



Grant Field, Fedgroup

COVER STORY

How to get shit done

*How do you drive a company-wide innovation programme?
It starts with a foundation.*

 Matthew Burbidge  Karolina Komendera

Just before my interview with Grant Field, CEO of financial services firm Fedgroup, I'm wandering around the building, and come across the canteen, which, just before lunch, is filled with people laughing and eating. Two staff members are playing pool, and everyone seems to be having a good time, like they're out at a restaurant. How has this small company, with less than 200 employees, taken on other giants in financial services? And how come all the staff seem so happy?

Inside, people look a little more business-like, but then again, they aren't on a break. There are a couple of 3D-printed avatars around the place – some in a display case, others on desks, some of which I recognise from a *Minecraft*-like world (but it's called FedTropolis) displayed on a big screen in a common area. There's also a nice big vending machine filled with treats, but strangely, there's no coin slot and it doesn't appear to accept any kind of money. There's also a room with a label outside: 'Get shit done.'

After a quick bite in the canteen, I'm in Field's corner office. He's wearing a monogrammed Fedgroup shirt, and is complaining, bitterly, about his new Apple laptop.

"I really loved Steve Jobs for what he did. But I hate Apple now," he says, gesturing dismissively at the machine lying closed on a table, "and I've had to buy a spare laptop. Can you believe it?"

With hardware or software, or people, for that matter, one gets the sense that 40-year-old Field doesn't have a lot of patience for things that don't work.

Excuses to succeed

How, exactly, does a company reinvent itself? If it's a big company, the answer is 'with difficulty'. But smaller companies, too, will need a plan of digital modernisation. After that, how do you bring along your staff, who are, without the right incentives, probably

averse to change? Few businesses manage this, and the reasons are legion. It's far more likely there will be pockets of innovation, and areas of excellence, while everyone else keeps on doing what they've always done. This, however, is changing, as technology allows greater visibility into what customers want, and provides metrics into how effectively employees are delivering the product or service.

Whatever your route, a foundation, or perhaps a platform, is essential, and this is perhaps Field's greatest achievement.

He is in the relatively rare position of having graduated from the role of chief technologist to chief executive. It's an increasingly popular route to the top: aside from the growing role of technology, who better than the CIO, after all, will understand the whole business?

Secrets of success

He joined the company in 2002, initially to sort out its IT infrastructure, and has been the CEO since 2016. His father, John, started the business in 1991. It's still a family affair, and thick with brothers: Scott is on the board, Brett is chief innovation officer, and Michael is chief projects officer.

Fedgroup only employs around 160 people, and Field says that for their size, it's 'incredibly broad'. It started with a specialist investment participation bond around 29 years ago, and also had a fiduciary business dealing with wills, trusts and estates. It still does all of that, and diversified into life insurance, pension funds and asset management about a decade ago. This has meant it has ended up with quite a number of competitors.

Field believes the products – of his competitors, that is – are 'plagued' by complexities, legacy and a lack of transparency.

It seems that at least part of Fedgroup's success lies in the ease of use and simplicity of products. But this belies the fact the company has spent over a decade building its own software.

How did the company get here?

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Actor David Hasselhoff has lent his name to Fedgroup's Impact Farming campaign.



Fedgroup used to be owned by Fedsure, and after its collapse, was taken over by Investec in 2000. Field says his father had preemptive rights, and bought himself out, leading to Fedgroup becoming a family-owned business.

This brought its own challenges. "The company had relied on big brother for everything, and suddenly there was no one to look after the infrastructure," says Field.

He remembers he'd finished university and was running his own businesses, when his father asked him over the holidays if he wouldn't mind coming on board to help.

Initially, he told his dad he wasn't interested, but 'eventually he talked me into it'. Field agreed to come in for three months, but, as it turns out, he's never left.

What state did he find the technology in?

"There was very little. There were some PCs, kind of networked together. And I remember saying to my father 'we need a server, we need email, and we need a website', and he replied, 'all our clients still fax us'. But he was forward-thinking."

Field went to work. He built a server room 'with a raised floor', and, working weekends and nights, 'pulled' the network himself.

"I was so young. I slaved. I read textbooks to make sure I was on top of my game."

It was only when he became head of operations for trusts that he decided the company needed a proper system to manage its

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clients and products. The first version of the system, called Azurite after the semi-precious stone, cost R180 000, and, says Field, 'we built it like Twitter. It has multi-tier architecture because we knew the thing was going to have to scale. Still, it took six months to get a basic database in place, and another three years to get a proper CRM.'

Field remembers spec'ing the first version on a whiteboard, "and if a programmer said it couldn't be done, I'd start to code. And then they'd sit there for six hours while I coded away and proved it could be done."

He enthuses that Azurite can be used for anything. "It doesn't matter if it's a financial transaction, an email or a fax. It doesn't matter if it's a ledger or docu-

ment. The system is tied into the banks, home affairs, the markets. It's an automated system. We've plugged away at it for 12 years now."

Attention to detail

Field leans forward when he starts talking about accuracy. He, and every other manager, have total visibility of the business, and in real-time, not in board or management reports once a week.

"I know my sales numbers in my head because I look at them every day. I know my cash flow, I know everything. My data is 15

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minutes old. It can be unreconciled, or emails, faxes, from the call centre, debits and credits. Everything, with 15-minute accuracy.”

He says with this kind of accuracy, the company is now able to offer predictions. He recounts being given a sales number – which he knew to be wrong – on the morning of a companywide meeting. He was given a new number, now only an hour before the presentation, and was told ‘this is what the number is going to be by the time you’re doing your presentation’.

This level of detail is also present in the management of staff.

Field wonders aloud why it’s still acceptable for a board of directors not to understand technology, and he expects his team to keep abreast of the latest trends. There’s a stack of copies of the same book on his desk, *Modern Monopolies: What It Takes to Dominate the 21st Century Economy*, which he’s going to be giving to his board.

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On seemingly every wall in Fedgroup, there are screens with dashboards. These are measuring staff SLAs, such as unreconciled issues, or the number of missed phone calls.

“If you can measure, people now know what they have to do.”

There is some gamification and rewards built into the system. Remember the slotless vending machine filled with treats? That automatically opens once an SLA has been reached. The only way to open it is to perform your job more quickly and with greater accuracy. Field says a group risk quote used to take 10 days to prepare; and the team got it down to four hours. Now it’s an hour. And after each milestone, the service level is upped. The teams are perhaps victims of their own success, because now ‘it opens rarely’.

Come together

Field says the company is looking at a more integrated approach with the vending machine and the *FedTropolis* game.

He says he was careful, as CEO, not to mess around with the company culture on day one, and focussed on making people comfortable. Then: “We started to put on the pressure.”

He says it must still be a fun place to work, and they’ve started to institutionalise its values, one of which is ‘get shit done’.

“It’s not get s### done, but, rather, ‘Get shit done’.”

Field says his next strategy is to build a platform business, and he believes there isn’t a proper financial platform in the market, or at least not in the way he envisages it. He has some abstract ideas about this; the platform will be open, and will offer all of the company’s products. There will be multiple entry points, and, again, it’s going to be a single system.

He also thinks that for a company to succeed, it’s going to need to place itself at the confluence of technologies.

“How can you be in short-term insurance without IoT? How can you be in health without a (fitness) watch?”

Field says the company has grown its staff complement for the last two years, at 40% per year. But the hiring is now slowing, through greater efficiencies. With its Impact Farming initiative, however, there are vast opportunities for employment.

“You need to get farmers and people in general doing things. I think banks hiring people is the wrong model. Banks getting entrepreneurial businesses is going to grow the economy, that’s the right model. Our aim is to lower the Gini coefficient. That’s our pie in the sky.” **b**

TAKING THE ‘HASSEL’ OUT OF FARMING

Fedgroup has a new energy about it, and its adverts seem to be everywhere these days, fronted by David Hasselhoff, who seems to be making a very nice living playing a self-deprecatory version of himself. Hasselhoff has even lent his name to Fedgroup’s Impact Farming campaign, which promises ‘Hassel’-free investing.

It’s a peer-to-peer system for investors and farmers, and has three offerings: beehives, solar energy and blueberries. The minimum investment is R4 000 per hive, R5 000 per solar panel, and R300 per bush. Fedgroup’s Grant Field says the blueberries are the big seller, because their low price poses a low barrier to entry, ‘which was our intention’.

Investors get two payouts a year for the fruit and honey, and receive a monthly income from the solar cells, and can expect average returns of about 12% over the eight-year life of the berry bush, or R600 per bush. Solar panel owners will see about a 10% return per year.

Since launching in October, almost 50 000 people have downloaded the app, over 30 000 have registered and close to 7 000 have purchased Impact Farming assets.

There’s also an IoT play here – improving efficiencies makes for better returns.

Field says there are sensors in the hives that measure temperature and monitor sound, both a measure of the hive’s health. This data is then returned to the beekeepers.