

# Telecom Giant Builds a High-Performance Cultural Operating System™



Since 1994, MTN Group, a \$15 billion Johannesburg, South Africa-based multinational mobile telecommunications company, operating in many African, European, and Middle Eastern countries, has invested significantly in advanced communications networks, connecting more than 208 million people in twenty-two countries.

## THE CHALLENGE

MTN Group faced the risk of being victimized by its own success. After a rapid growth period, the mobile operator had a well-established subscriber footprint. But a variety of traditional and new digital services competitors noticed the opportunity and began moving in, trying to push prices down.

The external environmental pressures and internal drivers of change demanded new skills and competencies from all of MTN's operations and employees. But a few executive pronouncements or training rollouts wouldn't create the top-to-bottom behavioral change that executives knew was necessary to remain competitive. The entire organizational culture needed to change.

"We established a new vision for the company, and now needed to start becoming clearer on issues of behavior and culture that have either a positive or negative impact on our business," said Group President and CEO Sifiso Dabengwa.

## THE CULTURE CODE

Dabengwa and his team learned about the Cultural Operating System research from VitalSmarts—exploring the written and unwritten rules and norms that guide the behavior of a company's human system—and introduced it to their employees.

"The timing was great because our executive team was asking, 'How are we going to influence all our stakeholders to embrace this new vision?'" recalls Paul Norman, Group Chief Human Resources and Corporate Affairs Officer.

## GETTING STARTED

VitalSmarts recommended using the Influencer methodology to help transform the MTN culture. A few months after the executive decision was made, Charl Cuyler, Group General Manager for Organizational Development and Learning, partnered with VitalSmarts to start the process. He formed a global



technical team to help executives in the “Pathfinder” companies (the five MTN operating unit CEOs tasked with paving the way for the new MTN culture transformation) implement the VitalSmarts Applied Influencer process. These executives reported their experience to their peers at the January quarterly review meeting, facilitated by VitalSmarts cofounder Joseph Grenny.

The Pathfinder CEOs were surprised by the depth of feedback they gained from personally facilitating culture engagement sessions with their opinion leaders and staff. After reviewing the feedback, the newly established the global technical team took the next step in the process—they used the feedback to identify the four vital behaviors that would have the biggest impact on success or failure of the MTN culture. The four vital behaviors that all MTN employees needed to embrace were:

**Complete candor.** I openly and candidly share my views, regardless of the level or position of the person I’m addressing.

**Complete accountability.** When I need to hold people accountable to commitments and results, I speak to them directly, regardless of whether they are peers, senior leaders, direct reports, or anybody else.

**Get it done.** When I notice problems or risks, I take action to try and resolve them, or escalate when I can’t, rather than waiting for someone else to notice them.

**Active collaboration.** I do not hesitate to sacrifice time and resources to support colleagues, within or outside my function, in the best interest of the overall enterprise.

## A CALL FOR COMMITMENT

After sifting through all the input from the Pathfinders, Dabengwa asked the rest of the operating CEOs if the group believed this new Cultural Operating System was strategically crucial. All agreed it was. Next

he asked who was willing to invest their personal leadership effort to influence the culture change required for MTN’s future success.

As they started discussing the way forward, their confidence in the strategies and tools grew. Cuyler said the CEOs were positively influenced by the experiences of the Pathfinders, as well as by the case studies Grenny shared of other organizations facing similar challenges.

But there was some resistance. After all, MTN was already a dominant presence and successful brand in the Africa and the Middle East markets. Some leaders felt entrenched in their day-to-day responsibilities and thought of the culture work as a potential distraction.

By the end of the meeting, about 80 percent of executives present jumped in, with the rest taking a wait-and-see attitude.

## THE FUTURE

According to Norman, MTN is now on board with “strong leadership accountability for ensuring the vital behaviors and culture playbooks are executed.”

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Paul Norman, Group Chief Human Resources and Corporate Affairs Officer, MTN

Cuyler’s global technical team are using the lessons learned to provide direction and support for the four strategic culture transformation capabilities:

1. Building skills for vital behaviors
2. Driving leadership accountability for culture change
3. Mobilizing opinion leaders
4. Implementing local COS influencer strategies

Group leadership and global communications are integrating the MTN Cultural Operating System efforts into road shows, on the company TV channels, and in newsletters and e-mails.

As proof of MTN’s overall commitment to the endeavor, the CEOs have a new Key Performance Indicator tied to their incentive structure based on how vital behaviors impact engagement and efficiency targets. And although the implementation of the culture shift is in its infancy, changes are already taking root. MTN has already realized the following early impact indicators:

- Communicated the business case for culture transformation and vision for the future
- Developed capacity to identify solutions for increased levels of culture efficiency and effectiveness
- Positive shifts in employee engagement
- Vital behaviors becoming a way of life for expectations and decision-making
- Increased awareness for accountability and culture change at MTN
- Collaboration integrated into various strategic projects and initiatives as a key enabler for execution and success
- Culture viewed as a strategic asset by the MTN board and an investment in the long-term future success of the company
- Opinion leaders identified and used as change agents throughout the business.

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