial for not only employee satisfaction, but also to form a foundation for growth and success. Workplace culture should instil a sense of purpose and belonging in every individual. Our company's purpose 'pioneers at heart for the good of generations' expresses what unites us.

We believe in entrepreneurship, sustainability, and responsibility for all our people. We have a diverse global workforce with employees from around 120 nations in more than 75 countries and this is what makes us strong. We foster diversity by actively offering job rotations within the organisation to enable our employees to broaden their skills and think outside the box.

Why is digital transformation important and why do they say it's a journey not a destination?

Transformation, be it cultural or digital, is not an easy task. The key is to approach transition as an ongoing journey where you can implement the right practices in your organisation and make tweaks along the way. So even once you reach maturity across all dimensions, there will be a need for continuous innovation and learning.

At Henkel, we believe in utilising technology to its fullest. We employ a 'data-driven' approach that enables us to take strategic decisions based on data analysis and interpretation. Digitalisation makes us more efficient and agile and offers new opportunities for our businesses.

However, there is no digital transformation without a cultural one. People are the driver, not the software. For me, it is all about how we use technology to reach the goals of our people and in doing so we take all employees with us, irrespective of their age, level or location. At Henkel, we have launched a company-wide digital upskilling initiative and have significantly expanded our range of learning opportunities this year. In October, we initiated a company-wide 'Learning Festival'.

The pandemic has turned the world upside down. How did you deal with it? During the crisis, our employees have proven the ability to adapt and stick together to deliver strong results. I find it



▲ Henkel has been fostering a cultural transformation which include the growth of all its employees

almost inconceivable now how sceptical many people, including me, used to be towards mobile work in the beginning. We have proven that it works.

However, I am convinced that a strong company culture cannot emerge purely from virtual collaboration. Over these past months, we have once again shown how strong our spirit is and how we work together as truly one global team. But looking forward, we need to combine the best of both worlds - mobile work and office. We are determined to capture this unique window of opportunity the pandemic has created - the openness of people to change their old habits and leave their comfort zones.

“When it comes to digital transformation, everyone talks about technology. But there is no digital transformation without cultural transformation. People are the driver, not the software”

36.9%

The percentage of women in management positions at Henkel

What is your personal outlook on cultural transformation?

Cultural transformation is more than just a phrase. It's a commitment to shifting a company's culture to foster a sense of belonging among our employees. It is an investment for the long-term success of an organisation. I believe it is important that we start with ourselves. There is no cultural transformation without personal transformation. It's important to be self-critical and be open to change.

For a company like ours with around 145 years of experience in the markets, cultural transformation means progress and adaptation. Our leaders play a vital role and without their commitment to transform the culture, employees are not likely to make lasting behavioural changes on their own.

How does inclusive leadership influence employees' behaviour?

A strong and inclusive leadership creates an environment of trust and transparency that embraces entrepreneurial energy and empowers decision making. Inclusive leaders create an atmosphere of mutual respect, recognise employees' strengths and uniqueness, and bring out the best in the team and each individual.

It's important that our leaders are accountable and we measure leadership on these topics. Good leadership is also about empowerment, enablement, empathy, and inclusion.