



A WINNING CULTURE is your MOST PRECIOUS LEGACY

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FAMILY BUSINESS TIPS

THE AFRIKAANS BOOK, NALATENSKAP (LEGACY) WAS PUBLISHED IN DECEMBER 2022 AND WAS IN ITS SECOND PRINTING WITHIN SIX WEEKS. **YOUR MOST PRECIOUS LEGACY IS TO ESTABLISH A WINNING CULTURE FOR YOUR POSTERITY.**

During a meeting with Gareth Ackerman from Pick n Pay, he explained to us how difficult it was for them to adjust their business strategy. The culture in Pick 'n Pay was contrary to the new way of doing things. His words were, "Culture eats strategy for breakfast."

Family businesses develop over time a CULTURE of how things are done. If the CULTURE is based on GOOD HABITS (PRACTICES), then we create a WINNING CULTURE. However,

should BAD HABITS become established over time, then we create a LOSING CULTURE.

Children who become involved in the family business can sometimes take chances because they may think that it is their right and that the family business is their inheritance.

Watch out for this! This creates a culture of taking chances because other employees, family members and non-family members, can start imitating the bad habits without reason or understanding. "Monkey sees, Monkey do."

LEGACY has a much deeper meaning than just inheriting material assets. **LEGACY is not only about what we**

leave FOR our children, but especially also about what we leave IN our children.

It's about life skills and deep-rooted values that enable the next generation to grow the family business sustainably for the generation that will follow.

Kallie Schoeman, from the Schoeman family farm, explains it to the young farmers like this: "What is important in our value system of every family, and specifically with us, is that the land does not belong to us, we belong to the land. We are only the stewards who must leave it in a better condition for our unborn posterity."

The book LEGACY is based on the author's extensive experience of the ups and downs that take place in family businesses. The book includes real and fictional characters.

There are real characters who are only referred to and then there are also genuine characters who play a prominent role in the story: for example, Fanie van der Merwe van Boplaas 1743, the oldest family business in South Africa, the German Thiele- family in Lüneburg, Leon Diederichs and their family business in Somerset West, and Willie Nel from Moolmanshoek in the Eastern Free State.

However, the story is predominantly fictional, with lots of drama and intrigue about the impact of wrong choices, but also to illustrate the impact of good practices.

A very important lesson in this book is that we must remember that negative choices, just like positive choices, are easily passed on to the next generation and that the fruit of these choices that we sow will take root in our descendants. We must also learn to address or correct the outcome of wrong choices.

A winning culture starts with the family's core values. Families normally have highly personal values. It is important that the family agree on their core values and that these values are applied in the workplace. If it is applied effectively, it will over time lead to shared beliefs, attitudes and ideals that infiltrate the family business.

However, values must be both believable and consistent. The family must believe in the values to ensure they will be lasting.

The values must stand the test of time, similar to a marriage vow - for better for worse, for richer, for poorer, in sickness and in health. Only then can the values infiltrate the culture of the business enterprise.

To ensure a WINNING CULTURE, and therefore a GOOD LEGACY, it is important to differentiate between good and bad habits in your family business.

Make a list of good and bad habits. Remember, it is often the little foxes that destroy the vineyard. If it continues unabated it forms a bad habit

that can spread like cancer through your family business.

For example, a family member often does not show up for work on time. Other employees can quickly begin to believe, "that's the way of doing things," and begin to imitate and thus establish the habit.

To ensure that you promote existing good habits and address bad habits, divide them into the following three categories:

- List the positive habits that add value and must continue.
- List the negative habits that need to be destroyed and stopped.
- Also list good habits that can add value but do not currently exist and need to be started.

In the next newsletter, we will focus on the importance of STEWARDSHIP, to ensure a good LEGACY.

For a list of English & Afrikaans books written by André Diederichs visit :

<https://andrediederichs.co.za/books-dvds-cd/>

Some of the readers of the book.

